HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

THIRD SESSION—THIRTY-FOURTH PARLIAMENT

41-42 Elizabeth II

VOLUME XII, 1993

COMPRISING THE PERIOD FROM THE EIGHTH DAY OF DECEMBER, 1992
TO THE SEVENTEENTH DAY OF FEBRUARY, 1993

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, December 8, 1992

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

ORDER IN COUNCIL APPOINTMENT

TABLING OF CERTIFICATE OF NOMINATION

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, I have the honour this morning under Standing Order 110(2) to table a certificate of nomination in the Chamber.

* * *

PETITIONS

IMMIGRATION

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have the honour to present, pursuant to Standing Order 36, two petitions this morning. The first one points out that family class and assisted relative immigration has always been an important part of Canadian immigration and that family class and assisted relatives have people in Canada who will assist them with finding employment, housing and learning the Canadian language and customs.

• (1010)

It calls upon this government to reverse its current policy and undertake to make family class and assisted relatives always the priority for immigration.

THE PUNJAB

Mr. Jim Karpoff (Surrey North): Mr. Speaker, the second petition points out that 75 per cent to 80 per cent of all activity in the New Delhi office in India comes from people applying for immigration or visitors' visas from the Punjab.

It also points out that it is very difficult for people to travel from the Punjab to New Delhi, and calls upon this government to immediately establish a consular service for immigration and visitors' visas in the Punjab.

ROYAL CANADIAN MOUNTED POLICE

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I have the honour to present three petitions this morning.

In the first one, the petitioners are concerned about the cuts to funding for the RCMP. They ask the government to re-examine the decision to force the province to increase funding for the RCMP as a federal police force.

VIA RAIL

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, the second petition that I have concerns the cuts to the VIA Rail system.

This petition has signatures that are mostly from Saltspring Island, Sidney and Victoria. The petitioners ask the government to maintain VIA Rail's present national network and to upgrade VIA Rail with new equipment.

THE ENVIRONMENT

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, the third petition is concerned with Canada's loans to Brazil and the use of that money for destroying the rain forest.

The petitioners ask that the Canadian government develop a policy that will prevent any Canadian capital from being used to damage or destroy a rain forest, including construction of dams, clearing of land for cattle ranching and development of mines, all of which would extinguish species and displace and irreparably harm native people.

GOODS AND SERVICES TAX

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, the petitioners in this first instance deplore that the Government of Canada has imposed the goods and services tax on magazines, books and newspapers.

They ask that this be removed. They point out that dissemination of the printed word is a cornerstone of democracy, our cultural heritage and our education. They point out as well that in order to have a productive society, there must be no tax.

STUDENT LOANS

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, in the second instance the petitioners indicate that the 3 per cent tax on student loans is still in operation. It had been promised to have been removed.

The petitioners also indicate that other cuts to transfer payments for health and education are inappropriate and are counterproductive to increased productivity and competitiveness.

BILL C-91

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, I have the honour to present a petition duly authorized under Standing Order 36 concerning Bill C-91 which is coincidentally being debated in the House today.

The petitioners point out that Bill C-91 will, as Bill C-22 its predecessor did, make drugs more costly to the Canadian public. It will be an added financial burden on the provincial and private drug plans. They point out that although it was said that Bill C-22 would not result in increased drug prices, it did. The petitioners have no confidence that Bill C-91 will do any better.

PROUD TO BE CANADIAN

Hon. William Rompkey (Labrador): Mr. Speaker, I have the privilege today of presenting two petitions.

The first is from a group of my constituents in Happy Valley, Goose Bay and Labrador, who are calling upon Parliament and indeed all Canadians to 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 all Canadians for the further advancement of Canada as a leader in world circles and to promote our tremendous pride in being Canadians.

CHILD POVERTY

Hon. William Rompkey (Labrador): Mr. Speaker, the second petition is from a group of people from the island portion of my province who are calling upon Parliament to reaffirm its commitment to seek to eliminate poverty among children in Canada by the year 2000 and to develop a plan for the implementation of this commitment.

NORTH THOMPSON RIVER

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is an honour to present a petition on behalf of a number of constituents from the Kamloops constituency, namely the community of Clearwater, who point out their deep concern regarding a plan to divert part of the North Thompson River near Valemont in order to sell one million acre feet of fresh water to California, U.S.A.

They are simply asking the government to announce and take steps to pass legislation ensuring that our Canadian rivers will not be diverted.

INCOME TAX ACT

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on another issue, the petitioners again from Kamloops point out that selected professional groups now under the Income Tax Act can deduct a write-off for dues, equipment and services necessary for the operation of their profession.

Under the present law, teachers are precluded from receiving such benefits. They are calling upon the government to take action to provide an element of fairness in the tax system and to treat teachers as other professionals are treated.

ROYAL CANADIAN MOUNTED POLICE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, again the petitioners from Kamloops are concerned about what they perceive to be increasing levels of lawlessness in some of the rural communities.

They are asking the federal government to take whatever steps are necessary to ensure that the Royal Canadian Mounted Police can fulfil its mandate and role appropriately.

FIRST NATIONS OF CANADA

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, a number of petitioners from the communities of Fort St. James, Simon Fraser University, Nanaimo, Chemainus, Qualicum Bay and Ladysmith, point out that they hope the day of June 21 will be set aside as a day respecting a national solidarity date for the First Nations of Canada.

They unfortunately point out that the Conservatives in the House of Commons would not co-operate and therefore this is not proceeding at the moment.

Mr. Speaker: I hesitate to interrupt, but hon. members know that in presenting petitions, they must stick very closely to what the petition is demanding and not get into debate.

The reason for that is that nobody else can enter into debate if the comments that are made seem in the minds of some others to be rebutted. I know hon. members will want to co-operate on that.

UNEMPLOYMENT INSURANCE ACT

Hon. Herb Gray (Windsor West): Mr. Speaker, I take pleasure in presenting to the House a petition signed by a number of people of Windsor in Essex county.

The petitioners request that Parliament take all necessary measures to preserve the policies of section 26 of the Unemployment Insurance Act and continue to work in partnership with the province of Ontario to train and retrain the residents of Windsor and Essex County in this time of excessive unemployment.

These petitions have been duly certified according to the rules of the House.

[*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 area of Lebel-sur-Quévillon. The petitioners state that movies of violence on television and certain news reports on the radio are dangerous and should be prohibited because they encourage more violence.

Therefore, the petitioners humbly pray this Parliament legislate on those points in order to restrain violence in our society, and thus better protect our children and give Canadian citizens a better quality of life.

[*English*]

YOUNG OFFENDERS ACT

Hon. William Scott (Victoria—Haliburton): Mr. Speaker, I am pleased to present a petition duly certified by the clerk of petitions signed by 97 citizens from Lindsay, Omemee, Pontypool, Kirkfield, Little Britain, Beaverton, Dunsford, Oakwood, Newmarket and Oshawa.

They are calling upon Parliament to revise the laws of Canada to replace the Young Offenders Act with an updated juvenile delinquents act and a lowered maximum age of 13 years.

* * *

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 ask, Mr. Speaker, that all questions be allowed to stand.

Mr. Speaker: Shall all questions stand?

Some hon. members: Agreed.

* * *

PRIVILEGE

MINISTER OF NATIONAL DEFENCE

Hon. William Rompkey (Labrador): Mr. Speaker, my question of privilege arises out of the fact that the Minister of National Defence has consistently refused to appear before the Standing Committee on National Defence and Veterans Affairs.

The minister has given as his excuse the fact that he is too busy and that he cannot put it into his schedule. Yet the minister has seen fit to appear before a Senate committee and another committee of this House.

• (1020)

SPEAKER' RULING

Mr. Speaker: The hon. member for Labrador feels that the fact the minister has not appeared before the committee is a breach of the member's privileges and not the privileges of the House. I understand perfectly well the grievance that the hon. member brings to the floor of the Chamber but it is not a question of privilege.

Whether a minister appears before a committee or not is not to be debated here unless of course the committee decides to ask the House to compel the minister or any other member to appear and that must be the avenue of relief that I would ask the hon. member to pursue.

Mr. Brewin: Mr. Speaker, on this point—

Mr. Speaker: I have made my ruling. Just a moment, nor have I recognized the member. The member for Victoria rises on this point. I have made my ruling and while I am always very sympathetic and sensitive to those who want clarification of rulings, once the ruling is made that is it. I am sure the hon. member will understand that.

Mr. Brewin: The Speaker read my mind. I was going to seek clarification of the Speaker's ruling so that we might, as members of the defence committee, more clearly understand.

As I understood it, the Speaker was suggesting that it is necessary for—

Mr. Speaker: Just a moment. The hon. member not only read my mind, he listened to what I said. The two do not necessarily always happen in conjunction, one with the other.

The members of the committee are free to discuss among themselves what they wish to do. It is not for the Speaker to tell them what to do or, for that matter, to go beyond the most subtle suggestions. I am sure the hon. member, as he did earlier, has read my mind.

* * *

BUSINESS OF THE HOUSE

Mr. Dingwall: Mr. Speaker, I have a few questions for the parliamentary secretary concerning House business for today and perhaps even tomorrow.

As the parliamentary secretary knows, the Minister Responsible for Constitutional Affairs has been reported in the press as saying that the resolution which has been passed in the New Brunswick legislature will be coming before Parliament, and there was some suggestion that it might be here later this day.

I am wondering if the parliamentary secretary would provide us with a copy of the resolution and perhaps provide further information as to when he intends to proceed with it.

Second, on the Notice Paper for Thursday, December 8, 1992, appears a Statutory Order pursuant to section 7, subsection (2) of the Special Economic Measures Act which calls upon the House to have a three-hour debate concerning the subject matter contained therein. I wonder whether the parliamentary secretary is in a position to indicate to the House when we will proceed with that debate.

Mr. Edwards: Mr. Speaker, on my friend's first question of the New Brunswick constitutional resolution, something that I am sure we all welcome, my understanding is that there are consultations going on among the minister and members opposite, the leadership of the parties, and that there well may be potential agreement to have a resolution dealt with today.

I will certainly endeavour to get a copy of the resolution into the hands of my hon. friend.

With reference to the other matter he raises, the amendment that has been proposed, I submit, is *ultra vires* the Special Economic Measures Act. Motions under section 7 of the act are allowed only in relation to orders and regulations made under section 4 of the act. That is specified in section 7(1).

Section 4 of the act authorizes the adoption of orders and regulations for specified purposes. Matters limited to the relationship between Canada and third states, that is states other than Canada or the states subject to sanctions, are not among the enumerated purposes.

Regulations and orders under section 4 are to be directed at restricting or prohibiting activities that involve the direct relationship between Canada or Canadians on the one hand and the sanctioned state on the other hand. Therefore, the proposed amendment would appear to be beyond the scope of the regulation-making power.

I would ask my hon. friend whether he considers it wise to propose something which is clearly illegal.

Mr. Speaker: Before we get into a discussion of this—as the hon. parliamentary secretary has raised it—if we are going to have a debate on whether or not this matter ought properly to be in front of the House, I would ask both the parliamentary secretary for the government and the leaders of the opposition parties to be in touch with me immediately and we will arrange to hear that debate. I do not think it is appropriate to raise it now.

I am not going to signal what my decision might be, but if there is a serious debate on this, then that is what it should be and it should not necessarily take place at the moment.

I would ask both sides to discuss this matter and to be in touch with the Chair. I will set a time when it can be debated.

Mr. Dingwall: Mr. Speaker, I wonder if I could perhaps get your guidance and elaboration. The parliamentary secretary has made an intervention with regard to this particular subject matter, suggesting that it is *ultra vires*, unconstitutional, and therefore the House ought not to be seized with it.

I suggest respectfully that it is important that we have an early adjudication of whether or not this is procedurally correct.

Mr. Speaker: Just a moment. I hesitate to interfere—

Mr. Dingwall: If I could be allowed to complete my remarks.

Mr. Speaker: Yes, but I am not asking for debate right now. I agree completely with the hon. member for Cape Breton—East Richmond that if the issue is to be raised, it should be raised very quickly.

I am asking the parliamentary secretary and the leaders of the opposition parties to consult in the next few minutes, to contact me, and I will comply with the very sensible suggestion of the hon. member for Cape Breton—East Richmond and we will hear this matter. The matter has now been raised in answer to a question, not as a formal proposal at all, and I would like to have the thing put on a more formal basis.

I agree completely with the hon. member for Cape Breton—East Richmond that if this is going to be the position of the government, it should be in front of the Chair, and it should be in front of the Chair very quickly. I am asking hon. members to co-operate with me in this regard.

GOVERNMENT ORDERS

[*English*]

PATENT ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-91, an act to amend the Patent Act, to amend another act in consequence thereof and to provide for other related matters, as reported (with amendment) from a legislative committee.

SPEAKER' RULING—MOTIONS IN AMENDMENT

Mr. Speaker: I am obliged to give a ruling with respect to motions, that is amendments, to Bill C-91.

I want to say something about this. Most of these motions came in yesterday afternoon and up until six o'clock. The Table and the Chair have dealt with them. I have to say to hon. members that this procedure is asking more of the Table than is fair and it is asking more of the Chair than is appropriate.

We are in a position now, because of the way the rules stand, that an almost impossible task is often being asked with respect to these amendments. People worked all night to bring this to my attention this morning and, with the best will in the world, I have to hope that those who were working on these amendments have come to the appropriate decisions. I have gone over them, I have discussed it, but it is a process which I ask hon. members to consider and, hopefully, to reconsider. This is putting a burden on the Table which, in many cases and certainly with the number of amendments that are in front of us right now, goes beyond the bounds of good sense and the operation of this Chamber.

There are 73 motions in amendment on the Notice Paper for the report stage of Bill C-91, an act to amend the Patent Act, to amend another act in consequence thereof, and to provide for other related matters.

• (1030)

[*Translation*]

Motion No. 1 standing in the name of the hon. member for Dartmouth and Motion No. 2 standing in the name of the hon. member for Surrey North will be grouped for debate and voted upon as follows:

a) An affirmative vote on Motion No. 2 obviates the necessity of voting on Motion No. 1.

b) A negative vote on Motion No. 2 necessitates the question being put on Motion No. 1.

[*English*]

Motions Nos. 3, 10, 22, 24, 29, 37, 59, 62, 66 and 72 standing in the name of the hon. member for Markham—Whitchurch—Stouffville are identical to Motions Nos. 4, 9, 21, 23, 28, 36, 58, 63, 65 and 71.

Motions Nos. 8 and 64 standing in the name of the hon. member for Dartmouth are identical to Motions Nos. 7 and 63. For this reason these motions will not be selected.

[*Translation*]

Motions Nos. 4 and 7 standing in the name of the hon. member for Surrey North and Motion No. 5 standing in the name of the hon. Minister of Consumer and Corporate Affairs will be grouped for debate and voted upon separately.

Motion No. 6 standing in the name of the hon. member for Surrey North would amend sections of the original act, which contravenes quotation 698(6) in Beauchesne's sixth edition. For that reason, the Chair must declare the amendment out of order.

[*English*]

Motions Nos. 9 and 13 standing in the name of the hon. member for Surrey North, Motion No. 12 standing in the name of the hon. Minister of Consumer and Corporate Affairs, and Motions Nos. 11 and 19 standing in the name of the hon. member for Dartmouth will be grouped for debate and voted upon as follows:

a) An affirmative vote on Motion No. 13 obviates the question being put on Motions Nos. 9, 11 and 12.

b) A negative vote on Motion No. 13 necessitates the question being put on Motion No. 9.

c) An affirmative vote on Motion No. 9 obviates the necessity of voting on Motions Nos. 11 and 12.

d) A negative vote on Motion No. 9 requires the question being put on Motions Nos. 11 and 12.

e) Motion No. 19 will be voted upon separately.

[*Translation*]

Motion No. 14 standing in the name of the hon. member for Surrey North gives procedural difficulties to the Chair because it infringes on the royal recommendation, contrary to quotation 698(7) in Beauchesne's sixth edition. The Chair has no choice but to consider the motion out of order.

[*English*]

Motions Nos. 15, 18, 20 and 38 standing in name of the hon. Minister of Consumer and Corporate Affairs, Motions Nos. 16, 21, 23, 26, 28, 31, 34, 35, 36 and 39 standing in the name of the hon. member for Surrey North, and Motions Nos. 25, 30, 32 and 33 standing in the name of the hon. member for Dartmouth will be grouped for debate and voted upon as follows:

a) Motion No. 15 will be voted upon separately.

b) An affirmative vote on Motion No. 16 will obviate the question being put on Motion No. 38.

c) A negative vote on Motion No. 16 will necessitate the question being put on Motion No. 38.

d) An affirmative vote on Motion No. 38 will obviate the question being put on Motion No. 36.

e) A negative vote on Motion No. 38 will necessitate the question being put on Motion No. 36.

f) A vote on Motion No. 18 will apply to Motion No. 20.

g) An affirmative vote on Motion No. 18 will obviate the question being put on Motions Nos. 21, 23, 25 and 26.

h) A negative vote on Motions No. 18 will necessitate the question being put on Motions Nos. 21, 23, 25 and 26.

i) An affirmative vote on Motion No. 28 obviates the question being put on Motions Nos. 30, 31, 32, 33 and 34.

j) A negative vote on Motion No. 28 will necessitate the question being put on Motions Nos. 30, 31 and 33.

k) An affirmative vote on Motion No. 33 obviates the question being put on Motions Nos. 32 and 34.

l) A negative vote on Motion No. 33 necessitates the question being put on Motions Nos. 32 and 34.

m) Motions Nos. 35 and 39 will be voted upon separately.

[*Translation*]

Motion No. 17 standing in the name of the hon. member for Dartmouth will be debated and voted upon separately.

Motion No. 27 standing in the name of the hon. member for Surrey North infringes on the royal recommendation. For that reason, the Chair has no choice but to declare it out of order.

[*English*]

Motions Nos. 40, 45, 47, 48, 52 and 56 standing in the name of the hon. Minister of Consumer and Corporate Affairs, Motions Nos. 46 and 55 standing in the name of the hon. member for Dartmouth, Motion No. 51 standing in the name of the hon. member for Annapolis Valley—Hants, and Motions Nos. 49, 50, 53 and 54 standing in the name of the hon. member for Surrey North will be grouped for debate and voted upon as follows:

a) Motions Nos. 40, 45, 46 and 47 will be voted upon separately.

b) An affirmative vote on Motion No. 48 obviates the question being put on Motions Nos. 49 and 50.

c) A negative vote on Motion No. 48 necessitates the question being put on Motions Nos. 49 and 50.

d) Motion No. 51 will be voted upon separately.

e) An affirmative vote on Motion No. 52 obviates the question being put on Motions Nos. 54 and 55.

f) A negative vote on Motion No. 52 necessitates the question being put on Motions Nos. 54 and 55.

g) Motions Nos. 53 and 56 will be voted upon separately.

[*Translation*]

Motions Nos. 41 and 43 standing in the name of the hon. member for Dartmouth will be grouped for debated and voted upon as follows:

a) An affirmative vote on Motion No. 41 obviates the question being put on Motion No. 43.

b) A negative vote on Motion No. 41 necessitates the question being put on Motion No.43.

Motion No. 42 standing in the name of the hon. member for Dartmouth infringes on the royal recommendation, contrary to quotation 698(7) in Beauchesne's sixth edition. For that reason, the Chair has to consider the motion out of order.

Motion No. 44 standing in the name of the hon. member for Surrey North infringes on the royal recommendation and the Chair regrets that it must declare the motion our of order.

[*English*]

Motions Nos. 57 and 68 standing in the name of the hon. Minister of Consumer and Corporate Affairs, Motions Nos. 58, 60 and 63 standing in the name of the hon. member for Surrey North, and Motions Nos. 61 and 67 standing in the name of the hon. member for Dartmouth will be grouped for debate and voted upon as follows:

a) Motion No. 57 will be voted upon separately.

b) An affirmative vote on Motion No. 61 obviates the question being put on Motions Nos. 58 and 60.

c) A negative vote on Motion No. 61 necessitates the question being put on Motions Nos. 58 and 60.

d) Motions Nos. 63, 67 and 68 will be voted upon separately.

[*Translation*]

Motion No. 65 standing in the name of the hon. member for Surrey North is contrary to the royal recommendation and quotation 698(7) of Beauchesne's sixth edition. The Chair has no choice but to declare the motion out of order.

[*English*]

Motions Nos. 69 and 71 standing in the name of the hon. member for Surrey North, Motion No. 70 standing in the name of the hon. Minister of Consumer and Corporate Affairs, and Motion No. 73 standing in the name of the hon. member for Dartmouth will be grouped for debate and voted upon as follows:

a) An affirmative vote on Motion No. 73 obviates the question being put on Motions Nos. 69, 70 and 71.

b) A negative vote on Motion No. 73 requires the question being put on Motion No. 69.

c) An affirmative vote on Motion No. 69 obviates the question being put on Motions Nos. 70 and 71.

d) A negative vote on Motion No. 69 necessitates the question being put on Motion No. 70.

e) An affirmative vote on Motion No. 70 obviates the question being put on Motion No. 71.

f) A negative vote on Motion No. 70 necessitates the question being put on Motion No. 71.

• (1040)

[*Translation*]

MEASURE TO AMEND

Mr. Speaker: I will now put Motions Nos. 1 and 2 to the House.

Motion No. 1.

That Bill C-91 be amended in Clause 3 by striking out lines 12 to 14 at page 1 and substituting the following therefor:

"3. Subsections 39(1) to (3) of the said Act are repealed.

4. The definition "Board" in subsection 39.1(1) of the said Act is repealed and the following substituted therefor:

39.1 (1) "Board" means the Patented Medicine Prices Review Board continued by section 88;

5. Section 39.15 of the said Act is repealed and the following substituted therefor:

39.15 (1) Where an order under paragraph 81(1)(*d*) is made by the Board, the Commissioner shall forthwith inform the holder of each licence granted under section 39 in respect of any invention pertaining to the medicine to which the order relates of the terms of the order.

(2) Where the Commissioner revokes a patent pursuant to a direction of the Board made under subsection 80(4), the Commissioner shall forthwith inform the holder of each licence granted under section 39 in respect of any invention pertaining to the medicine to which the direction relates.

6. Subsections 39.16 (5) to (13) of the said Act are repealed and the following substituted therefor:

(5) Where an order is made under subsection (4), the Commissioner shall forthwith inform the holder of each licence granted under section 39 in respect of any invention pertaining to the medicine to which the order relates of the terms of the order.

7. Subsections 39.17 (1) to (3) of the said Act are repealed and the following substituted therefor:

39.17 (1) A hearing by the Commissioner under section 39.16 shall be public unless the Commissioner is satisfied on representations made by the person to whom the hearing relates that specific, direct and substantial harm would be caused to the person by the disclosure of the information or documentation to which the hearing relates.

(2) Subject to subsection (3), information and documentation provided to the Commissioner under section 39.16 is privileged and shall not, without the authorization of the person who provided the information and documentation, knowingly be or be permitted to be communicated, disclosed or made available by any person who has obtained that information and documentation pursuant to this Act unless the information and documentation is disclosed at a public hearing held by the Commissioner under that section.

(3) Information and documentation referred to in subsection (2) that is obtained by the Commissioner may be used by the Commissioner for the purpose of the report referred to in subsection (4) and may be communicated, disclosed or made available by the Commissioner to a person engaged in the administration of this Act under the direction of the Commissioner.

8. Sections 39.18 to 39.25 are repealed.

9. Subsections 39.26 (1) to (4) are repealed and the following substituted therefor:

39.26 (1) After the expiration of nine years after section 39.11 comes into force, sections 39.11 to 39.17 shall stand referred to such committee of the House of Commons, of the Senate or of both Houses of Parliament as may be designated or established for that purpose and the committee shall, as soon as practicable thereafter, undertake a comprehensive review of the provisions and operation of those sections and shall, within one year after the review is undertaken or within such further time as the House of Commons may authorize, submit a report to Parliament thereon including such recommendations pertaining to the continuation of those sections and changes required therein as the committee may wish to make.

(2) No action or proceeding for any compensation or damages lies against Her Majesty in right of Canada as a result of the application of subsection 39.11 (1) to 39.14 (1) to a licence referred to in that subsection."

Motion No. 2.

That Bill C-91 be amended by deleting Clause 3.

[*English*]

Mr. Nowlan: Mr. Speaker, I have a very simple point of order. I know you want to get to the substance of the bill because we have not really had too much chance to debate its substance. Normally is there not a necessity to have two ministers in the House to move the government motion or bill?

Mr. Speaker: The answer to that is no. Of course members may wish to pursue whatever commentary may flow from it.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, before I get into the debate on this particular motion I want to indicate that it has been a very difficult time for members of the opposition in trying to prepare themselves to deal with this particular debate.

I know we may have put some unusual stresses and strain on the staff at the Journals branch, but quite simply we had no choice because the government has proceeded in unholy haste with this bill. It has taken it before the Chamber, let us debate it for three hours and invoked closure on it at second reading. It sent it to committee and, something I have never seen before at committee, forced time allocation in committee.

The government passed a motion with its majority at the committee which indicated clearly that we only had *x* number of hours of debate. If members of the opposition did not agree it would have passed a motion in the House which would have seen the bill reported back without any witnesses.

Yes, it has been very difficult and I offer my apologies if we have overworked the staff here, but it is not of our doing. When the government decides to barrel through riding shotgun on a bill like this one, we have had to stay up at times 24 hours just getting ready for what the government was trying to perpetrate on the Canadian public. We start off by setting the record straight about who has been doing what on this bill.

The motion that is before us right now, Motion No. 1 which is in my name, is a very key amendment. It is perhaps the most key amendment we will debate all day today. What the government has done on this particular bill is that it has come in with Bill C-91 and decided to dismantle the system of compulsory licensing that we have had in Canada for a number of years, a system of compulsory licensing of drugs which has served Canadian consumers very well. It has served the health care system extremely well. It has served the provincial pharmacare programs extremely well.

However, this government has made the decision that a few billion dollars here or a few billion dollars there coming from provincial pharmacare programs, from those diminishing health care budgets of our provinces, and coming from consumers' pockets is an okay Christmas gift to give the multinational drug companies.

With Bill C-91, the government has deleted provisions in the old act, old Bill C-22. It has deleted the provisions that provided for compulsory licensing of patent medicines in Canada.

The effect of this amendment is to reintroduce into Bill C-91 those provisions which allowed Canada to have a unique system of regulation when it dealt with prescription drugs.

I want to go back a little bit. In the 1960s there were a whole number of reports dealing with drug prices in Canada. It was clear from the reports governments had done and from an examination of the facts that the people of Canada were paying prices which were far too high for prescription drugs. One of the reasons was that there was no competition. Once an individual or a company obtained a patent on a drug it was treated in the same way as a patent on a hockey helmet, which it is not. There is a vast difference. However, that is how it was treated back then.

The Liberal Party at the time, and the hon. member for Vancouver Quadra who was the minister in the late 1960s, introduced the system of compulsory licensing. This instilled competition in the marketplace. It allowed a generic company to make an application to produce a generic drug. The company would pay a royalty back to the patent holder. There was no need to cry big crocodile tears for the multinationals because they still made money. However, in Canada it allowed a unique system where we had competition.

Now what did that do, one might ask. There are all kinds of studies around about what compulsory licensing has done for Canada. Clearly compulsory licensing has made our system of universal health care an affordable one.

During the 1970s and the early part of the 1980s compulsory licensing literally saved Canadian consumers and the health care system billions of dollars. Those dollars would otherwise have been bled out of the system. They would have been taken from hospital care. They would have been taken from all kinds of services we take for granted in Canada. Those dollars would have been transferred out of the country because higher drug prices to multinational drug companies would have been the order of the day. It worked well.

In 1987 my hon. colleague from Cape Breton—East Richmond fought very hard against the government's first attempt to get rid of compulsory licensing. At that point in time he argued, as I and other members of our caucus will today, to preserve a system. In 1987 when the government first decided to try to change the rules of the game, he argued against changing the system because he knew what it would do to health care in Canada. It would make it less affordable and it would take billions of dollars out of the system.

The effect of this amendment is to put things right again. It would reinstate those clauses which had been deleted by the bill and effectively allow us to have a system where compulsory licensing is back in Canada.

Somebody may ask: "What does compulsory licensing do? If you have a generic competitor out there, does it really drop prices?" While we were having truncated committee hearings we had the minister of health from British Columbia appear. In her brief she says very, very keenly that the province of Ontario alone estimated that generic drugs saved its drug plan $80 million to $100 million per year or 15 per cent of the total drug costs of its programs. That is what compulsory licensing does.

In addition to that, we have had expert testimony from a Dr. Schondelmeyer who appeared before the committee. Dr. Schondelmeyer again reinforced it. He made it clear that compulsory licensing in Canada in 1991 alone saved the Canadian health care system in excess of $450 million. These are not peanuts we are dealing with. That is $450 million in 1991 alone. In one year the compulsory licensing system saved the health care system that much money.

There is other evidence. What happens when you get a generic competitor in the marketplace? The government will even agree that on average it drops the price of that particular pharmaceutical product, that chemical entity by anywhere from 25 per cent to 32 per cent because with competition, prices come down.

• (1050)

I am going to refer to a table dealing with the effect of competition on drug prices. If there are two competitors in the marketplace the average cost of the prescription is 76.2 per cent of what it would be if there was no generic competition. If there are three competitors in the marketplace, the cost to consumers for that drug goes down to 61.2 per cent of what it would be. With four competitors in the marketplace, four compulsory licences, it drops down to 45.1 per cent.

When the integrity of Canada's health care system is in question why in the name of goodness would the government ram a bill down the throats of parliamentarians? It has done this by having three hours of debate, closing the debate, sending the bill to committee, refusing to hear the witnesses who wanted to be heard at committee, then bringing the bill back to the House.

If I want to be prophetic, probably at some point in the next few hours it will try to ram both report stage and third reading through the House by using closure. Why are they doing it?

Members of the Liberal Party have made it very clear from the beginning that we are opposed to this type of billion dollar bonus to multinational drug companies. We have heard evidence even at those truncated hearings that the loss of compulsory licensing in Canada will cost the Canadian health care system in the next 12 years between $4 billion and $7 billion. That is the effect of eliminating compulsory licensing.

The government is not just going to eliminate compulsory licensing. It has decided to do something unique. Not only when this bill passes will compulsory licensing be gone, but it is also going back to December 20, 1991. The impact of retroactively getting rid of compulsory licensing in Canada is that it could cost Canadian consumers over $2 billion just for the retroactivity alone.

It is no wonder this government does not want a full airing of the impact of this bill on Canadian consumers. No wonder it wants to hide itself in the rules of Parliament and the tyranny of the majority called closure.

The government knows full well that what it is doing is obscene. It is obscene at the very time that Canada's health care ministers are dealing with reduced transfers by the federal government to maintain quality health care no matter where one lives in this country. This government comes in with a bill effectively giving the biggest bonus Parliament has ever given to anybody or any organization.

If this bill passes by Christmas with the elimination of compulsory licensing there will be a multibillion dollar Christmas bonus to multinational drug companies in Canada.

We are going to have full debate on the floor of this Chamber today, tomorrow, the next day, and the next day, and the next day if we have to so that Canadians understand what this bunch opposite is doing.

By the time we finish on this side of the House I know there will be some Tory backbenchers opposite who will be just a little widgety and squidgety in their chairs. They are going to be getting calls from consumers back home asking why they would ever support a bill like Bill C-91 that gets rid of compulsory licensing and that may damage the integrity of Canada's health care system.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I too wish to rise and speak on this amendment.

The amendment I have put forward has the same effect of restoring compulsory licensing on pharmaceuticals in Canada. Before I start speaking on the substance we should look at what has happened in the last two weeks to Canadian democracy as it applies to this bill.

The government introduced the bill on November 16 and after only three hours of debate brought in time allocation which forced closure the following day. On the following Monday we set up the committee to study this bill.

There had already been a great deal of controversy and a lot of contradictory information as to the impact of the bill. At a steering committee, the government informed us that it was not prepared under any circumstances to have full and thorough hearings on the bill. It wanted the committee wrapped up and all witnesses heard by the following Tuesday.

The next day, we went back to the committee and tried to dialogue with government members. We tried to get them to understand the significance of this bill to Canadians, to families, to seniors, to provincial health plans and to get them to agree to a realistic timetable for committee study.

We put forward a clear timetable, to study this bill for three weeks, and then take the Christmas break off. We would have an opportunity in the last two weeks of January to call more witnesses, to debate this bill clause by clause in committee.

We guaranteed this government that we would bring this bill back to the House so that the House could make a proper decision no later than February 15, within two weeks of the House returning from its Christmas recess.

Anybody out there knows that was a fair and equitable position. What did the government do? It said no and it simply adjourned the committee from Tuesday until Thursday. On Thursday the government made clear to us that this bill was going to be reported back to the House and that witnesses were going to be heard no later than the following Tuesday. If we did not agree to a short, truncated committee hearing, the government was perfectly willing to have the committee report with no witnesses being called.

We immediately agreed to start hearing witnesses. Of course, on that type of time schedule it was difficult getting organizations to come forward. On Friday, only two out of the six witnesses appeared.

We had six hours of hearings set aside but only two witnesses appeared. At the end of the first hour I tried to put a question to one of the witnesses and I was ruled out of order by the chair. The government would not let me put additional questions to the Canadian Medical Association.

At the end of the next hour we had not finished properly questioning the witnesses. We had four hours wherein we were going to do nothing. I asked for consent that the witnesses be allowed to stand over so we could ask additional questions. What did I get from the government? It was a denial. We had the witnesses there and the government would not even let us put questions.

It became clear and obvious to everybody on this committee that the government was determined to push this bill through before the Canadian public could understand the consequences. What are the consequences? They have become well-known.

A study in the United States shows that Canadian drug prices are 32 per cent lower than in the United States. We have had expert witnesses testify based on information provided by the ministers of health from across this country and others that the cost is going to be in the billions of dollars.

We have had information that the promises made in former Bill C-22 as to the number of jobs being created in research and development have not materialized. Information has been presented that the investments multinational drug companies make in Canada are mainly because of the tax write-offs, not because of the patent legislation in Canada.

We start thinking, why is the government pushing ahead, why is it trampling on democracy? First of all, it said it was because of GATT. Two things have emerged. GATT has not been agreed to. Even in the drafts of GATT it was clear that there would be long periods of phase-in and there would be opportunities for exemptions. It became obvious that government's excuse around GATT did not hold water.

Then of course it was because of NAFTA, the North American free trade agreement with the United States, Mexico and Canada. It required the government to bring its laws into line with those of the United States in terms of patent protection. However, NAFTA has not been approved. Why the hurry? NAFTA is not going to be approved for several months even in this Parliament, let alone in the United States.

Of course, it became increasingly clear that this whole process was being directed from outside of Canada by the American drug companies, the big multinationals. They were deathly afraid that with the election of President-elect Bill Clinton in the United States, he would take a second look at drug prices in the United States and decide that the only possible way to control drug prices in that country would be to adopt a Canadian system of compulsory licensing and prices review.

• (1100)

Bill Clinton is on the hook. His "read my lips" means two things. He said: "I will bring in a national health insurance program and I will do something to control drug prices". If he cannot deliver on those two things, he will be, like George Bush, toast, and he knows it.

The multinational drug companies are getting anxious because if Bill Clinton comes in and starts looking, he will have to look north. The government said: "Oh, that's not true, that's not true".

Two prominent Democrats, Henry Waxman and David Pryor, have stated clearly that they believe the U.S. should introduce a system of compulsory drug licensing to allow early entry of generics into the marketplace and to create a patent medicines prices review board to lower health care costs in the United States. These are two prominent Democrats who will be advising Clinton.

We also have learned, and I think it is significant, that the real push behind this is from the American Pharmaceutical Manufacturers Association. It said clearly that it had two or three goals: One was to get rid of compulsory licensing.

I will quote again from Edgar G. Davis, the former vice-president of Eli Lilly, who said: "Putting the patent provisions in the North American accord was a master stroke—was a master stroke."

Gerald Mossinghoff, president of the Pharmaceutical Manufacturers Association, said that once they get rid of compulsory licensing they have two other goals. Again, I will quote. He said his members "would like to eliminate Canada's government price controls" and that American drug makers would "oppose formularies because they bring down the costs".

What we have here is a classic battle: On the one side, we have seniors who are concerned about their health and escalating drug costs, families, particularly low income families, that have difficulty paying for medications when they are required, and provincial pharmacy programs which see their costs escalating dramatically. For one drug alone, B.C. has estimated it will be $120 million. On the other side we see the Tories fronting for the multinational drug companies, along with Judy Erola, chief spokesperson for the multinational drug companies, the rich and the powerful. They are saying: "We do not care about Canadians, we do not care about the poor, the elderly, the families; our bottom line is we want to maximize our profit".

Myself and the New Democrats will always stand on the side of the seniors, families and the elderly.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, it is not my intention to speak to every single motion that the opposition put forward today. I do feel that it is important to set the record straight because some of the things that have been said this morning are clearly inaccurate and outrageous.

First of all, the member of the Official Opposition who spoke to begin with would have to admit under pressure that in fact other members of the Official Opposition agree with this bill. It is a member of a previous Liberal government who is leading the lobby forces in favour of this bill for the innovative drug companies. In fact, she was the Minister of Consumer and Corporate Affairs at one time.

I think it is highly inaccurate to say that they all officially oppose the bill because in fact that is not true. I understand of course it is their task and their job to stand up and beat us up today because of this legislation and make it look like they are doing their jobs in opposition.

The Liberals, the NDP and my other hon. friend over here made a great deal of fuss about the fact that there is not enough time to debate the bill. The facts are that the NDP, some Liberals as well, not all, but the NDP particularly, filibustered throughout all stages of the committee, making a mockery of the legislative committee process.

I think they should be ashamed of not just their activities during the committee stage but some of the things they have said since. It is highly unfair to the parliamentary process. It makes a mockery of the very important work that we all try to do here every day and the serious attitude that some members take toward that work.

I would also say that opposition members from both parties brought American so-called experts to Canada which surprised me a little bit considering we have heard a lot of denigration of Americans in general with regard to Bill C-91.

Both of these parties brought to the committee process American experts that they quoted over the facts and figures presented by our own civil service. This surprises me because the opposition is continually telling us how they are the champions of our Public Service and yet they are the ones who refuse to believe what members of our Public Service have told us as to what will be the effects and impacts of this bill on costs.

The facts are, as told to us by our Public Service in which I have a great deal of confidence, that this bill will cost approximately $129 million accumulative over six years; about $1 per person per year, not the billions of dollars suggested by Mr. Schondelmeyer who admitted and confessed in committee that in fact he had pulled these figures together and had come up with these outrageous and outlandish projections on a Thanksgiving weekend.

An hon. member: What does that mean?

Mrs. Dobbie: We can, I think, take from that a pretty good inference that his information was highly unreliable. As for Mr. Nader, I do not know what he knows about the cost of pharmaceuticals; obviously not very much because his prognostications were just as outlandish and ridiculous. To bring two Americans to Canada to tell us how to do our business to me is beyond the pale and an insult to our own Canadian civil service.

The facts are simple. Bill C-91 makes Canada more competitive. It will help us attract investment. Already over $500 million worth of investment and research and development has been promised to Canadians. This is very important at a time when people are looking for jobs, not just jobs slinging hash in some café or perhaps in a repetitive manufacturing atmosphere, but value-added jobs, high technology jobs, information-based jobs.

Bill C-91 creates an atmosphere in this country that will allow us to attract those kinds of jobs to our country. I think that is important. If the opposition members would put aside some of their partisan biases, they would admit that this is the kind of legislation that will help Canadians become more actively employed in very important value-added jobs.

I might also mention that the U.S. study for the government accounting office, which has been broadly and quite frequently inaccurately quoted here in this House, said that there were two reasons that in Canada drug prices were lower than in the United States. They did not talk about compulsory licensing.

I must say as an aside, compulsory licensing is something I never really understood. To provide a licence to someone to break your own patent law makes absolutely no sense. Bill C-91 will remove compulsory licensing but it will not increase prices in the way they are projecting. What the government accounting office found in its report in the United States was that in Canada drug prices were lower for two reasons. One, provincial drug plans and their formularies, which means that everybody knows what drugs cost and provincial drug plans generally choose the cheaper priced drugs or recommend them to their hospitals.

• (1110)

Second, and most important, the Patented Medicine Prices Review Board, the PMPRB, has been effective in Canada in the last five years. It kept patented medicine drug price increases at 2.9 per cent when the CPI was 4.4 per cent. However, it will be even more effective under Bill C-91. If members opposite are concerned about drug prices then they should certainly support the enhanced authorities of the PMPRB. This bill gives the PMPRB the ability and the authority to roll back prices if they are too high. It allows it to impose very heavy fines, up to $100,000 per day. It even allows it to impose jail sentences. Now we have a bill and a Prices Review Board with real teeth, one that can ensure that prices will be kept lower in Canada. If we are to believe the study that was done in the United States, those two reasons alone will keep drug prices down.

As we get into the business of the motions today, I want to just repeat, in spite of all the rhetoric we might hear from the other side from time to time, this bill is in this stage and the government is determined to put it forward because it will make Canada more competitive and it will provide more jobs, more research and development for Canadians and a better future for us all.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I welcome this opportunity to take part in today's debate and speak to the first motion, the first amendment to the bill. I congratulate the hon. member for Dartmouth who so ably defended the interests of Canadian consumers and all Canadians who will suffer the disastrous effects of this Tory policy.

[*English*]

The Canadian Medical Association testified before our parliamentary committee and talked about this bill. Members across will say: "Don't worry, be happy. Prescription drugs only form a small part of the total health care bill anyway". That is the Tory argument.

The Canadian Medical Association told us that the amount now spent on drugs exceeds the amount spent on physician care in this country. It is a large component of our health care costs. The CMA should know something about it. It appeared before our committee and said that unless the bill was amended, it could not support it. I challenge any member across to say otherwise. That is exactly what was said. I was at the committee.

Even those who favoured the bill felt that it should be amended, that it should be strengthened to protect the consumer.

[*Translation*]

For instance, I have a letter here from the Montreal Urban Community, dated December 1, 1992. I will read a few passages. I quote:

> —new powers enabling the Patented Medicine Prices Review Board (PMPRB) to calculate reasonable prices for new drugs and enforce them;

That is one of the amendments they want. They also want the following:

> —a clear definition of what constitutes R & D spending. In our opinion, it should include basic research activities, the development of new products, and clinical research, not marketing research.

So you see that even groups that are in favour of the bill want certain improvements. These are people who happen to like the bill. Imagine what some of us who do not like the bill think.

[*English*]

I am one who does not think much of all this. My colleague has proposed an amendment with regard to the retroactivity provision.

We asked the members across at committee, the minister and the parliamentary secretary why we have this retroactivity provision. The first thing is they refused to admit it is a retroactive provision. To do something retroactively is not retroactive if you are a Conservative. This needs further explanation, as the House can imagine.

The government says it is a phase-in, it is not retroactive. It is a phase-in in reverse from the date that it is applied, but it is not retroactive. I would like the government to explain that a little better later so that all Canadian consumers can understand that concept.

People had applied, people had been granted something and it is cancelled after it was approved. For me, that is retroactive.

Imagine driving down the Queensway in Ottawa at 100 kilometres an hour, the speed limit, and someone changes the speed limit today to 80 and says you were driving at 100 kilometres last week, therefore you are fined. Imagine that parallel. That is exactly what we are doing. That cannot be right.

I say to the members of the Conservative Party, even if they insist with proceeding with this legislation, there is no way this legislation should come into effect prior to the date of proclamation. They will say it only comes into effect on the day of proclamation, but it is effective a day previous, December 20, 1991, which is retroactive. They are saying that is the fault of Mr. Dunkel and the Dunkel report on the GATT negotiations.

First of all, we have not concluded those discussions yet. We have not agreed to them. Assuming for one minute that we agree to what is in there, which is not at all clear at this moment anyway, and proceed from there, should there not be a phase-in to adopt what is in the Dunkel report?

An hon. member: GATT allows that.

Mr. Boudria: That is the point. My colleague from London says that the GATT allows that and that is exactly the way we should proceed, assuming that we do it at all. Why should we sign a document with other countries notwithstanding the fact that there are provisions in there to phase in something that we would actually adopt retroactively, rather, at a date prior to the passage of the bill? I am sorry, I cannot say retroactively here, it is against the moral principles of the government across.

Clearly this clause needs to be amended. Very clearly there is no way that these kinds of windfall profits should be given to the multinationals.

The other point about all this, about retroactivity, is that the pricing structures of the products produced are already established. If a brand name company established that a particular product would be on the market for whatever, a certain number of years, and it markets it at a price to recover its costs of investment, profit and so on, to go back now and change decisions retroactively, what does it do? Where does that money go? Obviously, it is profit for the companies.

There is nothing wrong with making profits, some members across will say. Perhaps not. What social purpose, what policy purpose is achieved by the retroactive provision? Will it enhance research and development in Canada to do this retroactively on something that was already approved? How does it do that? Is there a guarantee in the bill that as it pertains to the profit generated from the retroactivity provision those moneys will be reinvested in Canada? No, as a matter of fact, there is not such a clause with regard to the profit as a whole.

• (1120)

[*Translation*]

I want to ask the hon. member opposite who was mouthing something or other: What is the point of having this provision on retroactivity? What else will it do besides taking money out of the pockets of Canadian consumers?

[*English*]

The members across finally talk about our competitiveness as a nation. I say to the members across that they are missing one point. Many times in labour contracts now we have a competitive advantage as a nation. I am thinking particularly of the large companies, the auto sector, for instance, well represented by my colleague here. The fact is that some of our payroll burdens are lowered in other countries because we have a national health care system. That gives us a competitive advantage.

I turn the argument right around on the members across. Doing something that will damage our health care system in Canada is not going to make us more competitive. It is perhaps one of those things that in the long run and perhaps even in the short run are going to make us less competitive as a nation because it is removing from us one of those useful tools that we have now.

[*Translation*]

In concluding, I would ask all members on both sides of the House to carefully consider the motion now before the House. I am sure they will realize they can vote only in favour of the amendment moved by the hon. member for Dartmouth.

[*English*]

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am very pleased to speak to the amendment by my colleague from Dartmouth to Bill C-91 which is really dealing with compulsory licensing and asking, in a nutshell, that it remain the same.

This is a very important piece of legislation. Over the past several months I have received numerous pieces of correspondence on this issue and have met with concerned individuals to garner their point of view.

In 1969 a Liberal government introduced compulsory licensing, giving generic drug manufacturers the right to produce generic copies of brand name drugs before the expiration of the packed life. This was done to increase competition in the pharmaceutical industry and to reduce the aggregate price of drugs sold in the Canadian market.

Figures from the industry and figures from independent bodies indicate that since compulsory licensing was implemented Canadian consumers have saved approximately $1 billion per year in lowered drug costs.

After closely studying this bill and after listening to numerous Canadians, we on this side of the House believe that Bill C-91 is a flawed piece of legislation which will significantly increase the costs of drugs for Canadians. It will see the end of compulsory licensing or the right of generic pharmaceutical manufacturers to produce generic copies of patented medicines before the expiry of the patent life.

Compulsory licensing in Canada has been extremely effective in lowering the cost of drugs in comparison with other industrialized nations. Therefore, why is this Conservative government once again abandoning a process which has been effective and good for Canadians? Once again it is catering to American interests over Canadian ones.

The Conservative government's decision to eliminate compulsory licensing in this bill represents two major concessions to the United States in both the GATT negotiations and the North American free trade agreement negotiations.

While U.S. firms and other multinationals operating in Canada will gain considerable advantage from this decision, it is still a mystery what, if anything, Canada will receive.

When I engaged in consultations with various groups regarding Bill C-91, the cost of drugs in Canada was a recurring issue. The Canadian Drug Manufacturers Association, consumer groups and senior citizen groups have all indicated their anxiety that this bill will lead to higher drug prices. The Ontario Ministry of Health expects the elimination of compulsory licensing to have a major negative impact on the province of Ontario's drug benefit plan. According to the minister, Ontario could lose as much as $80 million to $100 million per year if compulsory licensing is eliminated. This view has been echoed by other provinces.

The CDMA says that the bill would adversely affect its members. Expansion plans would have to be abandoned and growth would stagnate.

Furthermore, because the legislation would be retroactive to December 20, 1991 and my colleague, the member for Glengarry—Prescott—Russell, just talked about that, some 22 patented medicines approved since that date would be revoked. Retroactivity is what he was speaking of.

As a result, Canadians will not have the benefit of competition on these 22 products because generic copies are far less costly. It is estimated that if these were granted and generic copies were produced and sold on the market, Canadian consumers would save over $400 million before the year 1996.

The regulating body which is the Patented Medicine Prices Review Board has been ineffective in protecting Canadian consumers. This is not only my opinion but also my colleague's opinion. I would like to tell you what is wrong with the present Patented Medicine Prices Review Board.

This board was created in 1987 and it was the aftermath of the wonderful Shamrock conference in Quebec when the Prime Minister and Ronald Reagan and the heads of two major American corporations got together. Nobody among the pharmacists or public at large understands its reporting mechanisms.

If you want to stop and think about what has happened to the pharmaceutical manufacturers in Canada, none of the board's reports about the increases in cost of drugs corresponds to independent price surveys; reports from insurance companies, the provincial government formularies or drug payment benefits.

You would even stop and think about the chairman of that board. He might be a good economist but he has not the biggest idea about the pharmaceutical industry because he happens to also have a conflict of interest when he sits as an employer of the University of Toronto which is a major recipient of scholarships and research grants from the pharmaceutical interests. The vice-chairman of the board has a direct conflict also. He is a pharmacologist at the University of Montreal and he also accepts research grants.

Have you ever heard of a pharmaceutical manufacturing company going bankrupt or going out of business in the last few years? They just listed this past week the seven or eight companies in the world that are the major profit making industries. The pharmaceutical industry is one of them.

Not a single pharmaceutical industry in 25 years has gone out of business. Very little basic drug development research is done in Canada despite all the promises from the PMAC and the situation will never change. I think the solution to this has to be to establish a new prices review board with more human and financial resources and greater legal powers.

It should be comprised of seven full time members appointed from the certain groups. They should be representative of the consumer groups, the provincial drug benefit formularies, the brand name pharmaceutical manufacturers, the generic pharmaceutical manufacturers, a retail pharmacist, a hospital pharmacist, a physician with background in family medicine and geriatrics.

The calculations for the increase in the cost of drug prices should be made simple and easy by this board, and the cost of any drug should not increase by more than the current rate of inflation. Such increases should only be allowed once a year.

The powers of the Patented Medicines Prices Review Board have to be modified so the board can more effectively control the price of new drugs entering the Canadian market, the increase in the cost of existing drugs in the marketplace and the reconstitution of the drug formulas. A new improved board with powers to control the situation outlined above would be more effective in protecting consumers.

We also believe that these new powers must be clearly outlined in the legislation and not left to future regulations as this Conservative government is proposing. Prior to the 1987 changes to the Patent Act, the brand name pharmaceutical industry made some significant commitments to research and development.

It pledged an eight per cent ratio of R and D expenditures to sales by 1991 and 10 per cent by 1996. However, this time around no commitment has been made whatsoever and there must be a strong commitment from the brand name multinationals to increase R and D in Canada. We hear from them that they will be giving money to R and D but they certainly are not giving all of the money to R and D that the increases will allow.

What the pharmaceutical industry has failed to announce is that it is only investing a small amount of what it projects to amass in windfall profits as a result of the government's decision to give it an additional three years of monopoly protection over products that would have otherwise been subject to strict competition from the generic industry.

• (1130)

The Conservative government could have used this piece of legislation to demonstrate a firm commitment to R and D in Canada. Once again it chose not to, preferring instead to cater to American interests.

This causes me great consternation. I am extremely concerned that the government has bowed to pressure from multinationals and the U.S. government by abandoning its commitment to a vibrant, multifaceted drug industry in Canada and to a regulatory environment that protects Canadian consumers from higher drug prices and the Canadian health care system from ever increasing drug costs.

Since the introduction of compulsory licensing in Canada a balancing has existed in the Canadian pharmaceutical industry. Canadian consumers have had access to pharmaceuticals and competitive prices because of generic competition, while at the same time both brand name companies and generic companies have made extremely healthy profits. I believe the balance should be maintained.

Another danger is that if this bill is passed prior to signing the GATT and the NAFTA, future governments will never be able to change it. It will be there in perpetuity and that is just dreadful.

We as Liberals support a strong and competitive pharmaceutical industry in Canada both generic and patented. What we do not support, however, are policies which endeavour to increase drug prices for Canadian consumers and put added pressure on our health care system.

The only appropriate way to ensure such a balance is maintained is to increase and change the powers of a Patented Medicine Prices Review Board.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I am pleased to have an opportunity to participate in debate on the motions before the House with respect to Bill C-91.

Having served on the committee I listened to quite a number of very interesting witnesses on both sides of the issue. I listened even more to an extraordinary amount of time that was in my judgment wasted with filibustering. Time was used up that in fact could have been more beneficially used listening to other witnesses who could have contributed to our understanding of the issues involved.

This is one of those issues—I have noticed a number in my short time here—where the government proposes legislation which government members support and opposition members oppose. One wonders whether the exercise is not sometimes a little mindless on both sides.

I must say that when this legislation was first proposed I heard some very simplistic suggestions. As with any complicated issue it is much easier to pick something out and terrorize people about the implications of it than to take the time to understand the depth and the full impact it might have. When I first saw this legislation I reacted the way I think a lot of Canadians are reacting to it. I was scared by the implications of it for drug prices in Canada.

Then I started to study the issue because I ended up on the committee. It was not a committee I chose to be on, but by circumstance I ended up being on it and it turned out to be a very informative experience. Having studied the information presented on both sides of the issue, I find the issue is in fact somewhat more complicated than is being presented by my hon. friends opposite or by their American expert.

It was kind of interesting that last week my friends opposite who seem to have xenophobic anti-Americanism at times brought in a consultant from the United States who could not have come in if it was not for the free trade agreement that allowed business across the border in that way. I thought it was kind of interesting that when they get in trouble they resort to Americans to back them up and support them, yet the last thing we should do is see an American dollar used to create a job for a Canadian; God forbid that this should happen. I digress.

I understand that shortly we are going to have another big PR game downstairs with a press conference. That is fine and dandy but let us talk about the real issue here and try to put a balanced picture on the table of what is involved.

What we have here is a conflict between two industries in Canada. One is the patented medicine industry, the industry that goes out and does the research and finds the drugs that save people a lot of pain and save lives. The other is the copycat industry that comes along and says: "We are going to cherry-pick your really successful things and without investing any of our money we are going to try to profiteer on that". That is basically there.

The upside for the consumer—and there is an upside for the consumer—is that generic companies can put the drugs out cheaper. There is a benefit for the consumer from those particular drugs that the patented medicine companies have already created. That then becomes the issue.

My hon. friend opposite talks about free trade. This is not an issue about trade. This is an issue about the ownership of rights to creators: Do creators have a right to own that which they created and to have an opportunity not only to get a recompense for the time, the energy and the investment but to make sure they recoup the very considerable cost in investment involved?

I have heard a great deal from the opposition trying to turn this into an issue of multinationals versus Canadian companies. We have heard a great deal of talk about that. I have to ask the question: Does the person who is sick and whose life may be made immeasurably better by a drug that was developed by a multinational company that may be based in the United States or anywhere else ask whether or not that drug was developed in Canada? Do they say: "I am not going to take that drug even though it will save my life because it is a drug created by a multinational drug company and I would rather suffer pain or die than put up with taking drugs produced by a multinational"?

It seems to me that is quite a phoney issue. The issue we are concerned about is saving people's lives and saving people pain. That is really what this issue is all about.

We talk more about the whole issue of multinationals. The truth of the matter is that there are very successful Canadian patented medicine companies. We have not heard a lot about them from the opposition. Take a company like Quadra Logics based in Vancouver which is doing some very important cancer research. That is a Canadian company, that is a Canadian owned company.

Yes, there are multinationals. The big players in this industry are multinationals. That is the reality of the situation, but what are the jobs implications? We hear a lot from the opposition saying that the government should do something to create jobs. These patented medicine companies employ over 18,000 people in this country. By comparison, the generics which are dominated by two large companies employ about 2,500 people in this country. Interestingly enough, since Bill C-22 came in to place more new jobs have been created in this country in the patented medicine industry than exist in the entire generic industry.

It is my recollection the generics are now trying to convince Canadians not only that drug prices are going to skyrocket but that they are going to be put out of business. They said the same thing in 1987 and the generic industry in Canada, with all due respect, is stronger than it ever was.

As for the issue I suppose there is an implication on the other that we do not want investment by multinational corporations, that there is something kind of villainous about being employed by a multinational corporation.

I grew up in a very nice household in a modestly affluent family, because my father was employed by a multinational company, an American based multinational company at that. That company enabled us to live in a very nice standard and enables my father to live in retirement in a very nice standard. I might also mention that in my own constituency of South Shore we have a huge multinational that employs 1,600 people, the Michelin Tire Corporation.

I suppose my hon. friends opposite do not think that anybody should be allowed to work for Michelin because it is a multinational company. The 1,600 families in my constituency whose lives and security are based on employment with that company are very glad it is there. A lot of people in my constituency would be delighted to see a second Michelin Tire plant, or they would be delighted to see Merck Frosst or one of the pharmaceutical companies that have made commitments of over $500 billion in newer investment since the government announced that it was bringing in this legislation. We would love to see one of those plants in the South Shore of Nova Scotia. We would love to see those job opportunities created.

On this bogyman fear that my friends opposite have about multinational corporations, I would just like to say that we do not have and we would be delighted to have the investment and job opportunities that are created there.

What does Bill C-91 do? I have only two minutes left. There are more issues to be explore but I will come back to them at a future time.

• (1140)

Some hon. members: Oh, oh.

Mr. McCreath: I see we are having lots of debate. I know my hon. friend from Dartmouth opposite will probably want to talk a lot. I look forward to what he might have to say having listened to him for many hours the other day. I will continue my remarks at another time.

In the interim what I am saying is: let us try not to be partisan in this exercise. Let us try to balance the score and take a look at what the benefits are to Canadians as well as the potential cost: $1 per year per Canadian I understand is the number, not some of the far-fetched numbers I have heard thrown out by some of the vested interests that have been used by my friends opposite to articulate their point of view. Let us look at the benefits to Canadians and what is the value.

I asked the Minister of Health for British Columbia when she appeared before the committee: "What is the value of a human life to the Government of British Columbia?" She did not seem to have an answer because she was too busy articulating the point of view of her party and the movement she represented.

If we are going to talk about cost, let us talk about the cost in pain. Let us talk about the cost in lives that may be saved or would be lost if the research is not done here. Let us talk about whether Canadians are going to participate in this important research or whether Canadians are simply going to be freeloaders as my friends opposite seem to suggest we should be.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, at the outset I wish to put on the record my sincere appreciation for the work of my colleague from Surrey North. He has done an outstanding job in highlighting this issue on behalf of all Canadians.

I also want to say at the outset, since my time is quite brief in this debate, a couple of things that must be put on the record. I want to take this opportunity to do it.

First I want to quote from Edgar G. Davis, a former vice-president of Eli Lilly and Company, one of the multinationals my friends are talking about. Mr. Davis is now at the Kennedy Centre of Business and Government at Harvard University. He is quoted as saying about this particular piece of legislation: "It is a master stroke. It shows what an industry that has its act together can accomplish". He is referring to the fact that this will be enshrined in the North American free trade agreement.

The Canadian people have to understand beyond the specifics of this particular very bad piece of legislation exactly what political scenario is being played out in this country. This particular bill is a focus for that. The government of the day unabashedly represents a right wing, neo-Conservative philosophy that has no flexibility whatsoever, but it is to be admired that it is adherent at least to a philosophy.

I disapprove of the North American free trade agreement. I disapprove of its philosophy. Frankly every Canadian should be shocked and alarmed that after eight years in power this government has turned this country upside down, hopefully not irreparably. It was a course that was set out deliberately by the Prime Minister and we should not be alarmed.

We need to be alarmed about where the Liberal Party sits on this issue. I want to go through step by step what is playing out and what will play out over the next year. Along with the Crow rate this particular legislation once it is passed in this House will be enshrined in perpetuity under the North American free trade agreement. We will have a bill in the House to ratify the North American free trade agreement come spring.

After that bill is passed in opposition by both the Liberals and the New Democrats the next scenario will be a federal election. During that election the Liberal Party will take the position: "Oh, my goodness, the bill is passed; we can do nothing about it". I want to alert the Canadian people to a timetable that the Liberal Party has not reckoned with and is ticking away.

The government is clear. It has taken its position. The Liberal Party opposite is opposed to it. Once it is passed it will say: "We can do nothing about it".

However, the target date for Canadians to focus on is January 1, 1994 when this bill and the impact on the Crow rate to farmers and all the other damage done under the FTA will be folded into the day of reckoning of the implementation of the North American free trade agreement.

It will not be a question of abrogating, it will not be a question of renegotiating. It will be a question of political will of implementing.

I am warning every Canadian to understand that by the time January 1, 1994 rolls around, there will be a new government in Canada. That government will face the question of whether it meant it when it said in this House that it will not go along with this kind of legislation. That government will face the day of reckoning of whether it was telling the truth about its commitment against the North American free trade agreement and that will be during the election campaign.

The people of Canada will ask a simple question. If the Tories are elected this will go ahead. If the Liberals are elected, will they implement the North American free trade agreement that folds this act in on January 1, 1994?

I want to say on the record that the New Democratic Party has said that should it be elected to government before January 1, 1994, it will not ratify the North American free trade agreement. This is not renegotiation. This is not abrogation. This is ratification.

If the Liberal Party is telling the truth, then we insist that its leader stand up today or as soon as possible and let the Canadian people know whether it is playing a charade in this debate or whether it means it. The way to let the Canadian people know if it means it is to pledge here on the floor of this House that should it be elected the next Government of Canada, it will not implement the North American free trade agreement, that way preventing this bill and the loss of the Crow rate to take place.

I want to understand and say very clearly that in my opinion the Liberal Party is hiding behind the Conservatives, talking against this bill, fighting against it, but then when the chips are down on implementation, when it is there in government, it will say it is too late to do something about it.

I want to look into the camera and tell the Canadian people how this can be stopped. The only way this can be stopped is by electing a government that says come January 1, 1994, it will not implement the free trade agreement with the U.S., Mexico and Canada.

Some hon. members: Oh, oh.

Mr. Barrett: I hear the nervousness of the Liberal Party. I enjoy the banter of this House. I enjoy the cross-fire and all the pleasure, but the real issue is where does it stand? Will it pledge to the Canadian people, through the mouth of its leader and its trade critic, that should it be elected government in Canada before January 1, 1994, it will not implement the North American free trade agreement?

That is the question of the election. That is the question that every Canadian has a right to know and no duplicity, no dodging, no weaving, no hiding behind the Tories will escape that question. We insist that the Liberals tell the Canadian people that if they get the trust of the Canadian people through the vote, they will not implement NAFTA. Anything less than that is mere puffery, it is mere politics, it is mere denying the Canadian people exactly where the Liberals stand as the Official Opposition.

With all the yap, yap, yap from the Liberals, all the interjections, the reality is where does the Liberal Party stand? Is it with Canadians against this bill or is it really just playing a game with the government? January 1, 1994, will it implement? Let every Canadian know the value of that question.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I too would like to rise and speak to the report stage of this bill, Bill C-91, an act to amend the Patent Act that has few, if any, redeeming features and an act that government members should be ashamed to defend.

• (1150)

Before I proceed further I would like to seize this opportunity to congratulate and thank my Liberal colleague, the member for Dartmouth, who has provided true leadership in this House and has challenged the conscience of all members of Parliament.

I would also like to seize this opportunity to thank the immediate member from the NDP for recognizing the imminent victory of the Liberal Party of Canada.

I will speak today on Motion No. 1, an amendment to the bill. The motion relates to the retroactivity clause, an amendment setting a doubtful precedent in Canadian legislation and to the restoration of compulsory licensing.

There is a tradition of democracy whereby no one may be penalized for an action taken before the birth or enactment of any law. We know of the truism no *ex post facto* law shall be enacted. This democratic tradition, specifically this fundamental tenet of our common law, has found itself even in sports, where no one may change the rules of the game midstream. You cannot expect people to plan in a vacuum of uncertainty.

That very thing has been demanded directly of our generic drug industry by this government and indirectly of all Canadians in a despicable display of arrogance and hypocrisy by this federal government.

Generics will be penalized by a government that is a lap-dog to the multinationals, nudging our own home-grown industries into oblivion. This is especially true when the bad medicine of Bill C-91 is swallowed with the hemlock of NAFTA, where the drug industry has made our international trade minister and our own Prime Minister rush to praise and sign.

It becomes even more repugnant to think that this retroactive clause would find itself in this bill, particularly when it is being proposed by this government which has lost the trust of Canadians.

While I am not surprised that the government has spawned retroactivity in legislation, I am embarrassed for the government's lack of honour and integrity.

The minister is not even clear on the intent of the pharmaceutical industry; not specific with respect to drugs for which licences have been granted by December 20, 1991, and for which licences, issued later, should be permitted. Without such clarity, there could be a second class of monopoly among generics themselves. One can only imagine a company issued a licence after December 20, 1991 but filed before that date and which has spent substantial amounts of time and money preparing this product for the market could be severely prejudiced by the proposed legislation.

This is truly a flawed deal.

At this point I would like to indicate to the House why the retroactivity clause is even more alarming and obnoxious. We know that it is a result of lobbying by the U.S. drug companies through their intellectual property committee, as reported in the media. Apparently, in its February 26, 1992 letter to the U.S. trade representative Carla Hills, the committee wrote: "In clear, straightforward language, NAFTA must require Canada to dismantle its discriminatory compulsory generic licensing requirements for pharmaceutical products and to suspend the granting of any compulsory generic licences from December 20, 1991 and onward".

This was not a date chosen by this government after dutiful study. This was a date of retroactivity because it has caved in to that big, big lobby. The said letter apparently was full of commands, such as insist and must.

These brand name companies, in essence, made the rules and had seen to it how those rules could be adopted as international standards.

They wanted to set a precedent for the world, but who is the guinea pig? Canada.

We do not even know if there is ever any intention on the part of the pharmaceutical companies offshore to transfer biomedical research to Canada in exchange for Bill C-91. Why did we not ask for that?

A special assistant to President Bush, Gail Wilensky, said: "Canada does not have to worry about having a biomedical research industry, it can make use of ours. That is what it means to be a small country next to a large country".

What a mocking attitude and what arrogance. This government has chosen to be mocked and has chosen to surrender.

Retroactivity would knock about two dozen generic licences into oblivion. Worse, if Bill C-91 is passed and entrenched in the North American free trade agreement, it will be virtually impossible to change later on.

What does this mean? It means that in future no Canadian government would be able to provide for its citizens without violating the international trade agreement. More seriously, when entrenched with the international trade agreement it would wipe out the sovereign right of this Parliament to allow generic companies to provide cheaper bio-equivalent drugs of brand name drugs to the poor, the elderly and the sick. Are we prepared, as members of Parliament, to truly surrender our right?

I ask all members of Parliament, particularly those from the other side who seem to be defending the position of the government, to come to their consciences. I am really groping for words to define the attitude of this government. This bill is more than unfairness, it is more than arrogance, it is more than lack of sensitivity, it is more than lack of leadership and integrity; it is the sum total of all these.

It is as though low-income and middle-class Canadians no longer matter in our society; no wonder most Canadians are disillusioned with this government.

Bill C-91 is a reflection that this government has lost touch with the pulse of Canadians. Even this government which talks of fairness to business will not allow other businesses to flourish. The saddest truism in Canada is that life is harder now than when this government came into power in 1984. The irony is that it is the same government that promised prosperity and now with Bill C-91 this government would like it to be even harder for the Canadians of tomorrow.

I appeal through the Chair, the ultimate authority in this House, to use its great persuasive powers to change the hearts and hands of this government. Can the Chair tell us of any parliamentary procedure that I can share with my constituents so that we can change the hearts and intention of this government and all its members? I only know of one approach and that is for this Parliament to be dissolved and for the government to call an election. Is there anything within the Chair's power that can invoke this wish of Canadians?

This is about the only retroactivity that we can allow, that we should not have elected this government to begin with in 1984. Surely this government is not blind to the 1.6 million unemployed and blind to the food banks.

As I conclude with the remaining minute allowed to me, we know of the havoc that Bill C-22 has wreaked and four years later in these December days, again we will see the havoc to be wrought by Bill C-91. Is this the Christmas gift the government is prepared to offer Canadians during this holiday season? I trust that its conscience will be stirred.

• (1200)

Hon. Bob Layton (Lachine—Lac-Saint-Louis): Mr. Speaker, I am happy to join in the debate with my colleagues today on the drug patent bill, C-91.

As a member of the legislative committee, I shared in the time spent and wasted to a large degree in the committee that did not give us a chance to express ourselves due to the filibustering from both parties of the opposition.

In January 1992, Canada endorsed the General Agreement on Tariffs and Trade proposals to extend patent protection for pharmaceuticals by eliminating compulsory licensing. On June 23, 1992, we introduced Bill C-91, an act to amend the Patent Act, to increase brand name pharmaceutical protection from 17 to 20 years.

Why are we doing this? It will mean more investments, more jobs, more research, better medicines, fairness and reward for innovation—

Mrs. Dobbie: That is right. A future for our children.

Mr. Layton: We are committed to an international trade consensus through GATT which represents 108 countries. We must do it now because investment decisions are being made world-wide. Industry is restructuring globally.

We must create the right environment in Canada to attract investments and by the by to attract back our very fine scientists who were drawn away from Canada to the job opportunities in the United States and around the world. The reverse brain-drain is happening and it will be good for Canada.

Mrs. Dobbie: That is right. More jobs for us.

Mr. Layton: It is because patent protection is a critical factor in any new investment decisions. The current patent regime in Canada is simply non-competitive.

Some claim we are rushing this bill. The government's policy decision was announced a year ago. There has been ample opportunity for input from all stakeholders over the past months. The provinces, generic copiers, innovative companies and many others were consulted. Any further delay will jeopardize $500 million in investment commitments. Announcements are being made nearly every day.

Yesterday it was $170 million by the Eli Lilly Company, earlier it was Merck and beyond that it was Glaxo. They are all looking for an opportunity to invest in Canada.

Mrs. Dobbie: Because of bills like this.

Mr. Layton: Just because of bills like this. The track record is good.

Bill C-22 which preceded Bill C-91 has been a great success. Innovative companies have kept their promises on all fronts. There have been more investments; over $1 billion. There have been more jobs; 2,400 by 1991, on-track for 3,000 in 1996.

There has been more R and D. Canada, its universities and its brilliant scientists are leading the world in a number of areas, well ahead of the promises that were made for 1987, up from 4.9 per cent of sales in 1987 to more than 9.6 per cent in 1991.

Mrs. Dobbie: Real opportunities for Canadians.

Mr. Layton: We have strong price controls, increases that have been held to 2.9 per cent per year, well below the consumer price index of 4.4 per cent.

Finally, Bill C-91 improves price controls. There are new powers being given to the Patented Medicine Prices Review Board. There are better controls on the prices of new drugs and a greater role for provincial and consumer inputs. Nothing in the bill will contribute to increases of individual patent drug prices. These will continue to be regulated by the board.

The Montreal Gazette has not given a lot of support to our government initiatives but in this case it said last Friday in an editorial that went across the country: "Knee-jerk reactions don't help: The bill to extend drug patents is a sensible step".

How could such a sensible, necessary piece of legislation generate so much near hysteria? The bill is simple and fair. It is intended to give pharmaceutical companies the same 20-year patent protection that all other manufacturers get for their invented products. It will bring Canada into line with countries which support the GATT proposal giving drug makers 20-year patent protection.

"The bill also contains protection for consumers by strengthening the powers of the Patented Medicine Prices Review Board", says *The Gazette* to ensure that prices for all patented drugs remain reasonable. The Canadian pharmaceutical industry will not survive, let alone thrive without some respect for intellectual properties.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, it is my pleasure to be standing here today to talk about a very important issue for all Canadians and for the people of Kenora—Rainy River.

It is a shame that we have to enter this debate in such a hurry, and the hurry that I talk about is that of course we are dealing with the same situation with which we deal with most controversial bills in this place, that is with the threat of closure.

Bill C-91 is an issue that the Conservative government has brought forward to deal with the extension of patent protection for brand name pharmaceutical manufacturers. I might add that it is at the expense of Canadian consumers.

There was a lot of discussion in this place this morning as to what the facts are. Maybe we can just look at some of the facts. There is no doubt that the government has the right and the responsibility to negotiate on behalf of Canadians. It is true that we live in a very global, competitive market and have to be prepared to negotiate agreements with the rest of the world.

The question is: Has this government been a good negotiator? Let us take a look at the facts. Not too long ago, we debated in this place the North American free trade agreement. We debated in the 1988 election and previous to the election the free trade agreement with the U.S.

Those debates were based on whether in fact Canadians were getting a good negotiated deal. Again, the question has to be asked if indeed that is a fact. I want to look at some of the facts just to put on the record what we are getting with Bill C-91. Of course, what we are getting is an extended amount of patent protection for pharmaceutical manufacturers; up to 20 years. A lot of members opposite believe that bringing us in line with other countries is a good thing.

First of all, we have to look at the differences between one country and another. Canada, of course, is a very unique country. There is the fact that we have some large issues that we have to deal with. Of course, there is our geography and our demographic situation. It is because of our distances that health costs are sometimes much higher than in other countries, or potentially can be.

What we have in Canada is a very different system, a national health care system that reflects the unique needs of Canadians. We simply cannot say that we are the same as everyone else because if we were, we would just have one state in the world. We would not be different than another country on the globe.

We would be all the same and have the same kinds of regulations, the same kind of environmental protection. That is not the case at all. It seems though that the ideology and the belief of the Conservative government is that we are all the same and should be treated as such.

Let us take a look at what is going to take place with Bill C-91. The drug products affected by Bill C-91 will average 7.2 years of extended patent protection. Beginning in 1993, Bill C-91 will cost Canadians $7.5 million and by the year 2000, the added cost of Bill C-91 will be $455 million annually.

The cumulative costs of Bill C-91 from 1993 to the year 2000 will be $1.7 billion and by the year 2010, the cumulative cost from 1993 will be $4 billion. The question is in this negotiated system that we are talking about: What are we getting for the $4 billion that we are giving the large pharmaceutical companies? Are we getting more jobs as was suggested in 1987? No, we are not getting more jobs. Are we getting more research and development? Maybe so. The suggested amount of research and development because of this patent protection, the added amount of time that will protect these big pharmaceutical companies which, by the way are 85 per cent foreign owned, is an estimated total of $500 million.

• (1210)

What we hear on the one hand is that Canadians, as consumers, are going to give up roughly $4 billion out of their pockets for higher drug prices because now what we are talking about is going from the Canadian system to a level playing field similar to the American system. It is a fact that Americans pay 62 per cent more for prescription drugs than the average Canadian citizen. If we were to follow that through, that means by the year 2010 we will be on a level playing field with the Americans. Our drugs should rise proportionately to the point where we will be equal to the Americans as far as the price that we pay for drugs.

The question has to be asked in this place. That is why we are debating this, not because we are the loyal opposition and we disagree with the legislation. It is our responsibility as members of Parliament, to put the facts before the Canadian people so that they can decide whether the legislation that the government is presenting today is a good piece of legislation for the good of all Canadians.

On the one hand, we have the minister who was the same minister who negotiated the free trade agreement and now is the Minister of Industry, Trade and Technology. He is also the Minister for International Trade and he is negotiating on our behalf another agreement, which is this particular legislation that we are talking about. His negotiating skills are what we are talking about here today. On the one hand, we are removing roughly $4 billion out of the pockets of Canadians. In essence this money is going to the U.S. because they are all multinationals. On the other hand, it is being suggested that we are getting $500 million in research and development.

Under the research and development process there are also some tax incentives. The Canadian government provides in tax incentives to the large international companies which are into research and development in this country roughly 70 per cent of the bill. That means in essence they are paying 30 per cent out of their own pocket for research and development in this country.

It does not take a rocket scientist to understand that in essence the $500 million that is being quoted is not $500 million at all. It is a much smaller amount than that. It is only $150 million.

We are asking Canadian consumers to pay roughly $4 billion more in drug costs in the next 20 years in exchange for $150 million in research and development. Can you imagine, what kind of negotiator I would have been in my previous life if I came back to the membership that I used to represent and gave them those numbers? That is in my previous life when I used to have a much more enjoyable time. That is because they did not give us 10 minute deadlines to speak in those days. If I did that, I would not last more than five minutes in that room with those people whom I represented.

What we are trying to suggest today to the government is that the minister's negotiating skills can only lead us to one conclusion. That conclusion is that it is his swan song before he goes back to the corporate world to be able to say to the corporate world: "Look what I gave you". He certainly is not giving the Canadian people anything to talk about, anything to be joyous about, any kind of a Christmas present.

What are we going to do?

The NDP is suggesting that we are in bed with the Conservatives. I find that to be the most ludicrous thing I could ever think of, simply because in the last four years I have gone through the kind of NDP rhetoric we are hearing in the House today in Ontario. In Ontario, Bob Rae has said continually, and was elected for it, that he had an agenda for the people. He was going to give all sorts of improvements to Ontario. There were hundreds of promises and they were never fulfilled.

I caution Canadians when they listen to members from the NDP side saying that they are going to do the right thing if they get to be the government come election time. I know for a fact that is not true and I say to people out there be very careful when you accept that kind of rhetoric because we in Ontario know that is not the case.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State of Canada and to Minister of Multiculturalism and Citizenship): Mr. Speaker, I am very pleased to speak in this debate on third reading of Bill C-91, an act to amend the Patent Act, 1992.

I have already spoken on this—

The Acting Speaker (Mr. DeBlois): Order, please. I simply want to point out that we are at report stage, considering the report of the committee that examined Bill C-91.

Mr. Della Noce: Mr.Speaker, we will get there one day, that is for sure, because I believe that this bill is important. As I said in my last speech, it is so important for Quebec now that people are starting to talk only about it. I find it unfortunate that the member who just spoke gives his place to a party that will defend this bill, namely the Bloc Quebecois. We cannot really call it a party, we will just call it the Bloc Quebecois.

This morning, on coming to the House, I read *La Presse* and, before starting my speech, I would like to quote an article for my colleagues in the Liberal Party. I think it is too bad, because the Liberal Party was in power long enough to know the difference between good and bad. The article, dated December 8, 1992, was written by Mario Fontaine and has the caption, "Ghislain Dufour, president of the Conseil du patronat, together with Bloc Quebecois President Lucien Bouchard".

That is serious and I would like my colleagues to pay close attention. It bothers me because I believe it is up to them to defend this bill, not up to a small group.

The article says: "Ironically, the Conseil du patronat, the actively federalist Quebec employers' council, has had more problems with the Liberals under centralizer Jean Chrétien than with Lucien Bouchard's sovereignists. The reason is that the Liberal Party is reluctant to pass Bill C-91 on drug patents."

I do not know if my colleague opposite could shut up and listen for once. He might learn something, because things are happening in Quebec now. Things are happening there because people want the bill passed, because—

[*English*]

Mr. Nault: Mr. Speaker, on a point of order, I know that the member opposite has been in this place long enough to know that we are not supposed to call hon. members by their names in this House. On that side of the House they continually do that on a regular basis. If it is going to be the rule to start doing that, then I would love to change that approach.

If that is the case then I would like to change my speech to reflect that Mr. Wilson is the sell-out artist of all time.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Yes, by tradition, we are not supposed to name a member. I believe the hon. member was quoting something, and of course the issue is more complex then.

Mr. Della Noce: I was just going to ask you that, Mr. Speaker. I quoted from a newspaper article as it was written. I have been here long enough to know that when a Liberal rises to raise this kind of point, it is to prevent us from talking about the bill and making them listen to some good points. I have understood that. If the hon. member opposite does not know what is happening in Quebec, he could perhaps start to read *La Presse*. He could keep up with things.

• (1220)

When you say such things here, you should look in the mirror. I would be ashamed to be a Liberal this morning, knowing that the CPQ cannot get a hearing from the Liberals or their centralizing leader and is reportedly going to see the Bloc.

Also, as a resident of Laval and for the riding I represent, I must add that this legislation is very important for research and development. Because of the Armand Frappier Centre, people I meet every day say to us that they need Bill C-91. I met the director of Marion and he told me that we would soon be invited to the opening of their expansion. They are doubling the square footage they now have in Laval. What is happening in my riding must certainly be positive.

An hon. member: Tell me about the military college.

Mr. Della Noce: My colleague asks me to tell him about the military college. Like it or not—this may not be the topic today—my colleague must know that Mississauga and Laval are the only two cities in Canada that are growing at a rate over 10 per cent; Montreal is growing at only 1.7 per cent.

Regardless of what my colleague wants to talk about, I can tell him about the military college all he wants. I did not own the land, he can be sure of that. That does not interest me. What interests me is that we have some things in Laval.

I think that Laval and Ville Saint-Laurent are models for research and development in Quebec. If the hon. member wants to hear about it, he could certainly be invited to take a tour. It is wonderful.

Again last week, driving to Ottawa, I saw more buildings going up for research and development, especially Biochem, and that will please my colleague from York. The president, Mr. Bellini, is a wonderful fellow, and not just because he is Italian. They are people who are investing in our area, who believe in Laval and create many jobs as well. We in Laval want to have something extraordinary. We are interested in the environment and things that do not pollute. The mayor is always trying to attract investors and trying to give them the best. He has even provided a park with a special residence for our researchers, because we do not want them to go away; we want to attract them, but some people want to send them away.

What has happened is that we had to go and find them in the United States and tell them: "Come back. You have a chance with us, because all future legislation will protect this investment".

Sure, some people will give figures. I heard some figures just now. Millions and millions and millions. It is easy. If a company could invent a drug one day that could cure 20 or 30 per cent of the patients in hospital, I think that Canada and Quebec and everyone would really come out ahead. That is what we are looking for.

Unfortunately, I had to go to hospital last week. It is frightening. I had priority because I had chest pains. People wait four to five hours. Research is important. If it costs $500 million to save $2 billion, well, that is $2 billion in taxpayers' money we can save.

Why we are doing this? If the hon. member will listen, I will tell him. We are doing this because we want more investment, more jobs, more research and better drugs. We want to reward innovators, we want to reward research, and we want to give our young people a chance. He keeps harping on the negative side. It is going to cost more. Of course, research costs money, but some day we will get a return on that investment.

Research is indeed like a long-term investment. Some of the investments I have made did not seem like much at first, but in the long run they grew and grew, and that is what research and investment are all about.

This morning, when I was listening to the hon. member, I felt he ought to be ashamed to let the Bloc Quebecois defend his party and defend the people who believe in Bill C-91 in Montreal.

His question was: "Why act now, why don't we wait?" This is typical of people who do not want to keep up with new developments. Let us put it off until tomorrow. I was in business for 25 years, and I could never afford to say "we'll wait". People who wait are losers. We cannot wait. We must stay ahead of the pack. We must stay 10 years ahead of everybody else. But no, let us wait.

Mr. Speaker, you are signalling that I only have two minutes left, so in concluding, I will quote, for the benefit of my colleagues, an old saying my Italian grandfather always used: "No money, no candy".

Today in *Le Devoir*, I noticed someone plagiarised my grandfather's maxim, and I will name her, Mrs. Judy Erola, a former Liberal and former member of cabinet. She is now a lobbyist, like many others of her ilk, whatever their political affiliation. Many have started a new career this way. Mrs. Erola was saying the same thing. I agree. I do not think this is blackmail: "No money, no candy", no investment, no jobs; no research, no jobs.

To the residents of Laval, the city I represent, Bill C-91 is important. I hope my colleagues will stop delaying its passage and avoid losing ground as they did during the consideration of Bill C-22. That particular bill was crucial to them, and this is a new Bill C-22, if you like. My colleague said that I often referred to Bill C-22, but I cannot help it, because that is the bill that brought $500 million to my riding and activated investment there. I am not saying that Quebec or Laval are better, but Laval is my home. It is a young city, barely 25 years old, and we are anxious to attract this kind of investment. Special residences and parks were built for researchers in a special environment, because a city does well to attract researchers and R and D components.

I rise in the House today to speak to Bill C-91, as I promised the people I represent. This bill must be passed, and we will try to convince our friends opposite—even if they want to be stubborn and quote all kinds of figures—by quoting back to them what my grandfather said: "No money, no candy".

[*English*]

Mrs. Dobbie: On a point of order, Mr. Speaker, I think you will find there is unanimous consent in the House to extend through the mid-day interruption.

The Acting Speaker (Mr. DeBlois): Hon. members have heard the terms of the motion. Is there unanimous consent?

Some hon. members: Agreed.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, I would like to follow up on what the member for Laval was indicating; namely, no money, no candy.

I want to refresh the memory of this House and all Canadians who listen to the promises of candy when Canadians put their hands into their pockets and put out literally hundreds of millions of dollars with Bill C-22.

The drug companies, the patent drug companies, the multinationals, promised 3,000 high-skill, high-paying jobs in Canada if Bill C-22 would pass these Chambers.

So far, five years into that mandate—my hon. colleague opposite wants to hear this—there have been a grand total of 700 lay-offs in the industry; not job creation, lay-offs. If the truth is out and if the members opposite can read one of those multinationals, Eli Lilly in Scarborough, Ontario, which promises to spend another $150 million on R and D even though the Canadian taxpayer is going to pick up 70 per cent of that in tax write-offs, has reported since Bill C-22 profits to its parent in the United States in excess of 100 per cent return on investment per annum over the course of the last five years.

Good Lord in heaven, what are we going to do? What more incentive do the multinationals need in order to put back some candy in the pockets of Canadians who have been footing the bill, one hundred per cent return on investment each of the last five years?

• (1230)

Now what is it asking for? It is asking for continued protection for an additional three years because it needs it. The government needs it desperately. I do not know why because it has not delivered on jobs. It has been getting tremendous return on its investment and if any corporation, be it multinational, local or parochial got one third of that kind of return on its investment it would think it was running a super duper profitable franchise.

No, we are not talking about that at all. We are talking about the biggest mind boggling rip-off Canadians have yet to see and are going to witness to their chagrin over the course of the next while if this bill actually passes this House. Lord forbid that happens. Many of us are going to turn very religious because we will have to invoke our faith in the divine in order to prevent this travesty from being visited upon Canadians. It is a travesty.

We have to take a look at the kinds of claims being made and the truth that is evidenced by action. We are talking about investment that is going to be made, but over the course of the last several years R and D spending, for example, in the United States has exceeded the R and D spending in Canada by 50 per cent.

With a return on investment of 100 per cent, why is there that kind of a discrepancy? Where are the jobs for our young chemists, our young bio-researchers? Where are our investments in the universities? Where are our investments in Canadian industry?

When compulsory licensing was put in place, as Canadians will well remember, it was to develop a critical mass in expertise at our universities, academic institutions, and bio-medical research facilities. It was designed so we could create the kind of financial base for our industries, our *naissant* industries in bio-medical research, in the drug research if you will, in order to allow Canadians to develop an industrial base and a pattern that would encourage industry that was going to accrue benefits to our medical research and medical system.

Colleagues on both sides of this House will have to admit compulsory licensing is an integral part of the Canadian medicare system. Without it, the system cannot function and in fact will not function. The member opposite is so fond of saying: "Ooh, I see these buildings go up and you know we are going to create jobs". Those jobs are going to disappear tomorrow.

The profits are being transferred back across the border. Canadian companies are investing every single penny of profits in this country because they pay taxes in this country. They do not transfer their taxes via expenses to some tax-free haven like Puerto Rico.

The integral component of our medicare system is the affordability of drugs. That affordability is being eroded by this legislation and just think how nefarious this legislation is.

My colleague from Dartmouth who has argued so valiantly on this bill has pointed out on more than one occasion the retroactivity component of this particular amendment that we are dealing with now. It is so bad that not only does it reach into our pockets to pay more, it is pulling our pants right off our bodies. It is saying it is not enough that it is going to get an additional three years. In fact, it is going to be much more than three years of patent protection.

It is going to be much more.

Mr. MacDonald (Dartmouth): Up to 14 years.

Mr. Volpe: Up to 14 years, my colleague from Dartmouth says and in fact the average is about 9.5 years. Not only is it going to reach forward, it will also reach backward. I have not seen anything so inane. On a moral basis, it just does not make any sense. On a legislative basis, it is an affront to liberal democratic principles that you would pass legislation that reaches further back and makes criminals of those who have abided by the laws of this country and made investment decisions on the basis of the laws of this country as unjust as they might have been.

No, no. The members of the government opposite are not happy to have pilfered Canadians and pillaged our political system. They want to make sure they burn and raze to the ground any vestiges of Canadian industry, Canadian bio-medical research and Canadian achievement through a medical system that is the paragon of example the world wide. They want to erode for all time the basis of a social policy that might in fact give credence to the claims, to our boasts in fact, we are a truly progressive society and we are doing it on the basis of investment decisions. The members opposite have the courage, the temerity, the effrontery to suggest this bill is necessary so companies can make their investment decisions and bring us money.

One of the reasons we have a crisis of confidence in our political system today among our citizens is we essentially tell all Canadians: "You're fools", and we are if we believe those kinds of claims.

Can you imagine, and this is not a partisan statement, on a very conservative estimate we are going to give, through this amendment, a gift of an additional $500 million to the brand name companies, the multinationals. That $500 million has to come out of our medicare system. It is not going to finance better doctors, better nurses or better facilities. It is $500 million that is going to be taken out of our tax system to give to companies that are already earning 100 per cent return on their investments.

We are going to do all that and we are going to tell Canadians: "Go ahead, give us that $500 million per annum over the course of the life of this contract. Do you know what we will do in return? We will throw away $500 million over the course of the next 10 years and that is $50 million a year in investments". Good Lord in heaven, there is not a member in this House, even from the NDP, who would not say: "Give me but a tenth of that money and I will gladly throw it back into the pockets of all Canadians through whatever kind of investment, because after all, we are dealing with your money".

This is an insane way to do business. It is a crazy way to run a government. It is an absolutely idiotic way of putting together legislation. If my colleagues on the NDP side are really honest like we are, this needs to be defeated. If passed, it should be rescinded when we get into government.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I am glad to have a chance to speak against Bill C-91. The more truthful title for this bill would be "a bill to increase the prices of prescription drugs and the profits of the multinational prescription drug manufacturers".

The bill does not of course say that openly and directly. It does it indirectly with all kinds of diverting and irrelevant propaganda, including promises of jobs. We have heard this for eight years now: jobs, jobs, jobs. With all this government has done for jobs, we now have 1.5 million Canadians officially unemployed. There are many more unemployed unofficially and another couple of million Canadians who have to depend in whole or in part on government aid. That is the result of eight years of the Prime Minister's promise of jobs, jobs jobs.

That is what the government is promising here: jobs, jobs, jobs. The facts do not support it even on the prescription drug industry, as my colleagues have already pointed out. The fact is we have lost 700 jobs in this very industry, including lay-offs by companies promising to make more jobs.

There was a time when the multinational corporations got the highest price in the world for prescription drugs from Canadians. Our prices were higher than any others. That was before 1969.

• (1240)

At that time an amendment was passed to the Patent Act which limited the patent monopoly of these foreign monopolies and limited the application in Canada to five years. After that an entrepreneur in Canada could establish a manufacturing corporation, apply for a licence from the multinational monopolies and by law get that licence.

By paying a fee to the multinational corporations, the entrepreneur in Canada could produce what we call generic drugs. Sulpha is sulpha no matter what company produces it. Penicillin is penicillin no matter what company produces it. That was the basis of the generic drug industry which has grown and produced a good many jobs in Canada. More importantly, it has lowered the price we would otherwise be paying for these prescription drugs.

The government's own office in 1983 estimated the generic drug industry had saved Canadians $200 million on the prices of drugs in the previous year. It is done very simply. The government's commission estimated when one generic drug company competes, the price the monopolies can charge becomes 20 per cent cheaper because of the competition. When five companies compete the prices average 45 per cent cheaper. When 10 versions of a generic drug compete, the prices average 70 per cent cheaper. That is not surprising considering some of the foreign multinational corporations make 100 per cent profit every year on their investment. They can well afford to let some of that go for a necessity and this is a necessity.

The health of Canadians is far more important as an obligation to this government than the super profits of a foreign multinational, even when the foreign multinational promises to make jobs. We know the record of those companies in the last four years has been the destruction of jobs in Canada, not just in the drug industry but in all kinds of manufacturing. They have destroyed hundreds of thousands of jobs in Canada because they find it cheaper to produce in places like Mexico where they can hold people down to $1 to $2 per hour wages.

The health of Canadians is more important than the profits of these foreign multinationals.

The amendments to the Patent Act brought their monopoly time in Canada down to five years, but the multinationals have now campaigned to get those unlimited profits back. First they pressured this government to extend the monopoly power by the 1986 law to 10 years. That is 10 years before anybody can compete with them in Canada by producing basically the same drug under a generic title. They are now demanding 20 years of monopoly time and this government is giving it to them through its majority vote.

I want to repeat, the question basically at issue is what is fair, not just between individuals or nations, but to the whole nation. The Canadian health system developed from small beginnings to a national system that is the envy of many people in the world including more and more people in the United States of America, and I will come back to that.

Part of that envious system is the moderate price of prescription drugs which Canadian law so far has enforced; enforced not by price fixing, but by allowing competition which this government claims to admire.

The people of Canada have a moral right and a moral obligation to do this through their government and through their representatives in this House to allow that competition to keep the prices down so that they are reasonably possible for Canadians to pay, including poor people, including seniors who need more and more drugs as they grow older and including children whose lives can be stopped suddenly when they have need of these drugs.

When drugs can cost as much as $19 per pill, the companies that force such a high price are killing people for a profit. They do not need a gun to do it. They do not necessarily have to do it by industrial carelessness like the accident in Bhophal, India a few years ago, when they killed thousands of their neighbours by a careless explosion. They do it by putting the prices beyond the reach of the people.

I am glad that some American brothers and sisters have come up to Canada, not just now but through the years, to let us know what is going on in the United States with this prescription drug racket. I am glad that they and we are making common cause now because they have to pay 62 per cent more than we do on average for prescription drugs. They know what these multinational corporations cost because it is primarily from them that the multinational corporations are making those 100 per cent profits.

In the last few years, the people in the United States have been demanding a health system more like the one we have in Canada. It has now reached the point at which President-elect Clinton in his election campaign felt it necessary and appropriate to promise them an improved health insurance system partly to cover the $35 million people in the United States who have no health coverage whatsoever. More people than the population of Canada go without any medical health protection in the United States because of the rule of corporations like Eli Lilly and the other drug companies.

If the corporations can kill the generic drug industry in Canada and further undermine Canada's health system, they may be able to block President-elect Clinton from legislating a decent health system for the American people. I hope the Canadian people will stand up, first for ourselves, and defend our present health system and the generic drug system against Bill C-91. I hope we will defend it against the North American free trade agreement which would like to lock us into Bill C-91 for ever and ever in the future.

Second, if we do that, we will be helping the American people to gain the very same benefit.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, in the short 10 minutes that we have under this procedure to speak, I want to talk about Bill C-91 in two aspects. I think these are the two basic issues.

One is the perversion of Parliament that this whole process involves and the second issue is obviously the substance of the bill.

Having been a member for a few years who still does believe, sometimes I wonder about the efficiency, the efficacy or the supremacy of Parliament. This bill, Bill C-91, is a contradiction to everything that Parliament involves.

Bill C-91 was introduced on June 23 of this year, the day we adjourned for the summer. We all know that we were very involved in constitutional discussions. There were also free trade discussions, NAFTA discussions, but the preoccupation of the country was definitely shifting to the Constitution and that is the day this bill came in.

Then the debate started on second reading on September 17, 1992, when we came back after the summer when the focus was very much on the Constitution because that is the session that passed the referendum bill.

• (1250)

I want these things on the record because I cannot understand any member opposite and/or certainly opposition members who do believe that Parliament does have a part to play in certain fundamental issues who can agree with the short timeframe and the jackboot allocation of time and closure that was involved with this bill. The debate started on September 17. It started at 10.25 in the morning and went untill 12.15, an hour and 50 minutes for that first day. Then we had the referendum and the House adjourned. Then October 26 came and the House came back after the referendum and that is when second reading debate continued, on November 16 when the debate started at 3.35 in the afternoon and went to six o'clock, a total of two hours and 25 minutes. Then closure came in, so the debate was going to be cut off the next day. It started on November 17 at 10.20 in the morning, went to two o'clock in the afternoon, for a total of three hours and 40 minutes, and then the resuming period of the afternoon, before the hammer of closure fell, it went from 3.20 p.m. to 4.45 p.m.

There were three days, parts of three days, for a total of eight hours and 40 minutes on a bill affecting the very health of Canada and Canadians. Anyone on the opposite side who pretends that this was Parliament at its best does not understand the whole essence of Parliament.

As I listened to some of the government speakers today talking about the merits of the bill, I can understand some members' talking about the pluses of this bill because there is definitely a very real argument on intellectual property and the fact that an inventor should be able to keep his invention. If you are a book writer you are supposed to have your copyright or if you are a painter you are supposed to have certain rights on that painting. That is fine for many of these areas where patent law applies across the board.

When you are talking about the health of Canadians, and something fundamental like drugs, you have to have the balance between the private interests of the developer and the public interest of the people you are supposed to serve. It pains me to say that the preoccupation of jobs, jobs, jobs that we have heard across the way has put in the back seat people, people, people and the health of the people that the government is supposed to represent.

In terms of the time we have had to debate this bill, it should be enough to in effect see if all the good things that government spokespeople say are attributable to this bill, to let the public have a chance to hear a debate. This country is large and it takes time to build a groundswell from coast to coast on any issue.

I can talk conservatively and certainly independently about a three-day debate, parts of three days, and a grand total of eight hours and 40 minutes, and then an allocation order sending it to committee, where in effect it was parts of three days for committee witnesses and great disagreements, understandably, between opposition parties and the government as to how many witnesses. A very few witnesses came before the committee. Here we have it back today for report stage, and 71 amendments on the Order Paper, pointing out that this is a complex bill, a complicated bill affecting all Canadians. It has not thoroughly got the scrutiny of Parliament.

I am the first to say that too often in this House we debate *ad nauseum* too many matters that frankly do not matter that much. I understand the government's using closure and allocation of time when the debate has gone on for days and days and perhaps the opposition is running the clock rather than really debating the merits of a bill.

Never has there been a bill in my memory with so much potential to debate both sides of the issue. To have the ramrod of allocation of time and closure on this bill is a travesty of Parliament, which is one of the reasons this institution is in such low esteem with the public which knows and senses something is wrong. This is the best example.

Before I go on to the other matters of the substance of the bill, I want to take time to pay justified credit to the member from Surrey North and especially to the member for Dartmouth of Her Majesty's Loyal Opposition who is a fellow colleague from my province of Nova Scotia and who has been the spokesperson for the opposition, really leading the questions and the objections to this bill in a proper way.

I give him full credit because I certainly know from the constituency that he comes from in metro Halifax, where there is a great university community and other interests that affect his party, that he has had cross-currents to compete with as all members have cross-currents to compete with from time to time when you get such an important bill.

The other perversion of problem, and I am not going to take long on this since other members have spoken about it and there are several amendments that are supposed to cure it, is a retroactivity feature.

Retroactive legislation in Parliament is odious. It does away with rights that were there in the law, then you pass a law like today and you take back rights that were already given. You have changed the rules of the game in midstream and that is very wrong. Hopefully it may be corrected in an amendment but I am not naive enough to believe that amendment may carry.

Those are some of the points in terms of the perversion of Parliament that some of us still believe in although it is getting difficult to believe in it when you see this type of example.

The other element of Bill C-91 is the substance of the bill. We have heard much today, we are going to hear more in the afternoon or whenever this debate terminates on all the aspects of the bill. It does not take all the graphs, facts and figures to tell the people here and the people outside that generic drugs are cheaper and keep under control the cost of prescription drugs.

When you have all the provincial ministers of health, other than the minister of health from Quebec, raising questions about this bill, writing to the Minister of National Health and Welfare, suggesting certain amendments which have not been incorporated by the government to help some of the deficiencies of this bill, then all Canadians, especially those Canadians who believe in our universal health care, should stand on guard and be concerned.

I can understand the member for Laval. If you have a lot of pharmaceutical drug companies in your backyard, of course you are going to be in favour of this bill.

If it is so great then there should be time for people to get involved in the debate so that the government could justify this hurried action rather than to have it come on to the floor of the House the way it has come on with the hope that it is going to get through before our Christmas recess.

In terms of the substance, we do not have to go too far; just two examples of how generic drugs keep in check the cost of pharmaceuticals. One is a very popular one called Valium which is a brand name drug manufactured by Roche which sells 1,000 2mg tablets for $63.50 and 1,000 10 mg tablets for $144.50.

Diazepam, the generic equivalent, sells for much cheaper; 1,000 2mg tablets costs $5.50 while 1,000 10 mg tablets only cost $6.95. I could give many other examples of the type of comparison which is one of the reasons why I have introduced an amendment which is on the floor of the House.

This price monitoring board unfortunately I still feel is a tame tiger, a tabby cat without sharp teeth. The amendment if it carries is going to make sure that when that monitoring board comes through with a comparison of pharmaceutical prices it is also going to have to compare what has happened with the wholesale price of drugs and what happens at the retail level.

I believe you could go on and on in terms of comparing other generics with pharmaceuticals. I am all for intellectual property and the fact it has to be protected to a certain degree but I believe Bill C-22 was a happy compromise and frankly there has been growth in pharmaceuticals and generics. We talk about the jobs in pharmaceuticals. There are going to be jobs affected by the generics.

In conclusion, as I know other members want to speak, everyone has talked about this, saying conform to NAFTA and GATT. If we are going to be the Boy Scouts of the world, penalizing the Canadians we are supposed to serve—

The Acting Speaker (Mr. DeBlois): Order please.

Mr. Terry Clifford (London—Middlesex): Mr. Speaker, I always enjoy listening to the member from Annapolis Valley—Hants speak in this House. He makes from time to time some very good points.

I think in this case he has forgotten some of the work in Parliament that one does not see in this House. He forgets about the hours that are spent in committees. I would like to listen to his timetable and agenda for what has happened in this very House with regard to this bill. He has forgotten the problem in the institution of committees. Maybe when he was chairman he would remember these things. He knows the hours that members of Parliament put in on committee work. One has to recognize that many aspects of this bill were covered in committee, a lot of good points were made and a lot of the views of Canadians were heard.

• (1300)

He did say there are some good things in this bill and we are certainly glad to hear him make that point. He talks about the rights of invention and the fact that creative people should be rewarded. This is something that Canadians should be proud of, that their government is taking steps to protect and encourage individual achievement and development, particularly in a field that spans the world. Everyone knows we have gone to a global marketplace today. Everyone knows that we have to be competitive as individuals, as institutions, in order that our society can survive in this day and age.

He recognizes, as does this bill, that one of the most important features is the right to invent and the right to protection for your invention. Therefore the stimulation of that will give and the reports on this bill have said that from insulin to medical lasers Canada has a long history of medical discoveries. The most important factor in keeping discoveries in Canada is the will to do so.

Canadians must be prepared to make the necessary investments and trade-offs to focus on long-term rather than short-term benefits. We are trying to focus on something long term, something of which Canadians can be proud and can see long-term benefits. We are all talking in this House about the development of our economy, not just for today but for the next millennium. We need to have entrenched in the laws that we pass things that are going to make that happen. Clearly this bill does that in this field.

The development of better medicines has the potential to ultimately save on health care costs by reducing the need for more expensive treatment such as hospitalization and surgery.

Bill C-91 will encourage the search for new cures, new treatments, and new medicines by rewarding those who assume the risks of pharmaceutical research and development. It will promote the establishment of a strong, innovative and creative pharmaceutical industry in Canada. That industry in turn will generate cures and treatments for the diseases that afflict our senior citizens as well as other Canadians.

Again, we cannot motivate Canadians if there is no protection for those who are going to invest their careers to do this sort of thing. It is one of the strongest features in this particular bill.

The strength in the Patented Medicine Prices Review Board will have a key role in ensuring that patented drug prices remain reasonable for all.

An effective balance has been sought and I believe can be seen in this bill between the need to keep prices reasonable and the need to encourage new pharmaceutical research.

In doing so it offers a solution that will serve the best interests of all Canadian consumers and especially all those in need of this service, and how it will improve their lives.

I am happy that the member opposite sees the pivotal importance of Bill C-91. He sees the most important element in it, the fact that it rewards individual Canadian intuitiveness and creativity in a field that Canadians have been known in, in a field that Canadians now will get international rewards for and cause even more Canadians in the future to be involved.

I hear the member opposite who represents a university in his home city calling this rubbish. I do not think he is going to say that to the faculty of medicine or the faculty of science at Queen's University. I do not think they want to hear that at Queen's. Queen's says it is one of Canada's top universities. I do not believe their member does not support research and development. I do not believe they have elected a member to this House to represent a university city, a city which prides itself on its medical research who does not support research and development, who does not support the right of an author to creativity. I just cannot believe that this would be true in Kingston.

It is not true in London, Ontario. We know that the tests that are done on the drugs in our community to benefit our fellow Canadians are landmarks. Our community supports this kind of endeavour.

I am shocked that some other community that prides itself on academic development, on being a world centre in medical research, could have a member of Parliament who does not support this legislation. I just do not understand it.

I really appreciate the opportunity to put these views on the record today and find out from the members opposite that they are not prepared to listen to their constituents on this matter.

Mr. Joe Fontana (London East): Mr. Speaker, as usual the member for London—Middlesex does not know what he is talking about. For him to suggest that this side of the House and my colleague from Kingston and the Islands are against research and development is absolutely ridiculous and rubbish. This is the heart of the bill.

First, it would be absolutely irresponsible of me not to spend at least a few moments talking about the process. It tells a big story about what this government is all about and what it has been doing for the past eight years. Canadians have become cynical about this institution and cynical about governments. The government continually perpetrates upon the Canadian people the view that democracy does not mean anything any more. It has abused closure more often than previous governments over the past 125 years in the short period of time that it has been in power.

It has done it again on one of the most important pieces of legislation that has come before this House. It has done exactly the same thing, eight hours of debate before we broke for the summer and then the referendum. We came back and had a good five hours and the Conservative member for Manitoba says that is enough. The bill goes to committee. We cannot even hear 89 witnesses who want to be heard, including the Canadian Hospital Association.

Mrs. Dobbie continues to want to say no to everyone.

Mrs. Dobbie: Mr. Speaker, I am fed up with the opposition refusing to obey the rules. Yesterday in debate and again today they used my name. We know that is against the traditions of this House. Mr. Speaker, I would ask that you impose the rules on the members opposite.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Perhaps I may recall once more that members shall not be identified by name in the House.

[*English*]

Mr. Fontana: Mr. Speaker, I am sorry for mentioning the member's name, but perhaps I can mention the member's riding, Winnipeg South.

She is right. People are fed up with the hon. member and fed up with her government. There is absolutely no doubt about that. However, they will have their opportunity finally at election time to pay their respects or non-respects to this government by throwing it out of office. It will not be a day too soon, I can tell you that.

The process has been flawed. The Conservatives have no respect for democratic process. They did not want to hear from people who have a vested interest in this bill, the stakeholders; people in hospitals, the doctors, the consumers, the generic industry. All they allowed was three and a half or four hours. I was part of that process and I must say that it was embarrassing for me as a parliamentarian to have been part of that because it was absolutely disgusting. I do not blame people for being cynical about this whole process.

Second, I want to talk about the process of the bill. In 1987 a similar bill came before this House and it was fought long and hard by the Liberals not only here but in the Senate. The government moved toward changing the Patent Act as it relates to drugs. Some compromises were made. The government said it had to change things because the world is changing. We accepted that, reluctantly. Everybody was told that we had to move forward. What has happened?

• (1310)

Bill C-22 was supposed to be reviewed in 1996, after nine years, so that we could really find out the true consequences of it and its impact on Canada. We know what has happened, prices have gone up. We know that for a fact.

Expert witnesses have talked about the impact of Bill C-22. What does this government do? It says that it has to introduce Bill C-91 to change Bill C-22 because that was not enough. Why does it say it has to do that? Because it was thrust upon them by GATT, NAFTA or by global restructuring. What a bunch of hogwash that is.

Even GATT recognizes that countries have sovereignty and will allow a period of transition. Therefore, it is not because of GATT that we have to change our legislation, not tomorrow but retroactively to December 20, 1991. Is it because of NAFTA? We have provisions in NAFTA, as do the Mexicans and Americans, that allow a transition period of 10 years to change laws to comply with the North American free trade agreement. Why do we not seek that?

We on this side do not agree with NAFTA. We will fight it until we defeat it. You would think this government would take advantage of some opportunities it put in its own agreement.

With reference to the global restructuring in the pharmaceutical industry around the world, let us face it: even Mr. Eastman said that foreign owned companies, multinationals will, in fact, do the bulk of the research and development in their home countries. Sure Canada does research and development.

My friend from London—Middlesex said that universities do research. The University of Western Ontario does research. Let us be clear about the kind of research that is done in Canada. Not enough basic research is done. Twenty-six per cent of the research is only basic, the creative part, developing a new product. We do clinical research. That is great, but it is not the core of what Canada should be all about and that is innovation, creativity, developing our own drugs, not doing clinical trials for the pharmaceutical industries that are based outside this country. We want the positive aspects of this.

Let us review what Canada has managed to do. Canada, in many ways, always finds an accommodation or a compromise between competing interests and Canada has a unique solution. Canada has developed the compulsory licensing system. It is the only country in the world that has it. It has worked and it has worked marvellously. The President-elect of the United States wants to take a look at it. Consumer groups in the United States are taking a look at the Canadian model which, in fact, works. It balances the requirements and needs of patent protection, but at the same time the requirements for competition and new innovations that the generic industries bring forward. We have a unique Canadian solution that could be used as a model around the world, much like our supply management system in agriculture.

Some multinationals tell us we have a bad system because it does not cater to them. They cannot make as much profit as they would like but why should we abandon what works for Canada. Surely we can stand for what is good for us as opposed to always having to march to the tune of the foreign nationals or the Americans. We should be able to do that.

We have developed a Canadian generic industry that has only 8 per cent of the market, employs some 3,000 people and has 22 per cent of all the assets of the pharmaceutical industry in this country. Do you know what? They are doing basic research and clinical research. They are doing the kinds of things we want Canadian home-grown industries to do.

Do you know what else has happened since the Liberals put compulsory licensing in place in 1969? We have been able to develop our own fine chemical industry in this country. Without our own fine chemical industry, we would not be able to have our own drugs.

Another aspect of this bill will seriously impact on people, not only the drug companies but the fine chemical industries that came about because of generic industry and our compulsory licensing system.

I know I do not have too much time, but I want to cover two or three other aspects. One has to do with the question of retroactivity and the amount of extra cost this bill will bear on consumers.

Consumers and experts have indicated the cost of this Bill C-91 to them, the Canadian system, small businesses that pay for group insurance and the health care system will be something between $4 billion and $7 billion in the next 12 years. That is what is going to come out of the pockets of Canadians in one way, shape or form.

What have we asked for in return? At least with Bill C-22, we asked the pharmaceutical industry to put its money where its mouth was and create some good quality research jobs and not cheap ones. In this bill, we have not asked that of them. Why is that? In the United States and Europe, 20 per cent of their sales are reinvested in R and D.

In this country we have asked for only 10 per cent under Bill C-22 and in this bill we have not asked for anything. If we are going to give them a windfall profit, surely to God the government has an obligation and a responsibility to Canadian society to put something back. That means R and D should be at 16 per cent or 20 per cent at least. Why are Canadians not deserving of that?

I see my time is up. I would love to talk more, but unfortunately I cannot.

Mr. Sergio Marchi (York West): Mr. Speaker, I too join my colleagues in the Liberal Party and caucus in condemning a piece of legislation which incorporates Bill C-91 that is very detrimental and threatening to the medicare system of Canada.

It is a one-sided piece of legislation that would essentially cripple the generic, Canadian pharmaceutical industry. That industry is entirely Canadian owned and home grown thanks to the system we have had in place since the late 1960s called the Compulsory Drug Licensing System.

That system will dissolve with the implementation of Bill C-91. That system will essentially be done away with. If we do away with the Compulsory Drug Licensing System we will first have increased prices for prescription drugs used by Canadians. That is a fact. The brand name companies have said so. The government members who have spoken on it have said so.

One of the reasons the right hon. member for Vancouver Quadra, when he was consumer and corporate affairs minister in the 1960s introduced this Canadian system was to moderate the cost of prescription drugs for Canadians. What is wrong with that objective? The system in fact, did that.

If the system is also done away with, it means we are not going to have any more companies like Apotex and Novopharm, which are state of the art Canadian companies operating in the pharmaceutical world. It will mean no more incentives to encourage Canadian high-tech firms operating in this domain. It will mean less diversification. It will mean a monopoly.

These are things I thought were part of the Conservative dogma of diversifying for healthy competition. The government wants to stay away from monopolies whether they are in the air or in a pharmaceutical industry. That is what is at stake, not some phony argument that if you are against Bill C-91, you are against the province of Quebec. That is phony. It is divisive and that is the "real enemy" of Canada which the Prime Minister talked about in the referendum.

He tried to pit the loyalty of one region against another. That is a phoney argument and neither we on this side of the House nor Canadians will fall for that phoney argument. We are also not saying we should run the brand name companies out of town. No one is suggesting that for one moment on this side of the House, nor is anyone suggesting the brand name companies should not get a return on their investment and make a profit after spending a lot of capital on R and D. No one is suggesting that.

• (1320)

The fact of the matter is, as other speakers have pointed out, the brand name companies in Canada enjoy a 92 per cent market share. They have not done that badly. We are suggesting to keep the status quo, for goodness sake. We are saying to leave the system intact, which allows generics right now, as we speak, an 8 per cent window. Any company or industry in Canada that enjoys a 92 per cent market share for most Canadian companies in this recession is dreaming. Yet we want to change a system because the brand name companies think 92 per cent of the market share is not good enough.

We know how strongly and passionately Canadians feel about our medicare system. It is good and different from others. It defines who we are in a certain sense. We travel across the globe, particularly at Christmas time and find ourselves in various parts of the world, whether on business or on holiday. People always marvel at the system we have in Canada if they get sick in those countries. Even some Conservatives are courageous enough to say so.

If they are proud that our medicare system is fairly unique in the world, why are they not proud at being very unique in the pharmaceutical industry? We have a made-in-Canada, for Canadians, by Canadians system that is working well for the health care system, for our consumers and for our Canadian pharmaceutical companies. Why should we not be proud of leaving intact and further enhancing its foundation rather than trying to dismantle it?

The government comes across saying: "Well, it is a question of research money and the universities are going to get some dollars from the brand name companies and it is a question of jobs." Sure, but we can also say the same for the generic firms because 100 per cent of R and D, 100 per cent of taxes paid by those companies, 100 per cent of profits and 100 per cent of all the jobs are here in Canada. You cannot say that for the brand names. A lot of profits, a lot of jobs, a lot of stimulus and a lot of R and D flow back to the parent company wherever it may be located. We can also talk about jobs and stimulus.

Members opposite talked about Eli Lilly Canada investing $170 million this week in the city the member for Broadview—Greenwood and I have the honour of representing. However, they fail to talk about the quote in *The Financial Post* by the president of Eli Lilly, Canada that invested $170 million in a brand name plant in Toronto. This is what he said: "The bill, C-91, currently being debated in the House of Commons did not help to bring the investment to Toronto." I repeat: "The bill, C-91," which we are debating today, "did not help to bring the investment here."

That was an honest, candid remark. If we also look at that $170 million figure, and I compliment this company for doing so at this particular juncture of our economy, we have to keep in mind $40 million is for wages. Are wages an investment or are they part of the parcel? Also, the plant expansion will cost $50 million.

I do not want members to mislead by saying it is $170 million in R and D.

The president has the honesty to say "You know, we planned this long before Bill C-91 came along. The system was fine. We were getting more return on our system".

It is going to cost taxpayers. Just the retroactivity component to last December is going to provide a windfall of $2 billion to brand name companies. Over $1.3 billion of that $2 billion windfall is going to one brand name company. Is that right? Is that fair when Canadians are reduced to worrying about job security and affordable health care in case they get sick? Is this the right message to be sending to Canadians at this moment rather than stimulating the economy and getting people back to work? We are talking about dissolving a system so our prescription drug costs will go up.

The American election proved how disconnected George Bush was with small town America. George Bush was a prisoner of the White House. He had no idea what was going on in America. This Prime Minister lives in the cocoon at 24 Sussex. When he finds the courage to venture out of that cocoon, it is only in the confidence and pleasure of $500 a plate dinners for the PC Canada fund. When is the Prime Minister going to see the reality that faces every Canadian every working day in this country? When is he going to see Bill C-91 is not in the interest of Canada? It is not in the interest of the Canadian consumer or our Canadian health care system. It is in the interest of the multinationals. Who does the Prime Minister represent because it is pay-back time?

Mr. René Soetens (Ontario): Mr. Speaker, I rise to participate in this report stage of Bill C-91. I am pleased to do so.

The reasons I am rising are many. Hopefully during third reading stage I will have some additional comments on why this bill is good for Canada. I have been listening to the debate that has been going on today about how the government has behaved; how it has truncated the hearing process; how it has restricted members of Parliament from participating fully in the process.

I would just like to give some information which may be of interest. I was chairman of the committee during the entire process. Although my appointment did not officially take place until Friday, two weeks ago, it was talked about on the Wednesday. I participated very fully with the clerk of the committee to see if we could line up some witnesses in advance of the actual committee stage, because numerous witnesses had requested the opportunity to appear before the committee.

In my role as chairman trying to help the committee delve into its responsibilities, I asked if we could line up some witnesses in case the committee could very quickly do its work and get the process started. I received confirmation from the clerk that if we were ready and willing, there were members of the public and interest groups who wanted to appear, and could make their cases known to the committee and members of Parliament.

Unfortunately the committee process did not work. Members of the opposition in particular spent a considerable period of time talking and in fact, prevented things from happening on that Friday. They prevented things from happening on Monday. We debated for probably three days in which order we would allow members to speak. After finally deciding on that order, on many occasions they took the opportunity to rise on points of order in committee to say: "Just a minute, we do not agree with this order, we do not agree with this order, we challenge the Chair". That is the process of committee and that is the way it works.

In the last four years that I have been here, it has been my experience the committee process is where we, the members of Parliament can do our most valuable work. It is where we can review, research and understand the views of witnesses and amend and change the legislation.

Unfortunately, that did not work.

• (1330)

Where we could have had five, six or seven days of hearings, where we could have heard up to eight or nine witnesses a day, we did not have the opportunity to do so because there was a filibuster.

I acknowledge that on the government side there had been a clear indication that it wanted the bill back to the House of Commons quickly. We could have, even with the government's timetable, heard some 40 to 50 witnesses without any hesitation. On the other side the government could have met its agenda as well. We members of Parliament in committee could have done work that was necessary to do.

Mr. Karpoff: Mr. Speaker, on a point of order, my understanding of parliamentary protocol is that the chair of the committee is supposed to be neutral. Again we are now seeing a demonstration as to why this committee ran into difficulty. The chair was not neutral. The chair was not even properly sworn in by the House before he was trying to bring forward the government's agenda of what was happening, saying it was going to decide that it was going to get this through by a certain date.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. I may remind hon. members that the parliamentary committee has submitted its report and thus no longer exists, which also means there is no chair at this time.

I realize this is a technicality, but it is important to make this distinction in the circumstances.

[*English*]

Mr. Soetens: Mr. Speaker, I think you have just had an excellent example of the way that member and other members went through in committee. This chairman, and I, honoured all of the requirements of representing you, as Speaker. This member, the member who just rose, and others like him on the opposition side used every tactic in the book, rose on points of order, like they did this time, that were not points of order when we could have spent all of that valuable time dealing with very important subject matter of the bill. That opportunity was denied.

Mr. Mills: Mr. Speaker, on a point of order, if I understood you correctly, you just mentioned a few seconds ago that it was not proper to talk about what was going on in the committee and now we have the chairman standing and totally ignoring what you just said to the New Democratic Party.

I think we should get some balance back into this and get some guidance.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I believe the point of order raised by the hon. member for Surrey North was about the impartiality of the chair of this now defunct committee. Once the committee has submitted its report, any member of that committee, including the chair, can comment in the House at a subsequent stage, after the committee's report is tabled.

The chair would be ill-advised to ignore the freedom of speech enjoyed by every member in this House, especially if the function of the hon. member in question no longer exists and he has, so to speak, recovered his freedom of speech.

I shall again recognize the hon. member for Ontario.

[*English*]

Mr. Young (Beaches—Woodbine): Mr. Speaker, on a point of order. I appreciate your ruling and the reason behind it but I do not think that was the point of order that the hon. member was raising.

Surely in the past there has been at least a tradition in this House that when someone agrees to participate in the panel of legislative chairs, they undertake not only to be non-partisan in the sense that they represent the Speaker's office, but that following that committee's work, the chair of that committee even undertakes not to vote on the bill at any stage in order to show clear non-partisanship.

I think that was the point that the hon. member was raising.

[*Translation*]

The Acting Speaker (Mr. DeBlois): There may be a tradition, but there is no formal obligation that would apply once the member's mandate has expired.

Once again, I very well understand the objection raised by the hon. member. I think that it is not up to the Chair to decide this question. It is up to each member to decide whether or not, in view of his responsibilities, he should speak on a particular bill. The hon. member for Ontario has the floor.

[*English*]

Mr. Karpoff: Mr. Speaker, on a point of order. I honour the Speaker's ruling and there is a tradition. I think it might be interesting if the Speaker would ask the hon. member if he would follow the tradition of the House and refrain from speaking and voting on this bill.

That is a tradition that has served this House well and certainly would serve the chair of committees in the future well. I think the Speaker might find the member would be quite willing to stand down and not participate in this very partisan, one-sided tirade that he is going through.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Once again, I think that it would be going too far for the Chair. If the hon. member wishes to speak, I do not see why the Speaker would not recognize a member who takes the floor. It is up to the member to decide and to live with it. In this regard, the hon. member for Ontario has risen again and I will recognize him.

[*English*]

Mr. Soetens: Mr. Speaker, as you can see I think we have had now four or five requests for rulings on your part on points of order that have not been points of order.

I might point out, Mr. Speaker, for your benefit as I advised you during the committee process, regarding this sanctimonious bunch opposite, demanding my neutrality, tradition has it in the House of Commons that when the Speaker is acting in his role as Speaker, this bunch does not go back to his riding and start attacking, challenging and saying all kinds of things about the Speaker.

I should point out that the Liberal Party, this group opposite, which is so sanctimonious in its presentation here in the House, while I was doing the job impartially as I could, was busy attacking me.

Mr. Volpe: Mr. Speaker, on a point of order. On behalf of all Canadians who elected me and other members in this House who are very interested, in pursuing the debate at hand, I think this is an affront to all members of this House and to all Canadians who elected them that we engage in this kind of a debate where we are talking about simple partisanship in one's own riding. It does not stand the chairman of the committee well to engage in this kind of claptrap.

The Acting Speaker (Mr. DeBlois): It is not a point of order, it is a matter of debate.

Mr. Soetens: Mr. Speaker, you are certainly assisting very well in my making the point about just the way this group opposite behaved in the committee process. It used any excuse it could to prevent the committee from hearing witnesses.

I have to say there were a number of witnesses I would have loved to hear even though I had to sit there as a neutral chairperson. I think there were people out there who would have been able to give us some very valuable insights, some very good additional information that would have been useful to the committee, and we could have done that in the five, six or seven days of hearings that we could have had in the timeframe that we spent debating all kinds of things other than the legislation that was before us.

I think that is important because during the whole process, because of the fact that we had to restrict the list of witnesses, we were not able to bring before the committee a balance of witnesses.

For example, the opposition presented a witness from the United States, which was possible for all kinds of reasons. Professor Schondelmeyer was there. He presented I think a very well documented report. There were things in the report that others would clearly liked to have challenged, refuted, maybe presented an alternative opinion on but because of the process that the opposition forced on the committee we were only in many cases to hear very one-sided presentations; whether they be one-sided on behalf of the Liberal Party, one-sided on behalf of the New Democratic Party, or one-sided on behalf of the Conservative Party.

• (1340)

Unfortunately, the traditional roles that committees would normally have were truncated because of what was going on by the opposition members on the committee.

I stand here, understanding fully the traditions under which this House operates, and have to suggest that, yes, maybe I am straying from those traditions, not because I wanted to, but because the members opposite did their darndest, did their utmost, to stray from the traditions as I perceive them of the way a committee ought to operate.

I am sorry that they did that and sorry that the government had to respond the way it did. We could have had far more beneficial hearings.

What is happening in debate today? I have listened to some members opposite speak and they use some examples that come out of the committee process. I reference the cost of the drug plan. Whether it is $4 billion or $7 billion over the next 10 years or 20 years, it is just one of those examples.

There is clear evidence to refute much of what was presented by Dr. Schondelmeyer, simply because on the list of drugs that he had there were already quite a number, I believe 14 or 15, that already had compulsory licences issued against them. There was another group of 16 or 17 where the dates of the patent expiries were wrong. When presented with that information, the witness said: "I would be happy to correct that if I have an opportunity to study it". Unfortunately, the opportunity was not there because people opposite made it very difficult in the time frame for us to proceed with the legislation.

I just give that as one example. Another example talks about the success of the generic drug companies. It was mentioned by one of the persons during the committee process that the generic drug industry, this industry that would be suffering tremendously under the old Bill C-22 or I guess the current Bill C-22, which established the original compulsory licensing and patent legislation, had grown by some 180 per cent over the last four years. We would have liked to delve into that a little further so that we can understand the future.

Finally, I should point out that I thought it was appropriate that maybe there should be some amendments to the legislation. When we got to that day when we were to make the amendments, there was a member there who was prepared to speak to some of the amendments that I thought were appropriate based on my review of the legislation. Unfortunately he as well was denied the opportunity to speak because of the way the opposition decided to stop on one clause for an entire day to ask questions.

That concludes my comments. I will be back on third reading and I will give all kinds of good reasons why I think this bill should go forward. Today I wanted to talk simply about the process of those people opposite.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I must say that having heard about that process I have nothing but sympathy for the people who were sitting on that committee and those who were watching TV.

I think it is very important that we get back to the meat of this bill and the effects that it will have on Canada; effects not just on drug prices, which are bad enough, or on the undermining of our medicare system, which is terrible, but also there is no doubt in our minds that it will have an effect eventually on Canadian sovereignty.

Bill C-91 means the end of compulsory licensing of prescription drugs under the Patent Act. It means the end of the Canadian generic drug industry. It also establishes permanent control by foreign multinationals with the entrenchment of protections under the NAFTA agreement.

I think it is important, before talking about the specifics of the bill and the future implications, to go back a little bit in history. My colleagues who were here at the time will recall what had happened in the early 1980s. Generic drug manufacturing was allowed, companies were allowed to copy brand names drugs during that period and the price of drugs to consumers and to provincial medicare plans was reasonable.

This system increased competition and it reduced prices of patented drugs. There were studies done in Ontario in 1986 which proved this.

It also reduced medical costs for provincial governments which provide pharmaceutical plans as part of their medicare coverage, and I think particularly of the three provinces that have universal pharma-care programs which were introduced by past NDP governments. Access to cheaper generic drugs is especially important for seniors, for persons with chronic illnesses and for society in general.

During that period not only were savings significant but a significant Canadian drug industry was created. This did not last long. Nefarious capitalistic evil forces were at work. We found the brand name industry began to organize and to react. They wanted a monopoly under their control where they could raise prices and control the industry.

Multinational drug companies had parent companies located in the United States which also meant the undermining of Canadian industries. They started a very strong lobby. It was no surprise to us that the former consumer affairs minister of the Liberal administration in the early 1980s was hired by the pharmaceutical industry to lobby for it, to lobby for a strong monopoly for brand name drug companies.

By 1986 we had Bill C-22. This was bad enough but the bill we are talking about today, Bill C-91, adds a whole new dimension which will entrench and enshrine pharmaceutical or drug patent protection under the NAFTA.

We have found that Conservatives began to cave in even though public opinion was very strong in 1985-1986 against this kind of giveaway monopoly to pharmaceutical companies. However, Bill C-22 was introduced in 1986. The minister of consumer affairs in that Conservative government, I recall very clearly, denied there was any connection with the U.S.-Canada free trade deal that was being negotiated at the time. They deceived the public in this respect because documents now show that there certainly was a connection.

I recall the very strong tactics used by the drug companies at that time, the whole pharmaceutical movement, bribery tactics that continue to be used. They promised there would be extensive research and development based in Canada which would create many more jobs. They refused to advise that the monopoly would definitely restrict generic drugs from competing, which was what they wanted. They used certain kinds of blackmail tactics.

The blackmail tactic, I must say, was very evident in the committee hearings. I recall viewing the proceeding on TV when the B.C. minister of health was a witness. Soon after there was what seemed to me to be a threat that companies might not locate in B.C. if this kind of opposition continued.

Bill C-22 meant that the drug companies were given patent protection for 10 years. Under Bill C-91 this will be extended to 20 years. There is no question this in effect means the end of the generic drug industry for Canada.

In 1986 the Tory government tried to reassure people that things would be okay. It had set up this nice Patented Medicine Prices Review Board to monitor the prices. Price increases were to be kept at the cost of living, below inflation rates. Some 3,000 research jobs in pharmaceuticals were promised to us.

Despite these promises and the bribery we know that drug prices jumped immediately. In fact they were made retroactive before the bill was in place. They were eventually increased by 11.4 per cent, far beyond the rate of inflation at the time, and prices of new drugs have doubled.

The review board in effect had no power and the promised 300 new jobs resulted in about 700 jobs being lost in the manufacturing industry. There was no talk about this.

• (1350)

I go back in history because it is very important for viewers, for Canadian consumers, to realize we are not talking about something that might happen in the future. We have proof and evidence that there has been a deliberate monopoly and undermining of the whole medicare system in Canada.

However, Bill C-91 makes the situation far worse. It ends compulsory licensing for drugs completely in Canada. It prevents the generic drug manufacturing industry—it will be surprising if it is even in existence—for 20 years from using any of the drugs after patents expire. It is a complete giveaway of intellectual properties under the NAFTA. I will go back to that in a few minutes. In effect this is government capitulation to the drug companies and beyond the drug companies to the U.S. government which has been behind it all along.

There will be no real development of a Canadian research industry. We know that. The centre of the industry is in the host countries which in this case is the United States. We have no major research centre created in Canada as was projected.

Prices of drugs, as I have said, are now 12 per cent higher in Canada than in the United States where they are exorbitant. To avoid limits suggested by the review board, the companies are just going ahead and overpricing new drugs. Consumers are also being affected even though in some provinces their drugs are covered by medicare plans. Many drug plans are now having to de-list certain expensive drugs. We see user fees and so on coming in.

Provincial governments, with I believe the exception of Quebec, oppose Bill C-91. The provincial minister from B.C. said that pharmacare prices in B.C. were increasing at the rate of 15 per cent per year. This was over the last four or five years. At the same time grants from the federal government have been frozen. She is faced with actually taking dollars from the needed therapies to pay for drug costs. This will get worse.

Section 1709 of the NAFTA prohibits compulsory licensing. I have a document entitled "Pharmaceutical drug patent protection demanded under NAFTA" which shows that drug concessions have been tied to the trade deal. This is very serious. My colleague from Esquimalt—Juan de Fuca dealt with this very eloquently this morning.

It locks us into the NAFTA and takes away Canada's ability to control its own destiny. It means that since it is entrenched no succeeding government can change it. When NAFTA is implemented, as it will be if the Conservatives and the Liberals have their way, this will be something that cannot be changed.

Bill C-91 is not just a bill about exorbitant drug prices. It is actually an abrogation of Canada's autonomy. It is very serious for the future of medicare and for the future of our own economy and our own autonomy. I call on all Canadians to join us in demanding an end to this bill and an end to this government.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, since Bill C-91 was presented to the House, it was studied by a committee which heard many witnesses. The witnesses were experts in this field from all across Canada; some of them represented the health ministers of nine provinces, except Quebec. I will return to the subject of Quebec later.

We are faced with a bill that according to all experts will undoubtedly make drug prices go up. Comparing costs with those in the United States, we know that the average American pays 62 per cent more for pharmaceuticals than Canadians do. This is only an indication. Once we have to follow the multinationals' increases in lock step, we will certainly pay the same prices. If we rationalize the drug system, we will not be able to go on paying the same price as now when all the other countries that signed an agreement pay more.

Considering what we have heard so far, common sense tells us there seems to be a major problem with this bill, when 14 amendments presented by our colleague, the hon. member for Dartmouth, in Nova Scotia, are rejected. By the way, I applaud the hon. member's perseverance. It is uncommon to see the kind of defence that was conducted by the hon. member for Dartmouth, Three cheers.

In Quebec, the Department of Health did not bother to appear before the committee or submit a brief, let alone defend the bill, because it did not have a case, but we can assume the department hopes to see some spin-offs in R and D.

This is another myth that is going around. They want us to believe that R and D spin-offs will be extraordinary, but all we have to go by are statistics. There is no indication on the basis of past experience that this will happen. Fortunately, we were able to hear testimony by people in the industry, and they pointed out that our procedure did not make sense, since no amendments were accepted. The government insists that there will be price controls. How can we believe that, considering pressure from all parts of the United States, for instance, to give up our present policy on pharmaceutical products in Canada? They want us to give it up. There is a reason, obviously. We know the kind of prices they pay in the United States, and they want us to pay the same prices in this country.

We table amendments to protect us against abuse, but the amendments are turned down. How can you expect us to take this seriously or believe in the government's good faith when it will not accept amendments that would help and protect Canadians?

Could members on the government side explain why the government will not accept safeguards—in other words, amendments—that will protect us against abuse? New products coming on the market are very expensive, right from the start. Once the bill is passed, companies will be able to say after x number of months: "Look, there were no increases". Of course not. The increase was included when the product came on the market.

Despite all the figures quoted before the committee and all the testimony on this issue, they still insist that we are acting against the best interests of Canadians. I would ask my colleagues on the government side who represent ridings in Quebec how they expect to explain future increases in the cost of pharmaceutical products. They know perfectly well that many witnesses testified the cost of our health care system would soar as a result of increases in the price of drugs.

I wonder how they expect to explain that to the people of this country. I think this is one of the worst examples of the government's betrayal of Canadians, and I am referring to what it is doing about pharmaceutical products and Bill C-91. However, the devastating impact of these increases will only be felt over time.

Some of you may no longer be here. You will not have to stand up and defend these issues, but there is no doubt in my mind that the bill before the House today was literally dictated from the outside.

Before I finish, I have a brief submitted by the *Fédération de l'âge d'or du Québec* which I would like to table.

Mr. Speaker: I am sorry, but the hon. member's time has expired.

[*English*]

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*]

CANADA POST CORPORATION

Mr. Don Boudria (Glengarry—Prescott-Russell): Mr. Speaker, the residents of Saint-Clément, Rivière-du-Loup, have taken over their post office, due to be closed on December 14. Why did the government let Canada Post get away with the kind of actions that have soured relations with the people it serves?

The residents of Saint-Clément, Rivière-du-Loup, and of Martintown—which happens to be in my riding—and residents of hundreds of other communities in Canada which have been affected by similar cutbacks, want the government to put an end to Canada Post's policy of closing down post offices.

Speaking on behalf of the residents of Saint-Clément, Glengarry—Prescott—Russell and other rural communities in this country, I demand that the government take steps to deal with this issue.

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THE SENATE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, today, the *Journal de Montréal* printed an article under the heading: "Clark believes abolition of the Senate possible". The article goes on to say: "Outright abolition of the Senate may be the next step in institutional reform, according to Joe Clark, Minister of Constitutional Affairs. For months before the Charlottetown Accord was concluded last August, there were frequent references to the possibility of abolishing the Senate. On some occasions, most people around the table preferred abolition but did not insist on it, realizing a compromise would have to be struck with those who were in favour of a Triple-E Senate".

As I said in the House on June 3, 1992: The Senate must be abolished.

[*English*]

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PEARSON INTERNATIONAL AIRPORT

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, the decision by the federal government to go ahead with the redevelopment of Pearson airport terminals 1 and 2 is a case of terminal madness.

Rather than make a meaningful investment in Canada's transportation infrastructure, the Minister of Transport is pushing a costly scheme that the airline industry neither wants nor can afford.

The Tories are pretending to create jobs with the Pearson project after they clearly failed to do so in the finance minister's economic statement last week. Any job creation resulting from this project is years away.

The Pearson terminal project is opposed by Canadian Airlines, Air Canada, by the government of Ontario and reportedly even by senior staff at Transport Canada.

The airline industry is in a critical condition right now. The last thing it needs is a project that will raise costs to the airlines and fares to the travelling public.

It is truly ironic that this government which claims to be the party of business is taking this position in the face of opposition from the marketplace itself.

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[*Translation*]

THE ENVIRONMENT

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, a few weeks ago, sixth grade students from Jean-Leman School in Candiac, in my riding, came to visit Parliament and told me about their serious concerns about air pollution and the depletion of the ozone layer which protects our planet.

These young people begged me to ask Canadians and those responsible for protecting the quality of life on this earth to be more aware and more concerned about the serious consequences of what we may do unthinkingly, because if we are not careful, we will destroy our own future and that of subsequent generations.

We must remain vigilant in order to preserve and purify the air on our planet. That is the message these young people asked me to pass on to you, urging us to act to prevent heedless and irresponsible attacks on the environment which in the end will destroy our present way of life.

* * *

[*English*]

TRANS-LABRADOR HIGHWAY

Hon. William Rompkey (Labrador): Mr. Speaker, people in my riding are pleased to see the federal government finally demonstrating the will to fulfil the long-term goal of many Labradorians, the completion of the Trans-Labrador Highway.

In his budget statement of December 2, the Minister of Finance announced that his government would set aside certain funds for work on the Trans-Labrador Highway. At that time, he did not specify exactly how much money would be involved nor did he indicate when work would begin.

However, the people of Labrador hope that it will be a sufficient amount soon enough to make substantial progress on improving and extending the road system in Labrador. I trust that the minister will soon make a specific commitment both in terms of money and in terms of time.

With its enormous social and economic potential, Labradorians are anxious to see the completion of the Trans-Labrador Highway from Labrador west through to the straits.

I call upon the government to see the value of this project and commit itself to a budget and a timetable as soon as possible.

* * *

BILL C-333

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, private member's Bill C-333 will be debated in the House of Commons this week. This is a bill that fire-fighters and police officers want because it would establish uniform protocols for infectious diseases notification.

In the course of saving lives, police and fire-fighters are often exposed to individuals with infectious diseases. Notification about possible exposure to an infectious disease would allow emergency response personnel to obtain early treatment and reduce the possibility of further transmission.

Bill C-333 would ensure that the provinces establish these lines of communication while maintaining the confidentiality of the patient.

On behalf of the NDP caucus, I call on government members to support referral of this bill to the standing committee on health and welfare for study and recommendations.

Police and fire-fighters should be supported on a matter of such fundamental personal and public safety.

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SMALL BUSINESS

Hon. Alan Redway (Don Valley East): Mr. Speaker, last week, as a result of the determination, persistence and commitment of the Minister of State for Small Businesses, the government announced that the ceiling under the Small Businesses Loans Act would be increased to $250,000, that it would work to broaden the application of the act to include some forms of working capital, that the Small Business Financing Program would be extended to the end of 1994 and that it would expect Canada's banks to make a special effort to play a constructive role in ensuring the success of the program.

Now that is terrific news, but remember that the measures to assist small business which were announced in the February budget still have not been enacted into law. The minister tells me he hopes to pass enabling legislation at all stages this Friday.

It is time for all members of this House to show the same commitment as the minister to help small business. The actions of this House on Friday will speak much louder than any words.

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HON. MEMBER FOR SKEENA

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, last week I was made aware of a visit to my riding by the hon. member for Skeena. Residents of Essex—Kent expect truth and honesty from MPs. The MP from Skeena failed to meet these standards. Instead, he offered his unfounded—

Mr. Speaker: Wait a minute. We have a past Speaker's ruling that statements by members are not to be used to make a personal attack on another member. I am sure the hon. member would understand that and perhaps revise his comments and use them at another time.

* * *

PEACEKEEPING

Mr. Girve Fretz (Erie): Mr. Speaker, I want to refer to Canada's commitment to peacekeeping.

Over the years Canada has dedicated itself to the principle of resolving disputes peacefully. Through the process of mediation and compromise Canada has repeatedly avoided armed conflict, not only between our country and others, but also between foreign nations.

More than 91,000 Canadians have served in peacekeeping missions since our first initiative during the India–Pakistan war in 1948. Today, with a population which represents a mere one-half of one per cent of the world's total population, Canada provides 10 per cent of the world's peacekeepers.

In the former Yugoslavia 19 Canadian peacekeepers have been injured and one has been killed. These numbers represent the sacrifices made by others over the last 50 years in the process of keeping the peace.

Nations around the world respect the example Canada has set for the peaceful resolution of disputes. Through their dedication to the ideals of peace and diplomacy, Canadian peacekeepers have brought integrity and honour to themselves, to our country and to the cause of peaceful international relations.

On behalf of all Canadians, I salute them.

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[*Translation*]

CYPRUS

Hon. Marcel Prud'homme (Saint-Denis): Mr. Speaker, Canada, through its government, will very soon announce its decision on whether or not it is renewing its commitment to the United Nations peacekeeping force in Cyprus.

Everyone recognizes the wonderful work done by our service people in the Canadian Armed Forces and I wish to thank the Chief of the Armed Forces, General de Chastelain, most sincerely and ask him kindly to pass these thanks on to his troops.

The troubling thing in this affair is that Canada may now end its participation after 28 years in Cyprus.

• (1410)

Why leave to other countries this obligation that all Canadians support with pride, especially at a time when very important developments are expected next March?

I wonder why they would announce ending our commitments there. Canada should instead renew its efforts with Turkey so that the Turkish authorities withdraw their tens of thousands of soldiers who occupy 40 per cent of the island of Cyprus and the Cypriot authorities negotiate the future status of Cyprus in good faith and understand that in the new world order that is mentioned so often, all United Nations Security Council resolutions must be respected.

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[*English*]

INTERNATIONAL HUMAN RIGHTS DAY

Mr. Neil Young (Beaches—Woodbine): Mr. Speaker, Thursday, December 10 marks International Human Rights Day.

Some 10 or 12 years ago, the House of Commons set up a special committee to examine the status of disabled persons in Canada. That committee produced *Obstacles* report. It contained some 130 recommendations that all levels of governments could undertake to alleviate some of the crises that many disabled Canadians found themselves in.

Some 12 or 13 years later, the same committee has found that while governments seldom say the wrong thing, very often and more often than not, governments seldom do the right thing.

Therefore, disabled Canadians not only in Canada but internationally as well will find themselves continually at the low end of the income scale and with deprived access to services that most other Canadians and able-bodied persons have a right to.

It is time this came to an end. The way to do it is to celebrate International Human Rights Day with action.

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THE BOYS OF ST. VINCENT

Mr. Geoff Scott (Hamilton—Wentworth): Mr. Speaker, the decision by the Ontario Court of Appeal to ban the CBC's mini-series on sex abuse, *The Boys of St. Vincent*, was astonishingly stupid and a dangerous precedent toward censorship.

Moreover, the ban in Ontario and Montreal was ludicrous in this age of satellite technology. Anyone who saw it from British Columbia to Newfoundland has told those they know who wanted to see it what this fictionalized series was all about. My mother said from Vancouver: "You did not miss much". Newfoundland commentators in St. John's claimed reactions were supportive and positive.

I am speaking as a former and I hope soon to be born-again broadcast journalist. There is a very serious constitutional issue involved here. We are trying to balance free speech and freedom of the press on the one hand and the very sensitive legal aspects of this most sensitive case on the other.

I hope the matter is appealed to the Supreme Court and that the mini-series is aired everywhere.

Mr. Speaker: The hon. member for Essex—Kent on a revised statement.

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HON. MEMBER FOR SKEENA

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, last week I was made aware of a visit to my riding by the hon. member for Skeena.

At that time, he left unfounded and inaccurate information about my activities representing my constituents. These accusations were quite unethical and unfair.

In the past 12 months, I have undergone quadruple bypass surgery and recuperation. Since the end of June, the government has limited debate in this House. My recovery is now complete. I am proud to serve the residents of Essex—Kent here and everywhere at national, regional and local levels.

I appreciate literally the thousands of times I have had the opportunity to represent the people of my riding. I feel that I was attacked unfairly in my riding last week by the statements that I do not come to the House and speak enough. That was very unfair and very unfounded.

Some hon. members: Hear, hear.

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[*Translation*]

PHARMACEUTICAL INDUSTRY

Mr. Jacques Tétreault (Laval-Centre): Mr. Speaker, next Monday, December 14, I am invited to attend, as the member of Parliament for Laval-Centre, a function at which the pharmaceutical company Marion Merrel Dow of Canada will announce a $9 million investment to expand its plant in Laval. The work is to be completed by May 1993.

In the letter of invitation, the director of the company, Jean-Paul Marsan, mentioned this: "Of course, the positive attitude of the Quebec government toward our company as well as the impending adoption of Bill C-91 by the Parliament of Canada is not unrelated to this decision".

The purpose of this bill, which enjoys unqualified support from the caucus of federal members from Laval-Rive Nord, is to have the Canadian patent protection legislation match that of our trade partners, while allowing better control on the price of both new and existing drugs.

Our government is committed to giving the Canadian pharmaceutical industry a good lead in terms of competitiveness and standards. Bill C-91 is a concrete expression of this commitment and is aimed at improving all sectors of our economy.

* * *

[*English*]

THE ECONOMY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, yesterday in this House members opposite said that a Liberal government would increase spending and put in place job-creation programs, even if that increased the deficit.

This spend-more course of action is completely at odds with the finance minister's recent economic statement and his valiant attempt to hold federal spending down.

Which is the right approach? My constituents are in the process of returning a detailed survey on economic alternatives and early results are unequivocally clear. Citizens of Halton—Peel are stressing that deficit reduction should be Ottawa's number one priority, and that good jobs which last are not likely to be created until we get our House in order.

Further, my constituents are overwhelmingly in support of some mechanism to ensure Canada has a balanced budget and not more deficit spending.

In other words, the people I represent are saying clearly and loudly, no to the Liberal strategy of spend, spend, spend, and tax, tax, tax, and yes to the vision of the Minister of Finance of less government, lower taxes, and a less indebted future.

ORAL QUESTION PERIOD

[*English*]

SALMAN RUSHDIE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I have a question for the Prime Minister.

This morning I had the occasion to meet Salman Rushdie, an author who is under death sentence because he wrote a book that was not liked by the Government of Iran.

I would like to ask the Prime Minister if this government intends to raise this matter at the UN Commission on Human Rights and try to gather some support among countries of the G-7 and the Commonwealth so that this completely unfair situation and threat to freedom of writing around the world be stopped immediately.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I thank my hon. friend for what is a very important question.

At the time of the imposition of the penalty against Mr. Rushdie, Canada condemned it as a direct challenge to freedom of expression. I indicated publicly at the time, on behalf of the government and on behalf of all members of the House, that Canada cannot and will not back away from principles such as freedom of expression, especially not in the face of such threats.

We have continued to make representations in this case. In November, following the announcement of an increase in the reward for his murder, we raised his case with the Iranians once again. We maintain a very active dialogue with Iran on human rights to encourage a more moderate approach.

Last week we co-sponsored a resolution at the General Assembly expressing our concern on human rights violations in Iran. At each opportunity that is given to us, the Secretary of State for External Affairs or myself, raise this matter vigorously and effectively, we think, on behalf of all members of the House of Commons.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): I have a supplementary for the Prime Minister.

All political formations represented in the German Parliament have passed a resolution in which they agree to hold the government of Iran accountable for any attempt on Mr. Rushdie's life or that of any of the 12 000 people who have helped publish or distribute his book. Were something to happen to any of them, the German government would impose very severe economic sanctions against Iran.

• (1420)

I would like to ask the Prime Minister if the Canadian Parliament would be willing to adopt such a resolution as soon as possible.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, this resolution passed in Germany was initiated by members of Parliament as opposed to the German government.

However, we, as Canadians, fully support several international actions by the United Nations and other international groups and multilateral organizations. It is always possible for members of the Canadian Parliament to initiate the same kind of thing.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask a question of the Prime Minister.

This morning I met with Mr. Rushdie and the group of Canadian authors who are extremely preoccupied by this problem. They think Canada could make another gesture and I would like to know if it would not be possible for the Prime Minister to make some time available today to receive these Canadian authors and Mr. Rushdie?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Secretary of State for External Affairs has already met on behalf of the government with Mr. Rushdie, who I understand conveyed publicly his gratitude to me on behalf of the government for the actions we have taken in his defence over the years.

The government has facilitated his trip here and is taking every precaution that we can on his behalf. As I say, the secretary of state had an excellent meeting with him this morning and hopefully there will be other occasions in the near future.

* * *

PEACEKEEPING

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

During the almost two months that the House will be in recess thousands of Canadian troops will be serving in very risky circumstances in Somalia, Bosnia and other peacekeeping missions around the world.

Given the many unanswered questions and many unanticipated circumstances that these troops will face, I think the minister would agree that Canadians would want Parliament to be in a position to monitor these operations and to make sure there is a clear accountability for any decisions taken.

I would ask the Secretary of State for External Affairs if she would commit to putting into place a regular system of reporting similar to that which was introduced during the gulf war so that reports can be received by a joint committee of the external affairs and defence committees of this House. In this way any decisions, any changes, will be clearly reported to the Canadian people and Parliament will exercise its proper function of being responsible for the troops in these situations.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, one of the things I find really interesting about this request for a democratic process in this House is that in all the months I have been making public statements concerning the situation in Somalia, the first question asked by a member of the opposition was last week. It seems to me that if there was parliamentary interest, there was certainly means of raising this earlier.

Having said that, let me say we have spoken to the military and there will be public briefings on the situation with our troops. There will be briefings on the situation once it is determined when our troops are to be deployed and throughout that process.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, my question is for the same minister and I remind her that this House was closed most of the time since last June so this is no time for sarcasm.

Yesterday the Secretary of State for External Affairs indicated that a decision is imminent concerning Canada's future peacekeeping role in Cyprus. Today media reports are rife with announcements that Canada will pull out half of our forces by next March and the remaining troops by December 1993.

Is the minister prepared to settle this question of Cyprus with proper debate in the House of Commons or must Canadians consult *Newsworld* as our forum for foreign policy?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, clearly it is the responsibility of the government to take these decisions on the advice of the military and on where Canada can most effectively deploy its military, whether it is through peacemaking or peacekeeping.

I am sure that the hon. member will be glad to know that his curiosity will be satisfied some time this week. We will say publicly what is our intention in Cyprus.

Hon. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I have a supplementary question. The hon. minister has opened new territory when she said we will ask for political advice from the military.

It is not for the military to decide whether or not we stay in Cyprus. It is a political decision. We would like to be consulted in that kind of political decision. It is our belief that we should not withdraw at this time.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I very much appreciate the advice of the hon. member. It is a government responsibility to take that decision. He is right. It is a political decision which we take after consultation and upon discussion with our military people who advise us

on the most effective use of our peacekeeping force. Then we, as a government, take a political decision.

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FISHERIES

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, fishers, shore workers, and tenders will suffer hardship this winter because of the lack of fishing and work opportunities. The United Fishers and Allied Workers Union has pleaded for the reinstatement of the variable entrance program so these workers could collect unemployment insurance.

The Minister of Fisheries and Oceans has written to me and said he and the Minister of Employment and Immigration decided not to top up UI for the west coast fishers.

I would like to ask the minister if he could tell this House how he expects these workers to survive this winter.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I answered this question in the House a week or 10 days ago. The emergency response program is used to respond to catch failures. There have not been, thank heaven, any catch failures on the west coast of Canada this year. Therefore it is not appropriate to bring in the emergency response program.

Unfortunately you have to work for 17 weeks to be eligible for unemployment insurance benefits in the lower mainland of British Columbia. It is unfortunate in one sense, but it shows that there is a lower rate of unemployment in that area than in most other areas. That is the problem.

I would remind the hon. member that there was a strike during the summer which had some effect on the situation, as well with respect to time spent in fish processing.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, it is important for this minister to understand that when fish fail to appear and those depending upon the availability of those fish can no longer work, that is catch failure.

I would like to know why three years ago we had the variable entrance program for the same industry, that I guess did not have a catch failure then either.

I would like to ask the minister this. As a result of the Pearse-Larkin report yesterday, which clearly spelled out government mismanagement of the west coast fishery, the government still refuses to assist those workers who are victims of that incompetence. Does the minister not believe he has an obligation to those workers displaced by that mismanagement and will he urge the minister of employment to put in a variable entrance program for those workers?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, if the hon. member could tell where the fishery failure was in British Columbia this year, I would appreciate knowing it. As a matter of fact, at this low year in the salmon cycle, there was the best salmon fishery, the second highest number of salmon return in 80 years at this particular period of the four-year cycle. There has been no fishery failure in British Columbia.

Therefore, it is not appropriate to apply this particular program because the circumstances for its application are not there.

Ms. Langan: People have no jobs.

Mr. Crosbie: Interjections from the hon. member will not change that situation. The fish came back. The fish were there.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, my question is for the same minister. It relates to other questions of mismanagement in his department.

I have obtained a May 1991 memo from legal counsel in the minister's department from the west coast commenting on an RCMP investigation into his department regarding the controversial Kemano project in northern B.C. The memo raises questions about the department, the RCMP inquiry, its purpose and the manner in which it began.

• (1430)

Will the minister tell the House the nature of the RCMP investigation on the Alcan project in his department? When will Parliament have a report on this matter and when will he clean up the mess in his department?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, these are ferocious questions the hon. member is asking.

In the first place I can tell the hon. gentleman that I cannot report to him on any investigation that the RCMP may or may not have conducted. That would be within the purview of the Solicitor General and it is not his custom to report to the House of Commons or to the public on what the RCMP reports to him after it has instituted an investigation.

The hon. gentleman has some kind of fetish about the Kemano project. There is no peculiar set of circumstances under way in connection with that project. There was an agreement entered into after very careful consideration of all conservation aspects that related to it, and that agreement is in effect now.

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PEARSON INTERNATIONAL AIRPORT

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Transport who yesterday in announcing that the government was proceeding with terminal redevelopment at Pearson airport said that he wanted assurances "that changing financial realities are addressed fully before any construction begins".

The minister knows that the airline industry is in a state of turmoil. Why did the government not show some progress on the problem of overcapacity in that industry before contributing to the problem by creating additional capacity at Pearson airport?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, do I understand from the hon. member that his party has been asking the government for a number of weeks to invest an unspecified amount of money in unspecified infrastructure work?

We now have two proposers who have accepted to invest their own money in a defined, very useful and very important infrastructure of this country. It seems that this does not satisfy the member on the opposite side.

Mr. John Manley (Ottawa South): Mr. Speaker, what I am not satisfied about is whether this government has any idea of what to do with the airline industry given its performance over past weeks.

Yesterday the minister in his announcement downgraded his estimate for capacity needs at Pearson by two to three years. We also know that his announcement comes on the heels of the Auditor General talking about revenues bleeding at terminal 3. This announcement had more to do with political posturing than with the needs of building the economy.

Air Canada said that the winning bidder would not be given the go-ahead until an agreement was reached on the air carriers' rent. Is that true? Will the minister tell us who is going to make that decision on the appropriate rent?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, the hon. member and other so-called experts were predicting when we issued the RFP that nobody would present proposals for this undertaking. Now we have two very serious proposals from very serious firms.

We did not hide anything. When we issued the request for proposals we said that investment decisions would be complicated by uncertainties in traffic patterns and growth rates, composition of the airline industry, and the air side capacity at the airport. We told the eventual proponents that this would present all kinds of challenges.

These people have responded in kind to this request for proposals. It seems the private sector has more faith in the future of this country than the Liberal Party.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, my question is for the Minister for International Trade.

The minister stated that Paxport Inc. was selected to receive the $750 million contract to renovate and manage terminals 1 and 2 at Pearson based on merit. It had nothing to do with the fact that Paxport founder Don Matthews is a close friend of the party and was co-chairman of the Prime Minister's leadership campaign in 1983.

Will the minister table in this House all the tenders to the contract today?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I would invite the hon. member to repeat outside the House of Commons any allegations of wrongdoing in this.

We have put together an evaluation process that has never been seen anywhere in the world. We have constituted five separate committees to examine the proponents' qualifications, the management and operations, the transfer plan, the development plan and the business plan.

Each of these committees worked in isolation and then reported its findings to the proposal evaluation committee. This was supervised by Price Waterhouse and then a process auditor from the private sector examined all of this. There were almost 80 persons involved in this evaluation process. Two-thirds were senior officers in the government and one-third was from the private sector.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, for the people who are watching at home, from the minister's own press release it says:

> The evaluation was carried out by—private sector financial, technical and business authorities.

What authorities? It continues:

> The method and criteria of evaluation were themselves audited by an outside, independent expert.

Who is the expert? If we listen carefully we can hear the election clock ticking on this one.

With the minister's unwillingness to let the facts speak for themselves, will he now admit that the $750 million contract is intended as a job creation program as he states, or is this a last ditch effort to repay supporters of the Prime Minister and the Conservative Party of Canada?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, quite frankly I am astonished that my hon. friend would talk that way about Don Matthews who is the father-in-law of former Liberal Premier David Peterson.

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SALMAN RUSHDIE

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my question is for the Prime Minister.

Today British author Salman Rushdie, in Ottawa with representatives of International Pen, called upon Canada and other nations to end their silence on the terrorism of the Government of Iran and urged Canada to call for the lifting of the *fatwah* on his life. Salman Rushdie also asked to meet with the Prime Minister of Canada.

Why will the Prime Minister not agree to meet with Salman Rushdie, as the premier of Ontario did last night, in an act of solidarity and support for this courageous author and to stand up for the fundamental principle of freedom of expression for all authors? Why is the Prime Minister refusing to meet with Salman Rushdie?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, whereas there were some preliminary inquiries made about various visits, the important point about this is twofold.

First, Salman Rushdie was welcomed to Canada by myself. He said this morning that there were very few foreign ministers in the world who have chosen to meet with him. He also expressed his thanks to myself, to the Prime Minister and to the government for that.

Mr. McLean: And to the committee.

Mrs. McDougall: And to the committee as well. To put the question that way is unfortunate, given our willingness and the forthcoming nature of our response to his situation right from the time it first developed in 1989.

We will continue to speak publicly about the human rights violations in Iran, about the importance of Salman Rushdie and his position as a symbol for the freedom of expression in the world. We will pursue it in any number of forums in which we find ourselves in the future as we have up until now.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my question was for the Prime Minister. I think Canadians are asking why a Prime Minister who has time to meet with Chief Buthelezi will not meet with Rigoberta Menchu or Salman Rushdie? I think that is a fair question to ask the Prime Minister.

My supplementary question is for the Secretary of State for External Affairs. The secretary of state indicated that Canada will speak out at any opportunity.

• (1440)

When we had an opportunity last week at the United Nations during the speech on human rights in Iran by Canadian Ambassador Louise Frechette, why did the Canadian Ambassador not say one word about the lifting of the *fatwah* on Salman Rushdie?

Why is our government continuing to offer a $1 billion line of credit to Iran, to a terrorist government which allows a *fatwah* on a British author? Why will this government not break the silence at the United Nations and suspend that line of credit?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, the hon. member is way out of line. This government in terms of its support for Mr. Rushdie and for human rights in Iran has been in the forefront. I am really sorry the hon. member is not prepared to commend the government for the kind of work it has been doing in this area.

Let me say as well that in terms of the line of credit our sales to Iran are very limited. Our sales to Iran consist largely of wheat and other agricultural products. We always very carefully monitor the kinds of sales we make to countries where there are human rights violations, particularly in the arms area and particularly in areas that are sensitive and important for Canadians.

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SEXUAL HARASSMENT

Ms. Mary Clancy (Halifax): Mr. Speaker, my question is for the minister of employment.

The majority of the so-called voluntary quitters, according to UIC's own statistics, are low income, non-unionized women who are the most vulnerable to sexual harassment. Will the minister at the very least admit this and establish today clear guidelines for his government on sexual harassment?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the unemployment insurance program is not for people who choose unemployment for no just cause.

Those who have a just cause have the full protection of section 28 of the Immigration Act. It would be unfair to the hard working Canadians who paid premiums into the UI fund if it paid benefits to a person who chose to leave his or her job without just cause. Canadians support this.

Ms. Mary Clancy (Halifax): Mr. Speaker, what is unfair and what is scandalous is that this minister does not understand the extent of the sexual harassment problem. There is no effective policy on sexual harassment in his department or in any other government department.

Why will this minister not establish with clarity, with consistency and with some time sensitivity, a workable, rationale sexual harassment policy? It is time.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member has the gall to stand and try to teach this government about giving protection to sexually harassed women.

This is the government that introduced in section 28 protection for sexually harassed women. Bill C-21 was opposed by the Liberal Party.

* * *

WESTRAY MINE

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have a question for the minister of state for small businesses who told the House two weeks after the Westray disaster: "The federal government's role was a very limited one".

Now we know that the federal government was into this one up to its ears. Within two days of that terrible tragedy, the government had set up a task force and has since spent $300,000 to put its spin on the issue.

Why the need for the spin doctors? Why the stonewalling on this one?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, if this government had not assembled all the documents, produced all the information as the hon. member's party asked us to do, he would be criticizing us.

We did that. It cost us something less than $300,000 because we used a number of public servants who would have been paid anyway to do it, in order to get full disclosure to this House and to the hon. member.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, my supplementary is for the Prime Minister who will know that contrary to what the minister just implied, the government has budgeted $400,000 to the end of this fiscal year to deal with the Westray fallout.

Contracts have been let, including one to find loopholes in the Access to Information Act. I ask the Prime Minister: Will he now agree that only a federal inquiry can get to the bottom of this sorry mess? Why does he not admit that while 26 grieving families have been groping for the truth on this one, the government has been spending, blowing taxpayers' money to see that they never get that truth?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, just the opposite is the case. In fact, this government has responded to countless questions already. We have produced thousands of pages of documents and responded fully to the access to information requests as well as to the provisions under the Secrecy Act.

What happened is that the government set aside $398,000 for the expense of doing this and it turned out that we did not have to spend that much.

* * *

THE ECONOMY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, the Minister of Finance has been asking for ideas on how to help restore health to Canada's economy and get people back to work. The Liberal leader has stated publicly and in this House that the government should spend billions of dollars on job creation programs even if it inflates the deficit.

Can the minister tell my constituents why he has chosen to ignore that option and pursue the kind of policies that were in his economic statement last Wednesday?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member's question gives me an opportunity to advise him and other members of the House of the broad based support which the economic plan is generating from Labrador to the Yukon territory.

I think all members would be encouraged by a further reduction in interest rates today.

An hon. member: That is a bit of a comical act.

Mr. Mazankowski: A 51 basis point reduction in interest rates is not an act of comedy, nor the act of a comedian. It is real.

Some hon. members: Hear, hear.

Mr. Mazankowski: I would say that is a reflection of sound policy.

The hon. member refers to the infrastructure program that is advanced by my friend opposite. The Leader of the Opposition talks about spending $15 billion on infrastructure but he does not tell Canadians how he would fund it.

He says: "We will put up $5 billion, the provinces will put up $5 billion and the municipalities will put up $5 billion". They have deficit and fiscal problems as well, just like the federal government. It is almost being irresponsible to suggest something or to recommend something without saying how you are going to pay for it.

* * *

TRANSPORTATION

Mr. Vic Althouse (Mackenzie): Mr. Speaker, my question is for the Minister of Finance.

In last week's financial statement, he referred to a cut of $73 million to transportation expenditures. Since this is 10 per cent of last year's budgeted Crow benefit of $729 million, will he affirm clearly that this is where the cut will come. Will it come from that so-called Crow benefit?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, the economic plan put forward by the Minister of Finance last week is a plan to protect Canadians from the difficult times that we have and to protect agriculture.

It is difficult when you enter into reductions. Yes, I can confirm that the reductions that the hon. member talked about on WGTA, those payments that go forward and have from the past the same as the other subsidies and the other grants and contributions in agriculture and throughout government, will be reduced by 10 per cent.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, since this will have the effect of reducing incomes of farmers, does this mean that the minister will be looking at these actions as triggering a third line of defence, since the policies have now changed and farm incomes will be reduced by a similar amount?

Is he content to continue with the current policies which permit a declining coverage under GRIP and NISA each year?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, the hon. member concluded his question by referring to GRIP and NISA. The income safety nets that have been established jointly with the producers, with the provincial governments and the federal government remain. The hon. member talks about declining income. I would like the hon. member to take note that for 1992 the total program payments in the province of Saskatchewan are expected to be from $1.3 billion to $1.6 billion. I want the hon. member to understand that over 70 per cent of that comes from federal programs.

• (1450)

IMMIGRATION

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, my question is for the Minister of Employment and Immigration. I feel too many people with criminal records enter Canada before we discover their sordid past. Robert Blackwood, an alleged drug gang leader who was thrown out of the U.S. and Great Britain, is one example. He was finally ordered deported from Canada for criminal activities. His expensive two-year appeal process cost Canadian taxpayers well over $100,000.

What measures will the minister take to ensure that criminals who enter Canada illegally are deported quickly to protect society and to minimize costs to taxpayers?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member raises a very important question that concerns many Canadians. That is why the measures in Bill C-86, an act to amend the Immigration Act, go a long way toward protecting Canadian society against individuals whose admission would be contrary to the best interests of Canada or any community in Canada.

The amendments to the act will go a long way to deal with the problem of admissibility. Those provisions have been expanded to better protect Canadians. Thanks to his caucus colleagues and to the other place, that should become law in the next two days, I hope—unfortunately without the support of the Liberal Party.

* * *

WESTERN GRAIN TRANSPORTATION ACT

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Minister of Agriculture.

Western farmers felt betrayed by the minister when he slashed the Western Grain Transportation Act by some $73 million for next year alone. This will increase their shipping costs by over 20 per cent.

Why is the government slashing this statutory program which has a direct impact on farm income? Why is he doing this at a time when many farmers have had poor crops and are already facing a bleak cold winter? Why?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, the hon. member was here when the Minister of Finance presented his economic plan. That economic plan called for reductions in expenditures of the Government of Canada over the period of that plan of some $8-plus billions. Agriculture and other sectors of Canadian society are making a contribution to the stability of this country. The hon. member knows that when you look at the debt held by agriculture of over $20 billion, at least when you reduce the interest costs to agriculture you save producers over $100 million. Every 1 per cent reduction in the interest rate saves $100 million.

Yes, it was difficult. Grants and contributions, not only from the Department of Agriculture, but other departments have been reduced by 10 per cent, in a deficit reduction of some $8 billion.

Mr. Maurice Foster (Algoma): Mr. Speaker, western farmers feel not only betrayed but devastated. Charlie Swanson, the president of the Manitoba Wheat Pool, described the cuts as "devastating news for prairie grain farmers".

In view of the terrible impact that this is going to have on these producers—this is a statutory program, the minister cannot change it without changing the legislation—will he rescind this decision right now and show some consideration for the desperate situation that many producers are facing this fall and coming winter?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, I think in my reply to my colleague's first question I outlined the necessity.

No. The Department of Agriculture is making a contribution to the stability of this country for the benefit of every citizen, including farmers. The hon. member will know that the safety nets of GRIP and NISA, the cash flow enhancement, cash advance, all have been maintained for the benefit of agriculture.

The hon. member also recognizes that interest costs for the producers are very high. By lowering interest rates by the action taken by the Minister of Finance and this government, we are benefiting producers in their day-to-day operations and their interest costs. It is a benefit for farmers as it is a benefit to all Canadians to have a sound, stable, economic plan in place.

Mr. Speaker: We must move on.

* * *

EMPLOYMENT

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, my question is for the right hon. Prime Minister. It is a question I had hoped never to have to put in this House. The Prime Minister will be aware that in the last few days another 800 men and women have been laid off from General Motors in St. Catharines and the area. This is a total of over 5,000 people who have been laid off.

I was wondering what specific action his government is prepared to take to alleviate the circumstances for our men and women who, after all, live in the heartland of industrial Canada.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member indeed points to a situation that is tough for the people in that community. That is why under the current programming of employment and immigration, officials of the department have been in touch with the company in question, the union and the workers in order to put in place the adjustment measures that are contained in the programming of the Canadian Jobs Strategy.

Every effort will be devoted by the department to work in co-operation with the owner, the union and the workers in order to try to have in place these adjustment measures in order to help those people.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, I thank the minister for the information.

A statement was made by the premier of Ontario that he will do everything that he can. I was wondering if the minister would give his undertaking today that his officials will be working with the provincial officials as well as the union members in order to try to rectify the situation as soon as we possibly can.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I have no hesitation whatsoever in extending the full co-operation of my department to the ministry of labour of Ontario.

It is important indeed that all stakeholders work together in trying to address the problem caused by that decision. Again I can assure the hon. member of our co-operation in that regard.

* * *

NEW BRUNSWICK YOUTH STRATEGY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I have a question for the Minister of State for Youth.

There has been a very successful program called the New Brunswick Youth Strategy in place for five years now on an experimental basis. That program has had a federal-provincial contribution of $120 million.

I would like to ask the minister if a comprehensive and definitive report has yet been prepared on the results of that pilot program and whether or not the program will be continued in New Brunswick in the coming year and extended to other provinces.

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 like to inform the hon. member, as he probably already knows, that a definite report has not been submitted yet. There is an interim report that is being looked at right now. Decisions will be made accordingly in the near future.

* * *

PUBLIC WORKS

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, my question is for the Minister of Public Works.

In view of the controversy and dubious value of the P.E.I. fixed link and the Lester Pearson International Airport upgrade, both announced yesterday, will the minister advise the House if these projects are merely political pump-priming or if they fulfil a national need.

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, obviously they fulfil a national need.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I have a short supplementary.

I thank the minister for his short answer but at this time of frugality, freeze, and financial cut and slice, does the minister believe these projects send the proper signal to a hard-pressed and sceptical public and can he guarantee that the taxpayer will not pick up any part of the tab in any way?

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, I am surprised that the hon. member opposite, who is an experienced member of this House., does not realize that this is not only an investment in Canada's future, but it is largely private money.

• (1500)

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is for the Minister of Public Works. The minister will know that he has promised up to $40.5 million a year in annual subsidies for the private operator of the fixed link.

Could he explain to the taxpayers of Canada how that equates to the current $22 million a year subsidy that provides 600 permanent jobs for ferry workers between P.E.I. and the mainland? Can he explain his mathematics to taxpayers?

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, what my colleague opposite is conveniently ignoring is that there are many expenses other than just the subsidy to Marine Atlantic such as for example the replacement of these very expensive vessels which will have to be done in the next few years.

* * *

[*Translation*]

CANADA POST CORPORATION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Minister responsible for Canada Post. The minister is aware that residents of Saint-Clément de Rimouski have barricaded themselves, taking over their post office, which could be closed as of December 14, 1992.

Is the minister prepared to announce today that he is giving up any attempt to close the post office in Saint-Clément de Rimouski?

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, when Canada Post was made a Crown corporation in 1981 there was unanimous agreement on all sides of the House that it should operate at arm's length without political interference. We have been operating in that fashion with great success for the last six years.

With respect to the conversion of post office run outlets to private sector outlets, post-change surveys show that the customers are pleased to the tune of 90 per cent. I think with that kind of approval reading even the hon. member would agree it is a good policy.

Mr. Speaker: I have a question of privilege, the hon. member for Parkdale—High Park.

* * *

PRIVILEGE

CANADA POST

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, pursuant to Standing Order 48(2), I wish to raise a question of privilege arising from an incident which occurred during the October 26, 1992 referendum.

Failing to resolve the issue with Canada Post, I feel I have no recourse but to raise the matter in the House of Commons, since my duties to serve my constituents as a member of Parliament have been seriously hampered.

This is the first opportunity that I have had to raise this question in the House.

I issued a special flyer on the referendum which was delivered to Canada Post, L/C Depot No. 3, 772 Dovercourt Road, Toronto, Ontario, on October 20, 1992.

Of the 20,837 flyers delivered to the above depot, 9,072 were delivered and 11,765 were held back. Someone at Canada Post made the decision that these flyers should not be delivered. This was confirmed by Mr. McBean, LIC supervisor.

My constituents still had six days in which to obtain information about the referendum prior to polling day.

I sent to you, Mr. Speaker, a copy of the flyer and pertinent information which I will not repeat here.

Point of Order

My question of privilege is: What right did a Canada Post employee have to make the decision as to whether or not my flyers should have been delivered? As indicated, I have been unable to obtain a satisfactory response from Canada Post regarding who made this erroneous decision, why it was made and what action has been taken to ensure that such an incident does not recur since this action did seriously hamper my ability to service my constituents properly.

If you deem that I do have a question of privilege, Mr. Speaker, I will make the appropriate motion.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, first I have to indicate that I have not had any prior information from the hon. member with respect to this matter. Therefore, I cannot respond in detail and I would certainly welcome the opportunity to look into the matter before giving that response.

I should indicate a couple of things. The Board of Internal Economy, in co-operation with the post office, with respect to the referendum campaign did indicate to all members that there were certain time constraints. Any brochures to be delivered had to be in the hands of the post office so many days in advance of expected delivery because of the fact that under the labour contracts there is a limit as to how much each letter carrier can take with him or her at any particular time and it takes time to put them out.

Bear in mind there are possible rational explanations that do not, as the hon. member suggests, deal with the notion that somebody at the post office deliberately tried to obstruct the hon. member. That is an accusation I find hard to believe. I certainly want to have an opportunity to look into it before accepting the facts the hon. member alleges.

Mr. Sergio Marchi (York West): Mr. Speaker, I use the same question of privilege raised by my colleague from Parkdale—High Park who mentioned to me at the close of Question Period his intention to rise on a question of privilege.

I am not sure about the circumstances in my riding. I wish to simply let the House leader and the Chair know that when looking into that matter I also had approximately 5,000 flyers that were not delivered during the referendum campaign.

It may have been a case of the system being overwhelmed or a situation perhaps where something was overlooked. One would hope so but I simply wish to provide that information to the Chair. We looked into the situation and we are not sure what the answer was. There were 5,000 flyers which were not delivered to a number of public forums held in the riding.

I also believe that that service is a very important one to our citizens. Perhaps it should be looked into so that we can avoid these mishaps in the future.

Mr. Speaker: The hon. member for Parkdale—High Park and the hon. member for York West have advised the House of a certain situation in Canada Post.

The hon. government House leader has indicated he would like a chance to consider the matter further. For now I am going to leave it at that and I am sure the hon. government House leader will get back to the Chair if that is appropriate. I do not think I should make any further comment until I hear a little more.

* * *

POINT OF ORDER

STATUTORY ORDER—SPECIAL ECONOMIC MEASURES ACT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, earlier this day I asked guidance of the Chair with regard to the statutory order, consideration of a motion made pursuant to subsection 7(2) of the Special Economic Measures Act.

At that time, the parliamentary secretary made an intervention to the effect that he believed it to be *ultra vires*. We did have some discussions thereafter but there was no clear understanding of his viewpoint from my perspective or vice versa.

I wish to seek the guidance of the Chair as to the procedural acceptability of the statutory order. The parliamentary secretary was not arguing procedure. In my view he was arguing a position in law concerning the constitutionality of the issue at question.

I suggest and respectfully submit to the Chair it is not the role of the Chair to decide on the constitutionality or the substance of the particular matter. All that the Chair must do pursuant to the Standing Orders is to look at the procedural aspects.

Very briefly section 7 of the act in question provides that when regulations are tabled 50 MPs may sign a notice calling for revocation or of amendment to the regulations and for the timely debate and disposal of such a motion.

I suggest that all the Speaker may rule on is whether such notice has been properly prepared and received and therefore must be disposed of by the House according to the law.

In terms of the procedural aspects I think the Chair would have to take into consideration whether the regulations were properly tabled, whether the notice was properly given and how the House must proceed for lawful disposal of the matter.

If in fact the procedure is correct I do not believe the Chair is in a position in accordance with my understanding of the Standing Orders to rule on the substance of the motion in question.

What the parliamentary secretary has alluded to is that the motion itself is *ultra vires*, meaning unconstitutional. I suggest that very argument goes to the substance and not to the procedural acceptance. I would hope the Chair could make a quick ruling on this as time is running out as Parliament is to close on December 11.

Mr. Speaker: This matter was raised earlier today and the hon. member for Cape Breton—East Richmond has put his position clearly. It may or may not be the wish of the parliamentary secretary to follow the matter further but I will certainly hear him.

• (1510)

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, it is true that I did have a discussion with the hon. opposition House leader after he raised this point earlier today and there was no meeting of the minds.

As I pointed out in my comments this morning, the Liberal amendment to the regulations tabled on September 18 of this year under the provision of the Special Economic Measures Act is clearly beyond the scope intended by the bill.

The Liberal amendment deals with section 4 of the act which authorizes the government to make very specific regulations dealing with relations between Canada and a sanctioned state. It does not give the government authority to commit Canada to a particular position on matters of foreign policy concerning third party states.

The Liberal amendment is not within the scope of this authorizing power and is *ultra vires* of the bill.

The wording of the Liberal amendment has no relevance to the regulations that were tabled. Instead, the opposition has used this provision in the act, I submit to you Sir with respect, as a vehicle for partisan, not legitimate, purposes.

I recognize, Mr. Speaker, that it is not your role to decide on legal matters. However, I would submit that by allowing the debate on the Liberal amendment to proceed, you are implicitly giving a legal opinion that the amendment falls within the scope of the act. This is a patently obvious dilatory tactic which has put you in an untenable position.

I would ask the opposition to do the responsible thing and remove the Chair from this legal quandary by withdrawing this illegal amendment.

SPEAKER'S RULING

Mr. Speaker: I thank both the hon. member for Cape Breton—East Richmond and the hon. parliamentary secretary.

I am going to remove the Chair from the position in which the Chair finds itself by reminding hon. members that the Speaker has traditionally never been granted the authority to rule on whether or not a bill introduced into the House of Commons or an amendment introduced into the House of Commons is *ultra vires*. That is a matter for the courts. As a consequence, I must stay with that position.

I listened carefully to the hon. parliamentary secretary who I think with some ingenuity was suggesting that if I ruled otherwise I was implicitly supporting an amendment which might or might not be *ultra vires*. I certainly respect the hon. parliamentary secretary's ingenuity in putting it that way.

However, I think I must remain with the long tradition which has been supported by many rulings that it is not the place of the Chair to rule on whether or not a bill or as I said earlier, an amendment to a bill, is *ultra vires* or otherwise.

I would point out that if I were to rule otherwise we could be in the position where any bill that the government introduces could be challenged by the opposition or by members of the government as to whether or not it is *ultra vires* and that would put the Speaker really in the position of the court and beyond the jurisdiction that was ever envisaged for the Speaker.

The consequence of that is that we are in a position where a motion has been filed. We are bound by a statute which says: "Where a motion for the consideration of a House of Parliament is filed in accordance with subsection 2, that House"—in this case that is this House—"shall not later than the sixth sitting day of that House following the filing of the motion take up and consider the motion unless a motion of the like effect has earlier been taken up and is being considered in the other House", which is not the case.

That is the position we are in. It is up to the House to decide what it is going to do between now and the expiry of the six days which is mentioned in the bill. We are, of course, bound by that.

I think that is the best I can do to assist the House at this time on this matter.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I hesitate to draw this to the attention of my hon. friend the parliamentary secretary to the government House leader, but in his commentary on the appropriateness of this action I think his remarks will show that he very clearly was impugning motive by my hon. friend in terms of what was motivating his initiative.

I wonder if it would not be the appropriate thing for him to withdraw those remarks in the good order that he normally conducts himself.

Mr. Speaker: The parliamentary secretary might want to rise and assist the House. It is a pretty fine line, but I will hear the hon. parliamentary secretary.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I did not hear the Official Opposition taking umbrage at this, but I know that my friend from Kamloops is totally vigilant about the decorum, the manners and the proprieties of this place to a point of punctiliousness.

Some hon. members: Oh, oh.

Mr. Edwards: If my hon. friend from Cape Breton—East Richmond felt that I impugned any motive, I certainly want to withdraw any such stigma and any such shadow from the House. I think that I will leave it at that and let the rest of my remarks stand on the record.

Mr. Speaker: Just for the record, I want to point out that under the circumstances, the use of the word punctilious by the parliamentary secretary is of course from a point of view of literacy. It is astonishing but it is in order.

* * *

[*Translation*]

SPECIAL DEBATE

SOMALIA

The House resumed, from December 7, 1992, consideration of the motion of Mrs. McDougall (St. Paul's) (p. 14771), and on the amendment of Mr. Axworthy (Winnipeg South Centre) (p. 14778).

The Acting Speaker (Mr. DeBlois): It being 3 p.m., in connection with item No. 14 under Government Business on today's order paper and pursuant to order adopted Monday, December 7, 1992, the House will now proceed with the deferred division on the amendment of Mr. Axworthy (Winnipeg South Centre). The question on the main motion, standing in the name of the Secretary of State for External Affairs, will be put immediately afterward.

Call in the members.

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

(Division No. 363)

YEAS

Members

Allmand	Althouse
Angus	Arseneault
Assad	Axworthy (Winnipeg South Centre)
Barrett	Bélair
Bellemare	Berger
Bevilacqua	Blackburn (Brant)
Blaikie	Boudria
Breaugh	Brewin
Butland	Caccia
Catterall	Chrétien
Clancy	Comuzzi
Crawford	de Jong
Dingwall	Duhamel
Ferguson	Finestone
Fisher	Flis
Foster	Gaffney
Gardiner	Gauthier
Gray (Windsor West)	Grey (Beaver River)
Harb	Harvard
Heap	Hopkins
Hovdebo	Hunter
Jordan	Karpoff
Keyes	Kilger (Stormont—Dundas)
Kristiansen	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Laporte

Lee	MacDonald (Dartmouth)
MacLellan	Manley
Marchi	Marleau
Martin (Lasalle—Émard)	Mifflin
Milliken	Mills
Mitchell	Murphy
Nault	Nunziata
Nystrom	Ouellet
Pagtakhan	Parent
Parker	Peterson
Pickard	Proud
Prud'homme	Rideout
Riis	Robinson
Rodriguez	Rompkey
Skelly (Comox—Alberni)	Speller
Stupich	Taylor
Tobin	Vanclief
Volpe	Walker
Whittaker	Wood
Young (Acadie—Bathurst)	Young (Beaches—Woodbine)—90

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bernier	Bertrand
Bird	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Chadwick
Champagne (Champlain)	Charest
Chartrand	Clark (Yellowhead)
Clifford	Cole
Collins	Cook
Cooper	Corbeil
Côté	Crosbie (St. John's West)
Danis	Darling
Della Noce	Desjardins
Dobbie	Domm
Dorin	Duceppe
Duplessis	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Fretz
Gérin	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Holtmann	Horner
Horning	Hudon
Hughes	Jacques
James	Jelinek
Johnson	Joncas
Kempling	Kindy
Koury	Langlois
Larrivée	Layton
Leblanc (Longueuil)	Lewis
Littlechild	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	MacKay
Malone	Marin
Martin (Lincoln)	Mayer
Mazankowski	McCreath
McDermid	McDougall (St. Paul's)
McKnight	McLean
Monteith	Moore
Nicholson	Nowlan
Oberle	O'Kurley
Paproski	Plamondon
Porter	Pronovost
Redway	Reimer
Ricard	Richardson
Robitaille	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Siddon
Soetens	Sparrow
Stevenson	Tardif
Tétreault	Thacker
Thompson	Thorkelson
Tremblay (Rosemont)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Vankoughnet	Venne
Vien	Vincent
Weiner	Wenman
White	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—140	

PAIRED—MEMBERS

nil/aucun

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 this motion?

Some hon. members: Agreed.

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

Motion agreed to.

GOVERNMENT ORDERS

[*English*]

WAYS AND MEANS

CUSTOMS TARIFF

Hon. Pierre Blais (for Minister of State for Finance and Privatization) moved that a 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, laid upon the table Thursday, December 3, 1992, 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: On division.

Motion agreed to.

[*Translation*]

PATENT ACT AMENDMENT ACT, 1992

MEASURE TO AMEND

The House resumed consideration of Bill C-91, an act to amend the Patent Act, to amend another act in consequence thereof and to provide for other related matters, as reported with an amendment by a legislative committee, and of Motions Nos. 1 and 2.

The Acting Speaker (Mr. DeBlois): When the debate was suspended at two o'clock, we were considering Motions Nos. 1 and 2. The hon. member for Gatineau—La Lièvre had the floor and he has up to three minutes left.

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, when I was interrupted before the vote, I had asked for permission to table briefs from the Quebec federation of golden age clubs in the House. Do I have unanimous consent to table them?

The Acting Speaker (Mr. DeBlois): Does the House agree to let the hon. member present his motion for tabling?

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): There is not unanimous consent. I again give the floor to the hon. member.

Mr. Assad: Mr. Speaker, they were simply statements from the Quebec federation of golden age clubs on Bill C-91. There was nothing radical in them. They just summarized the situation. Anyway, this shows the government's completely negative attitude.

With the little time remaining to me, I would ask organizations like the Quebec consumers' association and the Quebec association of golden age clubs to be vigilant in the coming months.

• (1550)

After the testimonies heard in committee, we are convinced that Canadians will have to pay very high prices for pharmaceutical products. Therefore, it is in the interest of the various associations to check the increases, because in a few months, as you know, there will be an uproar when they find out about the jump in prices. It is important that they keep track of these increases. They will have confirmation that the testimonies heard in committee were true and very justified.

In concluding, I hope that these organizations, throughout Quebec and Canada, will be very vigilant. In a little while, the situation could be very different in this House and we will then have an opportunity to correct the flaws contained in Bill C-91.

[*English*]

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, earlier today the member for Ontario who chaired the legislative committee on Bill C-91 stated that he was approached by some members who wanted to appear before the committee. I was one of the members who wanted to appear. However, because of the extended gridlock discussions by the opposition members of Parliament and other witnesses we were precluded from the opportunity to appear.

One of the main points I want to make today is that although I agree with the main thrust of Bill C-91, I do believe we have been too harsh on the generic drug firms, particularly in so far as the retroactivity conditions are concerned.

As I said, I agree with the thrust of Bill C-91. We are doing it for a number of reasons such as more investments, more jobs, more research and we do have to get on with it now. There is some $500 million at stake for new investment opportunities. I do want to say that the track record of the international companies has been favourable. We can look back to Bill C-22 with some great success, particularly on price controls where the average increase was 2.9 per cent a year, well below the CPI of 4.4 per cent.

Next, the cost issue must be kept in perspective. Of drugs consumed in Canada, 80 per cent are not affected by Bill C-91. Bill C-91 affects three per cent of the total health care costs in Canada.

Another aspect of this is how some seniors have been concerned about this through some of the information they have received. I want to state that seniors are covered by drug plans in all provinces. Under current provincial plans at least 71 per cent of seniors will not pay one penny more as a result of Bill C-91. Of the remaining 29 per cent, three quarters or more of their drug bill is covered by the provincial plans. More

research will bring better medicine, enabling Canadians to live healthier and longer lives.

Another issue of concern, and again I think there has been some misinformation out there, is Mexico and the NAFTA. The claims made by the opposition that in NAFTA Mexico gets an eight-year delay in having to comply with drug patent protection requirements are completely erroneous. The NAFTA contains the same provisions and time frame as the GATT-Dunkel text and applies to all three NAFTA parties on the same basis.

I would like to briefly outline some of the amendments I have put forth and they concern the exception regarding regulatory approval of exports. On clause 4, the purpose of that amendment of mine is to ensure that patent monopolies are not extended beyond 20 years from the time a patent is filed as a result of regulatory approval and production delays.

In clause 6, concerning offences, the purpose of this amendment is to extend the limitation period to two years from the time the subject matter of proceedings becomes known to ensure that multinational corporate secrecy does not prevent the effective enforcement of pharmaceutical price controls in Canada.

The next one concerns excessive prices in clause 7, where the purpose of my amendment is to ensure that introductory pharmaceutical prices in Canada are competitive rather than monopolistic.

The next one, concerning excessive price hearings, dealt with in the amendment in clause 7, means that the above amendment will ensure that pharmaceutical costs are effectively controlled by competitive prices and that Canada's universal health care system is preserved.

Another amendment concerns licences being continued.

Mrs. Catterall: Mr. Speaker, on a point of order. I appreciate what the member is trying to do. He is trying to speak to amendments which he intends to put but which have not yet been put to the House, and he is aware that there will be a limit on the debate in this House and that he may not have the opportunity to speak to his amendments. There are others in this House who are in the same position.

I wonder if it is in order for him to speak to amendments that have not been put to the House.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I must simply remind hon. members that, following the intervention of the hon. member for Ottawa West, the debate is on Motions Nos. 1 and 2.

As the hon. member knows very well, the rule of relevance is one of the most difficult to interpret. Since the Chair has been rather tolerant so far, because the debate is just beginning—members even talked about what went on in a parliamentary committee—I am still ready to show tolerance toward the hon. member for Markham—Whitchurch—Stouffville.

Once again, I recognize the hon. member.

[*English*]

Mr. Attewell: Under clause 12, just to continue, this amendment in conjunction with the amendments to section 15 will ensure that Bill C-91 is not applied retroactively.

In clause 13, if notwithstanding the position of the CDMA and the provinces, the federal government proceeds retroactively, this amendment will permit CDMA companies to be compensated for the expenditures they made in reliance on existing Canadian law.

Last, concerning clause 15, this amendment in conjunction with the amendment to section 12 will ensure that Bill C-91 is not applied retroactively. That is an issue that I discussed with my colleagues as much as six months ago.

In closing, I want to thank the Speaker for letting me continue getting on record my points about these amendments and also my support of the main thrust of Bill C-91.

The bottom line is that I want to be able to try to see if we can get a little more fairness and pass these amendments so that we can minimize this issue of retroactivity for the CDMA members.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I am happy to have the opportunity to stand up and speak against this piece of legislation.

I want to begin by quoting from a journalist who I think most members around here would respect as having a fairly good insight as to what happens when policy or legislation comes before this House. It is from Carol Goar's article in *The Toronto Star* December 1, 1992. In this article she basically talked about the history of the drug policy in this country and talked about the fact that Canadians enjoyed the lowest prescription drug prices in the industrialized world. Now that we have this bill this policy is basically gone because we are handing a free rein over to the multinationals.

She talked about some of the promises the pharmaceutical companies made coming true. She states: "They increased their Canadian-based research, but most of it was clinical testing, checking the side effects of drugs developed elsewhere as opposed to pure research, finding a cure for AIDS, for example. They created close to 1,300 jobs but most were in sales and marketing and not in research".

• (1600)

This is one of the things that has been bothering me about this legislation and I mentioned it to a couple of members on the opposite side over the last two weeks. I had seen so many situations in this city over the last few years in which companies will come in to lobby members of Parliament for their legislation and they will make all these commitments in terms of job creation. Often we are lured into supporting this legislation because we are determined to grab on to anything that is going to create jobs, especially when they talk about creating jobs that are more skilled, high-tech or extra sensitive to research.

The thing that bothers me about this particular piece of legislation, and it has been stated by many members on this side of the House before, is the fact that there is no real strict accountability as to whether these jobs are going to be taking place. We know of so many instances not just in relation to this particular sector of our economy but in the manufacturing sector in which foreign multinationals will come here and negotiate support on the commitment of jobs and so often the commitment of fulfilling that particular assignment does not get done.

I have known situations in the past in which we would actually go to particular regions of this country to inspect where these so-called high-tech or high level, highly skilled manufacturing jobs take place and they are not taking place. Often we just create warehouses and when we look at the track record in the last little while in this particular instance with the pharmaceutical manufacturers, we know that they did not live up to all the commitments in terms of those superior jobs.

As stated in this article today, many of these jobs were in sales and marketing and that really is not what we have been looking for. That was one of the reasons we have been so supportive on this side of the House for the generic industry. These people have been creating a different quality of job, a higher skilled job, creating a whole new sector within our economy.

When there is any kind of retraction in the economy or corporations cutback, with the new global system right now, and the head office decides with the flick of a pen to close a plant in a particular part of the world, we have absolutely no say or protection. There is no guarantee that these jobs are going to stay in Canada.

We have given up something that has been very unique and very precious and I know the government is making a mistake. It is once again an example in which the lobby system that has surrounded this entire piece of legislation is one of the reasons we have to review the whole system of lobbying in this city, in this country. It is practically making members of Parliament redundant. It is not just in terms of this particular piece of legislation, Bill C-91. It goes for a lot of other pieces of legislation as well.

I urge the government in the short time left to put in some system of guarantees that these jobs that are being committed by these pharmaceutical manufacturers cannot be vague. They have to be guaranteed.

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I too would like to offer a few comments on the Bill C-91 legislation we are debating today.

I note with interest that my colleague from Broadview—Greenwood closed his few remarks talking about lobbyists. In fact I want to address that subject at the end of my remarks on Bill C-91 because he brought up a most interesting facet to what goes on here in Ottawa with respect to legislation, with respect to policy and sometimes contracts. I can tell him that the committee I chair has been charged with that responsibility, so I will mention that a little bit later.

I have some difficulty with Bill C-91. It is no secret in this House because I have made some mention of it in the past and I want to do that again today as thoughtfully and as concisely as I can, bringing a point of view to this House.

I certainly am not opposed to intellectual property rights. I think most people in this House have great respect for people and corporations creative enough to produce products not only in Canada but around the world that benefit mankind.

Certainly Canada has had its share of historic developments, some in the drug industry and others such as the great Canadarm on the space shuttle that continues to fly around from time to time. I do respect intellectual property rights.

The first thrust of my remarks on Bill C-91 is simply this. When Canada entered the free trade agreement, it allowed 10 years for the reduction of tariffs to bring Canada and the United States on the same playing field. This legislation at the date it was signed to make it official, bang, adds three years in one fell swoop to the patent protection of the large drug manufacturing companies.

It has been argued rightly or wrongly in the last while that those three years may even be more than three years. I am not in a position to say whether those who said it would be seven years are correct, or those who said it would be less are correct but clearly there is going to be a tremendous added cost to all Canadians in our haste to pass this legislation.

This represents, as the government has indicated, billions of dollars worth of revenue to those big companies. While we gave 10 years to implement the free trade agreement with a gradual change to tariffs, now for some reason there is an almighty rush to push this through. I object to that. It would have made no difference to those in GATT had we done it on a more gradual basis and it probably would have been fairer to all Canadians. That was my first objection.

I want to say this concerning the retroactivity of this legislation. As was put forward by my colleague, we have very good generic companies in Canada. They have made some great inroads in the production of generic drugs. Going back to retroactivity on this to me is a slap in the face for Canadian companies. There was absolutely no need and would not have stopped the investment of those major drug companies, as is pointed out by even some of the headlines: "Greater patent protection opens drug firms' wallets".

It opens more than their wallets to come to Canada. It fills their wallets as they come to Canada. The drug business is a very lucrative business. Everybody understands how lucrative it is, so why the need for retroactivity? I believe it would have made no difference had we really studied this legislation and its ramifications to the public and given it three more years, rather than worry about its retroactivity.

Yet I had no indication from this side that it was prepared to revisit that issue right up to today. That is not being flexible and we want to be a flexible nation. I have some real difficulty with that aspect of it. What is the rush? Therefore, my question to the member for Broadview—Greenwood: Who lobbied who and for how much, so that this had to be put through in this fashion. That is a question I will ask when we address this issue in the committee of consumer and corporate affairs when we investigate lobbyists. I hope we come up with some answers because I think this issue is important to everyone in this House.

• (1610)

Let us look at one other part that I am interested in too. Should this investment take place as is indicated by the headlines, that is the drug companies are going to invest in Canada in a major way and they are going to create jobs. I do not think anyone in this Chamber denies that new and more jobs for Canadians everywhere are needed, but my fear is that if you look at this whole drug pie you will see that 10 per cent is research and development. However, I can tell you that 80 per cent of that research and development is going to take place in central Canada only.

I am not suggesting that the manufacturers pull up their factories and move them to Manitoba, Saskatchewan or Prince Edward Island, but at least give those parts of Canada, whether it is Atlantic Canada or western Canada where some of my colleagues come from, a commitment to their fair share of the R and D. Out of the hundreds of millions of dollars, the drug companies should at least give a commitment to put this R and D in different parts of Canada. This is not ripping up a factory or denying the big name companies their investment in Ontario and in Quebec, not at all. It is only saying to give us a fair share of the investment which comes from all Canadians.

These new charges, because of the retroactivity and because of the three year increase in patent protection creates, no doubt about it, new charges that are paid by all Canadians who use drugs.

Neither my colleagues in Atlantic Canada nor I in western Canada, which represents 28 per cent of the population, have assurances that those R and D bucks would be spent there. There is tokenism by these big companies. We heard Judy Erola say: "We are going to give you a commitment. We want to find ways of investing in your universities."

I can assure you there have been no commitments solid enough for my satisfaction that anywhere near 20 per cent of these new dollars will be spent in western Canada. What about Atlantic Canada?

This is certainly something that I do not think we should be satisfied with and, as I indicated, I do not mind that a new factory would be established in Montreal or somewhere else. I have no problem with that, but please do not disgrace me as a westerner or my Atlantic colleagues by saying we do not have the ability to do some of this work. This is real hard money. The wallets of the large companies will be full. I am asking only that they spend a fair share should this legislation go through.

I see your indication, Mr. Speaker, that my time is up. Let me just talk about the lobbyists because the committee that I chair wants to look at that very aspect even on Bill C-91. What lobby took place? What was the pay-off really and to whom? Should the people of Canada not know this? I can assure the House it shall be a most interesting review starting in February and I hope we get participation from everyone in the House.

Mr. McCreath: On a point of order, Mr. Speaker. I know it was certainly not the intention of my hon. friend from Portage—Interlake to mislead the House, but clearly he forgot about the very major multibillion dollar announcement made last week with respect to medical research at Dalhousie University in Halifax.

The Acting Speaker (Mr. DeBlois): That is a question of debate.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I am pleased to participate in this very important debate this afternoon.

This debate gives an image of the very differing views of the role of government in our society. It is obvious that the current government—the Progressive Conservative Party view of the role of government—is to get out of the way and let competition and the free market take control. What that means is that it does not feel that regulation or the best interests of the citizens of the country should be put first, but the multinational interests should be put first.

I also want to point out very early in my remarks that the motivation of this bill is not a Canadian motivation but it is an American inspired agenda; in fact, a Bush administration agenda. It is fuelled both by the North American free trade agreement and by comments made by President-elect Bill Clinton's campaign promise, to place limits on the prescription drug prices.

As can be understood, that made the multinational drug companies rather twitchy. They have decided that the way to ensure their profits will go up instead of down is to move their operations and make sure that their profits come from Canadian consumers rather than American consumers.

I would like to cite a very interesting article from *The New York Times* of November 16, 1992. This article says a great deal. It talks about the motivation of the bill and how we will be discussing this. It talks about how the Progressive Conservative government wants to repeal the drug patent legislation from 7 to 10 years and to bring Canadian patent protection in line with that of the United States and other industrialized countries.

It points out that Canada's success at delivering drugs at lower cost, as opposed to the United States, is an important feature of our medical system.

As you know, much of the focus of the recent presidential campaign in the United States was on the very inadequate, sorry state of the health care system. It is generous to call it a health care system in the United States. It is a non-system.

We in Canada know how important our health care system is. That is what we are here to protect. My colleague, the hon. member for Surrey North has worked diligently in committee. He has worked tirelessly to oppose this legislation, and I urge all thinking members of this House to vote against Bill C-91. It is bad legislation. As an opposition party, we have the responsibility to oppose bad legislation. It is not going to bring in the much needed jobs, the much touted jobs that this government says it is going to do.

It is going to cost Canadians more for drugs and that is frightening. That is frightening because we are not talking just statistics here. We are not just talking numbers. We are talking people and people's lives.

I have a very sorry story to tell of a constituent of mine who has suffered from epilepsy. This man had finally had his condition stabilized through a particular drug. This was after years and years of frightening occurrences of epileptic attacks.

All of a sudden, the drug company removed the drug that was able to assist him from the market. His parents came to me and said: "You have no idea how this is going to affect our lives". This is a man in his 20s who for the first time had a job. He was contributing to society. Previous to this drug, he was not able to contribute. He was a dependent on his parents. He was now contributing, paying taxes, contributing to society, having an independent life as a young man. With the removal of this drug, we went to the Patented Medicine Prices Review Board and asked them to intercede.

As my children say, the Patented Medicine Prices Review Board had an attitude problem. Their attitude reflects much of the attitude of this government. It is not our problem. We cannot do anything. It is the multinationals that are running things and we will just get out of the way.

We have a different view of the role of government. When somebody has a problem, it is our problem. We take it on. We tried find a solution and fortunately, we were able to find a solution through the orphan drug program and assure that that young man would get those required drugs.

That is what the role of government is. It is to help the citizens of Canada—not to help the multinationals make more money. I want to know how a government can give an unrestricted monopoly on pricing for drugs at a time when federal financing for medicare is frozen.

• (1620)

I know that my provincial counterpart, my colleague in riding, the Hon. Elizabeth Cull, minister of health for British Columbia, came before the committee and gave some very telling statistics on what would be the increase in the costs to our provincial system if this bill was introduced.

We hear a lot about federal government off-loading. This is an example. This legislation would increase the costs to the health care system in British Columbia, a health care system that is already under attack.

I think that it is a callous bill, that it has to be opposed. All of the provincial health ministers unanimously disagree with this bill aside from Quebec. There is only one provincial minister who agrees with this bill; 9 of the 10 ministers of health disagree. I think that says a great deal when you are talking about the kind of philosophical approach.

It is we who are on the right side and the government that is on the wrong side. This kind of legislation shows a short-sighted view. As my colleague from Kamloops says: "the tinkle-down, trickle-down economics of the Tory government have to be stopped". We have to defeat Bill C-91. We have to defeat the Tory government. We have to get a new vision for Canada so that we can get on with building the economy of Canada and ensuring health care for Canadians.

[*Translation*]

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, the primary purpose of the bill before us today, Bill C-91, is to make sure that Canada's, and therefore Quebec's, legislation regarding patents on pharmaceuticals is absolutely identical to that of other developed countries.

This bill is introduced after experimenting for five years with Bill C-22 which had partly corrected the mistakes made by the Liberals by significantly limiting the scope of patents on pharmaceuticals. Obviously, we were asking companies and researchers to invest without getting patent protection in return or the protection afforded being so weak as to make investing pointless.

What happened? In spite of our history of pharmaceutical research in the Montreal area, activity in that field has decreased dramatically. What happened after Bill C-22 was passed in 1987? Research enjoyed a real boom. Why is that? It is because it is impossible to ask people to invest in research for 10 years or more in order to develop a product without ensuring in advance that the patent will be protected for a reasonable length of time at least.

All other developed countries have legislation that we are now agreeing to align ourselves on. If Canada is looking to innovate, it should be promoting research through tax incentives instead. There would be major things to change there. As far as patents are concerned, how can we ask companies which are in fact multinationals that can set up wherever they please in the world to come and invest here when the protection they get elsewhere is for much longer?

As a matter of fact, all the speeches on the price of pharmaceutical products and the threat to the health system we are hearing now we have heard before, in 1987. I remember them clearly. I was working for the City of Montreal, the Montreal urban community, at the time, and was sitting on the regional consultation committee which in fact was promoting Bill C-22 on pharmaceutical patents.

That bill was delayed for months by a Senate controlled by the Liberal Party. We debated it for months on end and a slew of arguments were put forward by dozens of witnesses and organizations from across the country. All the fears expressed then were later shown to be false.

What do we see now? We see a strange phenomenon concerning the Montreal region. Since this debate began in the House and in committee, I would like to know where the member for Papineau—Saint-Michel was to defend Montreal's interests? Where was the member for Saint-Denis? Where was the member for Saint-Henri—Westmount? Above all, where was the member for LaSalle—Émard, who writes nice articles on Montreal's development in the newspapers? He has a good opportunity to speak now. We have a law that is important for Montreal and no one spoke up, no one appeared in the committee. They let people from the rest of the country speak against the bill.

An amazing thing this morning was the member for Glengarry—Prescott—Russell using the letter sent with the Montreal Urban Community's brief to speak against the bill. That is amazing. No Liberal member except one from Ontario spoke. He misused the letter because it begins, "We are for Bill C-91—". The letter does indeed say that to promote real basic and applied research, some restrictions should be made, not in Bill C-91—that is not what it is about—but in the Income Tax Act, on the kinds of expenses that are eligible for R and D tax breaks and in particular spending on commercial research. That is a correction that could have been made. Keep in mind that a partial correction was already made to the previous law, where any management expense was eligible.

What we see is the hypocrisy of a national party. When Montreal's interests are at stake but it bothers Liberals in other parts of Canada, all these people from Montreal say nothing, do not go to the committee and stay out of sight. People from other parts of the country speak against, but none of the members I just named, who claim to defend Montreal's interests, got up. We will see how they vote tomorrow. We see this kind of situation all the time when Montreal's interests are at stake. Those people hide, as they hid in 1987.

Why is it important for Montreal? It is important because we have very broad experience in clinical research. We also have basic research institutions like the biotechnology institute and the new pharmacology research institute. We have faculties of medicine and university research centres that are recognized throughout the world. All those people asked to pass patent legislation similar to what exists in other developed countries so that they could be as competitive and attract investments. In fact, we have had substantial investment projects and this is a rapidly growing sector despite the economic crisis.

I can tell you that I will vote for Bill C-91, as will all Bloc Quebecois members. In future, we can remind all the public of how the Liberal members from the Montreal area voted. If they vote against Bill C-91, they will have shown once again that when Montreal's interests are at stake, they hide behind the curtain or vote against.

[*English*]

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 there is unanimous consent in the House to adjourn this debate to accommodate a debate on the Special Economic Measures Act order. If that consent exists, I would then move:

That, notwithstanding any Standing Order, upon the calling of the Special Economic Measures Act order, the Speaker shall put all questions necessary to dispose of the order at no later than 5.30 p.m. on Tuesday, December 8, 1992 and that if a recorded division is requested, it shall be deferred until 3 p.m. on Wednesday, December 9, 1992;

That, the time provided for Private Members' Business be from 5.30 to 6.30 p.m. on Tuesday, December 8, 1992, after which the Speaker shall adjourn the House until Wednesday, December 9, 1992.

• (1630)

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

Some hon. members: Agreed.

Motion agreed to.

* * *

SPECIAL ECONOMIC MEASURES ACT

REGULATIONS

Hon. Lloyd Axworthy (Winnipeg South Centre) moved:

That, pursuant to subsection 7(2) of the Special Economic Measures Act (Chapter 17, Statutes of Canada, 1992), the Special Economic Measures (Haïti) Ships Regulations, tabled in this House on September 8, 1992, be amended by adding the following new section:

"6. The government of Canada shall urge every member of the Organization of the American States and the United Nations that has adopted measures similar to those set out in the Regulations to implement and enforce those measures.";

That, pursuant to subsection 7(7) of the same Act, the said amendment to the Regulations be effective on the second day following the day of the vote of concurrence by the Senate; and

That a message be sent to the Senate to inform that House accordingly and to request their concurrence in the same.

He said: The Special Economic Measures Act was passed last year as a way of ensuring that Parliament will have an opportunity from time to time to examine the crucial issue of how economic sanctions programs are affecting the various countries upon which they are being imposed.

An act such as that is only as good as how this Parliament uses it. For that reason, members of our caucus felt it important, especially at this time when there is such major debate in the country concerning our involvement in Somalia and Bosnia, that we use the measures under that act to reopen the question of Haiti and what is happening and, perhaps more important, what is not happening in that poor, desperate country and to ask Canadians and the government to review and re-examine what is happening to the people of Haiti and what Canada might do.

[*Translation*]

We are very concerned about the crisis in Haiti. Even though the government and the Organization of American States were very active at the beginning of the crisis, it seems we have now forgotten all about Haiti. Human rights are still being violated, the embargo is not respected by all members of the OAS and negotiations between the OAS Commission and the puppet government in Haiti are at a standstill. No progress has been made toward the reinstatement of president Aristide's constitutional government.

[*English*]

There were certainly without question a number of statements, declarations and resolutions passed about the importance of recognizing and supporting the restoration of constitutional democracy in Haiti. It has been over a year now and the dictatorship continues. In the meantime, the economic embargo was introduced with great fanfare and strong declarations by the Prime Minister, the Secretary of State and other members of the OAS, saying peace would be the measure that would start the return of democracy. Unfortunately, the end result has been the poor people of Haiti are the ones who suffer and the wealthy, the elite, the establishment prosper. If there is an embargo full of holes it is

sanctions without effective enforcement. It has become a charade and a total and complete fabrication.

I do not think it is a wise and proper move for the people of Canada, through their government, to be associated with a measure that continues to enforce the most tragic group of people in the western hemisphere, the people of Haiti, to suffer even more and allow the continuance and maintenance of a dictatorial government.

Last weekend I attended a meeting of Latin American states sponsored by the United Nations in Chile on democracy and development. At that meeting were representatives of the exiled government of Haiti. They made a very important and powerful argument that if we are to allow a military dictatorship to continue to exist in Haiti, flaunting all the best intentions of the OAS, the United Nations and the western countries, then it becomes a signal to other military dictatorships throughout the western hemisphere to do the same because it is a cost-free, risk-free enterprise.

The international community is undertaking very strong interventions in Somalia to ease the human rights violations, famine and hunger of that area. It has even gone into the enormously complex and difficult area of Bosnia, not necessarily with full success, but it has at least made the effort. Yet in our own hemisphere we are allowing the matter to be forgotten.

Once in a while a speech is made. There was a resolution passed at the UN General Assembly just a week or so ago, where countries in a unanimous way said "we cannot tolerate this anymore, we must ensure the restoration of constitutional government". I think we can say honestly words are cheap but action is what counts. It is really a question of whether we are prepared to live up to the commitments made by the Prime Minister who said "we are prepared to use any means to ensure the restoration of democracy"

Where is the initiative? Where is the effort being made to hold members of the OAS to account? Where are we making the case to our European allies, who daily break the embargo and send in oil and goods to wealthy entrepreneurs in Haiti in total contradiction of the embargo, and no one says anything?

[*Translation*]

As a matter of fact, our own country's attitude toward the level, the standards and the measures of the embargo is unacceptable. For example, during the last week of November, this government reduced the budget of Radio-Canada International and in doing so, cancelled the broadcasts aimed at Haitians; which were very important to them, and brought a message of hope.

• (1640)

[*English*]

Is this an act of a government prepared to use every means to keep freedom alive to cancel one of the few opportunities for the Haitian people to get unbiased news and uncensored information?

At the same time, on the question of aid and development, we have a very murky policy as to whether the aid going through the NGOs for humanitarian purposes is in fact being channelled to the military dictatorship government in Haiti.

We have not made very clear or improved our assistance, in fact we have cut it back, to try to alleviate some of the suffering our own sanctions are causing.

We are faced with a very serious difficult dilemma as a country. We are presently endorsing and accepting a program of economic sanctions which is being laughed at by the military rulers of Haiti. It does virtually nothing to apply pressure for the restoration of the Aristide government. At the same time we are doing very little to try to develop new initiatives to the OAS which are meaningful, real and consequential.

It is important to raise these questions at this time because I think there are opportunities for change. The election of a new administration in the United States has publicly taken quite a different stance in relation to Haiti and may provide some opportunity for a new dialogue and a new set of policy formulations for that country. They are now prepared for the first time to say refugees from Haiti will at least be treated according to the norms of international law.

To my mind nothing bothered me more than the transgressions by the Bush administration of the fundamental precepts of the international convention of refugees by what it called defouling people or sending them back illegally, even though the administration was one of the causes of the problems. It was an American

government which supported the Duvalier regime for years.

Now there is a beacon of light. There is an opportunity.

[*Translation*]

Maybe Mr. Clinton and his new administration would hold a gala in Washington. The Canadian government certainly has the opportunity to propose solutions, to make recommendations and to present some new initiatives for Western countries.

[*English*]

I think we must undertake a far more significant and serious effort first as our resolution puts forward. If the embargo is going to be taken seriously we must ask others to enforce it. We cannot allow Europe and other countries of Latin America to cast a blind eye toward their responsibilities as members of the international community. We cannot continue to allow a double standard to exist.

I think it is almost immoral to initiate one set of actions for a devastated country in one part of the world and not at least show an equal initiative or effort in the other.

It goes back to the point I was trying to make in the debate last evening when we were talking about the government's actions in Somalia. If we are proposing to become involved as part of a multinational force in Somalia based on the violation of human rights, extreme suffering and a breakdown of government, does not the same criteria not apply to Haiti?

Why do we choose one and not the other? What is the difference? That is one of the reasons why these issues must become part of our parliamentary debate. It is one reason why we are using the measures under the special economic act to open this debate and ask the government what is the difference?

We want an explanation. We want to fully understand why it is taking multilateral, military action in one area where there is violation of human rights, deep human suffering and the overthrow of constitutional government and not in the other.

I think it is fair to ask what judgment is being applied to make a difference. There may be perfectly reasonable propositions, but we have not had them explained. I have gone through the statements the Secretary of State made at the Bahamas meeting. I read carefully the statement of our ambassador to the United Nations last week at the debate of the UN resolution and nothing was said.

Our ambassador at the United Nations addressed the Haitian resolution at the very same moment the debate was going on in Somalia, and yet it was as if there were two different worlds. It was not even mentioned. There was no attempt to even pose the problem that if the UN is going to be initiating a set of standards for one country, it should at least be considering one for the other.

The Sécretary of State for External Affairs has said she thinks this matter should be considered by the Security Council. I accept that at full value. Certainly, it should be accepted at full value, but the issue really is, what are we proposing to the Security Council? Are we undertaking diplomatic initiatives among other countries of the western hemisphere to build some kind of consensus as to what action should be taken? Should embargoes be strengthened? Should there be more aid? Should we be talking to the Americans to get them on side or are we prepared to discuss in realistic terms whether some form of military action might be required?

The US landed in Panama to get rid of Noriega, a drug smuggling ruler of that country. There is pretty good evidence the rulers of Haiti are also engaged in the drug business. I think it is up to Canada to raise these questions. There is no reason why we should not. There is no reason why we should not act to try to bring these very difficult matters into perspective.

I think it is also incumbent upon members of Parliament to raise these issues because in some ways they go to the very heart of what we are as a country. If we are going to be asked to assume and accept a new definition of international security, which requires and accepts the involvement and intervention of various countries of the international community and various countries which have broken down for reasons of enormous human rights violations, then surely it is a responsibility of this Parliament to come to grips with those issues.

It should not do it in an *ad hoc* responsive way and should not be subject to the vagaries of the U.S. presidential elections or whatever. Surely it is time we had some degree of consistency or coherence in those measures we think are important. I would say the kind of opportunity the special economic act offers for this kind of debate should be part and parcel of a standard procedure used when we are initiating major international commitments, whether through the UN, the OAS,

CSCE or whatever. It should be an attempt to try to get this forum to broaden its view about Canada's roles and responsibilities internationally. If we do not do that and we allow these matters simply to happen in an unexamined, unthoughtful way, we are going to be meandering down a road full of treacherous turns and curves and heading for trouble. If we are prepared to accept the real responsibility of this Parliament to work through seriously what this new world looks like, what is expected of Canada and how we see the multilateral international groups we belong to acting in these cases, we will be properly earning our keep as legislators on behalf of the Canadian people.

• (1650)

I address a plea to this House to begin to focus on the issue of Haiti. It is a poor, desperate country, tragic in its deprivation and even more tragic in the denial of rights and the imposition of dictatorship. They made a valiant effort to change that by voting in a constitutional presidency. We must now keep the faith with those people. We must show that we have not forgotten their commitment. We must do everything possible in our own powers as a country, as a member of the OAS and as a member of the United Nations to reignite world interest in the plight of the Haitians and to say to them that they are not forgotten. We must continue to do our best to bring about the restoration of a democratic regime and fair and just development in that fellow country of the western hemisphere.

* * *

PATENT ACT

NOTICE OF ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-91

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. 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-91, an act to amend the Patent Act, to amend another act in consequence thereof and to provide for other related matters.

Therefore, 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 allotting a specified number of days or hours for the consideration and disposal of proceedings at the said stages.

Some hon. members: Shame, shame.

Mr. Riis: Mr. Speaker, I rise on a point of order. I simply want to say how disappointed we are to hear the hon. minister give this notice. We have concerns about the incredible haste at which Bill C-91 is being forced through the parliamentary system.

I want to use this as an opportunity to give notice as well—

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order. The minister is only giving notice. You will have to wait for the matter to be brought to the House, if the government decides to follow through with it. Only then will the hon. government leader or any other member be able to voice their opinion. Right now, we only have a notice before the House, notice that might or might not be followed through by the government, according to its good pleasure.

* * *

[*English*]

SPECIAL ECONOMIC MEASURES ACT

REGULATIONS

The House resumed consideration of the motion of Mr. Axworthy (Winnipeg South Centre) (p. 14873).

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, before commenting on this motion I might express my sense of disappointment that not one member of the government, of the Conservative caucus, is prepared to participate in this profoundly important debate about the tragic situation in Haiti.

Mr. Edwards: Mr. Speaker, I rise on a point of order. I think the hon. member is making an assumption which is groundless. He is also dangerously trespassing on the rule of pointing out who or who is not in the Chamber.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I rise on a point of order. I would not want to presume upon the integrity of the parliamentary secretary, but I think it would be in order to ask if there is any intention by the Secretary of State for External Affairs or her

parliamentary secretary to be in the Chamber while this debate is going on.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Once more, I must remind members on both sides that in the House one does not mention who is absent and who is present.

Mr. Robinson: Mr. Speaker, we will soon find out if the Conservatives will participate in this important debate, important not only for the Haitian community in Canada, but also for all Canadians who are deeply concerned about the tragic situation in Haiti.

[*English*]

It will be two years ago next week, December 16, 1990, that the first democratically elected president, Jean-Bertrand Aristide, was elected in the country of Haiti with a vote of 67 per cent.

That historic victory brought not only a great sense of hope and optimism to a country that was desperately poor, in fact the poorest country in the Caribbean and Latin America, but a sense that the terrible abuses of human rights, the tragic legacy of Duvalier, both father and son, had finally come to an end. There was a hope for economic justice, a new beginning for the people of Haiti.

Today, two years later, Haiti once again is gripped by fear, poverty, brutal denial of fundamental human rights and murder. The *tontons macoutes* and their allies in the army, the thugs that are imposing their will through iron fists, are in fact running that country today.

It is important to ask: Where is the OAS? Where is the European Community at this time of need, at this time of such brutal violation of human rights of the people of Haiti?

[*Translation*]

Of course, the UN passed several resolutions. The OAS also passed resolutions to the effect that Mr. Aristide, the democratically elected president, had to be reinstated.

Since February, a mere four or five months after the violent coup, the United States has dropped all effective form of sanctions against Haiti. The United States said on February 4 of last year that it was going to relax its economic sanctions. Why did it do that? It is very clear; it is because it had too many desperate Haitian refugees trying to escape violence and sure death in that country. They were turned back. They broke international law; and every humanitarian law there is regarding refugees.

At the same time, to justify this inhumane policy, the U.S. claimed that the situation was improving in Haiti.

[*English*]

We saw very early in February of last year the United States easing the trade embargo against Haiti. In November, a couple of months after the brutal coup in Haiti, we heard the fine words of the Canadian Secretary of State for External Affairs when she said in the House on November 4 of last year: "Canada's goal is simple and through these actions our determination must be clear to everyone". She went on to say: "With the measures I have just announced we have gone as far as any country in the hemisphere in responding to the OAS call for a strong signal to the regime in Port-au-Prince that we will not tolerate, that the will of the Haitian people will be thwarted. Together with our OAS partners we are determined to restore democracy in Haiti".

• (1700)

Here we are one year later and the murder continues, the violence continues, and the poverty is even more grinding for the people of Haiti.

The United States abandoned any serious commitment to the embargo in February of this year. Even the Secretary-General of the OAS, Jose Baena Soares, expressed his concern at that time about the decision that was made when he said: "To change the multilateral recommendation in my view we should have some real progress in the implementation of the resolutions, imposing the embargo and calling for Aristide's restoration".

There has been no progress. Just last week another supporter of Jean-Bertrand Aristide was brutally murdered in Haiti. While the eyes of the world are focused on Somalia, on the unfolding tragedies in Bosnia, in the Sudan, in Liberia and elsewhere, perhaps it is difficult to remind the world of the importance of not abandoning the people of Haiti. The purpose of the motion today before the House is to do precisely that.

[*Translation*]

Its purpose is to give both Haitians and Canadians the assurance that we have not forgotten their struggle, the struggle of the Haitian people for democracy and economic and social justice. That is why this motion is before the House. Canada should play a leading role by asking the OAS, the UN and all European countries to enforce sanctions and do everything they can to restore democracy.

[*English*]

One of the most important issues at this time is support for the NGOs who are working, many of them very bravely, for a restoration of democracy and hope for the people of Haiti. Instead of increasing support for NGOs working in the field of development, the government in its economic statement just last week slashed funding to these same NGOs, to Oxfam, to *l'AQOCI dans la province de Québec* and to other NGOs working desperately to try to help the people of Haiti respond in this time of crisis.

We condemn the priorities of a government which is prepared to slash over $600 million from foreign aid at the same time as it budgets over $4 billion for helicopters. This is a shameful decision.

I also want to raise my concern about the decision of Radio Canada International to stop its broadcasts to the people of Haiti.

[*Translation*]

Since the coup in September 1991, the people of Haiti have had a very difficult time. Restoration of the military regime resulted in severe repression of all the media. Broadcasts by Radio-Canada International were one of the sole sources of international news available to the people of Haiti. The broadcasts opened a window to the outside world and gave Haitians at least some hope that the international community had not turned its back on their plight.

Why did Radio-Canada International stop these broadcasts which were so important to the people of Haiti? Today I want to ask the parliamentary secretary to help us provide the necessary resources to reinstate these broadcasts and get in touch with Canadian and Quebec NGOs who are active in Haiti and urge them to do what they can to help restore democracy.

I ask the government to resume the Radio-Canada International broadcasts beamed to Haiti. Unfortunately, terminating these broadcasts has merely reinforced the wall of silence that the *de facto* regime has raised around the people of Haiti to maintain repression and stifle the resistance movement.

[*English*]

It is essential that Canada play a leadership role within the United Nations, within the OAS and elsewhere to bring the strongest possible pressure to bear on the illegitimate and criminal regime of Haiti and to demand the restoration of the democratically elected president of Haiti.

The European Community has failed miserably to respond to the crisis of the Haitian people. The embargo is full of holes and the thugs and the Tonton Macoutes and the Haitian army, working together with the economic elite in that poorest of poor countries in the Caribbean and Latin America, are receiving a subtle message of encouragement by the failure of the government of the United States, the European Community and elsewhere to show their seriousness.

The people of Haiti have demonstrated tremendous courage in their struggle for democracy. I believe that the United States and the OAS, which has proven to be completely ineffective in this struggle, owe it to the people of Haiti, not only to ensure that those who are fleeing from this tragic situation have a safe haven but that we take strong collective measures in consultation with the democratically elected president and government of Haiti to put pressure on the regime that is now in power.

It is also very important that Canada consult closely with the constitutionally elected government of Jean-Bertrand Aristide with respect to humanitarian aid. A number of NGOs here in Canada have voiced their concern that the *de facto* government appears to be co-opting some well meaning humanitarian aid providers in Haiti. It is essential that all of those working in this

field work closely with the government in exile to determine the most effective priorities.

The government in exile, while it continues to receive recognition, needs more than recognition. It needs resources and assistance to operate outside Haiti, to keep the flame of hope burning brightly for people within Haiti who are being gunned down and murdered by the thugs in power now.

We as Canadians can help to provide those resources just as we have done to the government in exile of Burma and provided resources to keep that hope alive; the hope of Aung San Suu Kyi and others that that illegitimate government as well will finally be overthrown.

In conclusion, I welcome this opportunity to again reinforce in this House the concern of my colleagues in the New Democratic Party and I believe of many people in Canada.

[*Translation*]

The Haitian community and especially the people of Quebec have been strong supporters of the Haitian struggle for democracy.

We support this motion and we want to ask the Secretary of State for External Affairs to do a lot more at the United Nations and the OAS to tighten up the embargo and put an end to this attack on democracy. After restoration of the government that was democratically elected in Haiti two years ago next week, our first challenge will be to restore economic and social justice. This is exactly what President Jean-Bertrand Aristide had tried to do, and that is exactly why the elite, the *tontons macoutes* and the army got rid of this government. For the sake of justice and democracy, we are asking this government to do far more for the people of Haiti.

• (1710)

[*English*]

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I appreciate the opportunity to speak on this motion. I find it a little strange that we should be called at this hour of the day, this hour of the week and this hour of the year to speak on this motion and to speak to an amendment that was brought forward by the opposition to legislation to which it agreed when we passed it earlier this year. Now we are debating the implementation of this measure.

I recall that when we debated this legislation in the House it was a very short debate because all members on all sides agreed that the legislation regarding embargoes that Canada could impose needed to be strengthened. We realized that during the gulf war even though Canada, under the legislation that had been there heretofore, would impose embargoes, they were not effective ones. Therefore, the government took the initiative to draft legislation that would make them more effective so we could deal with situations like the gulf.

The opposition parties agreed to that legislation. As I recall, there were about two or three speakers in that debate from each party and that was it. Then when it went to committee, it was a short meeting, we heard several witnesses and it was a non-contentious bill. It was passed easily in the House. As I remember, it was not even with a recorded division, it was with a voice vote.

Today, the last week that the House is sitting, when there is so much important legislation that the opposition also agrees is very important, we are called upon to debate an amendment to legislation to which it has already agreed. I find that passing strange.

On July 7, 1992 His Excellency the Governor General in Council approved the above named regulations which we are purportedly debating today. The purpose was to reinforce the economic and commercial isolation of the Republic of Haiti. It would be too bad, it would be a tragedy if because of this debate the public watching the proceedings here today were to assume that nothing had happened by way of Canadian activity in Haiti since the time we passed that legislation. There has been a lot of work going on and I think members opposite would agree on that.

The intent of the Governor General's decision was to complete a series of previous administrative measures enabling the Government of Canada to apply Resolutions 191 and 392 of the Organization of American States, adopted October 3, 1991 and May 17, 1992.

The resolutions were unanimously adopted by the 34 member countries of the Organization of American States in reaction to the *coup d'état* of September 30, 1991 that forcibly ejected Haiti's first ever democratically elected government. As an institution, the Organization of American States, with Canada making a notable contribution, played a key part in the process of Haiti's transition from a military dictatorship to the free elections of December 16, 1990, two years ago.

The members of the OAS and Canada in particular had high hopes of seeing renewal in Haiti and we are still determined to enable it to again become part of the community of democratic nations. The measures of economic and commercial isolation that we are referring to today were part of the international community's strategy to force the perpetrators of the *coup* to negotiate in good faith with the democratic forces of Haiti.

It must be borne in mind that the United Nations Security Council is the only body with the power under international law to compel its members to implement measures ranging from political and economic isolation to blockading and the use of force. As a regional body, the OAS does not have this power. Its resolutions do have a moral and therefore political force but they are, nonetheless, no more than recommendations.

As I have already explained, the measures recommended by the OAS are recommendations only and engage only its 34 member countries. From the outset it was fully understood by us that they would not have a universal application. It should be added that most of the economic and trade relations between Haiti and the countries of our hemisphere were still going on. The embargo, although only partial, had a real effect on the Haitian economy and on the usupers' ability to manage the country.

As soon as resolution 191 was adopted by the OAS, it was brought before the UN. On October 11, 1991 the Secretary of State for External Affairs delivered a lengthy speech to the United Nations, denouncing the *coup* in Haiti. She rightly appealed to the international community, pointing out that whenever a democracy fell by reason of a *coup d'état* it was the duty of the United Nations to intervene to protect its cherished principles. She urged all countries to join with the OAS in its efforts to restore constitutional stability in the region.

Let me now bring to mind the speech delivered to the United Nations on November 24, 1992 by our ambassador, Mrs. Louise Frechette, in support of General Assembly agenda point 22, entitled *The Democracy and Human Rights Situation in Haiti*.

After calling to mind the new resolution on Haiti adopted by the UN on November 10 by the OAS, Mrs. Frechette expressed her satisfaction with a productive co-operation underway between the United Nations and the OAS concerning Haiti in both the political and humanitarian aid sectors.

Calling for an intensification of this co-operative activity, Mrs. Frechette affirmed that the new resolution, asked Secretary General Soares to seek the assistance of the United Nations and its Secretary General in order that special attention might be brought to bear on strengthening the trade embargo on Haiti, especially with regard to petroleum products and arms. I can hardly emphasize enough the importance that the Government of Canada attaches to this question.

I strongly encourage all the member states of the United Nations to join us to strengthen the international measures likely to assist democracy and restore legitimacy in Haiti. As far as Canada is concerned, we think that the Security Council should not hesitate to seize itself of the issue of Haiti.

Bringing Haiti back among the democratic nations is an act of justice and one whereby democracy will be strengthened in the western hemisphere. Canada attaches so much attention to the subject of democracy because it lies at the heart of the concepts of progress and the security in the region.

Not only is the proposed amendment unnecessary, as I have already pointed out, but the Special Economic Measures Act provides no authority to adopt it.

An amendment to the Special Economic Measures (Haiti) Ships Regulations must be based on the authority conferred by section 4 of the act. That section authorizes the adoption of regulations and orders related to the restriction or prohibition of activities that involve a direct relationship between Canada or Canadians on the one hand, and the state subject to sanctions on the other.

The relationship between Canada and states other than the one subject to sanctions is not a proper matter for orders and regulations under section 4. In brief, the proposed amendment is beyond the scope of the regulation making power conferred by the act.

When the Special Economic Measures Act was introduced as Bill C-53, it envisaged motions to revoke sanctions orders and regulations tabled in Parliament.

In committee, the member for Winnipeg South Centre proposed changes to the bill to allow motions to amend orders and regulations. He spoke eloquently of the "constructive" role that his proposal would give to Parliament in developing broad-based support for sanctions orders and regulations. His appeal to high-minded principles carried the day in committee. The motion we debate today is a flagrant abuse of the fruit of appeal to the principle by the hon. member for Winnipeg South Centre. All evidence suggests that this—

• (1720)

Mr. Robinson: Mr. Speaker, on a point of order the member for Surrey—White Rock—Delta is now arguing that the motion before the House is effectively out of order and that it is beyond the scope of the Special Economic Measures Act. He states that the motion in question is not made pursuant to section 4 of the Special Economic Measures Act.

I have a copy of the background statement with respect to this particular regulation. It states that the Canadian government approves the special economic measures Haiti ships regulations pursuant to subsections 4(1) and (3) of the Special Economic Measures Act.

Earlier today a colleague of the member for Surrey—White Rock—Delta attempted to argue that this motion was out of order. The Speaker stated it was in order. I suggest this is just another attempt to do an end run around the Speaker's earlier ruling.

The Acting Speaker (Mr. DeBlois): I think it is a matter of debate. I give the floor again to the hon. parliamentary secretary.

Mr. Friesen: I would point out that the riding is Surrey—White Rock—South Langley. The member is a few years out of date and maybe that is indicative of his point of order too.

I would agree with you, Mr. Speaker, that it was a point of debate and not a point of order. I will conclude with the following remarks and I point out to the member for Burnaby that I have just said that the motion deals in effect with urging other countries to adopt the orders that we have and that goes beyond the scope of the legislation.

I conclude by saying that the member from Winnipeg and his appeal to high-minded principles carried the day in the committee. The motion we debate today is a flagrant abuse of the fruit of the appeal to the principle by the hon. member for Winnipeg South Centre. All evidence suggests that this motion is nothing more than a dilatory exercise far removed from anything to do with Haiti.

I move that we bring this debate to a close.

[*Translation*]

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, I am pleased to speak in this debate and to support the motion presented this afternoon by the hon. member for Winnipeg South Centre.

I am glad to see that the parliamentary secretary at the very least had the courage to come to this House. If his minister does not have the same respect for Haiti, at least the parliamentary secretary is here to remind us of the speeches the minister has already made and also the speeches of the Canadian Ambassador to the United Nations.

He seems surprised that my colleague presented this motion that is supported not only by all members of the Liberal Party but also, I think, by members of the New Democratic Party.

As my colleague said very clearly, the reason we are presenting this motion is that we think the government spares no effort to make fine speeches, but when the time comes to really take radical, tough measures to restore democracy in Haiti, it seems that the Canadian government has no more energy and forgets the minister's or the ambassador's fine words.

The purpose of our amendment is to urge the government to go beyond rhetoric and to shake things up so that democracy is restored to this country that has suffered so much for too long.

Let me remind you of what the minister said last May to the Organization of American States:

[*English*]

Canada is determined that the impasse in Haiti not continue indefinitely. The illegitimate regime in Haiti has strangled every attempt to restore democracy to the Haitian people. Canada will continue to enforce sanctions as we all agreed last October.

[*Translation*]

The minister tells us that he does not want this impasse to continue indefinitely, but that is what is happening. This is not the first time that representatives of the government in this House make fine speeches in an attempt to encourage and pacify the Haitian community in Canada. What has the Government of Canada done concretely and specifically to restore democracy in Haiti? Nothing. Absolutely nothing concrete, except fine speeches at the United Nations or to the Organization of American States.

The purpose of my colleague's proposal is to get the government to do something, to put pressure on other member countries of the Organization of American States and on the United Nations to take concrete action. It would put the military regime, which has ruled that country for too long, in its place and prevent it from governing Haiti as it has governed there for too long, so that the voice of the people, expressed in free elections, can prevail and a duly elected president can govern unhindered, not as it is now and has been for too long.

If the president of Haiti is not in league with the military, he is overthrown and replaced. He is a puppet who apparently leads but in fact the military rule the Haitian state. Democracy in that country is violated in the worst way, and the minister's few nice speeches to the United Nations or the Organization of American States will not change anything.

The parliamentary secretary seems to be surprised that we are coming back to it now with an amendment to the resolution we supported before. Of course, all hon. members supported the government's motion to put an embargo on Haiti and ensure that special economic measures were taken against those who usurped power in Haiti and to put those unlawful rulers in their place so that democracy could be restored. At that time, we thought that the government was serious in its efforts and that this embargo would force those who had usurped power in Haiti to give up and make way for democracy. Several months later, we find that the situation has not changed. The military still control the country from behind the scenes and impose a military dictatorship on that nation, which is one of the poorest and most disadvantaged on earth.

In the name of human solidarity, I ask the government to have more conviction than merely to utter fine words.

• (1730)

I am particularly serious about this since I have the pleasure of knowing many Haitians who live in the Montreal area and who often talk to me or my colleagues, either the hon. member for Saint-Denis or the hon. member for Saint-Léonard or the hon. member for Saint-Laurent, who all have constituents of Haitian origin. We talk to these people, and we are constantly told they feel the government has treated them unfairly—

The Acting Speaker (Mr. DeBlois): Order, please. I am sorry to interrupt the hon. member but it being 5.30 p.m., pursuant to order adopted earlier today, it is my duty to interrupt the proceedings and put forthwith all questions necessary to dispose of the motion 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 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.

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois): Motion lost, on division.

Motion negatived.

The Acting Speaker (Mr. DeBlois): It being 5.30 p.m., pursuant to order adopted earlier today, the House will now proceed to consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

MEMBERS OF PARLIAMENT SALARIES, PENSIONS AND BENEFITS

ESTABLISHING INDEPENDENT COMMISSION FOR REVIEW

Mr. Svend J. Robinson (Burnaby—Kingsway) moved:

That, in the opinion of this House, the government should consider the advisability of establishing a non-partisan, independent Commission to review all salaries, pensions and benefits of Members of Parliament and particularly, to identify inequities in the pension plan by holding public hearings and examining other jurisdictions within and outside Canada and such Commission to report within six months of its establishment.

He said: Mr. Speaker, I am pleased to have the opportunity to once again rise in this House and speak to an issue which is of deep concern not only to many of my constituents in Burnaby—Kingsway, but I know to the constituents of my colleagues from the New Democratic Party and indeed the constituents of members from coast to coast to coast.

I want to underline the fact that I am speaking today on behalf of a number of my colleagues who are not able to be here in the House at this time because of other important business. The following members have asked me in particular to underline their support for this motion: the member for Kamloops who has been working very hard on this issue; the member for Vancouver East who is in the House at this time; and a number of other colleagues want their support for this motion clearly on the record.

The motion is straightforward. It calls upon the government to establish a non-partisan, independent commission to review all salaries, pensions and benefits of members of Parliament and particularly to identify inequities in the pension plan by holding public hearings and examining other jurisdictions within and outside Canada and such commission to report within six months of its establishment.

I tabled this motion in the House over one year ago. It was a couple of months later, in February of this year, that a debate took place, really a historic debate took place on legislation that was before this House on pensions. I say that was an historic debate because for the first time in the history of this House, a national party leader entered that debate to say on behalf of Canadians that it is time to review the members of Parliament pension plan.

I am speaking, of course, of the courageous leadership that the member for Yukon, the federal Leader of the New Democratic Party, has shown on this important issue. As the member for Yukon said at that time: "We are accountable for the public trust, we are accountable to those who elected us to make sure that what we support is fair, not less but fair, and that each and every one of us can stand before the electorate of Canada and say that we have put in place a fair system".

At that time the hon. Leader of the New Democratic Party called for an independent review, a review of particularly a couple of key aspects of the members of Parliament pension plan; the element of double-dipping or triple-dipping as well as the element of eligibility age for members of Parliament to receive this pension.

At that time the Leader of the New Democratic Party was vigorously and bitterly attacked not only by Conservative members of Parliament but by Liberal members of Parliament as well. The member for Glengarry—Prescott—Russell, the member for Broadview—Greenwood and many other members of the Liberal and Conservative caucuses attacked her at that time just as they are attacking me in the House now for speaking out on this issue of the public trust and public accountability.

When I came to the House a few minutes ago I had the opportunity to speak with a messenger from the House of Commons and she said to me: "Mr. Robinson, I have worked on the Hill for 14 years and when I retire I will have a pension of $212 a month".

I am proud of the historic role of the New Democratic Party in promoting strong and progressive pension plans for public sector workers. In particular I want to underline the historic contribution of Stanley Knowles, the former member for Winnipeg North Centre who did so much, who devoted so much of his life and career to the cause of public pensions and a dignified retirement for all Canadians.

I think it is time that we as parliamentarians recognized that in fact we have to clean up our own House. We have an obligation to ensure that the public trust that we hold as elected representatives is in fact one that is respected in all aspects.

That is why I have tabled this motion. The motion calls for an independent non-partisan commission to review all salaries, pensions and benefits of members of Parliament; not a commission of members of Parliament, not a commission of former members of Parliament as we have after every election, a well-paid commission that reports and then nothing is done on it, but an opportunity for members of the public from coast to coast to coast, from constituencies in Regina, Toronto, British Columbia, Glengarry—Prescott—Russell and elsewhere to tell their elected representatives and to tell an independent commission what they think.

I want to single out two particular areas that I think do constitute inequities that should be examined by this commission. First of all there is the question of the eligibility age, the fact that after six years of service, no matter what the age of the either retired or defeated member of Parliament is, they become eligible for a life time pension indexed at the age of 60. I think Canadians can legitimately ask whether that is fair.

As well Canadians can legitimately ask whether the opportunity to receive a very generous federal pension in addition to another federal salary, whether it be as a member of the judiciary, as a federal appointee or in another capacity, any of those very lucrative positions, should be supplemented by a federal pension as well.

Canadians are asking whether that is fair. I think it is important that there be an independent tribunal, an independent commission, that would give Canadians the opportunity to speak to that and to voice their concerns at this particular time in our country's history.

I want to note that on June 12 I spoke in the House on this issue. I pointed out that the President of the Treasury Board responded to a letter that was sent by the hon. member for Yukon, the leader of the New Democratic Party, and said at that time that he was prepared to put together an independent and *ad hoc* review of the pension scheme.

• (1740)

This is what the President of the Treasury Board said in a letter to the member for Yukon. He said: "At this time I am developing final proposals on the terms of reference for and composition of the *ad hoc* group which will undertake this review". That was on June 12.

Today, some six months later, where is the review? Where is the leadership of the President of the Treasury Board? Where is the leadership or the call of the Liberal Party for action on these inequities? Silence.

I am proud of the leadership that my colleagues and particularly the leader of the federal New Democratic Party have shown on this issue of equity and fairness. It is for that reason that I hope and assume that members on all sides of the House will join in supporting this motion. What it does is say that we are prepared to listen to the Canadian people. We are prepared to have an independent commission to give the Canadian people an opportunity to be heard on the question of MPs' pensions.

I challenge the member for Glengarry—Prescott—Russell from the Liberal Party, I challenge the Conservative members in this House to say to the people of Canada and to their constituents that they are not prepared to even listen to them, that they are not prepared to allow an independent commission to hold public hearings with respect to the fairness of the MPs' pension plan. Let them stand up in the House and take that position.

I see, Mr. Speaker, that a number of members are looking for—

The Acting Speaker (Mr. DeBlois): I am sorry but on a point of order, the hon. member for Glengarry—Prescott—Russell.

Mr. Boudria: On a point of order, Mr. Speaker. The hon. member just asked me to stand up and that is exactly what I am doing. I wonder if he is yielding the floor at this moment so that I can make my speech.

Mr. Robinson: Mr. Speaker, I know that a number of my colleagues who are in the House today are anxious to participate in this debate. We certainly await with interest the position of the member for Glengarry—Prescott—Russell who was so vigorously attacking the member for Yukon when she called for a review of pension plans. We will await with interest his position on this motion and the position of Conservative members.

In conclusion, once again I welcome this opportunity to ask the President of Treasury Board through his parliamentary secretary: When is this government finally going to move? When will it live up to the commitment that was made on June 12 to the leader of the New Democratic Party and indeed to Canadians for an independent review of the pension plans for members of Parliament? Canadians have waited for too long. It is time that there finally was an independent review.

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I am pleased to have the opportunity to address the motion of the hon. member for Burnaby—Kingsway on the subject of salaries and pensions for members of Parliament.

The hon. member for Burnaby—Kingsway moved that the government should consider the advisability of establishing a non-partisan, independent commission that would review the various elements of MPs' compensation and conduct public hearings in this matter.

Since the Minister of Finance last week announced that the salaries of members of Parliament would be frozen for two years, I will confine my remarks to the pension plan.

All hon. members must be aware of the criticism that has been levelled at the pension plan in recent years. Sometimes the criticism has been accompanied by an unattractive newspaper advertising campaign. I suspect that the hon. member's motion was in large part in response to that.

What exactly is the criticism? The criticism is that our pensions are too generous and that they should not be payable after only six years as a member of Parliament. What this criticism overlooks, however, is the underlying reason for the terms of the pension plan.

While there are certain norms which pension plans generally observe, allowances are often made for occupations and career patterns which differ from the main stream.

I am informed that the Members of Parliament Retiring Allowances Act was designed just for that purpose. That is to recognize the unique circumstances under which members of Parliament serve and to take account of the fact that most hon. members have left a successful career in private life to enter the public arena. Many of them have made considerable financial sacrifices.

We are all aware of the uncertain nature of our tenure and that we serve at the will of the electorate. I might add that MPs are not alone in having pension arrangements that exceed the norm. While meeting the income tax rules for registered pension plans they sponsor, the government and private sector employees frequently provide benefits outside the registered pension plans for certain groups of employees.

The Members of Parliament Retiring Allowances Act attempts in part to compensate for the disruption of career and the lack of controlled retirement planning for elected officials. In return, it demands a high rate of contribution from the plan members.

I am not sure whether those people or groups that are so vociferous in their criticism of MPs pension arrangements are aware that the contribution rate is some 11 per cent and that far exceeds the level of contributions required for most pension plans in Canada.

Earlier this year, this House debated Bill C-55, an act to amend certain acts in relation to pensions and to enact the Special Retirement Arrangements Act and the Pensions Division Act. On September 29, Bill C-55 received Royal Assent.

One of the main purposes of this legislation was to bring the federal pension statutes, including the Members of Parliament Retiring Allowances Act, into line with the requirements of the Income Tax Act rules and regulations for registered pension plans.

During the course of the debate on Bill C-55 and its study at committee, the President of the Treasury Board indicated that the legislation represented the first step only in Public Service pension reform. That first step was a very important step because in addition to addressing the question of the Income Tax Act compliance for federal pension plans, it introduced some long promised changes having to do with fairness and flexibility of pension arrangements for plan members and their families.

The President of the Treasury Board has stated on numerous occasions that the second step in the reform process will involve a review of the fundamental elements of the Public Service plan and a separate review of the members of Parliament pension plan.

The President of the Treasury Board indicated that these reviews would be undertaken in consultation with all the stakeholders and that the review of MPs and senators pension arrangements would involve an independent third party.

I understand that the Public Service Superannuation Act advisory committee has been chosen as the most appropriate vehicle for the Public Service review because its members comprise representatives of both the active and retired plan members as well as employer representatives.

The member will agree that it would be inequitable if the government were to treat members of Parliament differently from the members of other federal pension plans by denying them input on the review of their pension arrangements. He will also agree that pensions are an important element in the remuneration package which enables individuals to seek public life.

At the same time, I agree with the President of the Treasury Board when he said on second reading of Bill C-55 that to be credible, a review of parliamentary pension arrangements must also provide for specific input from the public and the views of those who are independent of Parliament would be actively solicited.

The government understandably felt that Bill C-55 should be passed before embarking on the review of MPs pension arrangements. It is now able to direct its attention toward the developing proposals on the composition of the *ad hoc* group that will undertake the review and drawing up the terms of reference.

I understand the President of the Treasury Board is close to finalizing these proposals which I believe should be acceptable to most members of this House because they provide a balanced input by plan members and by independent third parties. Therefore, I cannot support the motion put forward by the hon. member. The government is already acting on this. The motion put forward by the member is redundant as far as I am concerned.

• (1750)

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to participate in this debate today. I will be curious to hear what the hon. members for Kootenay West, Nickel Belt and Esquimalt—Juan de Fuca have to say on this issue when I am through with my remarks. I am anxious to hear the remarks of these three hon. members.

An hon. member: What party are they from?

Mr. Boudria: From the New Democratic Party, of course.

On March 5, 1991, the Liberal member for Saint-Boniface had made the same request to this House.

[*English*]

Let me read from *Hansard* of March 5, 1991. This is in the name of the hon. Liberal member for St. Boniface.

> Let us consider an independent third party to address the question of salaries, pensions, allowances and other remuneration.

I say to my friends to the left who pretend that they invented virtue, or at least they pretend to have perfected it, that they did not invent anything in this particular case.

When I heard the comments of the member for Yukon last June, empty rhetoric of the kind I heard a little earlier today, I asked her questions because I believe I had a right to do so. I will continue to ask questions of members of all political parties on any issue for which the Standing Orders of the House provide.

There are two issues here today. One is the salary of MPs and second, the benefits, namely the pension. Let us take them one at a time. First of all, as my colleague from the government has just indicated, the salary of MPs is frozen and will probably be for some time to come.

I did a quick survey of various occupations to see how they compare with the one we have. I recognize that as MPs we are vulnerable. It is easy for organizations, be they the National Citizens' Coalition or any other to criticize all of us individually or collectively, to say that we are paid too much. Of course anyone else's salary is always too much and one's own salary never seems to be enough. That is easy to do and is fair game. Maybe we should expect to be criticized by others. That is okay. What purpose does it serve for some of us to start saying that we are overpaid?

I did not say that the member's motion said that. I do not want to be unfair. The member asked for an independent review. There is nothing wrong with having that. Actually the government has agreed to it and as I said, it was asked for originally by the member for St. Boniface in any case a year and a half ago.

The only thing I say to the government is that the motion might be redundant. If it is redundant because it is already being done, then surely there is no harm in adopting this motion because it is going to be done anyway. Notwithstanding the hon. member's criticism and my own of the member who proposed this today, we would proceed with it anyway because I do believe that it is going to be done. It was asked for by all three parties and it should be under way.

My only criticism of the government, and here I will join with the member from the New Democrats who proposed the motion, is to say that six months after something was proposed it should at least be under way. The other parties should have been told what the government is planning to do. It should not have been left in abeyance for this amount of time.

Perhaps the government is proceeding with it. At the very least it should have indicated its willingness to proceed to other members so that we would all know and, perhaps, that motion would not have been on the Order Paper today. I trust that would have been the case. However, I do not know.

[*Translation*]

Let me compare a few wages. I phoned the school board in my riding today to find out how much a teacher makes, out of sheer curiosity. This beautiful profession needs to be well paid. The work this profession entails is very important: taking care of our children, educating them, and so on. The maximum rate of pay for a teacher in my riding is $63,973. That is pretty close to the $65,000 we make as members of Parliament. A director general earns approximately $125,000, but not necessarily in my riding in that case, while a school superintendent earns $93,000 a year. A full professor in a typical university anywhere in this country—I am told—can earn up to $95,712. I do not deny that their job is important, but we must take into consideration that some of the members of this House do have this background.

Here are a few more examples.

[*English*]

Let me mention a few other professions. I have 1986 salaries. I am using Statistics Canada information which I obtained earlier today. In 1986 an MPs salary was $56,100. At that time the average veterinarian was making $59,796; an air traffic controller, $57,375 and an airline pilot, $56,622. There is at least one member who is an optometrist, a member across the way. I have the pleasure of sitting on various committees with him. An optometrist made $71,893; a pharmacist, $50,260; a civil engineer, $60,393. I could go on with a variety of other professions in Canada. So much for the salary part.

I am sure that the commission examining salaries will examine those examples as well. We will bring them up to date. The 1991 statistics will be available shortly.

Let us turn to the issue of pensions.

[*Translation*]

At present, parliamentarians have a pension system that does not work like the others with regard to benefits. That is true, but I can assure you it is also very different when it comes to premiums too.

[*English*]

How many people do you know who contribute 10 per cent of their salaries toward premiums? How many people do you know who contribute an extra 1 per cent on top of the 10 per cent in order to have indexation starting at age 60? We pay 11 per cent of our salaries so we can have that benefit. Of course, it is quite a high premium.

Maybe it does not make much difference to a person my age. Maybe it makes even less to a person who is a little bit older, but I say to members of this House that if we are going to attract a 31-year old or a 32-year old woman with children to come here from the other end of the country, we might as well ensure that we make the package in such a way that it does not discriminate against her and prevent her from running.

If we abolished the pensions today and my premiums were all given back with interest, I could work just fine. I do not want to over dramatize. I could probably retire and I would get along. Would that make it right? Would that make it such that it would be attractive for my daughter to run, or for someone else's daughter to run or someone else's son to run? Probably not. This is what we must bear in mind when we do all of this.

There is a third issue, and it has been addressed by the member. That is the issue of double, triple and in one case of an hon. member, quadruple dipping. There is one person and we all know who he is, who is a quadruple dipper, if that is a word. He is not a former Liberal member and he is not a former Conservative member. I will let you guess which party he used to belong to, having eliminated the previous two.

I do not say that to denigrate the person. I did not bring up this topic today to start with. We must keep in mind what we are doing. What if we decide that someone cannot receive a government pension and a salary at the same time—

• (1800)

An hon. member: Erik Nielsen.

Mr. Skelly (North Island—Powell River): Let me think a bit more to see if we can figure out who is—

Mr. Boudria: I can answer that question, Mr. Speaker, Erik Nielsen is definitely not a New Democrat.

I want to conclude my remarks by saying to members that I do not object to this motion, but the sanctimonious platitudes we heard at the beginning of this debate do not do much to advance the debate.

Let us be proud of our occupation. I am very proud to be an MP. I come, as members will know, from very humble beginnings. I started here on Parliament Hill, and I have said before, as a bus boy 26 years ago. I am very proud of what I have managed to achieve with, of course, the consent of my electors in Glengarry—Prescott—Russell and I want to continue to represent them.

More than anything, I want other Canadians to be able to climb that ladder as well and to get here in the future. I am already here, but that is not the case for many other Canadians. They too should have the right to aspire to come to this place, to what Mr. Diefenbaker called the highest court in the land, the Parliament of Canada. It is the place, if I can conclude, where there is no greater honour for a Canadian than to represent his or her fellow citizens than in this Chamber.

I believe that. Let us ensure that when we talk about this issue or anything else like it, we keep that in mind.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I am pleased, in fact honoured, to contribute to this debate tonight in support of the motion of my colleague, the hon. member for Burnaby—Kingsway.

I agree that the issue of pensions of members of Parliament is a very hot topic. The telephones ring in constituency offices whenever there is a newspaper article or an ad about this issue.

I think what has to be said is that the urgency of this issue is very real. We have heard so much about the cynicism that is directed toward politicians. Believe me, this issue feeds that cynicism.

As an aspiring member of Parliament, I did not know about the provisions of the pension plan when I was running for office. I did not know that it was a very generous pension plan. I do not take issue that there should be a generous benefit package for members of Parliament. In supporting this motion that was put forward by my colleague from Burnaby—Kingsway and addressed in the House by my leader on February 24 of this year, has ignited the debate on this issue.

When my leader broke the unwritten vow of silence on February 24 it really did ignite the issue. It signalled that it was not going to be business as usual in this place under her leadership. We mean to do things differently. We are an alternative.

It is not that we are sanctimonious as some would suggest. It means we believe that if there is cynicism in the electorate, it is there for a reason, that we have to take some responsibility in addressing that cynicism.

That is why an independent, non-partisan commission to deal with the issues of MPs' pensions and salaries would be an non-contentious issue. Why not? It seems so sensible. It would take away the vision of MPs sitting behind closed doors making nice little deals for themselves so that they can secure a nice future for themselves and their families.

I know the sacrifices we make in this place, in this job. We all know it. We volunteered for these jobs. Nobody twisted your arm. If you do not like it, get out of the way and make room for those 32-year old women who were referred to in the previous speech because then there would be a real change in the way things are done.

There has to be a new way of doing things. The electorate is tired of closed door, behind the scenes, backroom dealing, making sure that our wallets are thick and our bellies are full while the rest of the country is asking for the justice that we are supposed to be providing. We as members of Parliament are supposed to be providing the justice.

I know we contribute generously to this pension plan. We make an 11 per cent contribution from our salary. Not many people know that. What is the contentious issue here? I ask my colleagues: Why are you opposed to an independent, non-partisan commission to review MPs' pensions and salaries? Why?

I know my daughter's principal earns much more than I do. Not many people know that. Would an independent commission not be able to demonstrate that? I feel embarrassed in saying I am hard done by; he is making more than I do. An independent commission would probably say it with a little more credibility than my saying it myself. What is the problem?

I urge support of this motion because it is not just a matter of money. It is a matter of confidence in the political system and, boy, do we need something to re-energize confidence in the political system.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am afraid I was a little too quick off the mark. I was anxious to give all sides a chance to express their views, and normally, I should have looked toward the government side. If the hon. member for Regina—Qu'Appelle is willing to co-operate with the Chair, I will recognize the spokespersons on the government side, the Liberal side and then get back to him afterwards.

[*English*]

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I will endeavour to be brief.

I would like to point out that this subject is not new. I do not believe this subject was first brought to the House for debate by the Leader of the NDP. I can recall participating in discussions previously.

One that comes to mind is the debate on March 12 of this year with respect to Bill C-263 when I spoke and recommended a comprehensive, in-depth, professional, independent analysis of all aspects of compensation programs for members of Parliament. It is a recommendation that I have, long previous to that, conveyed to my colleague, the President of the Treasury Board.

Without breaking any caucus confidences, it is safe for me to say as well that it is a recommendation to which he has replied on several occasions with interest and with an expression of intent in this House to have such an examination of not only pension plans but hopefully an examination of all aspects of members' compensation provisions.

• (1810)

As other speakers have said, there is inherent and growing scepticism and cynicism of the political process in Canada, of politicians, of Parliament and of parliamentarians. There is no question that the perception of a pension plan that has grown too generous over the years fuels and feeds that cynicism.

As we reinforce the respect and confidence of Canadians in this Parliament and in the parliamentarians who serve here, it is important that we be prepared to re-examine and review not just the pension plan but, as I say, all aspects of compensation to try to correct what I perceive to be a patchwork of compensation provisions over the years: changes to salary conditions on the one hand at one time; then when it is timely, changes to the expense provisions at another time; and then when it seems that it is timely again, changes to the pension plan. There is no cohesive, comprehensive overview or design as far as I can tell to the compensation program that does exist here.

As other speakers have said—I think it is true of almost every member who sits in this House—the last thing we thought about when we considered coming to Ottawa to serve in this Parliament was what the salary would be, whether the expenses would be adequate or what the pension plan would be.

I am not complaining. I am proud to be here and privileged to serve. I have been proud to sit in the provincial legislature of New Brunswick, in the city council chambers of Fredericton and in the mayor's office for a total of about 15 years. I do not have a pension from any one of those experiences. Nor do I complain about it. Nor did I expect one.

The way the polls look right now, I will have to win another election to contemplate a pension plan in Parliament and I would not want to bet on that for a number of reasons. I do not make that statement in any sense of distress or pessimism; I just state it as a fact of life. It obviates the contingency of the pension plan. The pension plan of this House is generous if we live long enough to get it.

I have been a proponent for a long time in our own self-interest in generating respect for this House and those who serve here of the view that a comprehensive, independent professional view of all aspects of the compensation program is now due. It should start with an examination of the qualifications that Canadians want, expect and need from their parliamentarians; a comparison with the professions that are represented here; an analysis of the careers forestalled, of the opportunities passed, of the businesses that did not prosper in absentee ownership.

Again I do not say that in any sense of complaining, but I think it is a fair and objective foundation on which to start any analysis of compensation. It should then be followed by a study of salary provisions based, as I say, on the qualifications that Canadians feel should be in this Chamber and on the legitimate career costs involved herein.

It should involve an examination of expense provisions, an examination of the fact that in terms of charitable donations the member of Parliament is the first target in almost every campaign. I speak for everyone in this House that a large part of the so-called tax-free allowance goes in direct donations to charitable causes in our ridings.

In the area of legitimate expenses, I am not sure that Canadians appreciate fully and in detail what I consider to be the inadequacy of expense provisions for the contingencies of two homes: one in the constituency and one in Ottawa. Fortunately for me and my wife our children are all gone. There are just the two of us so we travel here every week. We travel home every weekend. We keep two homes. It is expensive. Again, I am not complaining. If I get to stay here long enough to get a good full pension, perhaps it would be compensatory and the arithmetic would all work out. I would say on the surface of it that the expenses for members of Parliament and what is expected of them is inadequate to the requirements of the job.

On balance I would say today I would be very surprised if a professional assessment of all aspects of our compensation program would not reveal that on balance salaries, expenses, and pensions, it is perhaps not an unreasonable situation. I say that again the likelihood of me getting a pension at that stage is a big gamble.

I hope it would be possible to conduct such a comprehensive study before the next election. That is probably unlikely in the circumstances, but it is certainly something I know that the minister has been examining.

The President of the Treasury Board has conveyed to me on previous occasions that one of the big problems here is to find the terms of reference and the methodology to conduct such a study because it does involve intensely personal feelings of all members of Parliament and longstanding inherent vested interests by members who came here knowing what they were getting into and deserving what they receive. You cannot change the pension plans in the middle of the game, in the middle of the career, anymore than you can change the rules of any other compensation gain.

If it could be started at the beginning of a term, if we could run an election knowing in advance what the new pension provisions, new salary provisions and expense provisions would be, then everybody from that point forward would be in a position to make the choice whether to run or not to run and there would be no cause for complaint. The vested interests in existing pension plans I would submit should be preserved.

This is a subject that has already been seized by the President of the Treasury Board, the cabinet, the government, again without revealing any caucus confidentiality. I can tell you that it has been widely discussed. It is a subject whose time has come for all of the reasons I have stated. I would hope that the plans of the President of the Treasury Board will reveal themselves in the fullness of time. I think they will take us in the direction that we all feel we should go in this respect.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am delighted to stand in the House today to address this particular motion.

First let me be very, very clear. I support the motion and I will tell you why I do. I spoke about this topic and I made this proposal on March 5, 1991; 21 months ago. It took the leader of the NDP 15 months to wake up and find out that proposal had been made and it took her members six more months to find out that she had made it. That is why we are debating here tonight, I guess.

This is what I said. I want to make sure the record is very clear. On March 5, 1991, over 21 months ago, I said: "Let us consider an independent third party to address questions of salary, pensions, allowances and other remuneration". That is fairly clear. It is in fact exactly what we are debating tonight. For the NDP to suggest that all of sudden they have come up with this great new idea that has electrified Canada, sorry it simply does not wash, it is a crock.

Mr. Robinson: Mr. Speaker, I hesitate to interrupt the hon. member but I am sure he would want to acknowledge that indeed a number of members of this House, including myself, over the past years have made a proposal for an independent commission. The point that I have made is not one member of his caucus, including the member himself, proposed either a bill or a motion to that effect.

The Acting Speaker (Mr. DeBlois): It is a matter of debate.

Mr. Duhamel: Mr. Speaker, sometimes the hon. member and his colleagues are very very difficult to take. For example, one colleague said we want those who do not want to be here to step aside so no people can come in, so we can do things differently; the suggestion then being the NDP do things differently.

We had one of their people, one of their elected MPs, roughly a week ago going to a riding of one of my colleagues who has undergone a quadruple bypass and denigrate what he had contributed to this House. Is this doing things differently? Is this the way we want to do things?

I am sorry, that is not the way I want to do things. This is what I said on March 5, 1991: "We should be asking questions such as the following. Why does it take 10 years only to accumulate 50 per cent of salary as a pension for MPs while in many other instances it takes 25 years to accumulate the 50 per cent?" I also asked if it is appropriate for an MP to have a cap of 75 per cent of salary? In a number of other instances although not always, it is capped at 70 per cent of salary.

• (1820)

I also indicated on that particular date MPs could retire at any age after six years of service with no penalty. They could collect their pensions then, while others, if they retired before 60, sometimes suffered up to 2 per cent to 3 per cent penalty per year.

I wonder if there is adequate explanation for those kinds of discrepancies.

I also mentioned double-dipping, but since that time I have become familiar with the terms triple-dipping and quadruple-dipping. I want to be fair. I mentioned Mr. Nielsen at that time who was collecting a fully indexed pension and earning a salary of over $130,000 a year. I am told Mr. Broadbent is collecting a full pension as well. He is one of the New Democrats I truly, truly appreciate who has a job in the neighbourhood of $100,000 a year I am told. I also used the example that day of the Minister of Communications and indicated he had been elected at a very early age. If he were to live to be 75, and I said he probably will because as cranky as he is he is no doubt assured of that, he would collect over $5 million of pension.

I also asked on that particular date if it was fair for people to receive a pension after six years of service. I also indicated I did not want to cast any judgments. I wanted an independent third party to look at our new remuneration package fully, in relation to what is offered in colleges, universities, the private sector, the Public Service and what have you. It could then recommend some specific guidelines for remuneration of MPs including their pension package.

It is not appropriate for us to set the rules. We set the rules on our own salaries and benefits. I think that is really questioned by Canadians all over. What is important

[*Translation*]

We should not claim today that this is a brand new idea, that it was proposed by the leader of the New Democratic Party, and that this is the first time we actually realize there are pensions that are quite high and are vastly different from what is available in other sectors.

I think the most important thing is to look at this commission, this independent, non-partisan agency that will review the salaries, pensions and benefits of members of Parliament, and also those of provincial and municipal representatives. Then, let us compare all that with the private sector and other Canadian institutions, to make sure it is fair. If it is too generous, let us suggest ways to change that.

[*English*]

All I want out of this is an independent, objective review of what is happening with appropriate adjustments if they are deemed necessary. I suspect in some cases they will be deemed necessary.

I want to be honourable in spite of the fact I am tempted to be less than that as a result of some of the comments I have heard from the left. I did say I would split my time and I shall do so, but I warn my colleagues to the left if I hear any more silly nonsense as I just heard a few minutes ago, then I shall seize the first opportunity to correct them.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I would like to thank the hon. members for Regina—Qu'Appelle and St. Boniface for their co-operation and sense of fairness.

[*English*]

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I do wish to speak for just a few moments before the adjournment of the House this evening to put some of my thoughts on the record.

Certainly no subject reaches this House that creates the type of emotion and response the subject of MPs' salaries and benefits does. Even though we have heard various comments this evening on the subject, in the end we all agree with the intent of this motion. Even the official spokesperson of the government basically agrees but says it is not necessary because we are going to do it anyway.

That is to have an external review by non-members of Parliament to look at our wages, benefits and our pensions and make recommendations. The only difference between the official government position and the motion by my friend and colleague for Burnaby—Kingsway is that the government member is saying: "We are doing it already".

The fact is that although this commitment was made some six months ago, the government has not acted on it. I would suggest and I would plead with the member of the government to allow this private member's motion to go through.

The motion certainly is not contradicting what the government is intending to do or is in the process of doing. If anything, it would strengthen the government's intent. Therefore we should support the private member's motion and allow it to go through.

I have never been comfortable with the fact that I have to vote on my wages, benefits and pension. When I was first elected and was confronted with this situation, I did not like it. It is a no-win situation. Politically it is crazy for us in the House to vote on our own wages, pensions and benefits.

I have always thought we should study the various benefits people receive in professions somewhat similar to ours in terms of responsibility, hours of work, et cetera to determine an average wage and benefit package. Our benefits and wages should be tied to that. As the average goes up or down, ours will also go up and down automatically. In that way we are never called upon to vote on our own wages.

As I mentioned before I think it is crazy politically. It is a no-win situation. Even if from an outside perspective we were worth that much, if we tried to vote ourselves that amount the electors would take it out on us. That is why I do not think it is a great idea for us to vote on our own wages and benefits. Let an outside group determine that in a fair way.

I support the motion that is being presented to us. I think it is a good motion. I think it would have the support of the Canadian public and the support of all members of this House. Therefore I urge that this motion be carried and passed.

The Acting Speaker (Mr. DeBlois): 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. Robinson: Mr. Speaker, on a point of order. I wonder if we could just get clarification from the Speaker. If there are no further speakers within the hour, it was my understanding that the question would then be put. I believe that is the correct procedure.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I must remind the hon. member that the motion was not votable. If the hon. member wanted a vote, he should have asked the unanimous consent of the House to vote on this question. Since no one raised the matter and there were no more speakers on the motion, the Chair had no choice but to close the debate pursuant to Standing Order 96.

[*English*]

Mr. Robinson: Mr. Speaker, in light of that ruling, I would then seek the unanimous consent of the House to put this to a question at this point.

The Acting Speaker (Mr. DeBlois): Members have heard the terms of the motion. Is there unanimous consent?

Some hon. members: No.

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

It being 6.30 p.m., pursuant to order made earlier this day, this House stands adjourned until tomorrow at two o'clock p.m., pursuant to Standing Order 24(1).

The House adjourned at 6.30 p.m.

HOUSE OF COMMONS

Wednesday, December 9, 1992

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

KITTY NOWDLUK-REYNOLDS

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, I want to thank the RCMP Public Complaints Commission for recognizing the grave injustice done to Kitty Nowdluk-Reynolds by our very own justice system. The commission's report agrees with Kitty and with the views of many of us who followed the horrific details of Kitty's ordeal.

After suffering a violent sexual attack, Kitty was subjected to a further assault by an insensitive and callous justice system. The victim was again victimized. She was forced to serve the needs of a criminal justice system. The system did not provide for her needs.

I want to commend Kitty for her courage and determination, for not allowing the justice system to go unchallenged and for exposing the flaws and deficiencies within the justice system to the scrutiny of all Canadians.

The justice system failed Kitty. I urge the government to act immediately to make the changes necessary to ensure victims of crimes are not victimized again by the very system which is supposed to help and serve them.

Happy birthday, Kitty. Thank you for what you have done on behalf of all victims of crime in this country.

ILLEGAL DRUGS

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, drug smuggling is a serious problem in Canada as it is throughout the world.

A few weeks ago, we were successful in bringing down a joint Canadian-Columbian drug operation in Casey, Quebec. I applaud the work of the officials who seized $2.7 billion worth of cocaine and closed down a drug lab in Laval.

The government must get even tougher in its strategy to end drug smuggling and the entire illegal drug trade in Canada. We must ensure that local police forces which are burdened with costly drug-related investigations are compensated for their efforts.

I call upon the Solicitor General to introduce legislation that will allow municipalities to share in the proceeds from drug seizures.

* * *

UNEMPLOYMENT

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, I have news for the House which might come as a shock to many members present but certainly came as no shock to me.

The two Ontario counties which constitute my riding have reported record increases in welfare applications. In fact, Hastings county reported the largest single increase in welfare case-load in the province of Ontario. Prince Edward county had the dubious honour of being in the top 20.

Despite the Minister of Finance's statements, I knew our area was being hit hard by a recession that will not quit. The sky-rocketing numbers of unemployed in the Quinte area are still reeling under its ravaging effects.

It seems that this government has not seen the devastation of its economic policies because it is concentrating so intensely on convincing itself that this recession is over.

It is time that members opposite wake up and shape up. They are wrong today. They were wrong last week and last year. They have been wrong for the last eight years.

Either start putting Canadians back to work or give us the chance to do so.

* * *

[*Translation*]

QUEBEC 2002

Mr. Marcel R. Tremblay (Québec–Est): Mr. Speaker, today, speaking as the member for Québec–Est, two–thirds of which consists of the city of Quebec, I would like to congratulate the promoters of Quebec 2002 on their success when the committee of the Canadian Olympic Association accepted their candidacy.

Throughout the process they were an example to us all by their determination and dedication, as well as by their outstanding presentation.

I am convinced that the same positive approach will help them take the remaining major stages in this process in their stride, and I want to say that I greatly appreciate their tremendous organizational talents.

This dynamic attitude will certainly reflect well on the Quebec City area, and its residents.

* * *

UNEMPLOYMENT

Mr. Alfonso Gagliano (Saint–Léonard): Mr. Speaker, employment in the Montreal area is now in a free fall. The situation is deteriorating rapidly, with a 6.6 per cent loss of jobs in one year. Today the Montreal area has more than 215,000 unemployed workers on the books. In downtown Montreal the unemployment rate was 18 per cent at the beginning of this year.

The situation is depressing in other urban centres in Quebec as well. During the past year, the unemployment rate has gone up in Chicoutimi, Jonquière, Quebec City, Trois–Rivières and Sherbrooke. The average rate for these four centres is 13.7 per cent, which is 2 per cent above the national average.

This is intolerable. The Tory government has ignored the plight of the people of Montreal and of all Canadians. The government's priority should be to bring pride and prosperity back to the Montreal area and to Canada as a whole, but to do that we will have to get rid of the Tories and elect a Liberal government.

* * *

[*English*]

AIR CADET LEAGUE OF CANADA

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, I would like to make a statement in support of the Air Cadet League of Canada and in particular, the glider pilot training program.

The goal of the program is to stimulate and encourage young Canadians in the field of aviation. Since 1966 the Air Cadet League has given a great number of our young people a constructive purpose in which they have the opportunity to acquire organizational ability and discipline as well as skills in aviation.

The glider training program began in my riding at Natook Aerodrome in Olds, Alberta.

• (1410)

Today I would like to acknowledge the contribution made by many devoted people. I encourage them to proceed with the long–term plans to provide accommodation and sports facilities for our cadets not only from Alberta, but also from B.C., Saskatchewan, Manitoba, and northwestern Ontario.

Their dedication is much appreciated.

* * *

ROYAL ROADS MILITARY COLLEGE

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, rumours abound in my riding and in the greater Victoria area over the future status of the Royal Roads Military College.

Residents of southern Vancouver Island are hearing and reading reports that the federal government may decide to close this top–notch education facility which has served the best interests of our nation in an exemplary fashion.

This facility is the only one of its kind in western Canada. As such, there is a significant demand for such a post-secondary institute in greater Victoria.

Given the fact that Royal Roads Military College is a national resource and a much valued one in western Canada, and given the need for this facility adjacent to our defence establishments on the west coast, I strongly believe it would be a great error to proceed with any decision to close or erode the programs at Royal Roads.

I implore the Associate Minister of National Defence to put the concerns and anxieties of my constituents and other residents of the area to rest by stating that Royal Roads will have a safe and productive future in Victoria.

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, the environmental assessment report for the Vancouver airport took seven months. The environmental assessment at Pearson International Airport, by the time it is received by the Ministry of Transport, will have taken one year from the end of hearings to delivery of the report.

These time frames are ridiculous. If we are going to have environmental assessments, and I believe we must, then the Minister of the Environment should introduce legislation immediately to provide for the expeditious hearing of environmental concerns.

Otherwise, the whole concept of environmental hearings will soon become abhorrent to the public and the concept of environmental protection hearings will not be accepted because it prevents its development.

* * *

[*Translation*]

LINGUISTIC MINORITIES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have a question. Who speaks on behalf of language minorities in the federal cabinet? Who defends the interests of minority language groups in the country today?

We know the Secretary of State is ill, and we hope he will get well soon. But my question still is: Who defends the interests of language minorities in cabinet, at this time?

We know there will be a 10 per cent cutback in programs involved in language teaching and promotion across Canada. Again, the question is: Who will speak for and defend the interests of anglophone minority groups inside Quebec and francophones outside Quebec? The question is: Did the Prime Minister, who never met any of the groups since 1984, have the courage or the will to meet with these groups? I want to ask him here and now: Will you keep your word, Prime Minister? In April 1992, you promised you would meet these groups. Will you meet them soon to deal with a problem that has been waiting too long for a solution?

* * *

[*English*]

TRADE

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, the free trade agreement has resulted in a tremendous increase of trade between Canada and the United States to the point that we are becoming the net benefactor.

Now, before the North American free trade agreement is announced there is a company in Leamington, Ontario—I am glad you are sitting down, Mr. Speaker—that is selling cactus to Mexico. Imagine, selling cactus to Mexico. It employs hundreds of Canadians.

Who does not believe in the Canadian ability to manufacture and export all over the world? Only those opposite. They will now be pricked into realizing that the fact of the matter is that cactus to Mexico is only the beginning of the North American free trade agreement.

* * *

PROPERTY TAX REFORM

Mr. Sergio Marchi (York West): Mr. Speaker, the Ontario NDP government is always professing to be the party of reform and the party of the people. However, Torontonians were given a rude awakening today when they learned that the NDP government at Queen's Park

has decided to kill the Metro Council property tax reform package.

In my riding of York West the majority of working middle class households have been paying too much in property taxes for too long. The new tax reform would have given these families a legitimate and long overdue tax break. Just when it looked like Metro Council was going to throw out the old system the NDP provincial government has said: "No way".

Working middle class families are facing an already heavy federal and provincial tax burden and they deserve a break on their municipal bill.

Residents also deserve better from an NDP provincial government that says one thing but does another. I call on the premier to reverse his regressive, unfair and misguided decision and deliver on the promises of reform and honesty to working class families.

* * *

LINGUISTIC EQUALITY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, the resolution which has come to Parliament from New Brunswick affirming the equality of its English and French linguistic communities presents the reality of tolerance and mutual respect which has developed among the people of that province over many years.

These principles of linguistic equality were first established in legislation more than a decade ago by a unanimous vote of the legislature of New Brunswick, in which I had the honour at that time to participate. They are principles which have become a way of life in our province and have become increasingly well established through at least three provincial elections. I continue to support them fully.

I am deeply convinced that the equality of New Brunswick's linguistic communities will never be in danger because I have an abiding confidence in the commitment of our people to these principles.

However, the request from the province of New Brunswick to entrench these principles within the Canadian Constitution specifically for that province is both a timely and symbolic measure. It will not only reinforce official language commitments within New Brunswick, it will also strengthen the example of that province as a beneficial influence for all of Canada.

ECONOMIC STATEMENT

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, last week the Minister of Finance tabled the government's economic statement in which he complained about how broke the government is. The minister needed every penny of revenue. He raided the UI fund, cut programs and operations and froze civil service salaries.

Yesterday, finance department officials admitted that for the past 20 years corporate investors have used offshore tax havens to shelter hundreds of millions of dollars in profits at the expense of the poor, the middle class and our social programs. Importing and exporting capital at taxpayers' expense and importing losses and dividends at taxpayers' expense is becoming standard business practice in Canada.

What escaped the treasury of Canada in 1990 and still escapes the treasury includes the $4.2 billion in tax-free dividends that the corporations have received from their non-arms' length "investments" offshore.

That, Mr. Speaker, ain't hay and it is only the tip of the iceberg.

ORAL QUESTION PERIOD

[*Translation*]

MONTREAL'S ECONOMY

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask the Prime Minister a question.

According to today's newspapers, it is clear that the situation in Montreal is absolutely untenable. The number of jobs has been dropping steadily for three years and Montreal now has 18 per cent unemployment. Quebec government officials say that, according to the OECD, the unemployment rate in several African cities is the same as in Montreal, 18 per cent. We all know that Montreal is a great city and must remain a great city.

Does the government have any special plans to restore prosperity soon to this city which is the engine of Quebec's economy?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, a major tool to strengthen Montreal's economy is Bill C-91, which is now before this House.

In 1987, the Liberal Party stubbornly fought Bill C-22. Since that bill passed in this House, thanks to our party, quality jobs have been created in Montreal. That is what we are trying to continue to do, but what we see now is the Liberal Party again opposing Bill C-91.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, this is the first time that I have seen a minister get up with a smile and boast about 18 per cent unemployment in a city like Montreal. Montrealers will remember in due course, when the government has the courage to call an election.

[*English*]

I would like to ask a question of the Minister of Finance.

Today and every day over a period of time we have seen the bad news coming; 10,000 jobs lost at CN, 4,000 jobs lost in St. Catharines over the last six months, 3,000 jobs at Dofasco in Hamilton, 500 jobs cut at Pratt & Whitney in Montreal.

We realize that in the statement that the minister made last Wednesday there was no forecast for the level of unemployment for 1993 and 1994. Will the minister explain to us why he did not dare give us a level of unemployment for next year, or can we conclude from this lack of clarity of the minister that this government will be happy to have exactly the same 1.7 million unemployed in 1993 as there were in 1992?

• (1420)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we did indicate in the economic statement that we expected growth to be in the range of 2.5 per cent in 1993 and we also expected that there would be some 300,000 new jobs created.

Mr. Ferguson: What is your forecast?

Mr. Chrétien: Call an election.

Mr. Mazankowski: I will remind the hon. member employment has grown in six of the last seven months. Almost 80,000 new jobs have been created, over 104,000 permanent jobs have been created since August. With the initiatives that have been taken with regard to the thrust of the economic plan which proposes to invest in growth, in people, in the small business sector, particularly from the standpoint of improving the incentives for re-equipping capital equipment and high technological equipment, plus the incentives for training and skills upgrading, plus the initiatives with respect to the infrastructure and a whole host of other positive things, we expect the 2.5 per cent growth to be achieved and perhaps exceeded.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I am amused to see the Minister of Finance having the gall to get up and make predictions on economic growth. Six months ago he got up in this House and said that there would be so much revenue. He has been known since that day as the $8 billion man who made a mistake of $8 billion over a period of six months.

Is it for that reason, that he does not know where he is going, that he does not dare to give the people of Canada the forecast for unemployment for 1993?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, 300,000 jobs is pretty specific. If the hon. members opposite would get on with the job of supporting this government on a number of initiatives such as Bill C-91, there would be a lot more jobs created.

* * *

EMPLOYMENT

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the minister of industry. We were concerned to learn today that when the retooling of the General Motors transmission plant in Windsor is completed some two to three years from now, 1,200 fewer people will have jobs there than is the case at present.

I ask the minister, what will the government do now to ensure these people have jobs rather than facing indefinite layoffs and no work? What answer does the government have today?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think we should put this in perspective. I think my hon. friend has got it backwards. There will be 400 fewer, not 1,200 fewer workers. These workers during the time they are subject to temporary lay-off will be receiving 95 per cent of their salaries under the

supplementary unemployment benefit plans of the companies.

He should also be aware that Ford laid off some people in Windsor while they were retooling and then replaced it with a $1 billion investment which was announced earlier this year.

GM Sainte-Thérèse laid off some people in Sainte-Thérèse in July 1991 and in September 1992 a large portion of them were back on the job with a new facility that was more competitive, more productive, and in that way maintains and provides for a strong base on which to build in these other communities. I would suggest it would be the same way in Windsor.

Hon. Herb Gray (Windsor West): Mr. Speaker, the minister has no answer about what will happen to the hundreds of workers who will not be called back after the retooling is completed. I have a supplementary question for the minister.

He talks about unemployment insurance and supplementary benefits. Is he not aware that the SUB fund at General Motors does not have enough in it to provide 95 per cent of benefits? Does he not know that the unemployment insurance of the workers at the GM plant in Windsor will run out more than two years before the plant reopens?

I ask the minister, what are he and his government going to do to ensure that these workers have incomes to support themselves and their families before they can go back to work? In particular, will he speak to the General Motors management to ask them to continue making the three speed transmission in that plant as originally planned rather than having it moved to the United States? Will he make that request or is he going to sit back and rub his hands over misery rather than progress?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, that last shot I do not think impresses anybody, whether in this House or people watching it on television. No one is rubbing his or her hands in glee on this side of the House when we see this sort of restructuring going on.

We on this side of the House are realistic. We understand the nature of the restructuring that is going on in the world today. My colleague, the Minister of Finance, in his budget this past spring as well as in the economic statement last week introduced a number of elements in the tax system and other parts of our policies which encourage the restructuring that is going on in a way that will keep that business here in Canada.

If my hon. friend would reflect again in a realistic way as to what is happening with General Motors across North America and look at what is happening within Canada, I think he would see that policies that have been followed within Canada are attracting business to Canada in a very positive way.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Prime Minister.

Last night I was in Montreal to talk about the economy. The government knows the situation in Montreal is catastrophic. The Government of Quebec spends $3 billion annually on welfare payments in the province, and one-third of the people on unemployment insurance in this country live in Quebec. Last week in the Minister of Finance's statement nothing was announced for Montreal.

Will the government finally take steps to deal with this emergency?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, there are no miracles in economics. However, there are certain tangible things we can do to promote economic recovery in Montreal.

One is Bill C-91 now before the House, which would result is the creation of hundreds of new jobs in Montreal in the R and D sector, a vital component of economic and industrial expansion in Montreal.

The New Democrats, however, are against the bill. I suggest that instead of going to Montreal, the hon. member for Yukon should stay in Ottawa and help get this bill through the House. She could then go to Montreal and get all the kudos. The people of Montreal would tell her: Well done, you finally did something to promote economic development in Montreal.

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the Prime Minister is saying to us in this House that his government is prepared to push through a piece of legislation, Bill C-91, which will serve to help destroy medicare in this country and increase health costs in

every province, including Quebec, and in every territory. That is a crime and we do not support Bill C-91.

Across this country we see the devastation that this government's policies have brought. In Windsor today 1,600 GM workers will be laid off; a GATT panel has ruled that the United States broke international trade law when it harassed the softwood lumber industry; and in fact, yesterday in Quebec City we heard from a coalition of Mexican labour, peasants and human rights organizations that the trade deal, NAFTA, will be bad for Mexican workers.

I appeal to the Prime Minister to do something for Canadian jobs. Will he agree not to proceed with the NAFTA deal? Trade policy in this country has been an abject failure.

Right Hon. Brian Mulroney (Prime Minister): If the NAFTA deal is now bad for Mexican workers, maybe it is good for Canadian workers. My hon. friend will have to make up her mind.

My hon. friend is wondering what she can do to be helpful in terms of job creation. Her members could pass Bill C-91, but the leader of the NDP says that they will not pass Bill C-91 because it is bad for the economy. The member from Windsor says it is bad for the country. The day before yesterday Eli Lilly Canada announced a $170 million investment in Scarborough as a direct result of the federal government's new drug patent law.

• (1430)

I draw to the attention of the leader of the NDP—and I think this is significant—what the premier of Ontario said. The premier of Ontario said—

An hon. member: Ah.

Mr. Mulroney: Pay attention. With regard to the $170 million investment he said: "It is great to be here on a good day with a good announcement. We in the Government of Ontario don't want to be so opposed to Bill C-91 that we turn away investment. Not at all". That is what he said.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary question. The premier of Ontario, for the record, is clearly opposed to Bill C-91.

I would like to remind the Prime Minister since he wants to transfer statistics that the B.C. minister of health gave evidence to the committee on Bill C-91, saying that it would cost that province $145 million more in health care costs just for two drugs, because of Bill C-91.

I want to say to the Prime Minister it is clear that trade policy in this country has been a failure. Tax policy in this country has been a failure. Would the Prime Minister direct the Minister of Finance to bring in an economic statement that would create jobs in this country, not cost jobs in this country?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, jobs are created in Canada by the creation of a climate within which the private sector can invest and create jobs.

My hon. friend asks for an indication of how this can be done. I just indicated yesterday that if she passed Bill C-91 there would be $70 million of new investment in Scarborough, Ontario, with hundreds of direct research and development jobs. If she will not accept my word for it, I urge her to take the word of the premier of Ontario who says: "We don't want to be so opposed to Bill C-91 that we turn away investment".

Premier Rae is quite right. That is a very thoughtful statement, and I commend it to the leader of the NDP. After she consults with the premier, if she changes her mind on Bill C-91 that will be a very important policy initiative for the NDP.

* * *

CHILD POVERTY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Minister of Finance.

Parents are not working and children are not eating. Brother Richard from the Good Shepherd Centre in Hamilton has advised us this morning that the centre alone is going to be feeding 3,750 children before Christmas.

The Sunday before Christmas that same centre will be offering a Christmas meal, a one-sitting Christmas meal to 1,200 people who do not have enough to eat. There are 342 food banks across this country and the number is growing daily.

If the plan of the Minister of Finance is working, why are the children of Canada going hungry just before Christmas?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, of course all of us are saddened by the tragedy that is occurring.

It has to be recognized that we have taken a number of very serious steps arising out of the economic plan I outlined last week to generate growth, to invest in people and to invest in business, particularly the small business sector; things such as the freeze on UI premiums for the employer, the 10 per cent investment tax credit, improved access to capital, improved treatment with respect to capital cost allowance on high-tech equipment, improved funding for IRAP, the extension of the home buyers' plan, assistance for the oil and gas sector, and assistance for the mining sector.

All these things are designed to generate growth through investment, to generate renewed economic activity, to bolster confidence and economic growth and to create jobs.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I asked the minister about children.

In Saskatoon 2,500 food baskets are going to provide sustenance for kids and their families in the next two weeks. A Christmas dinner will feed 2,200 people in Saskatoon alone.

[*Translation*]

In Quebec City, 4,000 families will depend on Christmas baskets for food during the Christmas season. In Montreal, 18,000 children will receive Christmas baskets from Sun Youth.

I would therefore put the following question to the Minister of Finance: Why did he forget the children in his so-called mini-budget? Why did he not directly address the problem of one million children in Canada living below the poverty line?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we have not forgotten about children. As a matter of fact the child benefit package which will take effect on January 1 will unleash another $2 billion over the next five years to children, particularly working families that are in the poor and middle income categories. What could be more responsive than that?

In addition, the reduction in personal income tax that took effect on July 1, 1992 and an additional 1 per cent that will take effect on January 1, 1993 will unleash another $2 billion worth of disposable income into the economy.

Clearly the best social safety net is a job. What we announced last week were steps to encourage growth, to encourage economic activity and to create jobs.

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

The Prime Minister's photo-op of a year ago when he signed the United Nations Convention on the Rights of the Child cost Canadian taxpayers over $50,000. Canada committed itself then to reducing child poverty, yet every report indicates that this year more children are living in poverty than there were last December.

Even though the children are not here today for another photo-op, their problems continue to haunt the government. Will the Prime Minister now acknowledge to the House that Canadian children have taken a giant step backward in the last year?

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, with regard to children the Minister of Finance outlined quite clearly the child benefit package that will come into effect on January 1, which puts another $2.1 billion into the hands of lower income people.

Another matter I would like to mention has to do with *Brighter Futures* that the Minister of National Health and Welfare announced some months ago in which we are assisting those people who really need the help with another $500 million over five years.

We do acknowledge there are problems. I want the member to know that we have looked at the needs of children very specifically, not necessarily in the economic statement but we took action long before that.

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

The Prime Minister, in listening closely to the parliamentary secretary's response, will note that she does not deny the fact that children are worse off this December than they were last December. It does not matter where

they are in western Canada, whether they are in Winnipeg, Saskatoon, Calgary, Edmonton or Vancouver, the depression-like lines lengthen as the economy shrinks.

In last week's mini-budget there was no offer of any additional support for Canadian children. When will the government face the reality that under this barbaric economic strategy hundreds of thousands of children can no longer be fed or housed by their impoverished parents?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, some $15 billion is spent by the Government of Canada to alleviate this serious problem. My hon. friend will no doubt want to put on the record that the total incidence of low income Canadians has fallen from 18.1 per cent in 1984 to 14.6 per cent at the end of 1990. Moreover, inasmuch as he mentioned—

An hon. member: That is pretty selective quoting.

Mr. Mulroney: I think it is important for the House to understand—

Mr. Axworthy (Winnipeg South Centre): One in four children in Winnipeg is living in poverty.

• (1440)

Mr. Mulroney: Inasmuch as he mentions Winnipeg, there is a report which refers to the fact that a family of four living in Winnipeg would have fallen below the low income line if its income was less than $29,661. That is a tight budget by any standard but most Canadians would not consider it poverty.

An hon. member: For what year?

Mr. Mulroney: That is for this year, almost $30,000 according to Campaign 2000. In this particular case in Winnipeg the poverty line was drawn there; the low income line was set extremely high by the standards of any industrialized country. I point out to my friend that obviously if we put the limbo pole that high it makes it extremely difficult.

However there has been progress made in this important area. Canada is alleviating child distress and child poverty. I would hope my hon. friend would recognize the very significant steps forward that have been made by the government and the Parliament of Canada.

Oral Questions

EMPLOYMENT

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is for the Minister of Employment and Immigration.

Windsor is Canada's fifth largest industrial centre. Right now, because of the policies of this government, it has an unemployment rate of 14 per cent and for youth it is around 27 per cent. Because of retooling, 1,200 permanent jobs are going to be lost at General Motors.

What is the government going to do? Will the minister consider a special training adjustment program for Windsor? Would he consider the possibility of putting some jobs in Windsor, perhaps an immigration centre in this border town rather than Vegreville? What action is this government going to take?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, this is the same member who a while ago was attacking the cutbacks by the province of Ontario.

The solution for the working people affected by this massive restructuring has to be found by all the stakeholders working together trying to alleviate the impact of this and to find solutions.

That is why in Windsor, as in other communities across Canada, when a massive lay-off or a restructuring takes place affecting workers we have with the provincial ministry of labour in the province of Ontario and the programming under the industrial adjustment services agreement we signed with the union and owners of plants measures to help those people.

I know that party believes in the magic of the easy statement to solve problems, but it just does not work that way in the real world. We would rather work with those people on the ground in order to find solutions.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, we checked with the minister's officials in Windsor today. No initiatives have yet been taken by the ministry there. It suggests in fact that nothing is likely to be possible on the training front because very few jobs are available at this stage.

Last week it was St. Catharines. This week it is Windsor getting kicked in the teeth.

Is the minister prepared to show some real leadership on this issue? Will he set up a program of community development help and early retirement support? Will he get out and negotiate directly with General Motors to try to see to it that the number of lay-offs is reduced during this significant period of retooling?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I think hon. members in the House should know this. My understanding is that the 1,600 laid-off workers at the Windsor plant will receive a combination of unemployment insurance benefits and supplementary company payments equal to 95 per cent of the base salary after taxes until they are recalled in August 1994.

The industrial adjustment service program will be offered to the company and the union for 400 employees who will not be recalled in August 1994 at the GM Windsor plant location.

* * *

[*Translation*]

CANADA POST CORPORATION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the minister responsible for Canada Post.

The post office in Saint-Clément de Rimouski has been occupied for nearly a week and we just learned that people in Scotstown in the eastern townships have been occupying their post office since one p.m. and that a demonstration is being prepared in La Rivière, Manitoba.

Is the minister prepared, finally, to understand common sense and abandon his policy of closing rural post offices?

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the hon. member knows that these are not my policies nor are they the policies of anybody else. The House agreed unanimously in 1991, in creating Canada Post as a crown corporation, that it should be free to operate at arm's length, free of political interference.

That was a good decision on the part of Parliament. Were I to ignore that decision and to interfere politically, I am sure the hon. member would be among the first to be up on his feet calling it contempt of Parliament.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, this is utter nonsense. The minister knows that he and his government approved the corporate plan of Canada Post calling for the shutdown of 5,221 rural post offices.

[*Translation*]

I will put my supplementary question for the Prime Minister, then, since his minister refuses to understand common sense. Is the Prime Minister prepared to announce today that the government is giving up the policy of closing rural post offices in Canada? Is he ready and does he have the courage to make that announcement?

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the hon. member really does not have to shout rudely to be heard.

Let me also say to the hon. member that the corporate plan respecting the opening up of new retail outlets in the stores where people normally go to do their other purchasing has been in place for several years. About 3,000 of these outlets have been opened up and another 3,000 are due to open.

There have been significant changes in the historic way in which the post office has been operating. When the post office has gone to those communities where those changes have been made, the approval rating is 90 per cent. To suggest that a policy which has the approval of its customers to the tune of 90 per cent is in my opinion a wrong-headed attitude on the part of the hon. member.

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Transport and it concerns the announced redevelopment of Pearson airport in Toronto.

If Air Canada is not going to pay more as a result of the redevelopment of Pearson and if the developer is going to make money as a result of this project, can the minister tell Canadians how much the taxpayer is going to forgo in lost revenues and how much the travelling public is going to pay in increased fares, fees and taxes?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, as I mentioned yesterday, when we put out the RFP in March, it contained the following provisions.

The developer will be required to take on the ongoing operations of terminals 1 and 2 and associated facilities in a manner which provides fair and equitable access by users to the national air transportation system and proposes a terminal development program which appropriately considers both the timing of demand for additional terminal capacity and the economies of the air transportation industry.

We are developing a plan which will not call for additional input by air carriers.

Mr. John Manley (Ottawa South): Mr. Speaker, the minister will forgive me if I have trouble understanding how he proposes to pull off this feat of financial wizardry. The government is taking us into a major plan of airport expansion at Pearson at a time when many of the people who work there are wondering how long they are going to be able to retain their jobs.

The question is very simple. Who is actually taking the risk for this multimillion dollar project that he has announced at Pearson airport. Who is going to pay?

• (1450)

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, the hon. member should not be surprised that I do not understand what he is saying.

The hon. member said at the time that we issued the proposal that no sensible corporation would be prepared to go along with a proposal of this nature. He has been proven wrong. Two very reputable firms have tendered to the Government of Canada two very good proposals. We have examined them and Paxport's proposal has been selected as the better. It will be providing the money.

[*Translation*]

TAXATION

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, I wish to ask the Minister of Finance a question. As of January 1, 1993, the minister is planning to prevent companies from deducting from federal income tax the provincial payroll and capital taxes that they pay. The disastrous effects of this measure have already convinced the minister to delay or postpone its implementation. Could the minister not announce now that he is giving up this idea once and for all, since it would cost Quebec employers $300 million more over three years?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I would like to advise the hon. member that there will be a meeting of finance ministers next week and this issue will be discussed.

I am sure that my hon. friend understands that it is important to preserve the federal tax base. That kind of payroll tax deduction serves to erode the federal tax base and we have to keep that in check.

We will attempt to find ways and means to deal with that, but I can assure my hon. friend that we will deal with it in a co-operative fashion with the provinces.

[*Translation*]

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, I would like to hope from the minister's answer that he will consider very carefully that this is not the time, with very high unemployment in Canada and in Quebec, to impose a burden that directly penalizes those who hire the most personnel. I really think that the government will want to avoid being in the strange situation of doing double damage, first hitting the unemployed and then those who create jobs. I ask the minister if he can give a message of hope at this time to all those in Quebec who are waiting to be told that this burden will not be imposed on them.

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): As I said, Mr. Speaker, this is a matter that is being discussed.

I am sure my hon. friend understands that it is important to prevent the constant erosion of the federal tax base. We are trying to put in place the appropriate kind of a structure, the appropriate kind of a formula that will preserve the tax base while at the same time not provide an undue burden on the provinces that use this kind of taxation.

* * *

EMPLOYMENT

Mr. Ken Atkinson (St. Catharines): Mr. Speaker, my question is for the Minister of Industry, Science and Technology.

The announcement in St. Catharines of the closure of the foundry and the intended closure of the axle plant are causing bitter feelings in my community. It has been acknowledged that these operations are profitable, modern and efficient and that the workforce enjoys an advantage of approximately $9 per hour over their American counterparts. The reason given was the lack of ability to expand these operations to take in other parts of the GM operation.

Is the department able to do anything to help maintain the viability of these operations or alternatively, can it help in looking for a purchaser, especially for the axle plant which General Motors has indicated will be for sale?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend has pointed to an area where we can help. We will work with General Motors in trying to find possible purchasers of the axle plant. We will be sitting down with the company to get the various elements of information to assist in this.

To the extent that we are able to be of assistance, we certainly will be very happy to do so.

* * *

SOFTWOOD LUMBER

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, my question is for the Minister for International Trade.

News reports today say that GATT has ruled against Canada and found that the U.S. commerce department had the right to initiate special countervail action against Canadian softwood exports rather than following their own procedures for such a process.

Can the minister confirm whether, in fact, GATT has issued such a report and whether GATT has made any decision on the question of the U.S. demand for our raw logs, the real issue behind this whole softwood dispute?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend has only got it half right. I can confirm there has been a report. There is a decision on the part of the GATT panel that we have just recently discussed with the provinces and with the industry, and I am pleased to share it with my colleague today.

As to the question of the bonding that the Government of the United States levied at the time of its announcement, the GATT panel found the United States in error. The result will be that some $15 million worth of bonds will have to be returned to Canadian exporters.

On the other question, my hon. friend is correct.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): On the question of the bonding, my question to the minister is this. What specific steps is he taking to make sure that the Americans give us our money back?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I would expect that the Americans would honour the GATT panel ruling.

Some hon. members: Oh, oh.

Mr. Wilson (Etobicoke Centre): This is something we will be taking to them. If they do not we will press the matter as aggressively as we possibly can. It is very clear in the GATT panel ruling that the position we took when we put the matter before the GATT panel is correct.

I might also say to my friend that we still have, subject to chapter 19 dispute settlement panels, the question of the final injury and subsidy rulings.

* * *

JUSTICE

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, my question is for the Solicitor General.

In February of this year William Henry Williams was sentenced to six years in prison for incest. Last month his sentence was reduced to four years. Now, after only nine months in prison, he is eligible for parole and his daughter Sandra is afraid.

For 13 years this man molested his daughter, sometimes raping her twice a day. A few years in jail is far too lenient for a man who inflicted such a lifetime of suffering on an innocent daughter.

What measures will the minister take to ensure that people convicted of committing these horrifying crimes remain in jail for at least as long as the abuse took place, and that they serve their entire sentences?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, the House will know that Bill C-36, which was proclaimed as of November 1, tightens up the measures for sexual offenders considerably. As well, and I appreciate that this is a new area of the law, we have made allowance in the law for victim impact statements to be given to the parole boards and also any victim will be given all of the details of the parole.

This has been in effect for a month now and we are monitoring the parole board hearings where victims have been in attendance. As far as we can determine, it is working well and we will continue to monitor the system.

* * *

INDIAN AFFAIRS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is for the Solicitor General.

Does the Solicitor General know that the band leadership of Kanesatake is very concerned about the security of its community and it asks the federal government for help with respect to policing.

In fact, the Mohawk have asked the government for assistance in training the community watch force. They want a liaison arrangement with the RCMP so that this force can be trained properly and they will have a competent force composed of both native and non-native people.

When is the Solicitor General going to meet with Grand Chief Peltier to enter into a plan to implement this request?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, we are making some progress at Kahnawake in meeting with the native people there and dealing with the peacekeeper situation.

I will be quite frank with my hon. friend; I know of no current request from Grand Chief Peltier for assistance at Kanesatake. I shall contact my officials immediately after Question Period and get back to my hon. friend, perhaps during the vote.

The Solicitor General's department has responsibility for the new native policing policy now. We have negotiated several treaties across Canada and some are very close to completion in the province of Quebec. As for specific details on this particular situation, I will get back to my hon. friend.

* * *

• (1500)

EXTERNAL AFFAIRS

Mr. George S. Rideout (Moncton): Mr. Speaker, my question is for the Prime Minister.

We are approaching the third anniversary of the incarceration of David Spencer and Christine Lamont. Canadians across the country and right here on Parliament Hill are maintaining a vigil on their behalf.

We have learned of Christine's illness. Hopefully it is a minor illness, but it could be life threatening. The prison conditions are dangerous and unacceptable.

On humanitarian grounds alone, will the Prime Minister honour his commitment to Premier McKenna and ask for their expulsion?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I made no such commitment to Premier McKenna at all.

In point of fact, the concept of expulsion which I raised with the President of Brazil and have subsequently written about to the new President of Brazil has been bandied about in a manner that is quite unfair to the families involved.

There seems to be the view that all one has to do is go and ask for the expulsion of a criminal, or an accused person or a convicted person in that country and the President will oblige.

It is important that members of the House understand this is not the case. Both the President and the Minister of Justice have advised that this is not the case. It is a most exceptional procedure and one that is used with the greatest of reluctance.

Also, my hon. friend refers to Christine's illness. The illness reported was swollen ankles. The doctor from the Consulate General in Sao Paulo attended upon her in the prison and is apparently assured that everything is okay.

The Secretary of State for External Affairs has been employing every effort and I have been in personal touch with the new President of Brazil on the question of the appeal.

We have been informed that the attorneys for the parties apparently neglected to include a document which brought about a revision in the procedure itself irrespective of the appropriate efforts of the attorneys for the Government of Canada.

We would like to see the treaty concluded between Brazil and Canada as quickly as possible so that the two Canadians can then come to Canada, pursuant to the provisions of this treaty, and be dealt with in Canada under Canadian law. This would be, in our judgment anyway, much more humane and much more reasonable. We could deal with it much more expeditiously.

I will take just a second of the House's time to explain to my hon. friend that we are in close and ongoing contact with both families. We are deeply concerned about this matter. We are employing every effort on behalf of both individuals.

There are some 550 Canadians held in prisons around the world for various offences, in much the same way as Canadian penitentiaries house nationals from other countries today.

We are trying to operate within the law and to cause that law to be expedited in the interests of these two Canadians.

I want to give my friend and the House the assurance that we are employing every effort on behalf of Christine Lamont and David Spencer because we believe they are worthy of our attention and concern. We are giving this matter every effort that we possibly can.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I certainly think all Canadians appreciate the fact that the Prime Minister is undertaking to communicate with the new President of Brazil.

With respect to the issue of expulsion, the chief legal adviser to the Secretary of State for External Affairs has said to the justice committee: "The Brazilian Minister of Justice also said to us that he would be prepared to facilitate an expulsion if that were to come forward at the state-to-state level".

In view of the Prime Minister's undertaking and his personal interest in this case, will the Prime Minister now make the request at the state-to-state level for expulsion which, according to the legal adviser to the Secretary of State for External Affairs, would be responded to positively?

Will the Prime Minister take that very important step on behalf of Christine Lamont and David Spencer?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I would like to commend to the hon. member a letter sent to the chairman of the justice committee of this House which goes into some considerable detail on this legal procedure.

The Prime Minister has given an excellent answer to the question.

With regard to the expulsion procedure, it has not been said by our legal counsel that a state-to-state request will result in expulsion.

There is a great deal of detail in the letter. I would be happy to share it with the hon. member. It was a letter to the committee which I think now is public.

ROUTINE PROCEEDINGS

[*English*]

WAYS AND MEANS

TABLING OF NOTICE OF MOTION

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Pursuant to Standing Order 83(1) I wish to table a notice of a Ways and Means motion to amend the Excise Tax Act, the Access to Information Act, the Canada Pension Plan, the Customs Act, the Federal Court Act, the Income Tax Act, the Tax Court of

Canada Act, the Tax Rebate Discounting Act, the Unemployment Insurance Act and a related act, and I ask that an Order of the Day be designated for consideration of this motion.

* * *

CANADIAN ADVISORY COUNCIL ON THE STATUS OF WOMEN

ANNUAL REPORT

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Mr. Speaker, I have the honour to table, in both official languages, the official annual report of the Canadian Advisory Council on the Status of Women.

* * *

[*Translation*]

PUBLIC SERVICE OF CANADA

TABLING OF ANNUAL REPORT

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 32(2), on behalf of the Prime Minister, I have the honour to lay upon the table copies, in both official languages, of the annual report to the Prime Minister on the Public Service of Canada.

* * *

[*English*]

PUBLIC SERVICE 2000

PROGRESS REPORT

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Also in the name of the Prime Minister I have the honour, pursuant to Standing Order 32(2), to lay on the table copies in both official languages of the Public Service 2000 report on progress.

[*Translation*]

PARLIAMENTARY DELEGATION

PRESENTATION OF REPORT OF OFFICIAL VISIT TO NEW ZEALAND

Mr. Charles DeBlois (Beauport—Montmorency—Orléans): Mr. Speaker, pursuant to Standing Order 34, I have the honour to present to the House, in both official languages, the report of a parliamentary delegation's official visit to New Zealand. At the invitation of the Speaker of the New Zealand House of Representatives, a Canadian delegation visited New Zealand from November 8 to 14, 1992, and I have the honour to present this report. At this occasion, we had productive discussions with New Zealand parliamentarians on a number of issues of mutual interest, in particular international trade and Canada—New Zealand relations in general.

We had the privilege of having meetings with the Prime Minister and the Leader of the Opposition, who extended their warmest thanks to Canada for helping New Zealand get a seat on the United Nations Security Council.

Finally, meetings were organized with some business people who have operations in Canada. This was certainly a successful visit and a most rewarding experience for participants from both countries.

I wish to thank our New Zealand hosts for their hospitality, their kindness and the excellent agenda prepared on our behalf. I also wish to thank and commend the members of the Canadian delegation for their contribution and for having so ably represented this House.

* * *

[*English*]

CONSUMER AND CORPORATE AFFAIRS AND GOVERNMENT OPERATIONS

EIGHTH REPORT OF STANDING COMMITTEE

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I have the honour to table, in both official languages, the eighth report of the Standing Committee on Consumer and Corporate Affairs and Government Operations.

The report concerns the committee's inability to have the Minister of Consumer and Corporate Affairs come before it despite numerous invitations extended by the committee. It calls for the support of this House in getting the minister to appear.

* * *

ENVIRONMENT

FIFTH REPORT OF STANDING COMMITTEE

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, I have the honour of presenting, in both official languages, the fifth report of the Standing Committee on Environment.

The report is entitled *From Words to Action*. It pertains to acid rain control initiatives and was prepared by the sub-committee on acid rain and adopted by the standing committee.

The report contains 11 recommendations. Principal among them is a request that following research into the effects of acid pollutants on human health, the federal government through the minister of health and welfare present to Parliament an interim report of its findings before the end of 1993 and a final report before the end of 1995.

A lot has been written about acid rain. Much has been accomplished, but more needs to be done.

It is with pleasure that I chaired the sub-committee on acid rain. I wish to acknowledge the excellent co-operation and work of the members of the subcommittee. We found our work to be rewarding. A government response is requested, pursuant to Standing Order 109.

* * *

• (1510)

[*Translation*]

HOUSE MANAGEMENT

PRESENTATION OF 58TH REPORT OF STANDING COMMITTEE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I have the honour to present the 58th report of the Standing Committee on House Management. Pursuant to Standing Order 113(1), this report is deemed to be adopted once it is laid upon the table.

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

CANADA LABOUR CODE

MEASURE TO AMEND

Hon. Marcel Danis (Minister of Labour) moved for leave to introduce Bill C-101, an act to amend the Canada Labour Code and the Public Service Staff Relations Act.

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed to be adopted.

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

Pursuant to Standing Order 69(1), the motion is deemed to be adopted.

Bill read the first time and printed.

* * *

CUSTOMS TARIFF

MEASURE TO AMEND

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance) moved for leave to introduce Bill C-102, An Act to amend the Customs Tariff, the Excise Act, the Excise Tax Act, the Customs Act, the Criminal Code and a related Act.

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed to be adopted.

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

Pursuant to Standing Order 69(1), the motion is deemed to be adopted.

Bill read the first time and printed.

[*English*]

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BANKRUPTCY AND INSOLVENCY ACT

MEASURE TO AMEND

Mr. John R. Rodriguez (Nickel Belt) moved for leave to introduce Bill C-383, an act to amend the Bankruptcy and Insolvency Act.

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Rodriguez: Mr. Speaker, this bill is intended to recognize the situation of consumers who have made down payments on goods and then while they are waiting for the goods the retailer goes bankrupt. They ought to be able to get their down payment back. Therefore, this

bill would give them a super priority, which banks already have, in order to get their down payment back.

Mr. Speaker: Mr. Rodriguez 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.

* * *

FINANCIAL ADMINISTRATION ACT

MEASURE TO AMEND

Mr. Patrick Boyer (Etobicoke—Lakeshore) moved for leave to introduce Bill C-384, an act to amend the Financial Administration Act (remission orders).

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Boyer: Mr. Speaker, this is a private member's bill that proceeds on the principle that Parliament ought to review public expenditure. It would require that any remission orders prepared by the government be presented to Parliament together with a justification report that would indicate that there is a net benefit to the country. This applies to remission orders in excess of $1 million, and would provide a 60-day period during which Parliament could consider the remission order before it would otherwise automatically take effect.

Mr. Speaker: Mr. Boyer 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.

* * *

CRIMINAL CODE

MEASURE TO AMEND

Mr. Svend J. Robinson (Burnaby—Kingsway) moved for leave to introduce Bill C-385, an act to amend the Criminal Code (aiding suicide).

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Robinson: Mr. Speaker, the purpose of this bill is to amend the Criminal Code to allow for physician-assisted suicide upon the request of a terminally ill person, as recently recommended by the B.C. Royal Commission on Health Care.

In introducing the bill, I want to pay tribute to a very courageous women, Sue Rodriguez, and to John Hoffess and the Right to Die Society who have eloquently and tirelessly pursued the rights of all Canadians to die with dignity at a time of their choosing.

Mr. Speaker: Mr. Robinson 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.

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CANADIAN PROFESSIONAL FOOTBALL

MEASURE TO ENACT

Hon. Lloyd Axworthy (Winnipeg South Centre) moved for leave to introduce Bill C-386, an act respecting Canadian professional football.

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, first, if I might, I would like to make a slight correction. The seconder of the bill is the distinguished House leader of the New Democratic Party, the member for Kamloops. I would ask for that to be amended.

Mr. Speaker: I thank the hon. member. I am sorry I was unaware of that and I apologize to the hon. member and to the hon. member for Kamloops. Thank you for the correction.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, the purpose of this bill is to set out some rules that would be designed to protect the independence and integrity of the Canadian Football League. We all know that this is an important institution and part of the culture of this country. It is one of the remaining institutions that brings Canadians together on an annual basis to share in something they find both enjoyable and entertaining.

The purpose of the bill is to ensure that members of Parliament have an opportunity to debate this important issue. This is one that is of great concern to many Canadians. By presenting this bill, we hope to give all members of Parliament an opportunity to clearly represent the views of their constituents and make sure that we have an honest and fair evaluation of how we can maintain and protect the Canadian Football League for Canadians.

Mr. Speaker: Mr. Axworthy (Winnipeg South 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.

* * *

INCOME TAX ACT

MEASURE TO AMEND

Ms. Joy Langan (Mission—Coquitlam) moved for leave to introduce Bill C-387, an act to amend the Income Tax Act (auto mechanics).

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Langan: Mr. Speaker, the purpose of this bill is to amend the Income Tax Act to allow automobile mechanics to deduct the cost of tools they must provide on the job from their personal income tax.

The Canadian Automotive Repair and Service Council, the Canadian Automotive Repair and Service Institute and automobile technicians from across the country have been requesting the government to make this change for some time.

I think that it is important to note that working men and women in this country are unable to get income tax justice at the same time as two-martini lunches are still deductible. I would surely hope that this House would support this bill.

Mr. Speaker: Ms. Langan 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.

CRIMINAL CODE

MEASURE TO AMEND

Mr. John Reimer (Kitchener) moved for leave to introduce Bill C-388, an act to amend the Criminal Code and other acts in consequence thereof (pornography).

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

• (1520)

Mr. Reimer: Mr. Speaker, the purpose of this bill is to strengthen and clarify the current law against obscenity. The bill for the first time would clearly define what is meant by adult material to be kept from those under 18 and pornography. The bill defines pornography in five categories; from violence causing or appearing to inflict direct bodily harm in a sexual context, to degrading sexual acts, to other specific sexual acts.

The bill proposes for the first time in the Criminal Code to protect children and women from exploitation, abuse and violence in pornography. Pornography not only degrades and dehumanizes women, but it leads to acts of aggression and violence against women and children. It is time for all Canadians to attack the personal and social evils of pornography with tough criminal sanctions up to five times more than current sentences, as this bill proposes.

Mr. 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.

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CRIMINAL CODE

MEASURE TO AMEND

Mr. Derek Lee (Scarborough—Rouge River) moved for leave to introduce Bill C-389, an act to amend the Criminal Code (invasion of privacy).

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Lee: Mr. Speaker, I am pleased to introduce a bill which proposes an amendment to the invasion of privacy sections of the Criminal Code.

Recent lower court decisions have called into question the effectiveness of the existing Criminal Code provisions on eavesdropping and wiretapping. In particular, these decisions have stated that the privacy protection provisions of the code do not apply to private conversations conducted over cellular telephones.

This bill makes it very clear that every telephone conversation between two or more individuals will be safeguarded from intruders, and that includes cellular telephone conversations.

Mr. Speaker: Mr. Lee 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.

* * *

EXTERNAL AFFAIRS AND INTERNATIONAL TRADE

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): Mr. Speaker, I move:

That six members of the Standing Committee on External Affairs and International Trade be authorized to travel to New York City to study the role of the United Nations from December 14 to December 16, 1992.

Notwithstanding any Standing Order of this House, the Chief Whip of any recognized party may effect substitutions for that review from any envelopes by filing notice thereof with the clerk of the committee and such substitution shall be effective for the entire period of travel and should be effective immediately when received by the clerk of the committee.

Mr. Speaker: Does the House agree?

An hon. member: No.

FINANCE

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): Mr. Speaker, I would also like to move:

That five members and three staff persons of the subcommittee on International Financial Institutions of the Standing Committee on Finance be authorized to travel to Washington, D.C., in relation to their study on the International Monetary Fund and the World Bank for four days in January or February, 1993.

Mr. Speaker: Does the House agree?

An hon. member: No.

* * *

PETITIONS

PHARMACEUTICAL INDUSTRY

Mr. Derek Blackburn (Brant): Mr. Speaker, I rise under the provisions of Standing Order 36 to present a petition in relation to Bill C-91 from a group of petitioners from the west coast of Canada. They ask Parliament to repeal Bill C-22 and not proceed with Bill C-91 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.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have two petitions.

The first is from a number of my constituents in Coquitlam who ask the government not to proceed with Bill C-91 and 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 provide less coverage.

HEALTH CARE

Mr. Ian Waddell (Port Moody—Coquitlam): The second petition, Mr. Speaker, is a huge petition with lots of signatures from all over British Columbia from the Council of Senior Citizens Organizations of British Columbia called COSCO and the Canada-wide peaceful grassroots people who support the universality of medicare.

The petitioners pray that Parliament and the government restore the original terms and conditions of the Canada Assistance Plan.

IMMIGRATION

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have the honour to present a petition pursuant to Standing Order 36 which points out that whereas family class and assisted relative immigrants have historically been an important part of Canadian immigration and whereas family class and assisted relative persons have relatives in Canada to assist them in finding employment, housing and learning the Canadian language and customs they call upon this government to reverse its policy and again establish family class and assisted relatives as the number one priority for immigration.

CHILD POVERTY

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I have a petition certified correct by the clerk where the petitioners remind the House that it expressed concern for the more than one million Canadian children currently living in poverty and would seek to achieve the goal of eliminating poverty among Canadian children by the year 2000.

The petitioners humbly pray and call 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.

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I would like to table a petition from La Motte and Amos, in Abitibi. The petitioners state that films of violence shown on television are dangerous and unacceptable because they promote more violence.

Consequently, the petitioners humbly call upon Parliament to legislate on the above-mentioned problems, to put an end to violence in our society and to better protect our children and ensure a better quality of life for all our fellow citizens.

OZONE DEPLETION

Mr. Louis Plamondon (Richelieu): Mr. Speaker, I have the honour to table a petition signed by 1,900 people who support the environmental cause promoted by the students' association of the Sorel-Tracy CEGEP. This group, headed by Eric Plouffe, has gathered signatures from all regions of Quebec. The total of 1,900 signatures demonstrates how seriously the government should take ozone depletion.

[*English*]

PHARMACEUTICAL INDUSTRY

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I too rise today pursuant to the provisions of Standing Order 36 to present a petition signed by numerous Canadians calling on the government not to proceed with Bill C-91 and to repeal the 1987 Bill C-22 for the purpose of protecting our medicare plans, our provincial pharmacare plans and our senior citizens from the ruinous cost of the high prices that would be induced by this legislation.

EXTERNAL AFFAIRS

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I have the honour to present a petition which is signed by residents of Busby, Alberta, Vancouver and Burnaby, British Columbia and other towns and cities in Alberta and British Columbia noting that two Canadians, Christine Lamont and David Spencer, who have been sentenced to 28 years each in a Brazilian prison have suffered miscarriages of justice, cruel and unusual treatment in Brazilian prisons and discrimination in sentencing and parole.

The petitioners note that the cumulative effect of these irregularities provides ample ground for the Government of Canada to seek a remedy on their behalf and that the only remedy is expulsion. Therefore, they 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.

TRADE

Mr. Neil Young (Beaches—Woodbine): Mr. Speaker, I too have a petition from one of my constituents, Mr. Robert Varty. The petitioners draw the attention of the House to the fact that a free trade agreement between Mexico, Canada and the U.S.A. would be economically detrimental at this time. The petitioners also believe that an agreement to this effect would not be honoured, as has been proven by the trade agreement between Canada and the U.S.A. Therefore, the petitioners request

that Parliament refrain from signing said free trade agreement.

• (1530)

YOUNG OFFENDERS ACT

Mr. Stan Wilbee (Delta): Mr. Speaker, I have two petitions today. The first one has 48 signatures from the lower mainland. It is in memory of Rosalynn Dupuis and supports the strengthening of the Young Offenders Act to protect Canadian society.

EXTERNAL AFFAIRS

Mr. Stan Wilbee (Delta): This second petition has 346 signatures, also from around the lower mainland. It calls for the speedy return of Christine Lamont and David Spencer to Canada.

INCOME TAX

Mr. Ronald J. Duhamel (St. Boniface): I have three petitions to present to the House. The first petition requests that the income tax system be made much simpler. The petitioners feel it is much too complex at this particular point in time. They point out certain incongruities and injustices in the system. For example, people can get a deduction for receipted child care, while those who choose to stay at home cannot. They would like that cleared up.

BROADCASTING

Mr. Ronald J. Duhamel (St. Boniface): Another petition points out that Parliament has a responsibility to ensure that the CRTC carefully regulate the use of foul language in radio and television programming. The petitioners believe that very often this language is a form of abuse that counteracts the efforts of the family with their children. As well, they point out that it is not necessary to use this type of language in order to inform or entertain.

GOODS AND SERVICES TAX

Mr. Ronald J. Duhamel (St. Boniface): In the final petition that I have to present today the petitioners ask that the Government of Canada remove the GST from books and other reading materials. They point out that there has never been such a tax. They feel that reading is the cornerstone of democracy, as well as a key to building a healthy economy.

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, the people of Ramea have sent me a petition, and 1,100 of them have signed it. It is clear and to the point so I will make a brief reference to it.

They feel that they have been discriminated against by the fisheries minister in his refusal to grant the fish plant employees of this community benefits under the Northern Cod Adjustment Program.

Second, it says that there is no doubt that they, the people of Ramea and the plant workers, qualify under the program because of their historic attachment to the northern cod fishery.

Therefore, they call upon the House to take appropriate action and overturn the decision of the Minister of Fisheries and Oceans and give the residents of Ramea the benefits they justly deserve. I support wholeheartedly the prayer of the petitioners.

BILL C-327

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, pursuant to Standing Order 36 I am pleased to present a petition signed, coincidentally, by 36 professors from the University of Saskatchewan. They support Bill C-327, the employee share purchase plan. It is endorsed by the departments and a majority of professors in accounting, finance, industrial relations, and management and marketing departments.

The bill is presently in committee and I would encourage all members of the House to support the bill.

YOUNG OFFENDERS ACT

Mrs. Diane Marleau (Sudbury): Mr. Speaker, it is my honour again today to present petitions in memory of Rosalynn Dupuis. Rosalynn was a young girl who was brutally murdered and a young offender is now on trial for her murder.

It is truly unfortunate it takes a tragedy such as this one to make us realize that a change in attitude and law is necessary. A large number of people have been signing these petitions and they ask that we consider making some drastic changes to the Young Offenders Act. Protection for the average Canadian has to be made a greater priority.

BILL C-268

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my pleasure to present a petition on behalf of a number of residents of Oxford House, Grassy Narrows, Bear Island,

Crocus Bay, Oil Springs and Nelson House. They indicate that Canadians wish to designate a day of recognition of Canada's original inhabitants to honour native cultures, and that June 21 is the most appropriate day. Therefore, they call upon Parliament to enact Bill C-268, an act respecting a National Solidarity Day for the First Nations of Canada.

WATER EXPORTS

Mr. Nelson A. Riis (Kamloops): The second petition I have to present is on a different topic. The petitioners, all from Clearwater, British Columbia, are simply pointing out their concern about potential water diversion programs. They ask that the Canadian government pass legislation declaring that our Canadian rivers are not for sale.

SENIOR CITIZENS

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present a petition on behalf of a number of Canadian senior citizens.

They wish to draw to the attention of the House the fact that hundreds of thousands of Canadian senior citizens live below the poverty line, and that it is desirable for all Canadians to provide the necessary support to enable them to live their lives as independently as possible.

Therefore the petitioners call upon Parliament to urge the government to ensure that Canadian old age security pensions are sufficient to meet the basic needs of Canadian senior citizens.

GOODS AND SERVICES TAX

Mr. John Brewin (Victoria): Mr. Speaker, I too rise to present a petition to the House from constituents of mine in Victoria.

The petition asks the House to consider removing the goods and services tax from women's sanitary products. It is signed by at least 100 people, mostly from Victoria, and I commend it to the House.

* * *

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, Question No. 366 will be answered today.

[*Text*]

Question No. 366—**Mr. Belsher:**

What is the total sum of federal funds, in dollars, credits, services, loans, and grants, received annually since 1988 by (*a*) The National Action Committee on the Status of Women (*b*) the Legal Education Action Fund (LEAF) and (*c*) REAL Women?

Mr. James Stewart Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): I am informed by the Department of Justice and the Secretary of State as follows:

	Justice Canada	Secretary of State of Canada
a) The National Action Committee on the Status of Women		
	$	$
1991-92	5,657.83	300,000.
1990-91	–	396,000.
1989-90	–	506,000.
1988-89	–	621,897.
1987-88	–	630,678.
b) Women's Legal Education and Action Fund (LEAF)		
1991-92	18,112.62	232,248.
1990-91	–	257,198.
1989-90	26,859.00	257,498.
1988-89	19,250.00	273,233.
1987-88	–	276,770.
c) REAL Women of Canada		
1991-92	2,241.28	6,916.14
1990-91	–	–
1989-90	–	2,095.00
1988-89	–	21,212.00
1987-88	–	–

[*English*]

Mr. Speaker: The question as enumerated by the parliamentary secretary has been answered.

QUESTION PASSED AS ORDER FOR RETURN

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, if Question No. 352 could be made an Order for Return, the return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that Question No. 352 be deemed to have been made an Order for Return?

Some hon. members: Agreed.

[*Text*]

Question No. 352—**Mr. Vanclief:**

Since November 21, 1988, with respect to government loans to businesses, (*a*) how many businesses have received (i) loans (ii) loan guarantees (*b*) what are the names (*c*) what is the total dollar value of the loans or guarantees?

Return tabled.

[*English*]

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

Mr. Duhamel: Mr. Speaker, I rise on a point of order. It was on December 12, 1991 that I put the following question on the Order Paper. It is very brief. I would like to read it into the record because I have still not received a response:

1. What is the total amount of revenue collected by the government from the goods and services tax since January 1, 1991 and what has been the total amount spent on (a) advertising (b) tax credits (c) GST rebates (d) set-up costs (e) other expenses associated with the implementation of this tax?

2. What is the total of GST revenue placed in the Debt Service Reduction Account and what is the current balance of the account?

I recognize that my hon. colleague has been attempting to get a response. I am also very anxious. We are nearing the end of the session and I still do not have answers to those questions that my constituents are raising. I am wondering if we might get it later on today or tomorrow.

Mr. Edwards: Mr. Speaker, I appreciate the patience and I recognize the impatience of my hon. friend. I have given him assurances and those assurances stand. We have a couple of more days in which to get some results for him. I will make sure we make every effort to do so.

Mr. 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): Mr. Speaker, I would ask that all Notices of Motions for the Production of Papers be allowed to stand.

Mr. Speaker: Shall all notices stand?

Some hon. members: Agreed.

* * *

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House the Senate has passed Bill S-16, an act to restructure United Grain Growers Limited, to which the concurrence of this House is desired.

Pursuant to Standing Order 135(2), the bill is deemed to have been read the first time and ordered for second reading at the next sitting of the House.

GOVERNMENT ORDERS

[*English*]

PATENT ACT

ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-91

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): 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 report stage and one sitting day to the consideration of 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.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I rise on a point of order to ask you to refuse to accept this motion of time allocation on debate on Bill C-91 at report and third reading to a further two sitting days. In some ways this is a rather unusual point of order.

I am not so much asking you to interpret whether the Standing Orders of the House are being properly applied so much as whether the Standing Orders applied in this instance are consistent with the over-all responsibility of the House to make decisions in a parliamentary democratic fashion.

I am seeking to make only one point; that the motion to curtail debate on Bill C-91 at this time and in this way goes against what you once called "fair play and common sense" and that it is offensive to "the sense of what is appropriate under certain circumstances and which is acceptable to reasonable people".

• (1540)

Those were your words, by the way, Mr. Speaker.

I would like to begin this short point of order by submitting that as Speaker you have a special responsibility to address this issue. Mr. Speaker, you have both the authority and the responsibility to prohibit a motion of time allocation if, in your judgment, it is being used abusively.

There have been several occasions in parliamentary history when a Speaker has been called upon to intervene in this way. I would like to refer to two cases. One is the intervention of closure by Speaker Brand in the 1880s and the other your ruling, Mr. Speaker, of April 14, 1987.

I know I do a disservice to the history of Parliament by trying to distil Speaker Brand's famous closure ruling into a few sentences, but the history is clear. Parnell in the parliamentary Irish caucus abused the rules and obstructed the will of the majority. The democratic nature of the House was threatened by that abuse. The public wanted this abuse to end, and the Speaker intervened. He was acting in the interests of both the institution and the democracy that it served.

Over a century later, the Speaker of this House was asked to intervene to prevent what was perceived as an abuse of the rules when this caucus used dilatory tactics to prevent a time allocation motion from being moved to end debate on Bill C-22, a drug patent act.

I was House leader of the New Democratic Party caucus, the current government House leader was the then minister responsible for Bill C-22, the chair is still occupied by the same Speaker, and the bill before the House at that time and today are very similar. These parallels lend a parenthetic irony but nothing more to this point of order.

With the players all here in the House, it is not necessary to relate the history of your April 14, 1987 ruling. I would like to cite parts of it as I find, Mr. Speaker, you make my argument most compelling. You said:

It is essential to our democratic system that controversial issues should be debated at reasonable length so that every reasonable opportunity shall be available to hear the arguments pro and con and that reasonable delaying tactics should be permissible to enable opponents of a measure to enlist public support for their point of view.

Sooner or later every issue must be decided and the decision will be taken by a majority. Rules of procedure protect both the minority and the majority. They are designed to allow the full expression of views on both sides of an issue. They provide the opposition with a means to delay a decision. They also provide the majority with a means of limiting debate in order to arrive at a decision. This is the kind of balance essential to the procedure of a democratic assembly. Our rules were certainly never designed to permit the total frustration of one side or another, the total stagnation of debate or the total paralysis of the system.

When negotiations fail there comes a time when the Chair is obliged to consider what are its own responsibilities. One of the functions of the Speaker is to ensure that the House is able to transact its business. This does not mean that the Chair plays any part in assisting the government in the management of its business agenda.

There comes a time when the Chair has to face its responsibilities. When circumstances change and the rules of procedure provide no solution the Chair must fall back on its discretion in the interests of the House and all its members. This may require the Chair to modify or vary an earlier decision.

Notice of time allocation motions after only a few hours of debate at any stage of a bill can be an abuse.

> Both time allocation motions and dilatory motions are open to abuse. When such tactics are entered upon by either government or opposition the delicate balance of democratic parliamentary government can be easily upset. The maintenance of that balance is a fundamental responsibility of the Speaker.

The question is: What is time allocation and closure and what are the checks on its abuse? In your consideration, Mr. Speaker, I ask you to reflect upon the nature of our time allocation and closure motions and the manner in which the Standing Orders governing them were adopted.

Closure and time allocation are two separate concepts. While both restrain debate, the first is a motion to curtail it, and the second is a motion to structure it. In current Canadian practice that distinction is somewhat blurred, but in Britain the distinction continued and there are safeguards against abuse in both circumstances.

In the use of closure, a minimum number of members must support the closure motion. The Speaker has a power, which is often exercised, to refuse to accept a motion of closure if in his or her view it is premature. In the use of time allocation, of guillotine motions, there are different safeguards in Britain.

As was formerly the case here, a debate is required before a time allocation motion is adopted. One safeguard against abuse then is public debate. This serves not only to permit an explanation of the need to use the measure, but is an added incentive for negotiation to be used instead of unilateral government action.

Another safeguard is the practice of allocating a minimum amount of time to be given to consideration of each section of a bill. That way it does not occur in Britain, as it could today on Bill C-91, that a bill is passed without certain clauses or amendments being explained or rebutted at all. Under our rules we have no such safeguards. The motion for time allocation is not debatable and it not amendable.

Mr. Speaker, you once told us that division bells are no substitute for debate. By accepting a time allocation motion which cannot possibly provide for debate on all components of a bill, no matter what the collective efforts on both sides of the House are, we will arrive at a situation in which votes have become a substitute for debate.

I would argue that if division bells are no substitute for debate then it is also true that divisions are no substitute for debate. You may hear it argued that since the House adopted the time allocation mechanism, this mechanism has the support of the House. Since the House passed the motion, the House supports it. I ask the Chair to consider the questionable nature of this argument in the context of Parliament's best traditions of implementing change as consensually as possible.

The changes the House adopted to its Standing Orders in 1991 were not consensual. They were supported not by the House but by one side of the House only.

Is time allocation warranted at this point? The evidence is to the contrary. Considerable time was spent in committee discussing the timetabling of the bill but if this was intended as filibuster, it did not work. The opposition parties not only agreed to but volunteered a proposal which ended the roadblock in committee and ensured that witnesses were heard on this important bill. I believe the record shows that there have been no dilatory tactics to prevent consideration of Bill C-91.

I do not want to misrepresent the case. If we could have successfully defeated this bill through a sustained filibuster or dilatory tactics we would have. That is what we attempted to do back in 1987.

Perhaps the discovery and availability of new dilatory tools were positive incentives for us in opposition to use instead of a debate to communicate our concerns about the legislative proposal. However, in 1987 you intervened, Mr. Speaker, to remove that temptation from us.

Consider, though, that the unilateral changes to the Standing Orders and easy use of closure are now positive incentives to governments to use those tactics instead of negotiation and consensus building. It is not appropriate that the Chair similarly intervenes now and removes that temptation as it did earlier. Just as it saved us from ourselves, so to speak, in 1987 is it not time now to save the government from itself and save the institute from the abuse of rules by either side?

In conclusion, I simply want to say that I am asking the Chair to refuse to accept the time allocation motion until there has been more debate on the bill or until the motion is amended to provide further debate. I ask that the Chair ensure that the debate on Bill C-91 provides an examination of each of the key elements of the bill. In short, I ask the Chair to take whatever measures it

deems necessary to restore fair play and common sense to these proceedings.

Some hon. members: Hear, hear.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I want to thank my colleague from the New Democratic Party who has made a very solid and worthwhile suggestion to the Chair that this particular time allocation not be allowed.

My colleague made reference to the Chair's decision of 1987. At that time I was the critic for the Official Opposition regarding Bill C-22 and the government House leader was the minister responsible. However, it should be noted in the record that at report stage there are 73 amendments before us and we are now on amendment No. 1. It is very difficult in view of the interest that has been expressed, not only by members of the opposition but by members of the government, that we have a thorough airing of all those amendments to give each and every one an opportunity to express ourselves with regard to this particular provision.

In conclusion, at the committee stage there were a few witnesses but there could have been more witnesses in terms of number, and discussion could have been more extensive if the government had seen its way to elaborate further at committee stage.

• (1550)

I hope the Chair will give serious consideration to the point of order which has been raised, not allow this time allocation, and fall back on the principle which the Chair has used and demonstrated repeatedly in this House; namely, a measure of fairness for all members of Parliament regardless of their political persuasion to have an opportunity to put their views on the record on a subject matter which is important, not only in terms of the aspects of intellectual property, but also as it affects our health care and as it affects consumers in this country.

I hope, Mr. Speaker, you will give due consideration to this worthy point of order.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I congratulate the member for Kamloops for reading those notes which were eloquent but irrelevant and not entirely factual.

All of the procedures in respect to Bill C-91 that were followed by the government were in total keeping with the Standing Orders of the House and are therefore in order.

Certainly, as the hon. members opposite have said, it is important for the Chair to be fair. It is also important for the Chair, as the Chair always does, to recognize that the rules of the House as set down by the House are necessary for us to proceed in orderly fashion.

I want to correct a couple of items. The hon. member for Kamloops talked about insufficient time. Second reading on this bill was started in June.

Mr. Nowlan: Summer recess.

Mr. Andre: In the argument given by the hon. member, time must be required for the public to have an opportunity to consider it and for public reaction to set in. I think five months is a pretty good period of time.

The hon. member over there shouting from his seat says it was summer. Do people put their brains in neutral during summer, are they incapable of considering it?

Mr. Wilson (Etobicoke Centre): Patrick does not work all summer.

Mr. Nowlan: No, no.

Mr. Andre: I wonder if the hon. member for Annapolis Valley—Hants would allow me to conclude my remarks.

Mr. Speaker: The hon. government House leader is replying. The House has listened carefully to the hon. member for Kamloops, the hon. member for Cape Breton—East Richmond, and I am sure the House would want to listen to the rest of the words of the hon. government House leader.

Mr. Andre: Mr. Speaker, the total time given at second reading was five hours and 15 minutes.

An hon. member: It is not enough.

Mr. Andre: It is not enough? There was some reference in the remarks of the hon. member for Kamloops as to the practice at Westminster, the mother of Parliaments. It was able to have a second reading debate on the Maastricht treaty which I think people would recognize as pretty profound in terms of the future of Britain and Europe and so on. It was able to conclude that in six hours and have a vote. For some apparent reason, on an important bill, but hardly of the same calibre as the

Maastricht treaty, five hours and 15 minutes is considered insufficient.

An hon. member: Nine days lost.

Mr. Andre: At committee there was 11 hours and 45 minutes of discussion and nine days offered by the government which were turned down by the opposition—nine extra days of committee meetings. There was ample opportunity offered for detailed study.

The hon. member also mentioned that the Standing Orders of 1991 were not agreed to by the opposition. Standing Order 78(3) in play today goes back to 1969 which, if I am not mistaken, precedes everybody who is currently in the House.

I am sorry, there is one member who was here in 1969.

An hon. member: The loud guy in the back row.

Mr. Andre: Sorry, there are two members.

To suggest that Standing Order 78(3) is somehow an invention of this government is to misrepresent the situation.

Finally, the hon. House leader of the Liberal Party raises a point that I think we do need to consider. That is the 73 report stage amendments.

We have to consider it in this context. The intent of the rule changes that were brought in was that legislation would be given second reading in the House, it would go to committee for detailed study, come back for report stage and third reading. The intent was that amendments to bills should be discussed in committee. There they could be looked at in detail, they could be discussed, debated, voted on and dealt with.

The practice which is observed here is that the opposition members on the committee simply refuse to allow the putting of any amendments, wanting to bring them into the House, thereby negating the value of the committee study as it is currently structured.

We might want to look at some changes to our Standing Orders to make committee study much more useful of members' time than it is currently turning out to be because of the practices that are being used.

In conclusion, I repeat that any reasonable person will find that proper procedures have been followed. This motion is totally in order and we ought to proceed with holding the vote so the important debating points that hon. members opposite want to make during report stage and third reading can be made.

Mr. Pat Nowlan (Annapolis Valley—Hants): A very short point of order, Mr. Speaker. I was a member here when certain rule changes were brought in. At that time Parliament did live and there was honest debate on controversial subjects. Mr. Speaker, as you undoubtedly know, and certainly the Table will know, the government House leader is right on the last part of what he said.

Now that I am on the opposition side, I wonder about moving amendments in committee because then you cannot move them in the House where you get the attention.

I never agreed more with the hon. member for Kamloops than on this issue. This bill was introduced on June 23, the day the House of Commons adjourned for the summer recess, and notwithstanding what was said by my hon. friend and former brotherly-like comrade, the member for Etobicoke, who talked about the summer, we all know that this past summer was involved in constitutional discussion.

Parliament came back on September 17 and that is when debate first started on second reading for one hour and 50 minutes.

We then adjourned because of the referendum, which was a unique period in Canadian history when the focus was on the Constitution and what was happening to Canada. There was no attention at all to the drug patent bill.

We had the referendum. We all know the results of October 26. This Parliament came back on November 16 and the bill was discussed for two days. Closure was put on the first day of debate, November 16, after two hours and 25 minutes of debate. The second day, November 17, debate was for three or four hours, for a total—and the government House leader has it wrong, to be fair—of eight hours and 40 minutes of debate at second reading of Bill C-91.

Mr. Speaker, in the sense of Parliament that used to be, if there ever was a bill that needed more focus from Canadians without the distractions, important as the Constitution was, that is Bill C-91. If the government is

so convinced of its case, why is it so scared to have parliamentary debate in this open forum?

In conclusion, Mr. Speaker, the opposition House leader said—and I know there are some games played here—that with 73 amendments, how in all sense of parliamentary tradition can they be discussed fully. We are not England where we know the longest debate was for two days on the European Common Market. In this country we are spread out and we need time to debate in this forum, if it means anything, to find out if people from coast to coast still believe in any of the issues we debate.

Debate cannot be choked off after three days between a September day when we were involved in the Constitution and then coming back here in the post-constitution hangover that the member for High River still has. There were two days of debate on November 16 and 17. Does the House think this is long enough for an honest debate on something that affects Canadians from coast to coast? Every Canadian takes drugs and patent medicine and pharmaceutical drugs and it is fundamentally important we examine this thoroughly. If there were ever a reason to support the unusual and unique motion of the member for Kamloops, if this Parliament is to mean anything, then this is the time for you, Mr. Speaker, a person equal among all of us, to exercise your discretion in favour of Canadians, not just in the technical interpretation of rules.

• (1600)

Some hon. members: Hear, hear.

[*Translation*]

Mr. Louis Plamondon (Richelieu): Mr. Speaker, on the same point of order, although, in principle, it goes without saying that the Bloc Quebecois is against limiting debate. However, we are somewhat surprised to hear the NDP complain indignantly about time allocation today, after having connived with the Liberal Party during the referendum debate to limit debate in order to prevent us from speaking out. When fighting for principles, you cannot act the martyr when, just a few months earlier, the very same principles were applied in reverse to limit debate.

In that sense, we can understand that the government would want to limit debate on this bill so vital to the Montreal area, as the NDP, by its attitude both in committee and in this House, does not seem to want the debate to progress toward a conclusion and a vote. Without agreeing with the principle of time allocation, again we are surprised, considering the Liberals and the NDP had supported these very principles to limit us at the time of the referendum.

[*English*]

SPEAKER'S RULING

Mr. Speaker: I know that the House would want me to respond to the hon. member for Kamloops and the hon. member for Cape Breton—East Richmond and the hon. member for Annapolis Valley—Hants who have raised an issue here which is, to put it simply, that it is inappropriate for the government to move now for time allocation. Some comments that I have made in the past have been quoted and I have listened very carefully to what I once said.

The difficulty it seems to me that those proponents of the motion are in is that, as the hon. House leader points out, there have been changes in the rules and the government has followed exactly the course it must follow under the present rules which govern us.

There has been some suggestion that when the present rules were past it was without the full consent of all the members in the House and that may well have been the case. The Speaker's area of manoeuvre in acting on discretion is always somewhat circumscribed and in this case it clearly is very much constrained.

I have to advise the House that in my view the government has followed exactly what the rules of the House are. As a consequence, while I have listened with great interest and some sympathy to the points made by members of the opposition, nonetheless I must rule that the matter can go forward.

The House has heard the terms of the motion.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

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

(Division No. 364)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bernier	Bird
Bjornson	Blackburn (Jonquière)
Blais	Bosley
Bouchard (Lac-Saint-Jean)	Boyer
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Chadwick	Champagne (Champlain)
Charest	Chartrand
Clifford	Cole
Collins	Corbeil
Côté	Couture
Crosbie (St. John's West)	Danis
Darling	DeBlois
Della Noce	Desjardins
Dick	Dobbie
Domm	Duceppe
Duplessis	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Fretz
Friesen	Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hogue	Horner
Horning	Hudon
Hughes	Jacques
James	Jelinek
Johnson	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Leblanc (Longueuil)	Lewis
Loiselle	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming)
MacKay	Malone
Marin	Martin (Lincoln)
Mayer	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	McKnight
McLean	Merrithew
Monteith	Moore
Nicholson	Oberle
O'Kurley	Plamondon
Porter	Pronovost
Redway	Reid
Reimer	Ricard
Richardson	Robitaille
Rocheleau	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Siddon
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Tétreault
Thacker	Thompson
Thorkelson	Tremblay (Québec-Est)
Van De Walle	Vankoughnet
Vien	Vincent
Wenman	White
Wilbee	
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—133	

NAYS

Members

Allmand	Anawak
Angus	Assad
Axworthy (Winnipeg South Centre)	Baker
Barrett	Bélair
Bevilacqua	Black
Blackburn (Brant)	Blaikie
Blondin-Andrew	Boudria
Breaugh	Butland
Caccia	Catterall
Chrétien	Clancy
Copps	Crawford
Dingwall	Dionne
Duhamel	Ferguson
Finestone	Fisher
Flis	Fontana
Foster	Funk
Gaffney	Gagliano
Gauthier	Grey (Beaver River)
Guarnieri	Harb
Harvard	Harvey (Edmonton East)
Holtmann	Hopkins
Hovdebo	Hunter
Jordan	Kaplan
Karpoff	Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)	Kindy
Kristiansen	Laporte
LeBlanc (Cape Breton Highlands—Canso)	Lee
MacAulay	MacDonald (Dartmouth)
MacLaren	Manley
Marchi	Marleau
Martin (Lasalle—Émard)	McCurdy
McGuire	Mifflin
Milliken	Mills
Mitchell	Murphy
Nault	Nowlan
Nunziata	Pagtakhan
Parent	Phinney
Pickard	Prud'homme
Rideout	Riis
Robinson	Rodriguez
Samson	Simmons
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stewart
Stupich	Taylor
Tobin	Vanclief
Volpe	Waddell
Walker	Whittaker
Young (Acadie—Bathurst)	Young (Beaches—Woodbine)—96

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare the motion carried.

• (1650)

MEASURE TO AMEND

The House resumed from Tuesday, December 8, consideration of Bill C-91, an act to amend the Patent Act, to amend another act in consequence thereof and to provide for other related matters, as reported with an

amendment by a legislative committee, and of Motions Nos. 1 and 2.

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, it is a privilege to rise and speak against this bill.

I think it is important to reiterate what this bill is all about. It is not about extending patent protection for pharmaceutical drugs. It is about completely eliminating, for the entire 20-year patent period, the right of any generic manufacturer to produce a drug that is under patent and to compete with that drug on the open marketplace.

Not only are we completely eliminating a process of licensing generic drugs in the patent period and providing cheaper drugs for Canadians, but we are making it retroactive. This means that somebody, who a year ago had the right to produce a drug, will be told that that right was cancelled a year ago once this bill passes.

What is the impact going to be? The impact for Canadians is going to be higher drug costs. Right now, generic drugs being produced while the original is still under patent cost 53 per cent of the cost of the patent drug. That is a saving of 47 per cent for Canadian consumers.

Who benefits from this? The patent drug companies benefit from this. I will give just one example. The changes brought on with this legislation to one drug company will mean $1.3 billion. That is just from making this provision retroactive and preventing competition with one of their drugs in the marketplace.

One would think from what we have been hearing from the representatives of the drug manufacturers that generics were undermining the market and threatening to destroy the whole industry. Nothing could be further from the truth. Generic drugs account for only 8 per cent of the market leaving fully 92 per cent of the market to the patent drug manufacturers who claim they need the protection and the extended rights that this legislation provides. Not only that, but this patent drug industry is the most profitable industry in the Canadian economy and in the American economy.

I think we have to ask who pays for these great gains. As I said, there are billions of dollars of revenue to be gained by the drug companies. Seniors will pay. Taxpayers will pay through medicare. Anybody who is too poor to have a drug plan or works for a company that does not have drug plan will pay. That usually means lower-paid workers in our society. Every single taxpayer across this country will pay for the extra revenue and the extra profits to be generated for the drug companies that already represent the most profitable business in North America.

Insurance plans will pay. Many of us have plans that cover the cost of our drugs but those do not come without a cost either. Ultimately it is the medicare system that will pay.

We have growing concerns about the cost of our medicare system and anything that adds to that burden undermines continuing a universal accessible health care system for Canadians.

Four hundred million dollars a year is being saved by seniors, the poor, insurance companies, taxpayers and middle class taxpayers because we have generic drugs in this country.

We have heard fear-mongering that new drugs to serve the health needs of Canadians to cut our health care costs will not be produced if we do not pass this bill. What utter nonsense. Canada accounts for 2 per cent of the global patented drug market. Do not tell me that companies are not going to continue to produce drugs for the 98 per cent of the market.

An hon. member: Right on.

Mrs. Catterall: Although we consume and account for only 2 per cent of revenues, only 1 per cent of the research money is being spent in Canada. This is from the industry that five years ago said: "Give us extended patent protection and we will spend more money on research in Canada".

Only 1 per cent of the new drugs developed are developed in Canada although we are 2 per cent of the market. Far fewer drug company profits go into research in Canada than in the United States and other countries around the world. We are getting half of our share of research. This is from an industry that five years ago said: "Give us more of a free rein in the marketplace, remove our competition and we will do more in the way of research."

What we have in Canada is branch plant drug companies. We do not have basic research. We do not have the kind of foundation that this country wants to see in this industry that is the most profitable in our economy and it does not deserve the kind of protection that this Conservative government is now proposing to offer.

It is really astonishing to see this bill coming forward from a Conservative government. What is it talking about? This is the government that talks about free market. This is a bill that limits competition. It says that for 20 years one does not have to compete against anybody else.

It is offering the patent drug companies a protected market for 20 years. This is the government that talks about competitiveness. How can competitiveness flourish, however, when rules change in the middle of a game? A company that a year ago was able to produce a drug is told now that despite the money invested in getting that drug ready to come on the market, it is not going to be able to do that because the rules have changed and they have changed retroactively.

We talk about fairness. The generic companies now have permission to produce 22 patent drugs that will not come on the market and will not compete with patented drugs because this government is saying that the rules of the game are changing. The change goes back to last year. We are removing the permission to provide 22 different drugs at a lower cost to Canadians.

• (1700)

We talked about honesty. There is no honesty in the debate on this bill. It is not extending patent protection, it is entirely removing the right of any company to produce generic drugs as long as the patent lasts.

It is not true that GATT requires us to do this. The proposed changes to GATT have not even been approved. Even if approved they would allow one year for a country to act and even after that year there is no certainty that Canada would have to take this kind of action.

It is not true that NAFTA requires us to do this. How could NAFTA require us to do this when NAFTA has not even been introduced in this Chamber? It has not yet been debated and has not been approved.

If NAFTA tells us what we can and cannot do to provide health care for Canadian citizens then we do not need NAFTA. That is just one more reason to vote against it.

I want to say a few final words about the corruption I have seen in people's integrity around this issue. This government attempted to suppress a report from its own officials that showed what this bill would do to drug prices in Canada, a report that said that patent protection was not producing research now and would not in the future. The report by our government officials would have led us to the conclusion that we should be cancelling the 1987 Bill C-22 that extended patent protection rather than making it absolute as this bill proposes to do.

I and every member of this House resent it when officials are told not to tell the truth, when they are brought before a committee of Parliament and gagged, when they are prevented from telling the truth about the scientific and analytical work they have done.

With all the money that is being spent on lobbying for this bill, we must ask who gains and who loses. Those who gain are the most profitable industries in this country. Those who lose are seniors, the poor, and the taxpayers, those least able to afford to pay to increase those profits.

To conclude, I do not think that we are here as government and as Parliament, to benefit the most profitable segment of our economy at the expense of those least able to pay.

[*Translation*]

Mr. Gabriel Fontaine (Lévis): Madam Speaker, it gives me great pleasure to speak to Bill C-91 which I view as a particularly significant piece of legislation for the drug industry in the province of Quebec. It is well known that this bill has generated considerable controversy and goes back to Bill C-22. You will recall the uproar, both in the House and in the Senate, surrounding the passage of Bill C-22 which paved the way for the present situation allowing us now to strengthen the protection granted to companies involved in research.

The government is aiming at striking a balance between economic growth and consumer protection. Bill C-91 builds on the 1987 amendments to the Patent Act called, as I already mentioned, Bill C-22.

In 1987 the government took the first steps to stem the exodus of researchers and manufacturers who were deserting the Canadian drug industry in droves for a more welcoming climate. The 1987 amendments to the Patent Act were aimed at developing a policy favourable to research and innovation while protecting consumer interests.

As you know, Madam Speaker, it is essential to reward research if we want to promote a strong economy at a time where technological expertise and international competition are forever growing.

In other words, we want to keep drug developers in Canada in order to increase our research and technology capacity here and not elsewhere. We want companies to stay in Canada so that they employ our science graduates, invest in plant and equipment on Canadian territory, invest in research in universities, hospitals and other research centres, and export from Canada instead of importing from abroad. These are the objectives we want to achieve, together with a solid mechanism to control the price of patented medicine.

We never wanted to stimulate unbridled growth of the drug industry at consumers' expense. The spirit of our policy in 1987, as today, was to guarantee tight control of patented medicine prices so that the prices paid by Canadian consumers remain reasonable. We obtained this guarantee with the 1987 amendments, thanks to the Patented Medicine Prices Review Board. This board has done its duty and with the present bill, it will have more power.

Bill C-91 will authorize the board to reduce prices that are considered too high and to impose fines and prison terms on those who refuse to comply with its directives.

Detailed calculations allow us to predict that thanks to this new legislation, the amount spent by pharmacies and hospitals to buy all prescription and controlled drugs should not increase by more than 2 per cent a year from now until the year 2000.

Furthermore, between 1992 and 1996, thanks to Bill C-91, the total increase in the cost of patented medicine is estimated at $129 million, or approximately $25 million per year, which comes to $1 a year for every Canadian. I do not think that is too much to pay for a policy that stimulates research and development.

Thanks to this bill, Canada will reap the benefits of almost half a billion dollars more in investment by the innovative drug industry in the foreseeable future. That is a real balance between promoting economic growth and protecting consumers. Our achievements since 1987 attest to that.

Since 1987, the amendments to the Patent Act, better known as C-22, have borne fruit and their success continues to this day. Remember the criticism that the opposition Liberal Party and New Democratic Party made then. First, they maintained that the innovative drug industry would not keep the promises of investment that it had made to the government. Second, they said that the government would not be able to keep the price of patented medicine down; and third, that it would mean the end of generic drugs.

I would like to report on each of these issues. Concerning the first one, investment in research, the innovative drug industry has reached the promised objectives by doubling investment in research as a percentage of sales and it did this five years ahead of schedule.

This same industry has invested over a billion dollars in research and development in Canada over the last five years; $340 million went to universities, hospitals and other medical research establishments.

As for the second controversial issue, drug prices, the average annual increase in the price of existing patented medicine was about 2.9 per cent from 1987 to 1991. In the same period, the consumer price index rose 4.4 per cent a year. The increase was thus less than inflation between 1987 and 1991. This is an example of effective control of drug prices that completely refutes the objections raised in 1987 and should also make our opponents today think.

Other countries find that our drug price control system works. A study by the United States General Accounting Office on the price of 200 best-selling prescription drugs published in October showed that prices were about 32 per cent higher in the United States than in Canada. Half of the 200 drugs in the study cost wholesalers at least 50 per cent more in the United States; 27 per cent of these best-selling drugs cost wholesalers at least 100 per cent more in the U.S.; four of the ten most popular prescription drugs in the United States cost between 59 per cent and 278 per cent more in that country.

• (1710)

The American study concluded that one of the main causes of the price difference between the two countries was that the Canadian government had taken action, as the report says: "In setting their prices, Canadian manufacturers of patented drugs must comply with Canadian federal regulations controlling the price of new medication and increases in the price of existing drugs."

Obviously the Patented Medicine Prices Review Board has done a good job and our policy works. As for the third issue, the alleged disappearance of the generic drug industry in Canada, that has not happened. That industry has grown twice as fast as the pharmaceutical industry as a whole since 1987. Here again, the critics were wrong, and if they continue to use the same arguments today to oppose Bill C-91 they will be wrong again.

This legislation enables us to strike the balance that we sought between two important factor: on one hand, consumer protection is maintained through strict price regulation; and on the other, we have a healthy, vigorous, competitive drug industry, which is precisely the type of knowledge-based industry that Canada needs for its future.

We have succeeded in every respect with price control and a policy that welcomes investment. Today we ask the Liberal opposition and the New Democratic Party to co-operate, because our business people, our young university graduates and our young scientists need a law to protect their inventions. This is why we ask all members to pass this bill as quickly as possible, particularly to help the economic situation in Montreal and in Quebec.

[*English*]

Hon. Lloyd Axworthy (Winnipeg South Centre): One of the basic articles of faith of any parliamentary system is that the government tries to tell the truth and to give to its citizens a fair and accurate appraisal of important matters in front of it so that the people will at least have the right to make a choice as to the legitimacy of legislation, good or bad, based upon legitimate facts.

We have been told that the reason for Bill C-91 is that it must be in full accordance with international treaties being initiated by this government, particularly the General Agreement on Trades and Tariffs and the North American free trade agreement.

In particular, it has tried to justify the retroactivity clause by saying that we had to go back and meet the new GATT laws.

What it did not say is that there is not yet a new GATT law. There is a set of proposals being discussed but it has not been agreed to, and if the French farmers have anything to do with it, it will probably never be agreed to. That is in the realm of speculation.

What is more dangerous and I think more erosive of the principles of this House is that even in that proposed GATT agreement there is no requirement, no hard and fast rule, that a country abandon its compulsory licensing provisions.

For the Minister for International Trade to go on to the lecterns of this country, trying to sell this legislation on the basis that somebody made him do it over in Geneva is pure, unadulterated hogwash.

Article 30 of the proposed GATT agreement, page 70 reads: "Parties may provide limited exceptions to the exclusive rights conferred by a patent provided that such exceptions do not unreasonably conflict with normal exploitation of the patent and do not unreasonably prejudice the legitimate interest of the patent owner taking account the legitimate interests of third parties".

In other words, according to article 3 three of the GATT proposal that is now being said as being the compelling reason why we must do Bill C-91, the Canadian government could properly argue that any drug monopoly will have a severe impact on the Canadian health care system, third parties such as seniors or sick people, and therefore have a legitimate reason for applying for an exemption under the GATT. Anybody who says differently is not telling the truth, is misleading Canadians and is attempting to bias the debate in this country to serve a particular purpose.

That is not even enough. Let us go to article 31(b) of the proposed GATT agreement and see how ironclad an obligation this is. I have the agreement here if anybody wants to read it. It is only about 400 pages long. I am going to read the quote directly:

"Where the law of a party allows for the other use of subject matter of a patent without authorization of the right holder, including use by the government or third parties, the following provision shall be respected: such use may only be permitted if part of such use the proposed user has made efforts to obtain authorization and this requirement may be waived by a party in the case of a national emergency or other circumstances of

extreme urgency or in cases of public non-commercial use".

What is the public health care system of Canada if not a public non-commercial use? Do we not have a public health care system province by province? Is it not designed to ensure that all Canadians receive fair and equal medical treatment at the lowest cost possible? Does that not become fair, honest, serious grounds for exemption under the proposed GATT proposal? Of course it does.

We continue to have the voices of deception in this country led by this government trying to sell it as if somehow we must yield to some kind of holy obligation. If you go back to article 8 of the GATT agreement, in terms of setting out general principles: "Parties may, in formulating or amending their national laws or regulations in relation to patent law, adopt measures necessary to protect public health and nutrition and to promote the public interest in sectors of vital importance to their socio-economic and technological development".

That is the basic principle of the GATT agreement, that we have a right to defend our public health and our socio-economic system.

I charge this government, with no uncertainty, of misleading Canadians by saying that we need Bill C-91 and that we need the retroactive clause to meet the GATT agreement. It is simply not the truth. It is about time the Minister for International Trade owned up to fact he can no longer tell the truth because he no longer understands what it is.

Some hon. members: Hear, hear.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, that is according to the text.

Therefore, any validity or credibility this government had that is prepared to defend the public interest of Canada gets flushed down the tube by the very words of what it says it has to obey. It is heresy. The Conservatives are misinterpreting their responsibilities under the GATT rule.

The NAFTA agreement is the government's own concoction. The countries of the world did not come up with NAFTA. It is what the government is writing into it. However, it was so stupid and so idiotic that it was prepared to sign an agreement that would allow the Mexicans to have an eight-year transition period for their own public drug companies but we could not bargain the same thing for ours.

• (1720)

It is incredible and it is unbelievable. Yet the Prime Minister and the minister of trade stomp across Canada saying: "NAFTA is good for you". Sure it is good for you. It is good for a $2 billion swallow of increased cost for you. It is good for their friends, it is good for their corporate buddies, and it is good for their allies. It may be good for getting them jobs after they get defeated but it sure is not good for the Canadian people.

That is the real reason. The real reason is not in the trade agreements. I will concede that when drafting NAFTA, in copying the GATT they tended to forget. They included the first part of the proposal, which requires the phasing out of compulsory licensing, but they did not live up to the honour and the word of the GATT proposal, which provided clear exemptions for compulsory licensing.

Mr. Edwards: Tories like Judy Erola.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I hear the Conservatives raising the name of one of my former associates, as if somehow the Liberal Party and the present caucus must be held responsible for the vagaries of one of its members.

If they answered for the vagaries of all their former associates they would be attending parole board hearings every single day of the year.

Let us not use that as an excuse. Let us get down to the merits of the case. There is nothing under GATT that would require Canada to implement Bill C-91. If there was any court of justice that required some sense of veracity and verity from a minister, the Minister for International Trade would be given the longest sentence possible.

He would be incarcerated for the rest of his life, because he has told the biggest whopper which has cost Canadians more money than any criminal we could possibly imagine. It is a bigger heist than the Brinks robbery, to use that argument.

The whole reality of what we are debating disappears. It vanishes. It is not there. It is ephemeral. It is made up. It is a fantasy. That is why we are simply saying that they cannot with any honesty justify this proposal with those arguments.

We must restore a sense of trust in Canadians so they can feel that their members of government and Parliament are at least prepared to deal with the truth. I would say there is only one way to restore credibility, and that is to withdraw Bill C-91 and make a serious examination of how Canada can live up to its proper international obligations and at the same time use the law as it has been proposed to ensure that we protect the public health and the public interest of the Canadian people.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, throughout all the debates on this bill we must not overlook or minimize the fact that one of the fundamental objectives of this legislation concerns questions of protection and of rewarding people's investments in discovery.

In essence, that is what the patent protection bill is all about. Bill C-91 will help us open doors to world markets, contributing to the stimulation of this country's economy. As Professor Labrie of Laval University said so effectively in his presentation before the legislative committee last week: "We will have to adapt as quickly as possible to the rules of world-wide markets before all the seats are taken by others who have reacted more quickly and more vigorously than us".

He went on to say that: "While Canada's medical sector is recognized internationally for its excellence, opportunities will be largely lost if its work cannot be translated into economic spin-offs for exports and into the new drugs needed by Canadians for better health care".

Bill C-91 is very much a question of encouraging and recognizing discovery. It is also very much a question of fairness. We have spoken at length about protecting the consumer through strong patented drug price controls and of encouraging investments in a high technology industry with the resulting benefits of job creation and export development potential.

However, the whole question of fairness and recognition for innovation is also very important to the government, and it should be just as important to the people of this country.

It is the government's belief that innovation deserves to be recognized. If there is no protection or reward for such effort, that effort will eventually stagnate or move to where it is recognized. We well know that Canada lags behind all of its major international competitors in the patent protection it accords to pharmaceutical products.

Even though the full patent term award is 20 years, we must not lose sight of the fact that the period of actual product development testing, et cetera for new medicine comprises roughly 10 of those 20 years. Although that leaves 10 years for the marketing of that product under patent protection, present legislation permits others to copy the medicine after it has been on the market for only about seven of those ten years.

Consequently, while a company has a patent on a product for the last three years of that patent period somebody else can copy it and market it under a compulsory licence.

This seven-year period of market exclusivity in Canada lags behind that of the United States, where it is 14 years. It lags behind those of countries in Europe, where market exclusivity of pharmaceutical products is 15 years. Our regime of patent protection for pharmaceuticals, featuring compulsory licensing with a period of market exclusivity of only about seven years compared to these much longer periods elsewhere, simply does not measure up. Canada is losing out because of it.

Bill C-91 will go a long way toward changing that situation. This legislation will add on average about three years to the period of market exclusivity in Canada. It does not add 20 years to the period of market exclusivity—or 10 years or whatever other number of years critics across the way are saying it adds—it simply adds about three years of market exclusivity to the patented pharmaceutical product.

By doing that the legislation brings the Canadian drug patent regime closer to those of our international competitors so that Canada can once again compete for research and development projects, and particularly for investment dollars.

Although the practice of protection of intellectual property may seem to be a complicated affair the reasons behind it are really very simple when we strip away the legalese and the jargon. It is a straightforward affair. It stimulates invention and new technology. It recognizes people for developing a better mousetrap, except in this case we are not talking about mouse traps but about new medicines and new cures for treatments of ailments and diseases that afflict Canadians and people throughout the world.

Without patents on those inventions there really would be little motivation for people to develop those inventions. Why should someone invest years of effort and large sums of money when others can copy the work of the inventor with no obligation? In this situation, people will stop inventing and people will stop investing.

By adopting this legislation, we will be providing the pharmaceutical sector in Canada with the same conditions of patent protection as are available to all other sectors of our Canadian economy. As it is now, pharmaceutical inventions are not treated the way that inventions in other sectors of the economy are treated. For example, the patent for a new plastic compound receives full market exclusivity for the patent holder for 20 years.

Why not the same for the developer or the creator of a new medicine? We should all agree that it is only fair that all sectors of the economy should be treated the same way when it comes to recognition for a discovery.

That is the major reason we are going forward with Bill C–91. I urge this House to adopt the bill. It is good for Canada, it is good for Canadians.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, one could accuse the government of being high on drugs but that would not be parliamentary. I suspect that it is high on the drug companies.

Just who are these people? A veritable who's who, no doubt: Bristol–Myers, Squibb, Hewlett–Packard, Johnson & Johnson, Monsanto, and Procter & Gamble. There is absolutely no doubt they are the poor people on the block. There is an old saying: "A spoonful of sugar makes the medicine go down". Well, this is a poison pill for Canadians across this country. A report in the 1960s said that drug prices in Canada were among the highest in the world. They corrected the problem. Now we are in a situation where the drug companies have reduced the price of drugs by 20 per cent and sometimes 30 per cent. They are saying: "That is not good. We have to jack those prices up and make them more expensive".

• (1730)

The member from Winnipeg talked about GATT. That is important. That is the legal slant on this particular bill and what the government has put forward as its argument. It has been proven to be fallacious. The average Canadian no doubt has a difficult time understanding what GATT is and some of us in these seats have difficulty understanding it also. However, what they do understand is that the price of drugs will continue to spiral as a result of C–91.

An hon. member: They are going straight up. They are not even spiralling.

Mr. Butland: They are not spiralling, they are going straight up. Constituents by the dozens in my riding were calling me just about a year ago, asking me: "What happened to this particular drug? The Ontario government says it is not going to pay for it anymore under OHIP". Upon further research it was indicated that the drug companies had increased the price twelvefold. After investigating, we asked: "What is the difference". The toothless Prices Review Board said: "Well, they are under investigation right now". The details of that investigation given to me revealed that they had repackaged the drug. "It is a new improved drug with better results, therefore, we have to increase the price of the drug 12 times."

I cite from some of the actual statutes of the Prices Review Board. The first consists of new strengths of an existing dosage form or comparable dosage form of an existing drug product, a line extension. The second includes drug products that constitute a substantial improvement over other drugs because of significant improvements in the therapeutic effects or important savings to the Canadian health care system. It is impossible to document, therefore, the Prices Review Board says: "There is not really anything we can do. We will have to allow the prices to increase tenfold, twelvefold and there is not a darned thing we can do about it".

Who is to prove how much more substantial a new product or an old product under a new disguise or a new camouflage is going to be for people. The Ontario government says: "We cannot afford these prices under the OHIP program". Therefore they take it off the list. The constituent says: "I cannot afford the $100 a month to pay for the drug bill". Who is at fault? I suspect the people at the top are at fault. but the person at the bottom of the heap always pays the price.

These are drugs that are absolutely essential to these people; life-threatening without them and they cannot afford to pay $100 a month. We can talk about GATT, NAFTA, free trade, patents and compulsory licences, but the bottom line is that average Canadians will pay considerably more. Really, once the bill is passed we will never know because there will be no effective police individual to look after the interests of Canadians.

I want to say when Bill C-22 was passed, the president of the Pharmaceutical Manufacturers' Association of Canada said: "This means the beginning of a new era in Canadian biomedical research".

An hon. member: They meant bigger profits.

Mr. Butland: A new era. Four years later the era is over and we are embarking upon a new era I suppose. It is the shortest era in history.

An hon. member: Hot era.

Mr. Butland: Hot era, that's a good line.

She was telling Canadians that their drug laws were not up to international snuff, but then Judy Erola was insisting Canada is the odd man out.

We certainly do not want to be the odd person out in the international world because our prices are a little bit too low. We would not want that to happen. That just would not be appropriate.

This is the second time in the four years that I have been here that the word retroactivity has been mentioned in legislation. The last time it was not all that noxious or consequential, but this time there is no doubt about it.

Today I received a fax—I did not know those Glaxos or Eli companies existed out there—saying "Dear Mr. Butland, we are delighted to tell you that we are going to invest $170 million". Isn't that wonderful? Today I got the fax.

It was purely fortuitous, purely coincidental that it would happen today when we are debating Bill C-91. We are hearing from all of these people. I understand they are jamming the faxes. They are all going to invest, invest, invest. It is no darn wonder. I would invest too if I were making the profits they are making.

The Americans have been unabashed in telling us in books, in reports and discussion papers about trade deals. This is what it is all about. I remember the Shamrock summit. It was indicated that President Reagan and the Prime Minister were discussing this and Mr. Reagan was particularly upset with the Prime Minister, saying that we have to move forward, we have to get Canada in line and he was very disappointed with us.

The Prime Minister, not wanting to disappoint the President, has brought this forward at the behest of his good friends in the pharmaceutical companies of this country and of course they are, as someone has pointed out, only branch plants of the multinationals.

This is a reprehensible bill and it is a bitter pill for Canadians to swallow at this particular time. Once again this bill is going to be shoved through Parliament. The last bill shoved through at Christmas was a claw-back bill. When everybody is into their world of good spirits of the Christmas season is when this government acts. That is when it acts quickly. That is when it must be watched even more closely, with more scrutiny.

Here we are at Christmas time and the very last bill we are going to pass in this Parliament is going to hurt Canadians. It is going to cost Canadians. The Grinch stole this Christmas and last Christmas, but I expect this will be the last Christmas it will have an opportunity because on this side of the House the New Democratic Party will vociferously oppose this bill. We only wish we had more time to oppose it.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, first of all I want to comment on a couple of points made by the previous speaker because I think there may be some misunderstanding as to why Canada no longer wants to be, in his words, the odd man out in terms of international law and international agreements, why countries around the

world respect each other's patent legislation the same as they respect each other's copyright legislation.

If it is too difficult for the member to follow in terms of patents maybe we could talk about something as easy as copyright. An Anne Murray produces a record in Canada and would like to get royalties when her records and CDs are played in the United States. We recognize other countries' patent legislation and copyright legislation, and they respect ours.

If Canada is the only industrialized country in the world that does not have 20-year patent legislation, then why would other countries want to respect our patents?

The world has become a global community and if we do not respect the patent legislation of other countries, they certainly will not respect ours. If we are going to short-cut the system, if we are going to peel off a couple of extra years, kind of cheat the international system, abrogate GATT and other international agreements, then pretty soon other nations are going to start looking at Canada as they look at some banana republic that does not respect patent legislation anywhere in the world, that does not respect copyright legislation. That is only one point I wanted to mention.

• (1740)

He also talked about this era of investment that began in 1987. I would like to take a look at that era of investment and how it has not started today with the announcement of a $170 million research and development program in his area, but how it has been happening all across this country for the past four years, and how it will continue.

In 1987 Parliament passed Bill C-22, an act to strengthen the pharmaceutical patent legislation. At that time there was a furore over its implementation and the perceived effect it would have on Canadian research and development, drug prices and the generic drug manufacturers, the same kind of hullabaloo that we are hearing from the opposition today.

I would like to go over with members what type of research and development has occurred in Canada since 1987 and what the industry plans to achieve over the next three to four years.

In 1987, as part of the implementation of Bill C-22, the innovative drug companies promised to double the research and development to sales ratio to 10 per cent by 1996 if the country improved patent protection.

Mr. Speaker, Canada did. We passed Bill C-22 and the companies more than delivered on their promises. They essentially met their commitment by 1991, five years ahead of schedule, doubling their research and development expenditures in Canada.

The question that many Canadians may ask, however, is how much of this investment went to the regions of Canada? Was it all in central Canada, or were there jobs in research and development for the regions? Also, are there likely to be benefits for the regions in the future as part of the new legislation being debated?

As I mentioned earlier, it is apparent that the patent pharmaceutical manufacturers have more than delivered on their 1987 promise. The innovative industry has spent close to $1.1 billion on research and development in Canada since the Patent Act amendments of 1987. In 1991 alone, a year of recession in this country, research spending by innovative pharmaceutical companies totalled $376 million, a 23 per cent increase over 1990.

How many other industries in Canada saw such a growth in capital investment in that same period? It is readily apparent that the Canadian pharmaceutical industry is a Canadian success story that government should applaud and assist. In doing so, the industry will be encouraged to spread its success to all regions of Canada in an environment of co-operation and achievement.

These achievements have already begun to pay dividends in the regions of Canada that in the past were not traditional centres for investment in research and development.

Since 1987 and the revisions to the Patent Act, the innovative companies have created 2,400 jobs in Canada. These jobs are quality, long-term jobs that the regions of this country need to diversify and strengthen their resource-based economies. These jobs also attract the best students and professors for the universities that want to expand their horizons into the high-tech world of pharmaceutical development.

Perhaps the best way to understand what the effect of Bill C-22 has had on areas outside of central Canada is to examine the amount of investment into research and development that has occurred in these areas since its implementation. The Patented Medicine Prices Review Board has reported that in the period 1988-91 industry investment in research and development in Manitoba

showed a 119 per cent increase. That is why the hon. member for Winnipeg South supports the bill.

Mrs. Dobbie: Absolutely.

Mr. Richardson: In the same period, industry investment in research and development in Saskatchewan increased by 170 per cent. In B.C. the increase in investment was 72 per cent. In my own province of Alberta, a leader in pharmaceutical research, current investment is at record levels, a point which I will dwell on a little further in a moment.

These numbers dramatically demonstrate that the innovative pharmaceutical manufacturers have spread their research and development spending across the country in a fashion unlike any other sector. The research community in the regions of Canada recognize the importance of this new legislation in order to foster an investment climate that will promote research and development, and the people across Canada recognize the importance of this legislation. I am sure that each of them hopes that new investment will find its way to laboratories and research facilities in their part of the country.

An important question for the people outside of central Canada concerns the ramifications for their economies if this legislation is not passed in the coming weeks.

The passing of this legislation is directly linked to job creation over the coming years in regions across the country.

On June 14, 1992 Bristol–Myers, Squibb announced that it would be spending $250,000 on a research and development project at the University of Alberta, and on October 6, Glaxo announced it would spend $15 million at the University of Alberta. The people of Alberta understand; they know this development research money is going to our universities creating jobs in Alberta.

On July 15, Bristol–Myers, Squibb announced it would spend $500,000 on research and development at the University of British Columbia.

On September 1, 1992 Merck Frosst Canada Inc. announced it would spend $15 million on research at the University of British Columbia.

On October 5, 1992 Ayerst announced it would build a new $60 million plant in Brandon, Manitoba. These are the types of announcements that the people in the regions of this country want to hear and they know the long–term benefits for both jobs and the health of their communities.

The Canadian Genetic Diseases Network is one of 15 research networks sponsored by 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.

I do not think there is a person in this room who does not think that this important work needs to be done on an urgent basis to save the lives of people with these crippling diseases.

This work is also likely to create 10 new faculty positions at UBC, representing a tremendous opportunity for researchers in Canada. They will become involved in leading edge research and development in one of the most exciting areas of science and technology.

I have spent a lot of time discussing what effect this legislation will have on western Canada but I can assure the House that the same sort of optimism exists in the east in Atlantic Canada.

As recently as December 2, 1992 Marion Merrell Dow (Canada) Inc. announced it was going to establish a cardiac prevention research centre at Dalhousie University. This centre is funded in its entirety by Marion Merrell Dow, one of Canada's largest innovative pharmaceutical companies.

It is hoped that the work conducted at the cardiac prevention research centre will lead to effective prevention programs in the fight against coronary heart disease.

The provincial minister of health in Nova Scotia, the Hon. George Moody, has stated of the centre:

> Marion Merrell Dow is one of the first pharmaceutical companies to recognize the leadership role of Dalhousie in health research. The initiative is a direct investment in the future health of our province.

All regions of this country support the type of research and investment, ongoing commitment which can better the health of all Canadians.

In conclusions, the reasons why I support Bill C-91 are clear. It is good for Canada, good for the Canadian health research and development and good for the regions of this country.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I have stood in this House many times and complimented the government on its tactical skills and I have mentioned many times how it seems to have a superior ability when it comes to communications.

On this bill the government is going to discover within a very few months that the tactic it has used to push this piece of legislation through the House of Commons and this bill are going remove this government from office.

Earlier today we heard the chairman of the—

The Acting Speaker (Mr. Paproski): I regret I have to interrupt the hon. member because he has spoken on this grouping. There have been a lot of speakers and I had to check it out first before I recognized the hon. member. This is the same grouping and he cannot speak on it.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, Bill C-91 builds upon the success of the Patent Act amendments of 1967, then known as Bill C-22.

The members of this House will remember very well the hue and cry of the opposition back then that the sky would fall on consumers and on the generic drug sector if Bill C-22 were passed.

It was also predicted back then that the promises of investment if we reinstated the patent protection for pharmaceuticals on the part of the innovative companies would not be kept.

• (1750)

Critics claim loudly and vigorously by that the powers of the Patented Medicine Prices Review Board would never be sufficient to control patent drug prices. Strangely enough, most of the same claims can be heard today from the opposition concerning Bill C-91. Bill C-22 has been a great success story. There is no reason for Bill C-91 to be any different.

The innovated companies have met the commitments the government asked of them in 1987. In some areas they have done better than they committed to do. There is no reason to doubt that they will carry through on their new investment promises related to the announcement of the government's new policy, with such planned investments totalling over $500 million to date and still counting.

In 1987, the innovative drug companies promised to double their research and development spending in a ratio—-

Mr. Nystrom: Mr. Speaker, on a point of order. I am sorry to interrupt the proceedings, but if you check your rule book, you will see that members when they speak in the House are not allowed to read a speech. They can only refer very briefly from time to time to notes.

The Acting Speaker (Mr. Paproski): I do not believe that the hon. member is reading the speech. I think he has some notes that he is referring to. The hon. member has the floor.

Mr. Thompson: Mr. Speaker, I hope that time is added to my speech. In due respect, I very seldom stick to the script as I will tonight. The reason I am doing that is there has been so much distortion of that bill on the other side of the House, it is time that some of us put clearly on the record what this bill does and what it will do for the Canadian economy.

It is very unfair for the member to stand up and do what he has just done. He has been around here a lot longer than I have and I think in fairness he realizes that very seldom in debate do I have to step through the facts and figures as clearly as I have to tonight. It is very important that the facts and only the facts be laid on the line tonight. That is what I will attempt to do.

In 1987 the innovative drug companies promised to double their research and development spending in a ratio of sales of 10 per cent by 1996 if the government improved patent protection. Canada did and the companies more than delivered on their promises. They essentially met their commitment by 1991, five years ahead of schedule.

The innovative industry has spent close to $1.1 billion on research and development in Canada since the Patent Act amendments of 1987. In 1991 alone, a year of recession, in this country and others as well research spending by innovative pharmaceutical companies totalled $376 billion, a 23 per cent increase over 1990. How many other industries in Canada saw such growth in

their capital expenditures? I do not think too many of them did.

The pharmaceutical industry in Canada is a success story of which we should very proud. The highest increase in house R and D expenditures of all industries in Canada over the period of 1988 to 1992 was achieved by the pharmaceutical industry; a 113 per cent growth, according to Statistics Canada in a report published in 1992. Spending on R and D by the pharmaceutical companies or the industry as a per cent of sales is five times greater than Canada's manufacturing industry.

Since the 1987 revisions of the Patent Act, the innovative companies have created 2,400 jobs in Canada. The system that has been in place since 1987 has worked very well on the economic development score.

Another concern of the opposition in 1987 were drug prices and the controls upon those prices. Bluntly put, the Patented Medicine Prices Review Board was set up in Bill C-22. It was not supposed to work according to the critics, but it has. There is no reason to believe that the board with its expanded powers under Bill C-91 will not continue to effectively control the prices of patented medicines in the future.

Let me put the board's role in perspective. The board is responsible only for patent drug price changes. Where the board does have jurisdiction it has been extremely effective. Since its creation in 1987, price increases for existing patent drugs have risen by an average of only 2.9 per cent a year while the consumer price index has risen by an average of 4.4 per cent. Therefore, we have kept patent drug price increases well below the rate of inflation and we will continue to do so. This is a very strong record of effectively controlling patent drug prices and it completely discredits the criticisms of 1987 as well as those today regarding Bill C-91.

Furthermore, it is becoming increasingly evident to others in the world that our system of drug price control works. A recent study by the General Accounting Office of the United States government, looking at the pricing of the 200 biggest selling medicines in the U.S., established that the wholesale drug prices in Canada were 32 per cent lower on average than those in the United States. Interestingly enough, the opposition never mentions that.

One-half of the drugs studied cost wholesalers at least 50 per cent more in the United States. Of the 200 top selling drugs, 27 of them cost wholesalers at least 100 per cent more in the United States. Three drugs cost at least 500 per cent more in the United States. Furthermore, 4 of the 10 top selling drugs in the United States cost between 59 per cent and 278 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 between the United States and Canada is to be found in the actions of the Canadian government through the Patented Medicine Prices Review Board. This is a board that we set up. It relies on provincial formularies with their concentrated purchasing power to refuse to list overpriced medicines.

Clearly the Patented Medicine Prices Review Board is doing its job. To make sure it continues to do its job, Bill C-91 will strengthen and expand its powers.

Another element of the doomsday scenario of the critics of this bill and our patent drug bill in 1987 had to do with the supposed disappearance of the generic pharmaceutical manufacturing sector in Canada. The generic sector grew rapidly in the years preceding 1987. It followed the policy which the previous government instituted in 1969 to allow any company to license a patent product from a brand name company in exchange for a 4 per cent royalty fee.

This policy, although it led to the creation of a growing sector of companies that copied products developed by others, caused the international innovative sector in Canada to look for more welcome homes elsewhere. They looked in other countries in search of protection for their inventions and research efforts.

Bill C-22 was meant to reverse the outflow of economic activity away from Canada in an industry with a strong scientific and manufacturing heritage in this country. The intent of Bill C-22 was to reinstate a policy of recognizing discovery and rewarding innovation while balancing that with the protection of the interests of consumers.

Mr. Speaker, how much time do I have left?

The Acting Speaker (Mr. Paproski): You are finished. The hon. member's time has expired and that includes the intervention. The new speaker is the hon. member for York Centre.

Hon. Bob Kaplan (York Centre): Mr. Speaker, we are here speaking on a closure motion. I would like to begin by saying that if there ever was a demonstration of the smash and grab tactic used by this government, then this is it. There has never been a bill of such major importance to so many millions of Canadians, especially the elderly and those in ill health, that has been pushed through so quickly. As so many speakers have noted, it has been pushed through quickly for no valid reason other than to make sure that as few waves as possible are made and that the Canadian people do not find out what this government is smashing and who is grabbing with this particular piece of legislation.

• (1800)

However, it is as my colleague, the member for Broadview–Greenwood who just spoke briefly, said. This is a time bomb because the effect of this bill will come through to the Canadian people and it will not be very many months before they realize how misleading the government has been in the statements that it has made about this bill.

One of the theme songs of this government and one of the lovely melodies that it has played time and time again as it has inflicted its philosophy on the Canadian people over the last eight years is harmonization. What a wonderful word.

What does the government mean by harmonization? It means that the United States of America is the big time. It is the one that knows how to do everything right. It is the one that knows how to run an economy. It is the one that knows how to run a society. We are a backwater where we do not know how to do anything right. The quicker the government can bring us into harmony with every practice and every melody of the United States, the happier it will be.

When it took over in 1984 it found Canada to be a sheltered workshop. This was a place where we took care of each other. This was a place where we were prepared to interfere in the way the market operated. This was a place where one did not have to show one's credit card to get admitted into a hospital and did not have to pay for drugs if one was covered by some public programs as well as by the many private programs that existed.

The government's philosophy has been—in every area and as fast as it could—to bring us into line with the way they do it in the wonderful country to the south. That includes health care.

I heard a number of speakers in tonight's debate say: "We are the odd man out. We cannot be the odd man out. We cannot do things our own way". What makes us think that we are allowed to have a national health care program that works on our own terms, where its success has been proven and where its popularity with the Canadian people has been demonstrated every time it is challenged. This time the popularity will be challenged too.

"You odd man out, you Canada", they have said to us, "Get into line. Stop doing things your own way. Start doing things the way they are done in the United States".

A number of speakers have said that intellectual property has to be encouraged and recognized. They are absolutely right. No one would want to bother inventing anything commercially and so on if there was not a reward for it. The question is how much of a reward should there be.

Our doctors practise medicine in this country at a great financial disadvantage compared to the United States. This is what we are told. The good ones could go to the United States and make a lot more money. Many do that. That has not stopped us from limiting the income for doctors and from saying: "You've worked hard to become a doctor. You've exercised your profession with some skill. You deserve some recompense. You deserve, by the way, to be part of the highest paid occupation—by far—in our country".

Under our present medicare system we say: "However, there is a limit. You can't extra bill. You can't charge more than the tariff that we provide". We accept that. Doctors seem to accept it. At least there is a line-up to get into every medical school in this country. It cannot be that terrible.

On the drug side, however, we are told that we are not allowed to do things in the Canadian way. We are not allowed to decide how much intellectual property should be rewarded.

I think, just like the doctors, people who invent drugs should be well paid. Prices charged for drugs should recognize there is a degree of innovation and incentive to be put into this system and that we want to encourage invention and discovery and all the rest of it. I think we do that in the system we have.

Compulsory licensing is not theft. Compulsory licensing is not piracy. Compulsory licensing is a Canadian way of compensating the drug companies in a way which has made them the most profitable manufacturing business in Canada over the last few years.

It is since we had compulsory licensing and since the Tories began to take it away. They threw it out. Like the doctors who are in the highest paid profession, the drug companies have been the highest paid manufacturing companies. I do not think they have any right to complain that there is something wrong with our system of rewarding intellectual property.

Of course they have a right to complain but I am disagreeing with their argument. I say they have not made a compelling case and they need us to move to what they call a favourable climate for doing more research and development.

I want to talk about that for a moment. I can hear the drug companies say: We cannot go on working in this country because we are at a disadvantage here. If our taxes were too high, if our labour laws were too onerous, if our environmental standards and our pollution standards were too high, but they are not complaining about any of those things.

Those are the factors of government policy on which they could legitimately complain if we were out of line. The way in which we reward patents has nothing to do with the incentive to do research and development in our country. If they invent or discover something here, they will get all the world's patent protection that they would get if they had invented it in the United States.

However, they would be subject in Canada to what Canadians, I believe, consider a fair and appropriate reward for what they do. Therefore, they cannot get away with the argument that they need a more favourable climate to do research and development. It is baldly this: They are saying it is a sovereign Canada. We want a more favourable return if we are going to do research and development.

I know I do not have a lot more time, but I want to say a word about the significance of research and development. I think it is wonderful. It is great to have it going on in the country. It provides high paying jobs for a small number of our brightest Canadians who I am happy to encourage to stay in the country. We pay a lot to get that. As taxpayers, we put in a big subsidy and a big incentive for them.

If we were also to agree to this legislation, we would be giving them for the $500 million that is promised a very big return in the form of much higher drug prices, estimated by credible witnesses at about $7 billion. Maybe that figure is higher than the true figure, but the government is not willing to have an adequate debate about that.

Its smash and grab tactic is preventing us from really looking at the figures and deciding who is right and who is not. I would like to say one final thing about research and development. What we like about research and development is that if something is discovered, it will be manufactured here. Then there will be hundreds of jobs for other Canadians who are not university graduates, maybe, and who are not the brightest and the best who are doing the research.

It is kind of the front line for all the work that goes in behind successful research and development. However, those drug companies will not give that work to Canada. If anything was ever discovered here—I hope it is and things have been discovered here even while we have had compulsory licensing—by one of those international drug companies, it is going to be made in Puerto Rico, not in Canada.

In Puerto Rico, they have a deal where they do not pay any taxes at all on manufacturing that is done in the drug area. What is so exciting about getting this research and development here? Are we getting a commitment that if they discover anything, it is going to be made here? Absolutely not. Are we getting an iron clad commitment even that they will do more research and development? No, we are not.

We know that their business will expand in Canada in the future even if compulsory licensing continues because the market is growing. Our population is aging. More drugs and more things are being discovered. They need people here whether they like it or not just to process their applications to sell patent medicines in this country.

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired.

[*Translation*]

Mr. Gaby Larrivée (Joliette): Mr. Speaker, I welcome this opportunity to rise in the House and support the motion at the report stage of Bill C–91, to amend the Patent Act.

• (1810)

The government tabled its bill in the House of Commons on June 23, and on September 17 the bill was debated at second reading.

The time has come to put this legislation before both Houses of Parliament so that it can be passed and given Royal Assent, after third and final reading. To be able to operate on the same level as other industrialized countries, we must have legislation that is in line with today's modern legislation on intellectual property. We see the bill before the House today as one of the most advanced of its kind.

We have before us legislation that is designed to promote science and technology, the acquisition of marketable experience and the ability of our researchers to meet current challenges on international markets. Providing better patent protection will help us achieve these objectives.

We have here in Canada everything we need to play a leading role in pharmaceutical research. The standard of medicine in this country is well regarded. We have a health care system that is the envy of the entire world. We have a skilled labour force, and we are now doing everything that is necessary to enhance those skills. Our tax credits are among the most generous in the world.

However, until now, something essential was lacking. We needed protection for intellectual property that was in line with the protection offered in other industrialized countries: patent legislation that would make us better able to compete for investment in research and development.

Since 1984, the government has set a high priority on intellectual property legislation, reform as part of its efforts to provide for a dynamic economy.

Today I would like to give an overview of Bill C–91, to refresh our memories and urge all members of this House to support this bill unanimously. I will answer a number of fundamental questions. What kind of amendments are we proposing to the 1987 Patent Act? What will be the principal benefits of the new legislation? Will the Canadian public also benefit from these amendments? How will it make us better able to meet the challenges in the pharmaceutical sector, on Canadian and international markets?

By reinforcing the Patent Act, we want to promote investment in an advanced technology sector. We also want to make Canada better able to compete on international markets for pharmaceutical products. It is a sector in which competition is intense, and we must make up for lost time. I am not an alarmist, but I think we should realize that we are lagging behind and that we must act now.

With the new amendments, Canada will eliminate compulsory licensing and bring its patent system into line with those of its trading partners. That is one of the main points of the new legislation. Patent holders will, from now on, be guaranteed protection for 20 years, the same period granted patent holders in all other economic sectors.

The proposed legislation will be an incentive for Canadians to develop new drugs in Canada, thus making it possible to reduce health care costs in the long run, another important aspect of this bill.

We must not forget that in recent years innovative companies discovered and developed 32 new drugs in this country, including drugs to treat cancer, Parkinson's disease and diabetes.

Last year the innovative sector of the pharmaceutical industry spent $84 million on research in universities and hospitals. Since 1987, the last time the government improved protection for drug patents, the innovative industry, which now has 18,000 employees, created 2,400 new highly-skilled jobs.

In 1987 again, the innovative industry promised to double its ratio of R and D to sales by 1996, provided the government reinforced patent protection. As of 1991, nearly five years earlier than originally planned, this objective had almost been achieved by the industry.

I might add that since the government announced last January its intention to remove compulsory licensing, the innovative companies responded by promising to invest an extra $500 million in our country between 1992 and 1996, $90 million of which in areas outside of central Canada.

Basic research on pharmaceutical products accounts for over 26 per cent of the research and development done in this country, roughly the same as in other industrialized countries. Between 1987 and 1991 the innovators in the industry spent about $1.1 billion on research and development. Between 1988 and 1991 investments grew from $30.3 million to $94.2 million just for basic research.

On June 19, 1992, Statistics Canada reported that, between 1988 and 1992 the pharmaceutical industry had registered the highest rate of growth—113 per cent—among Canadian industries in terms of R and D investments.

New products will translate into substantial sales because of the global product mandating of companies in Canada. We are at the crossroads and this legislation comes just at the right moment, as the statistics I just quoted indicate.

World class innovative companies have already decided to grant new product mandates to their Canadian plants. New investments in R and D, new scientific and technical jobs, spin-offs for other industries and increased sales abroad add up to improved Canadian competitiveness on the global market.

With the elimination of compulsory licensing, the purchase price of all the prescribed drugs and scheduled drugs that hospitals and drugstores buy should not go up, at least not for the first year. On the other hand, and this deserves to be stressed, this increase in research leading to the development of new, more effective drugs is likely to bring health costs down in Canada, if combined with improved management practices.

On the latter subject, the federal and provincial health ministers are totally in agreement and are committed to working together toward this end.

I have heard opposition members say that government was proceeding too hastily. They seem to forget that we have some $500 million in investments at stake here. Innovative pharmaceutical companies have promised to spend that much when the government announced, last January, that it was going to strengthen patent protection.

These investments are vital at a time when the pharmaceutical industry is undergoing restructuring. Many other countries would like to take advantage of such investments. As a matter of fact, if Canada does not act quickly enough, it may find this door now opening forever closed. That would be very detrimental to our country.

I see that my time is up.

[*English*]

The Acting Speaker (Mr. Paproski): I will recognize the hon. member for Kingston and the Islands. Then I will recognize the hon. member for Fraser Valley East and the hon. member for Brant.

[*Translation*]

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, its too bad that the hon. member who just spoke referred to the same figures as those mentioned by the member for Winnipeg South and other members from the other side during their speeches on this bill. Evidently those figures are wrong. They distort the facts. I cannot believe that the government would keep using these figures.

• (1820)

[*English*]

This bill is a disaster. It is a very bad bill for Canada and for Canadians. Canadians are once again being sold down the river by their government. It is not the first time it has happened with this government and I am sure it will not be the last.

Unfortunately the election has been deferred for a while. It appears we are going to have to suffer for some months longer with this continual sales job by the Government of Canadian interests to other foreign nationals.

Some people say in support of this bill that Canadians should pay their fair share. When I speak to my constituents who support this bill, and some do, they say to me that surely Canadians should pay their fair share. What constitutes a fair share? Why are drug prices in Canada so much higher than they are in Europe? Are Canadians not paying a fair price when we look at the European experience? Many of these drugs are made by multinationals with head offices in Europe.

Canadian drug prices are 32 per cent lower than American drug prices. Does that mean that our prices are somehow unfair? Does that mean because Americans are being gouged for their drugs by the multinational drug companies that Canadians should pay more? Does that make it unfair that we are getting away with a bargain because we have different rules that apply to drug manufacturing in this country? I suggest it does not.

I suggest what is fair is determined by the marketplace. We have set up a system for Canadian manufacturers to get involved in the drug manufacturing process that is fair for Canadians. It creates jobs in Canada. It has created a large industry in this country that is flourishing. What this government wants to do is undermine the industry and transfer all the money to the big multinational drug companies.

That is what this bill is all about. It is unfair for Canadians that their government is the one so avidly supporting this at a time when it has no need to support it and when it has chosen to pull this policy out of the air for no apparent reason.

The minister cites these foreign agreements and says somehow Canada is bound by foreign agreements to do this. Not one of those agreements is in force yet. The GATT agreement under which this was a proposal has not been agreed to. The minister is prepared to give away anything in order to make a deal. He gives it away before he is at the negotiating table, which is a shocking way to carry on any negotiation.

We have seen it before. We have seen it in negotiations with the provinces. We have seen it in negotiations with the United States in the free trade deal. We have seen it in all kinds of negotiations it has carried on with its public servants. It is incapable of negotiating properly. It is incapable of governing and this bill is further evidence of that.

This bill gives $700 million to one company, Merck Frosst Canada, on sales of just one of its products. That is the estimate we have in respect of just one drug because of the extended patent protection.

Where is that money coming from? Out of the pockets of every Canadian. Canadian taxpayers will pay for it in the government financed drug plans across this country, Canadian purchasers of drugs who have to buy them out of their own pocket, and finally the buyers of medical and drug insurance who will have to pay increased premiums to cover the cost of these drugs.

An hon. member: Senior citizens.

Mr. Milliken: Many of them are senior citizens, but in most cases they are provided by government so all taxpayers will bear that cost. It is going to be a very significant additional cost. In some cases we have governments like the Government of Ontario that takes drugs off the list so senior citizens have to buy the drugs on their own. This is going to drive up their costs.

Who benefits from all this additional money, the $700 million that is taken out of Canadians' pockets? Who gets the money? The drug companies get the money. That is who. The international drug companies get the money.

Sure, they told us that if we pass this bill there will be another $500 million in investment in research and development in this country. That is great, but how much are Canadians going to pay in order to get the $500 million in research? The cost of the retroactive provisions of this bill alone are estimated at over $2 billion.

The hon. member for Winnipeg South says that is nonsense. The government figures that she has put forward are a fraud on the Canadian public. They amount to nothing but a fraud on the Canadian public. The government's estimate is $550 million. Two billion dollars is the estimate from respected international experts who know a lot more about the drug industry than the hon. member or any member of this government obviously does.

What this government sees is dollar signs for its friends. It flashes away and says: "We will give you whatever you want". That is what is going on in this bill.

Where is the guarantee that the $500 million will be invested in Canada? Where is the guarantee that any percentage of the extra funds generated for these drug companies will be invested in Canada? You will look through the bill in vain, Mr. Speaker. It is not there. There is no guarantee written into this legislation.

How much are Canadians going to pay for this research? On the retroactive provisions alone, $2 billion. That is $4 for every $1 of research guaranteed, and that is only the cost on the retroactive provisions. The estimate that Dr. Stephen Schondelmeyer gave the other day was that this bill was going to cost something like $7 billion by 2010.

I think the hon. member was on the committee. She must know the figures. She says he trumped those up over a weekend. That is what she said in her speech the other day. I never heard such rubbish in my life.

The gentleman is a very capable expert, a professor of pharmaceutical economics and director of the Prime Institute of the College of Pharmacy. He knows more about drugs than everybody in this House put together. He says that is what the bill is going to cost.

The hon. member for Winnipeg South is clearly burying her head in the sand on this and trying to pretend that her government has not let her down again. She is wagging her head and mumbling from her seat, trying to tell me that the figures that this expert has quoted are wrong. She knows that this government has led her down the garden path again. She must have been embarrassed to make the speech she had to make yesterday, trying to discredit this expert and ignoring the facts on which we are basing our arguments that this whole bill and all the arguments government members have put forward in support of it are a fraud on the public. They are deceiving the Canadian public with their figures. They are wrong. They know they are wrong and they should be absolutely ashamed of themselves for putting them forward.

Canadians are so badly served by the arguments put forward by this government on this bill that it amounts to another national disgrace.

The hon. member for Winnipeg South, in the course of her speech, wondered how anyone could know more about drugs than Canada's Public Service. She knows that her government has chopped the Public Service: cut, cut, cut. It has taken people out of the Public Service. It has driven good people out of the Public Service. The Public Service is hardly able to do the cost projections required in order to come up with figures to support the government's arguments on this bill. They do not have the arguments. They do not have the figures, and the hon. member knows it.

The hon. member for London—Middlesex, in the course of his speech the other day, tried to let on that somehow I opposed research and development. That is absolute rubbish and it hardly bears answering. The hon. member for London—Middlesex who so rarely speaks here suddenly made a speech. Because I told him what he was saying was rubbish he went on to say that I was opposed to research and development.

I am not prepared to support research and development when we are paying billions and billions for peanuts. That is what the hon. member is doing. She is going to have Canadians pay $7 billion in exchange for $500 million in research. She will not even put a guarantee in the bill that the $500 million will be spent. I urge her to read Bill C–91 before she speaks again and see exactly what it says. She will find out there are no guarantees in the bill and then maybe she will not be talking through her hat.

Finally I want to turn to members of the party on my left. The other night they forced the House to sit for five and a half hours so we could vote on various provisions of a bill. They did it because they took the view that where time allocation is being used it is unfair and they had to show their objection.

I want to see them show their objections to this procedure tonight and insist on a vote on every clause. Let us see what they do. Or are they going to follow what Bobby Rae does and go soft on this bill? Bobby Rae told them to go soft on this bill in his speech yesterday. Are they going to do what Bobby Rae says, go soft on the bill and allow all the votes to be applied? Or are they going to sit here tonight and insist on the votes tonight? I will be here. I call on the hon. member to stay and to insist on it.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, over the last few hours we have heard many inaccurate estimates and many exaggerated statements about prices and things like that. It is time to try to set the record straight.

Perhaps the most extreme and unsubstantiated claim being made is that Bill C–91 will significantly increase the cost of health care in Canada. Let us look at the facts. First, the entire wholesale drug market in Canada constitutes only 6 per cent of Canada's annual health care bill of about $60 billion, some $4 billion annually.

• (1830)

Patented drugs, which are the medicines affected by this legislation, make up only about 43 per cent of the annual total value of all drugs sold in Canada. That translates into a total annual cost of about $2 billion. That is the total cost for all the patented medicines.

Yet the member opposite has been running off at the mouth, saying there will be a $7 billion increase in prices while the total amount of patented medicines used in Canada only has a value of $2 billion.

Therefore, for opponents of this bill to charge that it will cost the Canadian health care system billions of dollars indicates to me they have a total lack of understanding of what this legislation is about.

As those who have read the legislation before this House will know, Bill C–91 will protect Canadian consumers from unwarranted increases in the cost of pharmaceutical products by expanding the powers of the board that reviews patented drug prices in Canada.

Some would say: "On a perfect road you would not need a review board". However, it is very necessary that we have a review board because it has proven itself since it was introduced in 1987.

First, let me explain exactly what the Patented Medicines Prices Review Board, the PMPRB, does. The board was created under the amendments to the Patent Act that came into force on December 7, 1987. Among other things, the amendments increased the patent protection available to the pharmaceutical firms. In exchange for the extended patent protection the Canadian pharmaceutical industry undertook to double its ratio of research and development to sales by the end of 1996.

I am reminded of the doom and gloom the members opposite talked about when we were doing the bill back in 1987. I remember the demonstrations out on the lawn. I remember the job losses that were predicted by the opposition members. None of those things came about. What did come about was the research that was promised by the companies and the extra jobs.

I will try to outline what has happened with the review board. The mandate of the Patented Medicines Prices Review Board is to ensure that the prices for patented medicines are not excessive. The board itself is an independent, quasi–judicial body. The Patent Act gives no power, formal or informal, to the government to direct the board or to review its decision and its orders.

However, decisions of the board are subject to judicial review by the Federal Court of Canada on jurisdictional or procedural grounds. This board's mandate has three specific components. First, the board's regulatory function is to ensure that the prices of patented medicines charged by patentees are not excessive. Second, the board is required to report annually on its activities, including a summary of pricing trends in the pharmaceutical industry. Third, the board must report annually on the ratios of research and development expenditures to sales for individual patentees and for the patented pharmaceutical industry as a whole.

The board has no regulatory authority over the prices of medicines that are not patented. Nor can it direct the levels of or nature of research and development expenditures of the pharmaceutical companies.

How does the board determine if the price is excessive? The Patent Act provides that the board take into consideration the following factors in determining whether the price of a patented medicine is excessive: the price of the medicine in the previous five years; the price of other medicines in the same therapeutic class; the price of those medicines in other countries; and the Consumer Price Index.

The board has developed its guidelines in recognition of the factors set out in the act put forward in 1987. These guidelines are not a rigid set of decision–making rules. They are intended to provide patentees with adequate information to establish in advance prices that may be presumed not to be excessive.

The record shows that the board has been successful in keeping increases in the prices of patented drugs well below the rate of inflation. Since this board was created the prices of existing patented drugs have risen by an average of only 2.9 per cent a year while the Consumer Price Index has risen by an average of about 4.4 per cent.

The PMPRB has been so successful it has earned the attention of our neighbours to the south. In the United States a report by the U.S. General Accounting Office recently compared the cost of prescription drugs in the United States and Canada. The study found that on average the manufacturers' price for prescription drugs was 32 per cent higher in the U.S. than in Canada.

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

The Americans concluded that the Canadian system of controlling drug costs was working very well. The new legislation will make that system work even better.

Bill C-91 strengthens and extends the powers of the PMPRB. The board will continue to have the power to roll back prices to non-excessive levels and, because it will no longer be able to invoke compulsory licences as a remedy for excessive pricing, the bill provides the PMPRB with a range of new remedies.

The board will have the power to recoup excessive revenues earned by a company while the medicine was excessively priced. It will be able to order an extra price reduction for a sufficient period to claw back these excessive revenues, or alternatively it can impose a monetary penalty in the same amount.

In addition, if the board finds that the patentee has engaged in a policy of excessive pricing it will be able to impose double damages. That is, it can recoup twice the estimated excess revenues either through a price reduction order or a monetary penalty.

Much tougher sanctions will be also applied to patentees that fail to comply with a board order. This will be punishable as a criminal offence on a summary conviction and liable to fines of up to $100,000 per day for corporations and up to $25,000 per day for individuals.

Individuals will also be subject to imprisonment for up to one year. Alternately, the board will be able to file its orders with the Federal Court. Non-compliance with the Federal Court order would then be enforceable by the usual sanctions for contempt of court, which are unlimited fines and periods of imprisonment.

Finally, the board will also be in a position to order double damages on the grounds that non-compliance amounts to a policy of excessive pricing. Tough penalties will also apply to companies that fail to submit required data. The PMPRB is a proven and effective mechanism for controlling patented drug prices.

Bill C-91 will make it even more effective in deterring unreasonable prices. Canada's track record on drug prices compares favourably with the situation in other countries. For example, the U.S. General Accounting Office showed that prices for most drugs in the U.S. doubled between 1985 and 1991, and some prices even quadrupled.

In Canada, as a result of the PMPRB, patented drug prices rose less than the rate of inflation. The Canadian system of drug price controls, centred on the PMPRB, has been extremely effective. In fact, pharmaceutical companies in Canada have a good record of compliance with the board's guidelines, and there has rarely been any need to respond—

The Acting Speaker (Mr. Paproski): I regret that the hon. member's time has expired.

Mr. Derek Blackburn (Brant): Mr. Speaker, I have a very limited amount of time. I believe I have six minutes before the bells ring.

I want to make one or two points on Bill C-91. This is one of the most unpopular pieces of legislation introduced by the most unpopular government in the history of our country, certainly since the beginning of polling in this country.

I find it very strange that we are in this House today, in 1992, debating whether we should keep compulsory licensing in the drug industry. We have a government that is very unpopular with a very unpopular piece of legislation saying that we should get rid of compulsory licensing. Yet at the same time a new President has been elected south of the border and a large fraction of the Democratic Party in Washington is now coming out in favour of compulsory licensing in its own country. Why? It is to bring down the cost of drugs to the American consumers.

• (1840)

Yet we have the Conservatives saying: "No, it is not going to affect the prices. It is not going to increase prices any more than the cost of living, whatever that might be in 10 years' time".

Somebody is wrong. Somebody is not telling the truth. We have American congressmen and senators visiting our capital from time to time extolling the virtues of our medicare system. Many in the U.S. Congress want to adopt a system similar to the medicare system in Canada which, on balance, has worked very well over the years since it was first implemented.

We now have a Conservative government which incidentally was opposed to medicare 25 years ago saying that the price of drugs will increase and that it is not going to do anything about it. This huge international drug cartel will be allowed to make even greater profits, driving up the price of drugs. That in turn will have a very serious impact on medicare.

The cost of drugs and the cost of medicare are really part of the same parcel. Many of our drugs in this country are provided to people, particularly to senior citizens and people on—

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

Mr. Kindy: I call for a quorum count, Mr. Speaker.

The Acting Speaker (Mr. Paproski): I see a quorum. The hon. member for Brant has the floor.

Mr. Blackburn (Brant): Mr. Speaker, I was just saying that the cost of drugs is a very important and integral part of our medicare system. In our country, unlike most of the states in the United States, we do provide drugs free for our senior citizens and to those who cannot afford them, those on public assistance.

With the increase in the drug prices that this bill will create over the next several years, it means either the cost to the taxpayers, who provide the money for those drugs, will go up and our taxes will go up in order to keep that public drug program or we are going to have to become more exclusive and restrictive in our public drug programs with higher threshold entry levels.

We cannot have it both ways. That is an expression the people across from us in this very backward Conservative government like to use a lot in their arguments on a number of bills in this House.

It is very interesting that at this time we are listening to arguments by the government which say: "Listen, there is a possibility that the drug companies, if this bill goes through might invest half a billion dollars in research in this country". Yet at the same time, we have also been told by experts that the cost of drugs cumulatively could go up over the next 10 or 15 years, I believe, by $7 billion.

If that is a good business deal for the Conservatives, is it any wonder that our economy is in such a mess at this time? They cannot tell the difference between a good business deal and a lousy business deal.

Are we to allow Bill C–91 to go through and launch a massive assault directly and indirectly on our public medicare system in this country, or can we do anything at all in this Chamber to drive some common sense into the people opposite us in the Conservative government and say: "We do not have to necessarily on this point move in lock step with the United States".

I know this Conservative government would love to continue to Americanize our country. The Conservatives have done everything they can through the free trade agreement. They are going to continue it through NAFTA, the North American free trade agreement. For Heaven's sakes, when are we going to come to our senses and say that our country is different from the United States, or at least it used to be and what is left of that difference should be preserved.

Here again in this drug patent bill we see a caving in once again to powerful American drug companies in order to be in sync with the FTA, the free trade agreement, and with NAFTA. That is basically what it is all about. We are caving in once again to American corporate interests. We all know that the cost of drugs in the United States is astronomically higher than it is in Canada.

Mr. Kindy: Mr. Speaker, the time has expired.

The Acting Speaker (Mr. Paproski): Are hon. members willing not to see the clock so that the hon. member can have five minutes? Is there unanimous consent?

Some hon. members: Agreed.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, Bill C–91 is going to affect our pharmaceutical industry in Canada for years to come. The government has brought in closure on the bill because I believe it does not want the bill to be debated on its substance.

This bill is protecting patents up to 20 years. It is going to cost the Canadian taxpayer a tremendous amount of money. That money is going to come from the Canadian taxpayer. The Canadian health care system is going to suffer because of that. It is estimated that it is going to cost the Canadian taxpayer over a billion dollars a year. There are different estimates. Maybe this one is a little bit high, but still it is an estimate that is certainly credible.

The Canadian Pharmaceutical Association believes that this bill is going to hurt those Canadian pharmaceutical companies that have their head offices in Canada, not those that are abroad. Most of the big pharmaceutical companies are located in Switzerland, Germany, France, England and the United States.

When I used to practise medicine, I could see that Canadians were beginning through the generic companies to manufacture drugs under licence. This was creating made in Canada companies. This government through its policies has been listening to the International Monetary Fund and the World Bank. The Minister for International Trade says that we need NAFTA. NAFTA is part of this deal and because of that, we will not have a manufacturing industry in Canada.

Since this bill was introduced, we have only had nine hours of debate. It is a major bill that is going to hurt manufacturing of drugs made in Canada. The government tells us this money that the big companies are going to make in Canada is going to be used for research and development. Naturally, some of this money might go to a couple of universities for research, but we are talking about huge amounts of money that the companies are going to transfer back to their head offices, whether it be in England, the United States, Switzerland, France or Germany. This is certainly not conducive to making Canada a country where industry can flourish.

What we need is not Bill C–91 or Bill C–22, but a reform of our taxation system where we would reward wealth creation by Canadian companies. We should not create companies here that have head offices abroad.

• (1850)

Therefore I am voting against this bill and I hope that members who believe that Canada has to have its own trade policies will do the same.

The Acting Speaker (Mr. Paproski): It being 6.45 o'clock p.m., pursuant to an order made earlier this day, 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 report stage of the bill now before the House.

The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The 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. Angus: Mr. Speaker, a point of order. I think you may find there is disposition in the House to deem each of the proposed amendments to Bill C–91, an act to amend the Patent Act currently on the Order Paper to be moved by the member in whose name it stands on the Order Paper and seconded by his or her respective House leader in the case of the Liberal Party Whip and in the case of the New Democratic Party, except for Motion No. 51 standing in the name of the member for Annapolis Valley—Hants, whose seconder is myself, and that the House proceed immediately to the taking of divisions.

The Acting Speaker (Mr. Paproski): Members have heard the terms of the motion. Is there unanimous agreement?

Some hon. members: No.

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 4.

That Bill C-91 be amended in Clause 4 by adding immediately after line 2 at page 2 the following:

"55.1 (1) It shall not be an act of infringement to:

(*a*) manufacture a product for the purposes of determining the capabilities of the manufacturer to manufacture the product in commercial quantities;

(*b*) use a process for the manufacture of a product for the purpose of determining the capability of the user to use the process for manufacturing commercial quantities of the product produced by the process; or

(*c*) use the products obtained by (*a*) or (*b*) above for the purposes of applying for regulatory approval or for the purposes of stocking the product for sale in commercial quantities.

(2) It shall not be an act of infringement to manufacture or sell a product for the purposes of exporting the product in commercial quantities.

(3) The patent of every person who contravenes or fails to comply with sections 80 or 85 or subsections 81(3) or 81(4) or any order made under section 81 regarding that patent shall automatically expire one month after such order.

(4) It shall not be an infringement to make, use, sell or export a product containing the same medicine as one for which an order of the Board shall not have been fully complied with within the time provided by the Board."

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.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 5.

That Bill C-91 be amended in Clause 4 by striking out lines 3 to 11 at page 2 and substituting the following therefor:

"55.2 (1) It is not an infringement of a patent for any person to make, construct, use or sell the patented invention solely for uses reasonably related to the development and submission of information required under any law of Canada, a province or a country other than Canada that regulates the manufacture, construction, use or sale of any product.

(2) It is not an infringement of a patent for any person who makes, constructs, uses or sells a patented invention in accordance with subsection (1) to make, construct or use the invention, during the applicable period provided for by the regulations, for the manufacture and storage of articles intended for sale after the date on which the term of the patent expires.

(3) The Governor in Council may make regulations for the purposes of subsection (2), but any period provided for by the regulations must terminate immediately preceding the date on which the term of the patent expires.

(4) The Governor in Council may make such regulations as the Governor in Council considers necessary for preventing the infringement of a patent by any person who makes, constructs, uses or sells a patented invention in accordance with subsection (1) or (2) including, without limiting the generality of the foregoing, regulations

(*a*) respecting the conditions that must be fulfilled before a notice, certificate, permit or other document concerning any product to which a patent may relate may be issued to a patentee or other person under any Act of Parliament that regulates the manufacture, construction, use or sale of that product, in addition to any conditions provided for by or under that Act;

(*b*) respecting the earliest date on which a notice, certificate, permit or other document referred to in paragraph (*a*) that is issued or to be issued to a person other than the patentee may take effect and respecting the manner in which that date is to be determined;

(*c*) governing the resolution of disputes between a patentee or former patentee and any person who applies for a notice, certificate, permit or other document referred to in paragraph (*a*) as to the date on which that notice, certificate, permit or other document may be issued or take effect;

(*d*) conferring rights of action in any court of competent jurisdiction with respect to any disputes referred to in paragraph (*c*) and respecting the remedies that may be sought in the court, the procedure of the court in the matter and the decisions and orders it may make; and

(*e*) generally governing the issue of a notice, certificate, permit or other document referred to in paragraph (*a*) in circumstances where the issue of that notice, certificate, permit or other document might result directly or indirectly in the infringement of a patent.

(5) In the event of any inconsistency or conflict between
(*a*) this section or any regulations made under this section, and
(*b*) any Act of Parliament or any regulations made thereunder,
this section or the regulations made under this section shall prevail to the extent of the inconsistency or conflict.
(6) For greater certainty, subsection (1)".

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 7

That Bill C-91 be amended by deleting Clause 5.

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), the recorded division on the proposed motion stands deferred.

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 9

That Bill C-91 be amended in Clause 6 by striking out lines 1 to 35 at page 3 and substituting the following therefor:

"76.1 (1) The patent of every person who contravenes or fails to comply with sections 80 or 85 or subsections 81(3) or 81(4) or any order made under section 81 regarding that patent shall automatically expire one month after such order.

(2) Every person who contravenes or fails to comply with sections 80 or 85 or subsections 81(3) or 81(4) or any order made under section 81 is also guilty of an offence punishable on summary conviction and liable:

(*a*) in the case of an individual, to a fine not exceeding twenty-five thousand dollars or to imprisonment for a term not exceeding one year or to both; and

(*b*) in the case of a corporation, to a fine not exceeding one hundred thousand dollars.

(3) Proceedings for an offence under subsection (1) may be commenced within but not later than two years after the time when the subject matter of the proceedings arose or became known.

(4) Where an offence under subsection (1) is committed or continued on more than one day, the person who committed the offence is liable to be convicted for a separate offence for each day on which the offence is committed or continued."

Mr. Ron MacDonald (Dartmouth) moved:

Motion No. 11.

That Bill C-91 be amended in Clause 6 by striking out line 1 at page 3 and substituting the following therefor:

"76.1 (1) Subject to subsection 80(4), every person who contravenes or".

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. 9, 11, 12, 13 and 19 are a grouping.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 12.

That Bill C-91 be amended in Clause 6

(*a*) by striking out lines 2 and 3 at page 3 and substituting the following therefor:

"fails to comply with section 80, 81, 82 or 88 or any order made thereunder is guilty"; and

(*b*) by striking out lines 14 and 15 at page 3 and substituting the following therefor:

"to comply with section 84 or any order made under section 83 is guilty of".

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 13.

That Bill C-91 be amended by deleting Clause 6.

Mr. Ron MacDonald (Dartmouth) moved:

Motion No. 19.

That Bill C-91 be amended in Clause 7 by adding immediately after line 25 at page 5 the following:

"(4) Where a patentee fails to comply with an order made under this section within the time set out in the order and has on another occasion failed to comply with another order made under this section, the Board may direct the Commissioner to revoke the patent of the patentee for the invention pertaining to the medicine to which the direction relates for as many years as the Board deems advisable.

(5) Where the Commissioner is directed to revoke a patent under subsection (4), the Commissioner shall forthwith revoke the patent for the number of years indicated by the Board in its direction."

The Acting Speaker (Mr. Paproski): The next question is on Motion No. 13. An affirmative vote on Motion No. 13 obviates the need for a vote on Motions Nos. 9, 11 and 12. A negative vote on Motion No. 13 necessitates a vote on Motion No. 9.

An affirmative vote on Motion No. 9 obviates the need for a vote on Motions Nos. 11 and 12. A negative vote on Motion No. 9 necessitates a vote on Motions Nos. 11 and 12.

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. 19. 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.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 15.

That Bill C-91 be amended in Clause 7

(*a*) by striking out lines 8 to 11 at page 4 and substituting the following therefor:

""Minister" means the Minister of National Health and Welfare or such other Member of the Queen's Privy Council for Canada as is designated by the Governor in Council as the Minister for the purposes of this section and sections 80 to 103;"; and

(*b*) by striking out lines 15 to 22 at page 4 and substituting the following therefor:

"the patent for that invention and includes, where any other person is entitled to exercise any rights in relation to that patent other than under a licence continued by subsection 11(1) of the Patent Act Amendment Act, 1992, that other person in respect of those rights;".

• (1900)

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 16.

That Bill C-91 be amended in Clause 7

(*a*) by adding immediately after line 11 at page 4, the following:

""Minister" means the Minister of National Health and Welfare;";

(*b*) by striking out lines 9 and 10 at page 9 and substituting the following therefor:

"ministers of the Crown for the"; and

(*c*) by striking out lines 31 to 33 at page 9 and substituting the following therefor:

"this Act under the direction of the Board and to the ministers of the Crown".

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 18.

That Bill C-91 be amended in Clause 7

(*a*) by striking out lines 30 to 35 at page 4 and substituting the following therefor:

"80. (1) A patentee of an invention pertaining to a medicine shall, as required by and in accordance with the regulations, provide the Board with such information and documents as the regulations may specify re-";

(*b*) by striking out line 39 on page 4 and substituting the following therefor:

"ing or has been"; and

(*c*) by striking out lines 5 to 25 on page 5 and substituting the following therefor:

"(*e*) any other related matters.

(2) Subject to subsection (3), a person who is a former patentee of an invention pertaining to a medicine shall, as required by and in accordance with the regulations, provide the Board with such information and documents as the regulations may specify respecting

(*a*) the identity of the medicine;

(*b*) the price at which the medicine was sold in any market in Canada and elsewhere during the period in which the person was a patentee of the invention;

(*c*) the costs of making and marketing the medicine produced during that period, whether incurred before or after the patent was issued, where that information is available to the person in Canada or is within the knowledge or control of the person;

(*d*) the factors referred to in section 85; and

(*e*) any other related matters.

(3) Subsection (2) does not apply to a person who has not been entitled to the benefit of the patent or to exercise any rights in relation to the patent for a period of three or more years.

81. (1) The Board may, by order, require a patentee or former patentee of an invention pertaining to a medicine to provide the Board with information and documents respecting
(*a*) in the case of a patentee, any of the matters referred to in paragraphs 80(1)(*a*) to (*e*);
(*b*) in the case of a former patentee, any of the matters referred to in paragraphs 80(2)(*a*) to (*e*); and
(*c*) such other related matters as the Board may require.

(2) A patentee or former patentee in respect of whom an order is made under subsection (1) shall comply with the order within such time as is specified in the order or as the Board may allow.

(3) No order may be made under subsection (1) in respect of a former patentee who, more than three years before the day on which the order is proposed to be made, ceased to be entitled to the benefit of the patent or to exercise any rights in relation to the patent.

82. (1) A patentee of an invention pertaining to a medicine who intends to sell the medicine in a market in Canada in which it has not previously been sold shall, as soon as practicable after determining the date on which the medicine will be first offered for sale in that market, notify the Board of its intention and of that date.

(2) Where the Board receives a notice under subsection (1) from a patentee or otherwise has reason to believe that a patentee of an invention pertaining to a medicine intends to sell the medicine in a market in Canada in which the medicine has not previously been sold, the Board may, by order, require the patentee to provide the Board with information and documents respecting the price at which the medicine is intended to be sold in that market.

(3) Subject to subsection (4), a patentee in respect of whom an order is made under subsection (2) shall comply with the order within such time as is specified in the order or as the Board may allow.

(4) No patentee shall be required to comply with an order made under subsection (2) prior to the sixtieth day preceding the date on which the patentee intends to first offer the medicine for sale in the relevant market."

Motion No. 20.

That Bill C-91 be amended in Clause 7 by striking out lines 26 to 46 at page 5, lines 1 to 49 at page 6 and lines 1 to 46 at page 7 and substituting the following therefor:

"83. (1) Where the Board finds that a patentee of an invention pertaining to a medicine is selling the medicine in any market in Canada at a price that, in the Board's opinion, is excessive, the Board may, by order, direct the patentee to cause the maximum price at which the patentee sells the medicine in that market to be reduced to such level as the Board considers not to be excessive and as is specified in the order.

(2) Subject to subsection (4), where the Board finds that a patentee of an invention pertaining to a medicine has, while a patentee, sold the medicine in any market in Canada at a price that, in the Board's opinion, was excessive, the Board may, by order, direct the patentee to do any one or more of the following things as will, in the Board's opinion, offset the amount of the excess revenues estimated by it to have been derived by the patentee from the sale of the medicine at an excessive price:

(*a*) reduce the price at which the patentee sells the medicine in any market in Canada, to such extent and for such period as is specified in the order;

(*b*) reduce the price at which the patentee sells one other medicine to which a patented invention of the patentee pertains in any market in Canada, to such extent and for such period as is specified in the order; or

(*c*) pay to Her Majesty in right of Canada an amount specified in the order.

(3) Subject to subsection (4), where the Board finds that a former patentee of an invention pertaining to a medicine had, while a patentee, sold the medicine in any market in Canada at a price that, in the Board's opinion, was excessive, the Board may, by order, direct the former patentee to do any one or more of the following things as will, in the Board's opinion, offset the amount of the excess revenues estimated by it to have been derived by the former patentee from the sale of the medicine at an excessive price:

(*a*) reduce the price at which the former patentee sells a medicine to which a patented invention of the former patentee pertains in any market in Canada, to such extent and for such period as is specified in the order; or

(*b*) pay to Her Majesty in right of Canada an amount specified in the order.

(4) Where the Board, having regard to the extent and duration of the sales of the medicine at an excessive price, is of the opinion that the patentee or former patentee has engaged in a policy of selling the medicine at an excessive price, the Board may, by order, in lieu of any order it may make under subsection (2) or (3), as the case may be, direct the patentee or former patentee to do any one or more of the things referred to in that subsection as will, in the Board's opinion, offset not more than twice the amount of the excess revenues estimated by it to have been derived by the patentee or former patentee from the sale of the medicine at an excessive price.

(5) In estimating the amount of excess revenues under subsection (2), (3) or (4), the Board shall not consider any revenues derived by a patentee or former patentee before December 20, 1991 or any revenues derived by a former patentee after the former patentee ceased to be entitled to the benefit of the patent or to exercise any rights in relation to the patent.

(6) Before the Board makes an order under this section, it shall provide the patentee or former patentee with a reasonable opportunity to be heard.

(7) No order may be made under this section in respect of a former patentee who, more than three years before the day on which the proceedings in the matter commenced, ceased to be entitled to the benefit of the patent or to exercise any rights in relation to the patent.

84. (1) A patentee or former patentee who is required by any order made under section 83 to reduce the price of a medicine shall commence compliance with the order within one month after the date of the order or within such greater period after that date as the Board determines is practical and reasonable, having regard to the circumstances of the patentee or former patentee.

(2) A patentee or former patentee who is directed by any order made under section 83 to pay an amount to Her Majesty shall pay that amount within one month after the date of the order or within such greater period after that date as the Board determines is practical and reasonable, having regard to the circumstances of the patentee or former patentee.

(3) An amount payable by a patentee or former patentee to Her Majesty under any order made under section 83 constitutes a debt due to Her Majesty and may be recovered in any court of competent jurisdiction."

Mrs. Dobbie: Mr. Speaker, could you please inform the House what motion we are voting on.

The Acting Speaker (Mr. Paproski): We are on a grouping which includes Motions Nos. 15, 16, 18, 20, 21, 23, 25, 26, 28, 30, 31, 32, 33, 34, 35, 36, 38 and 39. Group 4.

[*Translation*]

Mr. Rocheleau: Mr. Speaker, you mentioned that motions 15, 16 and 18 were grouped together. It might be better to put them one by one, Mr. Speaker, because we could approve one motion and be against another. If they are presented together, it would be difficult to decide.

[*English*]

The Acting Speaker (Mr. Paproski): I am going to put all the questions right now and then we will vote on them.

Mr. Angus: Mr. Speaker, I think part of the difficulty is that as you went through the motions they are in the names of both government members and opposition members. The reality is that we are going to end up having to force a vote and sort it out when we come to the actual voting.

The Acting Speaker (Mr. Paproski): I have put the question on Motions Nos. 16 and 18.

Mr. Angus: Mr. Speaker, perhaps it is an appropriate time to try again to see if there is agreement to deem that all motions have been moved in the names of the members in whose name they stand on the Order Paper and seconded by the House leader of either caucus and the motion of the member for Annapolis Valley—Hants, by myself, and then we can sort it out after the fact.

Mr. Dingwall: Mr. Speaker, my colleague makes a very reasonable suggestion. However, for the purposes of the House this does not mean in any way that we are now voting. All it means is that we can proceed with the vote on the various motions which will have to be adjudicated in this Chamber. In no way, Mr. Speaker, does it interfere with how members will wish to vote on any particular amendment put forward.

The Acting Speaker (Mr. Paproski): Is it agreed?

Some hon. members: Agreed.

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 21.

That Bill C-91 be amended in Clause 7 by striking out lines 32 and 33 at page 5 and substituting the following therefor:

"Board, is or was excessive, the Board shall, by order, direct the patentee to issue a licence to a Canadian generic pharmaceutical manufacturer which licence shall require a royalty payment of 4 per cent of net sales, or do any one or".

Motion No. 23.

That Bill C-91 be amended in Clause 7 by striking out lines 9 to 13 at page 6 and substituting the following therefor:

"at any time since December 7, 1987 from the sale of the medicine at an excessive price and while the patentee was entitled to the benefit of the patent;".

Mr. Ron MacDonald (Dartmouth) moved:

Motion No. 25.

That Bill C-91 be amended in Clause 7 by

(*a*) adding immediately after line 25 at page 6 the following:

"(*d*) direct that, effective on the date specified in the order, subsections 39.11 (1) and 39.14 (1) ceases to apply in respect or both of

(i) the patent for the invention pertaining to the medicine, or

(ii) any other patent of the patentee for an invention that pertains to one other medicine, whether granted before or after the date specified in the order;" and

(*b*) by adding immediately after line 42 at page 6, the following:

"(2) Where an order is made under paragraph (1)(*d*) in respect of a medicine, the prohibitions set out in subsections 39.11 (1) and 39.14 (1) cease to apply in respect of the medicine effective on the date of the order."

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 26.

That Bill C-91 be amended in Clause 7 by adding immediately after line 41 at page 7 the following:

"(6) Notwithstanding subsection (5), an order may be made under this section in respect of a patentee described in subsection (5) in any proceeding commenced in respect of the patentee more than two years after the day on which the patentee ceased to be entitled to the benefit of the relevant patent, where the Board within two years following that day, provides the patentee with written notice that proceedings might be commenced in respect of the patentee more than two years after the day on which the patentee ceased to be entitled to the benefit of the relevant patent and that if such proceedings are commenced, an order may be made under this section in respect of the patentee in those proceedings."

Motion No. 28.

That Bill C-91 be amended in Clause 7 by striking out lines 2 to 19 at page 8 and substituting the following therefor:

"Canada, the term excessive price means a price that does not exceed by more than 4 per cent the lower of:

(*a*) the price at which similar medicines are available in countries in which competition is not limited by patents; and

(*b*) the price at which similar medicines would be available in Canada if competition were not limited by patents."

Mr. Ron MacDonald (Dartmouth) moved:

Motion No. 30.

That Bill C-91 be amended in Clause 7 by adding immediately after line 7 at page 8 the following:

"(*b*) the value of the medicine in preventing or reducing expenditures from public or private sources in health treatment or other support programs to patients;

(*c*) the potential value of export sales of medicines produced in Canada;

(*d*) income support for ongoing research and development in Canada for the medicine under review or new medicine;

(*e*) an internationally competitive return on investment."

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 31.

That Bill C-91 be amended in Clause 7

(*a*) by striking out lines 11 to 14 at page 8; and

(*b*) by adding immediately after line 45 at page 8 the following:

"(4) Notwithstanding any provision in this Act or the regulations made thereunder, in determining under section 81 whether a medicine is being or has been sold in any market in Canada at an excessive price, the Board shall not take into consideration the prices at which the medicine and other medicines in the same therapeutic class have been sold in countries other than Canada."

Mr. Ron MacDonald (Dartmouth) moved:

Motion No. 32.

That Bill C-91 be amended in Clause 7 by striking out line 16 at page 8 and substituting the following therefor:

"(*e*) the patentee's profit margin in respect of the medicine; and".

Motion No. 33.

That Bill C-91 be amended in Clause 7 by striking out lines 16 to 29 at page 8 and substituting the following therefor:

"(*e*) the costs of making and marketing the medicine; and

(*f*) such other factors as may be specified".

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 34.

That Bill C-91 be amended in Clause 7 by striking out lines 17 to 29 at page 8 and substituting the following therefor:

"(*e*) the costs of making and marketing the medicine; and

(*f*) such other factors as may be specified".

Motion No. 35.

That Bill C-91 be amended in Clause 7 by adding immediately after line 45 at page 8 the following:

"82.1 (1) Notwithstanding any provision in this Act, the Board shall, in any proceeding under section 80, find that the medicine is being sold or has been sold by the patentee in any market in Canada at an excessive price where the percentage increase in the price of that medicine exceeds the percentage of revenues expended by the patentee in Canada on research and development relating to medicine in the year preceding the proceeding.

(2) Notwithstanding any provision in this Act, where the Board makes a finding under subsection (1) it may make any order that it deems appropriate in the circumstances.

(3) The Board shall, at the commencement of a proceeding under section 80, make an order requiring the patentee to provide the Board with information and documents respecting the expenditures made by the patentee in Canada on research and development relating to medicine.

(4) For the purpose of this section "revenues" means all of the revenues of a patentee from sales of medicine in Canada in the year referred to in subsection (1)."

Motion No. 36.

That Bill C-91 be amended in Clause 7 by striking out line 47 at page 8 and lines 1 to 15 at page 9 and substituting the following therefor:

"be held in public.

(2) A hearing under section 81 shall be held upon application by any Canadian generic pharmaceutical manufacturer accompanied by a sworn statement attesting that, if permitted, that manufacturer would sell similar medicine at a price substantially below that of the patentee.

(3) A hearing under section 81 shall be held upon application by any ministers of the Crown for the provinces who are responsible for health and the Board shall give notice to all such ministers of any hearing under section 81, and each of them is entitled to appear and make representations to the Board with respect to the matter being heard.

(4) The Board shall give notice to the Minister of National Health and Welfare who shall be the Minister responsible for the Patented Medicine Prices Review Board and shall be entitled to appear and make representations to the Board with respect to any matter being heard."

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 38.

That Bill C-91 be amended in Clause 7

(*a*) by striking out lines 9 to 11 at page 9 and substituting the following therefor:

"Minister of Consumer and Corporate Affairs or such other Minister as may be designated by the regulations and to provincial ministers of the Crown responsible for health of"; and

(*b*) by striking out lines 32 to 34 at page 9 and substituting the following therefor:

"to the Minister of Consumer and Corporate Affairs or such other Minister as may be designated by the regulations and to the provincial ministers of the Crown responsible for".

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 39.

That Bill C-91 be amended in Clause 7 by adding immediately after line 39 at page 9 the following:

"84.1 (1) Notwithstanding any Act of Parliament or the regulation made thereunder, where the Board issues guidelines in respect of the price range within which an invention pertaining to a medicine should be sold when it is first offered for sale, and the patentee, before a notice of compliance has been issued in respect of that invention, informs the Board that the patentee intends to sell the invention at a price in excess of that price range, no notice of compliance shall be issued in respect of that invention.

(2) For the purposes of this section "notice of compliance" has the meaning given to that term by subsection 39.1(1) of the former Act, and the definition of that term in that subsection shall continue to apply for the purposes of this section as if it had not been repealed by section 3 of this Act."

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.

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.

• (1910)

Mr. Karpoff: Madam Speaker, I rise on a point of order. With the change of Speakers in the chair, I think that there might be a disposition in the House that all of the motions that have been put be accepted as being moved by the person whose name appears on the Order Paper and the House leader of their party and they be deemed to have been properly moved and seconded and that we proceed directly to the division on the rest of the motions.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: There is not unanimous consent.

The next question is on Motion No. 16

[*Translation*]

An affirmative vote on Motion No. 16 obviates the need for a vote on Motion No. 38. A negative vote on Motion No. 16 necessitates a vote on Motion No. 38.

[*English*]

An affirmative vote on Motion No. 38 obviates the need for a vote on Motion No. 36 and a negative vote on Motion No. 38 necessitates a vote on Motion No. 36.

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. 18. This vote also applies to Motion No. 20.

[*Translation*]

An affirmative vote on Motion No. 18 obviates the need for a vote on Motions Nos. 21, 23, 25 and 26. A negative vote on Motion No. 18 necessitates a vote on Motions Nos. 21, 23, 25 and 26.

[*English*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 18.

That Bill C-91 be amended in Clause 7

(*a*) by striking out lines 30 to 35 at page 4 and substituting the following therefor:

"80. (1) A patentee of an invention pertaining to a medicine shall, as required by and in accordance with the regulations, provide the Board with such information and documents as the regulations may specify re–";

(*b*) by striking out line 39 on page 4 and substituting the following therefor:

"ing or has been"; and

(*c*) by striking out lines 5 to 25 on page 5 and substituting the following therefor:

"(*e*) any other related matters.

(2) Subject to subsection (3), a person who is a former patentee of an invention pertaining to a medicine shall, as required by and in accordance with the regulations, provide the Board with such information and documents as the regulations may specify respecting

(*a*) the identity of the medicine;

(*b*) the price at which the medicine was sold in any market in Canada and elsewhere during the period in which the person was a patentee of the invention;

(*c*) the costs of making and marketing the medicine produced during that period, whether incurred before or after the patent was issued, where that information is available to the person in Canada or is within the knowledge or control of the person;

(*d*) the factors referred to in section 85; and

(*e*) any other related matters.

(3) Subsection (2) does not apply to a person who has not been entitled to the benefit of the patent or to exercise any rights in relation to the patent for a period of three or more years.

81. (1) The Board may, by order, require a patentee or former patentee of an invention pertaining to a medicine to provide the Board with information and documents respecting
(*a*) in the case of a patentee, any of the matters referred to in paragraphs 80(1)(*a*) to (*e*);
(*b*) in the case of a former patentee, any of the matters referred to in paragraphs 80(2)(*a*) to (*e*); and
(*c*) such other related matters as the Board may require.

(2) A patentee or former patentee in respect of whom an order is made under subsection (1) shall comply with the order within such time as is specified in the order or as the Board may allow.

(3) No order may be made under subsection (1) in respect of a former patentee who, more than three years before the day on which the order is proposed to be made, ceased to be entitled to the benefit of the patent or to exercise any rights in relation to the patent.

82. (1) A patentee of an invention pertaining to a medicine who intends to sell the medicine in a market in Canada in which it has not previously been sold shall, as soon as practicable after determining the date on which the medicine will be first offered for sale in that market, notify the Board of its intention and of that date.

(2) Where the Board receives a notice under subsection (1) from a patentee or otherwise has reason to believe that a patentee of an invention pertaining to a medicine intends to sell the medicine in a market in Canada in which the medicine has not previously been sold, the Board may, by order, require the patentee to provide the Board with information and documents respecting the price at which the medicine is intended to be sold in that market.

(3) Subject to subsection (4), a patentee in respect of whom an order is made under subsection (2) shall comply with the order within such time as is specified in the order or as the Board may allow.

(4) No patentee shall be required to comply with an order made under subsection (2) prior to the sixtieth day preceding the date on which the patentee intends to first offer the medicine for sale in the relevant market."

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 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.

The next question is on Motion No. 28. An affirmative vote on Motion No. 28 obviates the need for a vote on Motions. Nos. 30, 31, 32, 33 and 34. A negative vote on Motion No. 28 necessitates a vote on Motions Nos. 30, 31 and 33.

[*Translation*]

An affirmative vote on Motion No. 33 obviates the need for a vote on Motions Nos. 32 and 34. A negative vote on Motion No. 33 necessitates a vote on Motions Nos. 32 and 34.

[*English*]

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 28.

That Bill C-91 be amended in Clause 7 by striking out lines 2 to 19 at page 8 and substituting the following therefor:

"Canada, the term excessive price means a price that does not exceed by more than 4 per cent the lower of:

(*a*) the price at which similar medicines are available in countries in which competition is not limited by patents; and

(*b*) the price at which similar medicines would be available in Canada if competition were not limited by patents."

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:

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. 35.

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 35.

That Bill C-91 be amended in Clause 7 by adding immediately after line 45 at page 8 the following:

"82.1 (1) Notwithstanding any provision in this Act, the Board shall, in any proceeding under section 80, find that the medicine is being sold or has been sold by the patentee in any market in Canada at an excessive price where the percentage increase in the price of that medicine exceeds the percentage of revenues expended by the patentee in Canada on research and development relating to medicine in the year preceding the proceeding.

(2) Notwithstanding any provision in this Act, where the Board makes a finding under subsection (1) it may make any order that it deems appropriate in the circumstances.

(3) The Board shall, at the commencement of a proceeding under section 80, make an order requiring the patentee to provide the Board with information and documents respecting the expenditures made by the patentee in Canada on research and development relating to medicine.

(4) For the purpose of this section "revenues" means all of the revenues of a patentee from sales of medicine in Canada in the year referred to in subsection (1)."

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 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.

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 39.

That Bill C-91 be amended in Clause 7 by adding immediately after line 39 at page 9 the following:

"84.1 (1) Notwithstanding any Act of Parliament or the regulation made thereunder, where the Board issues guidelines in respect of the price range within which an invention pertaining to a medicine should be sold when it is first offered for sale, and the patentee, before a notice of compliance has been issued in respect of that invention, informs the Board that the patentee intends to sell the invention at a price in excess of that price range, no notice of compliance shall be issued in respect of that invention.

(2) For the purposes of this section "notice of compliance" has the meaning given to that term by subsection 39.1(1) of the former Act, and the definition of that term in that subsection shall continue to apply for the purposes of this section as if it had not been repealed by section 3 of this Act."

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:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mr. Ron MacDonald (Dartmouth) moved:

Motion No. 17.

That Bill C–91 be amended in Clause 7 by adding immediately after line 29 at page 4 the following:

"Reformultated Medicines

80. (1) Where in the opinion of the Board, a patentee of an invention pertaining to a medicine has reformulated the medicine after the coming into force of this section, and is selling or has sold the reformulated medicine in Canada, the Board may, by order, require the patentee to provide the Board with such information and documents respecting that medicine as is specified in the order and as is available to the patentee in Canada or within the knowledge or control of the patentee.

(2) A patentee in respect of whom an order is made under subsection (1) shall comply with the order within such time as is specified in the order.

(3) Where a patentee in respect of whom an order is made under subsection (1) does not comply with the order the prohibitions set out in subsections 39.11 (1) and 39.14 (1) cease to apply in respect of the medicine effective in the date of the order.

81. (1) Where after providing a patentee described in subsection 80(1) with a reasonable opportunity to be, the Board finds that the patentee is selling or has sold medicine that has been reformulated after the coming into force of this section, the prohibitions set out in subsections 39.11 (1) and 39.14 (1) cease to apply in respect of the medicine effective on the day the Board makes its finding.

(2) No proceeding may be commenced under section 81 more than three years after the day on which the patentee ceased to be entitled to the benefit of the relevant patent.

82. Sections 83 and 84, apply with such modifications as are necessary in respect of any proceeding held under section 81 or any information or document provided to the Board under section 80 or in any proceeding under section 81."

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:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 40.

That Bill C–91 be amended in Clause 7 by striking out lines 40 to 45 at page 9 and substituting the following therefor:

"88. (1) A patentee of an invention pertaining to a medicine shall, as required by and in accordance with the regulations, or as the Board may, by order, require, provide the Board with such information and documents as the regulations or the order may specify re–".

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 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.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 45.

That Bill C-91 be amended in Clause 7 by striking out lines 32 and 33 at page 11 and substituting the following therefor:

"view Board is hereby continued, and".

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 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.

Mr. Ron MacDonald (Dartmouth) moved:

Motion No. 46.

That Bill C-91 be amended in Clause 7

(*a*) by striking out line 35 at page 11 and substituting the following therefor:

"to be appointed by the Governor in Council in accordance with this section.

(2) Subject to subsection (3), three of the five members appointed to the Board shall be appointed from a list of candidates submitted to the Governor in Council by the Lieutenant Governor of each province.

(3) Where the majority of provinces has agreed on the lists from which an appointment shall be made and advises the Governor in Council of the lists it has agreed to, the Governor in Council shall make the appointments from those lists."

(*b*) by striking out line 40 at page 11 and substituting the following therefor:

"(5) Subject to subsection (3), a member of the Board, on the expira-".

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:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 47.

That Bill C-91 be amended in Clause 7 by adding immediately after line 12 at page 12 the following:

"92. (1) The Minister may establish an advisory panel to advise the Minister on the appointment of persons to the Board, which panel shall include representatives of the provincial ministers of the Crown responsible for health, representatives of consumer groups, representatives of the pharmaceutical industry and such other persons as the Minister considers appropriate to appoint.

(2) The Minister shall consult with an advisory panel established under subsection (1) for the purpose of making a recommendation to the Governor in Council with respect to the appointment of a person to the Board."

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 yeas have it.

An hon. member: On division.

Motion No. 47 agreed to.

• (1920)

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 49.

That Bill C-91 be amended in Clause 7 by striking out lines 32 to 34 at page 13 and substituting the following therefor:

"its jurisdiction, but, subject to section 84.1, such guidelines and state-".

Motion No. 50.

That Bill C-91 be amended in Clause 7 by striking out lines 35 and 36 at page 13 and substituting the following therefor:

"(5) The Statutory Instruments shall apply to guidelines and statements issued".

Madam Deputy Speaker: I should advise the House that an affirmative vote on Motion No. 48 obviates the need for a vote on Motions Nos. 49 and 50. A negative vote on Motion No. 48 necessitates a vote on Motions Nos. 49 and 50.

[*Translation*]

Mr. Blais: Madam Speaker, I raise a point of order just to make sure. We are dealing with Motion No. 48, are we not?

Madam Deputy Speaker: I am about to put Motion No. 48 to the House.

[*English*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 48.

That Bill C-91 be amended in Clause 7 by striking out lines 30 to 36 at page 13 and substituting the following therefor:

"(4) Subject to subsection (5), the Board may issue guidelines with respect to any matter within its jurisdiction but such guidelines are not binding on the Board or any patentee.

(5) Before the Board issues any guidelines, it shall consult with the Minister, the provincial ministers of the Crown responsible for health and such representatives of consumer groups and representatives of the pharmaceutical industry as the Minister may designate for the purpose.

(6) The Statutory Instruments Act does not apply to guidelines issued".

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 yeas have it.

An hon. member: On division.

Madam Deputy Speaker: Carried on division.

Motion No. 48 agreed to.

[*Translation*]

Some hon. members: No. Order.

Madam Deputy Speaker: I waited but nobody rose. Therefore, Motion No. 48 was agreed to on division.

The hon. member for Mégantic—Compton—Stanstead on a point of order.

Mr. Gérin: Madam Speaker, I would like to know what happened. Are you trying to pass motions here without giving the members a chance to say whether they are for or against? I believe five members rose—

Some hon. members: No, no.

Mr. Gérin: Come on.

Madam Deputy Speaker: I can assure the hon. member that the Chair put the question correctly. There were some yeas and some nays. I waited for a few seconds—Really, I looked but nobody got up.

The hon. member for Calgary Northeast on a point of order.

[*English*]

Mr. Kindy: Madam Speaker, when you asked whether there should be a recorded vote, five members stood up and I was one of them.

[*Translation*]

Madam Deputy Speaker: Order, please. I consulted with the people around me and in fact only four members asked for a recorded division when I said that the motion was agreed to on division. I can assure the hon. member for Mégantic—Compton—Stanstead that I can count to four.

The hon. member on a point of order.

Mr. Gérin: Madam Speaker, we tried to co-operate but I see that not everybody is co-operating in this House. Madam Speaker, for the rest of the evening, I would ask you to read so that we can understand what is said and to stop saying dispensed or not dispensed and all that. When questions are put to the members, when we have to answer yes or no, or even when we have to rise, let's make sure that we get a fair vote. In fact, five members did rise and I could name them for you.

If this is the procedure this evening, I would ask that you go slowly enough for us to follow what is going on.

[*English*]

Mr. Pat Nowlan (Annapolis Valley—Hants) moved:

Motion No. 51.

That Bill C-91 be amended in Clause 7 by striking out line 12 at page 15 and substituting the following therefor:

"pharmaceutical industry which shall outline and compare wholesale and retail prices; and".

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:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 52.

That Bill C-91 be amended in Clause 7

(*a*) by striking out lines 30 to 38 at page 15 and substituting the following therefor:

"101. (1) Subject to subsection (2), the Governor in Council may make regulations

(*a*) specifying the information and documents that shall be provided to the Board under subsection 80(1) or (2) or 88(1);";

(*b*) by striking out line 3 at page 16 and substituting the following therefor:

"(*d*) specifying";

(*c*) by striking out line 8 at page 16 and substituting the following therefor:

"(*e*) designating a Minister for the purposes of subsection 86(2) or paragraph 87(2)(*a*);

(*f*) defining, for the purposes of sections";

(*d*) by striking out line 11 at page 16 and substituting the following therefor:

"(*g*) requiring fees to be paid before the is-";

(*e*) by striking out line 15 at page 16 and substituting the following therefor:

"(*h*) requiring or";

(*f*) by striking out line 23 at page 16 and substituting the following therefor:

"(*i*) conferring on"; and

(*g*) by striking out lines 31 to 38 at page 16 and substituting the following therefor:

"(2) No regulations may be made under paragraph (1)(*d*), (*f*), (*h*) or (*i*) except on the recommendation of the Minister, made after the Minister has consulted with the provincial ministers of the Crown responsible for health and with such representatives of consumer groups and representatives of the pharmaceutical industry as".

Madam Deputy Speaker: Mr. Karpoff moves:

That Bill C-91 be amended in Clause 7 (a) by striking out at line 8—

[*Translation*]

Mr. Blais: Madam Speaker, just to make things perfectly clear. Motion No. 52 which you just read cannot be put to the vote along with Motion No. 53 which was presented by the hon. member from the opposition. Therefore, we will not be able to vote on both at the same time. I think that you should call a vote first on Motion No. 52.

Madam Deputy Speaker: Under the circumstances, I did not—Even though I had announced Motions No. 52, 53 and 54, after reading Motion No. 52, considering what the hon. member just mentioned, I had started putting Motion No. 54 to the House since it is pointless to move Motion No. 53 as long as we have not voted on Motion No. 52.

[*English*]

Mrs. Dobbie: Madam Speaker, I think that I misunderstood what you have said. We will vote Motion No. 52, will we not?

Madam Deputy Speaker: I do apologize. I was given Motions Nos. 52, 53 and 54 while I should have been given Motions Nos. 52, 54 and 55. Does that agree with the hon. member's finding?

[*Translation*]

Mr. Blais: I am sorry, Madam Speaker, but if you look at Motion No. 52 you will see that I presented it; Motion No. 53 was presented by Mr. Karpoff; Motion No. 54, by Mr. Karpoff and Motion No. 55, by Mr. MacDonald. In my opinion, Motion No. 52 must put to the vote separately from the three others, Madam Speaker, otherwise it will be very confusing.

• (1930)

Madam Deputy Speaker: I have to put Motions Nos. 52, 54 and 55. They just have to be read to the House; then we will have a voice vote on Motion No. 52. Depending on the vote on Motion No. 52, we will vote on Motion No. 54 or on Motion No. 55. For now, I do not intend to put Motions Nos. 54 and 55, but just to read them so that hon. members will know on what they are voting.

[*English*]

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 54.

That Bill C-91 be amended in Clause 7

(*a*) by striking out line 8 at page 16 and substituting the following therefor:

"(*e*) subject to subsection (2), defining, for the purposes of sections 82.1,"; and

(*b*) by adding immediately after line 30 at page 16 the following:

"(2) Any regulation made under paragraph (*e*) shall be made on the recommendation of the Minister, after the Minister has consulted with the ministers of the Crown for the provinces who are responsible for health but the Minister shall not make any recommendation unless a majority of those ministers have agreed upon a definition of the expression "research and development"."

Mr. Ron MacDonald (Dartmouth) moved:

Motion No. 55.

That Bill C-91 be amended in Clause 7 by

(*a*) striking out line 8 at page 16 and substituting the following therefor:

"(*e*) subject to subsection (2), defining, for the purposes of sections"; and

(*b*) striking out line 32 at page 16 and substituting the following therefor:

"(1)(*d*), (*e*) or (*h*) shall be made on the rec".

Madam Deputy Speaker: I now put to the House the question on Motion No. 52.

[*Translation*]

If Motion No. 52 is carried, Motions Nos. 54 and 55 will not be put. If Motion No. 52 is negatived, Motions Nos. 54 and 55 will be put.

The question is on Motion No. 52.

[*English*]

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.

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.

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 53.

That Bill C-91 be amended in Clause 7 by striking out line 5 at page 16 and substituting the following therefor:

"82 (1), including factors relating to".

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:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 56.

That Bill C-91 be amended in Clause 7 by adding immediately after line 39 at page 16 the following:

"Meetings with Minister

102. (1) The Minister may at any time convene a meeting of the following persons:

(*a*) the Chairperson and such members of the Board as the Chairperson may designate;

(*b*) the provincial ministers of the Crown responsible for health or such representatives as they may designate;

(*c*) such representatives of consumer groups and representatives of the pharmaceutical industry as the Minister may designate; and

(*d*) such other persons as the Minister considers appropriate.

(2) The participants at a meeting convened under subsection (1) shall consider such matters in relation to the administration or operation of sections 79 to 101 as the Minister may determine.

103. The Minister may enter into agreements with any province respecting the distribution to that province of amounts received or collected by the Receiver General under section 84, less any costs incurred in relation to the collection and distribution of those amounts."

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 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.

Mr. Ron MacDonald (Dartmouth) moved:

Motion No. 41.

That Bill C-91 be amended in Clause 7 by adding immediately after line 25 at page 11 the following:

"Research and Development

87. (1) Every patentee of an invention pertaining to a medicine shall by the 31st day of January 1997 provide the Board with evidence that the patentee has, between the 31st day of December, 1996 and the day this section comes into force, expended in Canada on research and development relating to medicine, at least 15 per cent of the revenues of the patentee from the sales of medicine in Canada between the day this section comes into force and the 31st of December 1996.

(2) Notwithstanding anything in this Act, where a patentee does not comply with subsection (1), the Board shall so advise the Commissioner and the Commissioner may revoke any patent of the patentee for an invention pertaining to a medicine.

88. (1) Where after providing a patentee described in subsection 87.1 with a reasonable opportunity to be heard, the Board finds that the evidence referred to in that subsection does not establish that the patentee expended by the 31st day of December, 1996, at least the amount referred to in subsection (1), the Board shall so advise the Commissioner and the Commissioner may, notwithstanding anything in this Act, revoke any patent of the patentee for an invention pertainin to a medicine.

(2) No proceeding referred to in subsection (1) may be commenced more than one year after the 31st day of January, 1997.

(3) Sections 83 and 84 apply with such modifications as are necessary in respect of a proceeding commenced under section 88 or any evidence provided to the Board under section 87 or in a proceeding commenced under section 88.

89. The Board may make regulations defining, for the purposes of sections 87 and 88, the expresssion "research and development".

Motion No. 43.

That Bill C-91 be amended in Clause 7 by adding immediately after line 25 at page 11 the following:

"Research and Development

87. (1) Every patentee of an invention pertaining to a medicine shall, at the end of every year, provide the Board with evidence that the patentee has, in that year, expended in Canada on basic research and development relating to medicine, at least thirty five percent of all monies expended in Canada on all research and development relating to medicine in that year.

(2) Notwithstanding anything in this Act, where a patentee does not comply with subsection (1), the Board shall so advise the Commissioner, and the Commissioner may revoke any patent of the patentee for an invention pertaining to a medicine.

88. (1) Where after providing a patentee described in section 87(1) with a reasonable opportunity to be heard, the Board finds that the evidence does not establish that the patentee expended at least the amount referred to in that subsection in the year in respect of which the proceeding relates, the Board shall so advise the Commissioner and the Commissioner may, notwithstanding anything in this Act, revoke any patent of the patentee for an invention pertaining to a medicine.

(2) No proceeding referred to in subsection (1) may be commenced not more than one year after the year in respect of which it relates.

(3) Sections 83 and 84 apply with such modifications as are necessary in respect of a proceeding commenced under section 88 or any evidence provided to the Board under section 87 or in a proceeding under section 88.

89. The Board may make regulations defining, for the purposes of section 87 and 88, the expressions "research and development" and "basic research and development".''

[*Translation*]

Madam Deputy Speaker: The question is on Motion No. 41. If Motion No. 41 is carried, Motion No. 43 will not be put.

[*English*]

A negative vote on Motion No. 41 necessitates a vote on Motion No. 43.

The question is on Motion No. 41. 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.

[*Translation*]

Madam Deputy Speaker: We now come to Motion No. 57.

Mr. Blais: I have a point of order, Madam Speaker. What Motion is it?

Madam Deputy Speaker: Motion No. 57.

Mr. Blais: Madam Speaker, have we voted on them separately? I heard you put Motion No. 43, but not Motion No. 41.

Madam Deputy Speaker: I read the terms of Motion No. 41, then the terms of Motion No. 43. Afterwards, I put Motion No. 41. The vote was deferred. I cannot put Motion No. 43 before the House has voted on Motion No. 41. Agreed?

[*English*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 57.

That Bill C-91 be amended in Clause 9 by striking out line 6 at page 17 and substituting the following therefor:

"which section 3 of this Act comes into force;".

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 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.

The next group covers Motions Nos. 58, 60 and 61 which I will now put to the House.

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 58.

That Bill C-91 be amended in Clause 11 by striking out lines 18 to 22 at page 17 and substituting the following therefor:

"11. (1) A licence that has been filed or granted under section 39 of the former Act before the commencement day shall continue to exist and remain in effect according to its".

Motion No. 60.

That Bill C-91 be amended in Clause 11 by adding immediately after line 27 at page 17 the following:

"(2) Notwithstanding any other provision in this Act, where a licence described in subsection (1) has been granted in respect of a patent of an invention intended or capable of being used for medicine or production of medicine, an application may be made by a person for a licence in respect of that patent and sections 39 to 39.14 shall continue to apply in respect of the application, the granting of a licence and any licence granted, as if those sections had not been repealed by section 3 of this Act."

• (1940)

Mr. Ron MacDonald (Dartmouth) moved:

Motion No. 61.

That Bill C-91 be amended by deleting Clause 11.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Yea.

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.

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 63.

That Bill C-91 be amended by deleting Clause 12.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

An hon. member: 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.

Mr. Ron MacDonald (Dartmouth) moved:

Motion No. 67.

That Bill C-91 be amended by deleting Clause 13.

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:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 68.

That Bill C-91 be amended in Clause 14

(*a*) by striking out lines 16 to 18 at page 18 and substituting the following therefor:

"after this Act is assented to, the provisions of the Patent Act enacted by this Act shall be referred to such";

(*b*) by striking out, in the English version, lines 25 to 27 at page 18 and substituting the following therefor:

"prehensive review of the provisions of the Patent Act enacted by this Act and shall, with-"; and

(*c*) by striking out line 34 at page 18 and substituting the following therefor:

"to those provisions."

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 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.

Mr. Jim Karpoff (Surrey North) moved:

Motion No. 69.

That Bill C-91 be amended in Clause 15 by striking out lines 35 to 38 at page 18 and substituting the following therefor:

"15. This Act shall come into force on a day or days to be fixed by order of the Governor in Council, which day may not be earlier than the adoption by Her Majesty in the right of Canada of the treaty of the General Agreement on Tariffs and Trade (Uruguay Round)."

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved:

Motion No. 70.

That Bill C-91 be amended in Clause 15 by striking out lines 35 to 38 at page 18 and substituting the following therefor:

"15. This Act or any provision thereof, or any provision of the Patent Act enacted by this Act, shall come into force on a day or days to be fixed by order of the Governor in Council."

Motion No. 71.

That Bill C-91 be amended in Clause 15 by striking out line 38 at page 18 and substituting the following therefor:

"the date this Act receives Royal Assent."

Mr. Ron MacDonald (Dartmouth) moved:

Motion No. 73.

That Bill C-91 be amended by deleting Clause 15.

Madam Deputy Speaker: The next question is on Motion No. 73.

[*Translation*]

An affirmative vote on Motion No. 73 obviates the need for a vote on Motions Nos. 69, 70 and 71. A negative vote on Motion No. 73 necessitates a vote on Motion No. 69.

[*English*]

An affirmative vote on Motion No. 69 obviates the need for a vote on Motions Nos. 70 and 71. A negative vote on Motion No. 69 necessitates a vote on Motion No. 70. An affirmative vote on Motion No. 70 obviates the need for a vote on Motion No. 71. A negative vote on No. 70 necessitates a vote on Motion No. 71.

The vote is now on Motion No. 73. 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 House will now proceed to the taking of the deferred divisions at the report stage of the bill now before the House. The first vote will be on Motion No. 2.

Call in the members.

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

(*Division No. 365*)

YEAS

Members

Allmand	Althouse
Anawak	Angus
Assad	Barrett
Bélair	Bellemare
Bevilacqua	Black
Blackburn (Brant)	Blaikie
Boudria	Breaugh
Brewin	Caccia
Catterall	Clancy
Comuzzi	Copps
Crawford	Dingwall
Duhamel	Ferguson
Finestone	Fisher
Flis	Fontana
Foster	Fulton
Funk	Gaffney
Gagliano	Gardiner
Guarnieri	Harb
Harvard	Harvey (Edmonton East)
Heap	Hopkins
Hovdebo	Hunter
Kaplan	Karpoff
Keyes	Kilger (Stormont—Dundas)
Kindy	Kristiansen
Langan (Mission—Coquitlam)	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacAulay
MacDonald (Dartmouth)	MacLaren
MacLellan	Marchi
McCurdy	McLaughlin
Mifflin	Milliken
Mills	Mitchell
Nault	Nowlan
Nunziata	Nystrom
Pagtakhan	Phinney
Pickard	Riis
Robinson	Rodriguez
Samson	Simmons
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stewart
Stupich	Vanclief
Volpe	Waddell
Walker	Young (Acadie—Bathurst)
Young (Beaches—Woodbine)—85	

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bernier	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Chadwick	Champagne (Champlain)
Charest	Chartrand
Clark (Yellowhead)	Clifford
Cole	Collins
Corbeil	Côté
Couture	Danis
Darling	Della Noce
Desjardins	Dick
Dobbie	Domm
Dorin	Duceppe
Duplessis	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Fretz
Friesen	Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)	Grey (Beaver River)
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Horner
Horning	Hudon
Hughes	Jacques
James	Jelinek
Johnson	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Lewis	Loiselle
Lopez	MacDougall (Timiskaming)
MacKay	Malone
Marin	Martin (Lincoln)
Mayer	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	McKnight
Merrithew	Monteith
Moore	Nicholson
Oberle	O'Kurley
Paproski	Plamondon
Porter	Pronovost
Redway	Reid
Reimer	Ricard
Richardson	Robitaille
Rocheleau	Roy-Arcelin
Schneider	Scott (Victoria—Haliburton)
Shields	Siddon
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Têtreault
Thacker	Thompson
Thorkelson	Tremblay (Québec-Est)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vankoughnet
Vien	Vincent
White	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—130	

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 2 negatived.

[*Translation*]

The next question is on Motion No. 1, standing in the name of Mr. MacDonald (Dartmouth).

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

(*Division No. 366*)

YEAS

Members

Allmand	Althouse
Anawak	Angus
Assad	Barrett
Bélair	Bellemare
Bevilacqua	Black
Blackburn (Brant)	Blaikie
Boudria	Breaugh
Brewin	Butland
Caccia	Catterall
Clancy	Comuzzi
Copps	Crawford
Dingwall	Duhamel
Ferguson	Finestone
Fisher	Flis

Foster
Funk
Gagliano
Guarnieri
Harvard
Heap
Hovdebo
Kaplan
Keyes
Kindy
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLaren
Marchi
McLaughlin
Milliken
Mitchell
Nault
Nunziata
Pagtakhan
Pickard
Riis
Rodriguez
Simmons
Skelly (Comox—Alberni)
Stewart
Taylor
Volpe
Walker
Young (Beaches—Woodbine)—89

Fulton
Gaffney
Gardiner
Harb
Harvey (Edmonton East)
Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Kristiansen
Langdon (Essex—Windsor)
Lee
MacDonald (Dartmouth)
MacLellan
McCurdy
Mifflin
Mills
Murphy
Nowlan
Nystrom
Phinney
Rideout
Robinson
Samson
Skelly (North Island—Powell River)
Speller
Stupich
Vanclief
Waddell
Young (Acadie—Bathurst)

NAYS

Members

Anderson
Atkinson
Beatty
Bernier
Bjornson
Blais
Bosley
Brightwell
Cadieux
Chadwick
Charest
Clark (Yellowhead)
Cole
Corbeil
Couture
Darling
Della Noce
Dick
Domm
Duceppe
Edwards
Fee
Ferland
Fretz
Gérin
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Horner
Hudon
Jacques
Jelinek
Joncas
Kempling
Langlois
Layton
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Mayer
McCreath
McDougall (St. Paul's)
Merrithew
Moore
Oberle
Paproski
Porter
Redway
Reimer

Andre
Attewell
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Campbell (Vancouver Centre)
Champagne (Champlain)
Chartrand
Clifford
Collins
Côté
Danis
DeBlois
Desjardins
Dobbie
Dorin
Duplessis
Epp
Feltham
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Horning
Hughes
James
Johnson
Jourdenais
Koury
Larrivée
Lewis
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
Mazankowski
McDermid
McKnight
Monteith
Nicholson
O'Kurley
Plamondon
Pronovost
Reid
Ricard

Richardson
Rocheleau
Schneider
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—131

Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Valcourt
Vankoughnet
Vincent
Winegard

PAIRED MEMBERS

nil/aucun

[*English*]

Madam Deputy Speaker: I declare the motion lost.

Mr. Dingwall: Madam Speaker, on a point of order a large number of votes will take place. In view of the substance of the motion which has just been voted on and its similarity to other motions and its similar consequences thereto, I think you could apply the vote just taken to Motions Nos. 4, 7, 9, 11 and 13 because of their similar consequences.

We could apply it in reverse to Motions No. 5 and 12 which would then allow us to proceed to Motion No. 19 and have a vote on that particular one.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: No.

Madam Deputy Speaker: Consent has not been given.

[*Translation*]

I clearly heard that no consent was given.

The next question is on Motion No. 4.

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

(*Division No. 367*)

YEAS

Members

Althouse
Angus
Attewell
Bélair

Anawak
Assad
Barrett
Bellemare

Bevilacqua
Blaikie
Butland
Catterall
Comuzzi
Crawford
Duhamel
Finestone
Fontana
Fulton
Gagliano
Harvard
Hopkins
Kaplan
Keyes
Kindy
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLaren
McLaughlin
Mills
Murphy
Nowlan
Nystrom
Pickard
Riis
Rodriguez
Skelly (North Island—Powell River)
Speller
Volpe
Whittaker
Blackburn (Brant)
Boudria
Caccia
Clancy
Copps
Dingwall
Ferguson
Flis
Foster
Gaffney
Gardiner
Harvey (Edmonton East)
Hovdebo
Karpoff
Kilger (Stormont—Dundas)
Kristiansen
Lee
MacDonald (Dartmouth)
MacLellan
Mifflin
Mitchell
Nault
Nunziata
Pagtakhan
Rideout
Robinson
Samson
Skelly (Comox—Alberni)
Stewart
Walker
Young (Beaches—Woodbine)—70

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Campbell (Vancouver Centre)
Champagne (Champlain)
Chartrand
Cole
Corbeil
Couture
Darling
Della Noce
Dick
Domm
Duceppe
Edwards
Fee
Ferland
Fretz
Gérin
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hockin
Horning
Hughes
James
Johnson
Jourdenais
Koury
Larrivée
Lewis
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
Mazankowski
McDermid
McKnight
Andre
Beatty
Bernier
Bjornson
Blais
Bosley
Brightwell
Cadieux
Chadwick
Charest
Clark (Yellowhead)
Collins
Côté
Danis
DeBlois
Desjardins
Dobbie
Dorin
Duplessis
Epp
Feltham
Fontaine
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hicks
Horner
Hudon
Jacques
Jelinek
Joncas
Kempling
Langlois
Layton
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Mayer
McCreath
McDougall (St. Paul's)
Merrithew
Monteith
Nicholson
O'Kurley
Porter
Reid
Ricard
Robitaille
Roy-Arcelin
Schneider
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—127
Moore
Oberle
Paproski
Redway
Reimer
Richardson
Rocheleau
Saint-Julien
Scott (Victoria—Haliburton)
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Valcourt
Vankoughnet
Vincent
Winegard

PAIRED MEMBERS

nil/aucun

[*English*]

Madam Deputy Speaker: I declare Motion No. 4 negatived.

Mr. Dingwall: Madam Speaker, on a point of order. The vote which has just been taken is the same vote which was applied to Motion No. 1. In view of its subject matter and its consequences thereto, there might be a disposition to have the vote on Motion No. 1 and Motion No. 4 apply to Motions. Nos. 7, 9, 11 and 13 and apply in reverse to Motions Nos. 5 and 12 so that we could proceed to Motion No. 19 with a vote on that.

Madam Deputy Speaker: Is there unanimous consent for the vote to be applied?

Some hon. members: No.

Madam Deputy Speaker: I do not have unanimous consent.

[*Translation*]

The next question is on Motion No. 5.

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

(*Division No. 368*)

YEAS

Members

Anderson
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Cadieux
Chadwick
Andre
Beatty
Bernier
Bjornson
Blais
Bosley
Browes
Campbell (Vancouver Centre)
Champagne (Champlain)

Charest	Clark (Yellowhead)
Cole	Collins
Corbeil	Côté
Couture	Danis
Darling	DeBlois
Della Noce	Desjardins
Dick	Dobbie
Domm	Dorin
Duceppe	Duplessis
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Fretz	Gray (Bonaventure—Îles-de-la-Madeleine)
Gustafson	Halliday
Harvey (Chicoutimi)	Hicks
Hockin	Horner
Horning	Hudon
Hughes	Jacques
James	Jelinek
Johnson	Joncas
Kempling	Koury
Langlois	Larrivée
Layton	Lewis
Loiselle	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming)
MacKay	Malone
Marin	Martin (Lincoln)
Mayer	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	McKnight
Merrithew	Monteith
Moore	Nicholson
Oberle	O'Kurley
Plamondon	Redway
Reimer	Richardson
Rocheleau	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Siddon
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Tétreault
Thompson	Thorkelson
Tremblay (Québec-Est)	Turner (Halton—Peel)
Valcourt	Van De Walle
Vankoughnet	Vien
Vincent	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—114	

NAYS

Members

Althouse	Assad
Axworthy (Winnipeg South Centre)	Barrett
Bélair	Bellemare
Blaikie	Caccia
Comuzzi	Copps
Crawford	Dingwall
Ferguson	Finestone
Flis	Fontana
Fulton	Gaffney
Gagliano	Grey (Beaver River)
Harvard	Harvey (Edmonton East)
Hopkins	Hovdebo
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kindy
LeBlanc (Cape Breton Highlands—Canso)	Lee
MacDonald (Dartmouth)	McLaughlin
Mills	Murphy
Nunziata	Nystrom
Pagtakhan	Robinson
Rodriguez	Skelly (North Island—Powell River)
Taylor	Volpe
Walker	Whittaker—44

PAIRED MEMBERS

nil/aucun

• (2030)

Madam Deputy Speaker: I declare the Motion No. 5 carried.

[*English*]

The next question is on Motion No. 7.

Mr. Dingwall: Madam Speaker, on a point of order. In view of the substance of the motion and its similarity to Motion No. 12, perhaps the vote on Motion No. 5 could be applied to Motion No. 12, as well as the vote which was just taken on Motions Nos. 1 and 4 could also apply to Motions Nos. 7, 9, 11 and 13 and we could proceed with a vote on Motion No. 19.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: No.

Madam Deputy Speaker: There is not unanimous consent.

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

(*Division No. 369*)

YEAS

Members

Althouse	Axworthy (Winnipeg South Centre)
Barrett	Bélair
Bellemare	Blaikie
Boudria	Caccia
Clancy	Comuzzi
Copps	Crawford
Dingwall	Ferguson
Finestone	Flis
Fontana	Fulton
Gaffney	Gagliano
Guarnieri	Harvard
Hopkins	Hovdebo
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kindy
LeBlanc (Cape Breton Highlands—Canso)	Lee
MacDonald (Dartmouth)	McLaughlin
Milliken	Mills
Murphy	Nystrom
Pagtakhan	Robinson
Rodriguez	Skelly (North Island—Powell River)
Speller	Taylor
Volpe	Walker
Whittaker	Young (Acadie—Bathurst)—46

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bernier	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Boyer	Browes
Cadieux	Campbell (Vancouver Centre)
Chadwick	Charest
Chartrand	Clark (Yellowhead)
Cole	Collins
Corbeil	Côté
Couture	Danis
Darling	DeBlois
Desjardins	Dick
Dobbie	Domm
Dorin	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Fretz
Gérin	Grey (Beaver River)
Gustafson	Halliday
Hicks	Hockin
Horner	Hughes
Jacques	James
Jelinek	Johnson
Joncas	Kempling
Langlois	Larrivée
Layton	Lewis
Loiselle	MacDonald (Rosedale)
MacDougall (Timiskaming)	MacKay
Malone	Martin (Lincoln)
Mayer	Mazankowski
McDermid	McDougall (St. Paul's)
McKnight	Monteith
Moore	Nicholson
Oberle	O'Kurley
Plamondon	Redway
Reid	Reimer
Richardson	Rocheleau
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Siddon	Sobeski
Soetens	Sparrow
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Turner (Halton—Peel)
Valcourt	Van De Walle
Vankoughnet	Vien
Vincent	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard—103

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare the motion negatived.

Mr. Dingwall: Madam Speaker, on a point of order. My record has not been too good, but perhaps there might be a disposition to apply the vote just taken to Motions Nos. 9, 11 and 13 so we could proceed with Motion No. 19 which covers a number of similar motions in substance and the consequences thereto.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: No.

Madam Deputy Speaker: There is not unanimous consent.

The next question is on Motion No. 13. An affirmative vote on Motion No. 13 obviates the need for a vote on Motions Nos. 9, 11 and 12. A negative vote on Motion No. 13 necessitates a vote on Motion No. 9.

An affirmative vote on Motion No. 9 obviates the need for a vote on Motions Nos. 11 and 12, and a negative vote on Motion No. 9 necessitates a vote on Motions Nos. 11 and 12. The question is on Motion No. 13.

The House divided on Motion No. 13, which was negatived on the following division:

(*Division No. 370*)

YEAS

Members

Althouse	Axworthy (Winnipeg South Centre)
Barrett	Blaikie
Caccia	Clancy
Copps	Crawford
Dingwall	Ferguson
Flis	Fontana
Fulton	Gagliano
Harvard	Hopkins
Hovdebo	Kaplan
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kindy
LeBlanc (Cape Breton Highlands—Canso)	Lee
MacDonald (Dartmouth)	Marchi
McLaughlin	Milliken
Mills	Murphy
Nystrom	Robinson
Skelly (North Island—Powell River)	Speller
Tobin	Volpe
Walker	Whittaker
Young (Acadie—Bathurst)	Young (Beaches—Woodbine)—40

NAYS

Members

Anderson	Atkinson
Attewell	Beatty
Bernier	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Chadwick	Charest
Chartrand	Clifford
Couture	Danis
Darling	DeBlois
Desjardins	Dick
Dobbie	Domm
Dorin	Edwards
Epp	Fee
Feltham	Ferland
Fretz	Gérin

Gustafson	Halliday
Hawkes	Horner
Hughes	Jacques
James	Kempling
Langlois	Layton
Lewis	Loiselle
MacDonald (Rosedale)	MacDougall (Timiskaming)
MacKay	Martin (Lincoln)
Mayer	McDermid
McDougall (St. Paul's)	McKnight
Monteith	Moore
Nicholson	Oberle
O'Kurley	Paproski
Plamondon	Porter
Pronovost	Redway
Reid	Reimer
Richardson	Rocheleau
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Siddon	Sobeski
Soetens	Sparrow
Tardif	Thacker
Thompson	Valcourt
Van De Walle	Vankoughnet
Vien	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—90	

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare the motion negatived. The next question is on Motion No. 9.

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

(Division No. 371)

YEAS

Members

Althouse	Attewell
Axworthy (Winnipeg South Centre)	Barrett
Bellemare	Blaikie
Boudria	Caccia
Clancy	Copps
Crawford	Dingwall
Duhamel	Ferguson
Flis	Foster
Fulton	Gaffney
Gagliano	Harvard
Hopkins	Hovdebo
Kaplan	Keyes
Kilger (Stormont—Dundas)	Kindy
LeBlanc (Cape Breton Highlands—Canso)	MacDonald (Dartmouth)
MacLellan	Marchi
McLaughlin	Milliken
Mills	Murphy
Nault	Pickard
Robinson	Samson
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Tobin
Vanclief	Waddell
Walker	Whittaker
Young (Acadie—Bathurst)	Young (Beaches—Woodbine)—48

NAYS

Members

Anderson	Andre
Atkinson	Beatty
Bernier	Bjornson
Blackburn (Jonquière)	Blais
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Chadwick	Champagne (Champlain)
Charest	Chartrand
Clifford	Côté
Couture	Danis
Darling	DeBlois
Desjardins	Dobbie
Domm	Dorin
Duceppe	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Fretz
Gérin	Gustafson
Halliday	Hawkes
Horner	Horning
Hudon	Hughes
Jacques	James
Jourdenais	Kempling
Langlois	Layton
Lewis	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	MacKay
Martin (Lincoln)	Mayer
McDermid	McDougall (St. Paul's)
McKnight	Monteith
Moore	Nicholson
Oberle	O'Kurley
Paproski	Plamondon
Porter	Pronovost
Redway	Reid
Reimer	Richardson
Rocheleau	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Shields
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Valcourt
Van De Walle	Vankoughnet
Vien	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Worthy—91

PAIRED MEMBERS

nil/aucun

• (2050)

Madam Deputy Speaker: I declare the motion negatived. The next question is on Motion No. 11.

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

(Division No. 372)

YEAS

Members

Althouse	Axworthy (Winnipeg South Centre)
Barrett	Bellemare
Bevilacqua	Blackburn (Brant)
Blaikie	Boudria
Caccia	Copps
Crawford	Dingwall
Duhamel	Ferguson
Flis	Foster

Fulton	Gaffney
Gagliano	Harvard
Hopkins	Hovdebo
Keyes	Kilger (Stormont—Dundas)
Kindy	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacDonald (Dartmouth)
MacLellan	Marchi
Mifflin	Mills
Murphy	Nault
Pickard	Robinson
Samson	Skelly (North Island—Powell River)
Skelly (Comox—Alberni)	Speller
Tobin	Vanclief
Volpe	Waddell
Walker	Whittaker
Young (Acadie—Bathurst)	Young (Beaches—Woodbine)—48

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Blais	Blenkarn
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Chadwick	Champagne (Champlain)
Charest	Chartrand
Clifford	Cole
Couture	Danis
Darling	DeBlois
Della Noce	Desjardins
Dobbie	Domm
Dorin	Duceppe
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Gérin	Grey (Beaver River)
Gustafson	Halliday
Horner	Horning
Hudon	Jacques
Jourdenais	Kempling
Larrivée	Loiselle
Lopez	MacDougall (Timiskaming)
MacKay	Mayer
McDermid	McDougall (St. Paul's)
McKnight	Monteith
Moore	Nicholson
Oberle	O'Kurley
Plamondon	Porter
Pronovost	Redway
Reimer	Richardson
Rocheleau	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Siddon
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Tétreault
Thompson	Tremblay (Québec-Est)
Valcourt	Van De Walle
Vankoughnet	Vien
Wilbee	
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Worthy—88

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare the motion negatived.

[*Translation*]

The next question is on Motion No. 12, standing in the name of Mr. Blais.

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

An hon. member: On division.

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 to the motion 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:

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

(*Division No. 373*)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bernier	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Brightwell	Browes
Campbell (Vancouver Centre)	Chadwick
Champagne (Champlain)	Charest
Chartrand	Clifford
Cole	Côté
Couture	Danis
Darling	DeBlois
Della Noce	Desjardins
Dobbie	Domm
Dorin	Duceppe
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Gérin	Gustafson
Halliday	Harvey (Chicoutimi)
Horner	Horning
Hudon	Jacques
Joncas	Jourdenais
Kempling	Larrivée
Loiselle	Lopez
Mayer	Mazankowski
McDermid	McDougall (St. Paul's)
McKnight	Monteith
Moore	Nicholson
Oberle	O'Kurley
Plamondon	Porter
Pronovost	Redway
Reid	Reimer
Rocheleau	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Siddon
Sobeski	Sparrow
Stevenson	Tétreault
Thompson	Tremblay (Québec-Est)

Valcourt
Vankoughnet
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—91
Van De Walle
Vien
Winegard

NAYS

Members

Althouse
Barrett
Bevilacqua
Blaikie
Caccia
Copps
Dingwall
Flis
Fulton
Grey (Beaver River)
Harvey (Edmonton East)
Karpoff
Kilger (Stormont—Dundas)
Lee
MacLellan
Mifflin
Murphy
Nunziata
Phinney
Robinson
Skelly (North Island—Powell River)
Vanclief
Waddell
Whittaker—47
Axworthy (Winnipeg South Centre)
Bélair
Blackburn (Brant)
Boudria
Catterall
Crawford
Duhamel
Foster
Gaffney
Harvard
Hopkins
Keyes
Kindy
MacDonald (Dartmouth)
Marchi
Mills
Nault
Pagtakhan
Pickard
Samson
Tobin
Volpe
Walker

PAIRED MEMBERS

nil/aucun

• (2100)

Madam Deputy Speaker: I declare Motion No. 12 carried.

[*English*]

The next question is on Motion No. 19.

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

(*Division No. 374*)

YEAS

Members

Althouse
Barrett
Blackburn (Brant)
Boudria
Catterall
Crawford
Duhamel
Foster
Gaffney
Harvey (Edmonton East)
Karpoff
Kilger (Stormont—Dundas)
Lee
MacLellan
Mifflin
Murphy
Nunziata
Pagtakhan
Pickard
Skelly (North Island—Powell River)
Stewart
Vanclief
Walker
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Caccia
Copps
Dingwall
Flis
Fulton
Harvard
Hopkins
Keyes
Kindy
MacDonald (Dartmouth)
Marchi
Mills
Nault
Nystrom
Phinney
Samson
Skelly (Comox—Alberni)
Tobin
Volpe
Whittaker—46

NAYS

Members

Anderson
Atkinson
Belsher
Blackburn (Jonquière)
Blenkarn
Brightwell
Campbell (Vancouver Centre)
Champagne (Champlain)
Chartrand
Cole
Couture
Darling
Della Noce
Dobbie
Edwards
Fee
Ferland
Gérin
Gustafson
Harvey (Chicoutimi)
Horning
Jacques
Jourdenais
Larrivée
Lopez
Mayer
McDermid
Monteith
Nicholson
O'Kurley
Plamondon
Pronovost
Reid
Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Stevenson
Thompson
Van De Walle
Vien
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—89
Andre
Beatty
Bjornson
Blais
Bosley
Browes
Chadwick
Charest
Clifford
Côté
Danis
DeBlois
Desjardins
Duceppe
Epp
Feltham
Fontaine
Grey (Beaver River)
Halliday
Horner
Hudon
Joncas
Kempling
Loiselle
MacDougall (Timiskaming)
Mazankowski
McDougall (St. Paul's)
Moore
Oberle
Paproski
Porter
Redway
Reimer
Rocheleau
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Tétreault
Tremblay (Québec-Est)
Vankoughnet
Vincent
Winegard

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare the motion lost.

The next question is on—

Mr. Dingwall: Madam Speaker, on a point of order. In view of the subject matter which we have just voted on, there might be a disposition in the House to apply the division taken on Motion No. 19 to Motions Nos. 16, 28, 30, 31, 32, 33, 34, 35 and 39 and apply it in reverse to Motions Nos. 15, 18 and 38, keeping in mind that these are very similar in terms of their substance and the consequences thereof. Then we could proceed to a vote

on Motion No. 17. There are several other votes after that.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

[*Translation*]

Madam Deputy Speaker: The next question is on Motion No. 15.

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

(*Division No. 375*)

YEAS

Members

Anderson	Andre
Beatty	Belsher
Bernier	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Boyer	Browes
Campbell (Vancouver Centre)	Chadwick
Champagne (Champlain)	Charest
Chartrand	Clifford
Cole	Côté
Couture	Danis
Darling	DeBlois
Dobbie	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Gérin
Gustafson	Halliday
Harvey (Chicoutimi)	Hogue
Horner	Horning
Jacques	Joncas
Jourdenais	Kempling
Larrivée	Loiselle
Lopez	MacDougall (Timiskaming)
Mayer	Mazankowski
McDermid	McDougall (St. Paul's)
Monteith	Moore
Nicholson	Oberle
O'Kurley	Paproski
Plamondon	Porter
Pronovost	Redway
Reid	Reimer
Robitaille	Rocheleau
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Tétreault
Thompson	Van De Walle
Vankoughnet	Vien
Vincent	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Worthy—85

NAYS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Bellemare
Bevilacqua	Blackburn (Brant)
Blaikie	Boudria
Caccia	Catterall
Comuzzi	Copps
Crawford	Dingwall
Duhamel	Flis
Foster	Fulton
Gaffney	Gagliano
Grey (Beaver River)	Harvard
Harvey (Edmonton East)	Hopkins
Hovdebo	Karpoff
Keyes	Kilger (Stormont—Dundas)
Kindy	Lee
MacDonald (Dartmouth)	MacLellan
Marchi	Mifflin
Milliken	Mills
Nault	Nunziata
Nystrom	Pagtakhan
Phinney	Pickard
Samson	Skelly (North Island—Powell River)
Skelly (Comox—Alberni)	Stewart
Tobin	Vanclief
Volpe	Walker
Whittaker	Young (Beaches—Woodbine)—52

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 15 carried.

[*English*]

Mr. Dingwall: Mr. Speaker, I rise on a point of order. The vote taken on Motion No. 15 might apply to Motions Nos. 18 and 38 and the vote which was taken on Motion No. 19 could apply to Motions Nos. 16, 28, 30, 31, 32, 33, 34, 35 and 39 which would then allow us to proceed to Motion No. 17.

I wonder if there might a disposition in the House.

Mr. Speaker: The House has heard the suggestion of the hon. member for Cape Breton—East Richmond. Is there agreement?

Some hon. members: Agreed.

Mr. Speaker: Is it agreed?

Some hon. members: Agreed.

Mr. Speaker: The consequence of the agreement of the House is that Motions Nos. 15, 18 and 38 are carried. Motions Nos. 16, 28, 30, 31, 32, 33, 34, 35 and 39 are negatived.

[*Translation*]

Mr. Plamondon: Point of order, Mr. Speaker. There was no unanimous consent on the motions you have just enumerated.

[*English*]

Mr. Speaker: I think I asked the House twice.

The House divided on Motion No. 16, which was negatived on the following division:

(*Division No. 376*)

Members

YEAS

Members

Althouse	Axworthy (Winnipeg South Centre)
Barrett	Bevilacqua
Blackburn (Brant)	Blaikie
Boudria	Caccia
Catterall	Copps
Crawford	Dingwall
Duhamel	Flis
Foster	Fulton
Gaffney	Harvard
Harvey (Edmonton East)	Hopkins
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kindy
Lee	MacDonald (Dartmouth)
MacLellan	Marchi
Mifflin	Mills
Murphy	Nault
Nunziata	Nystrom
Pagtakhan	Phinney
Pickard	Samson
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Stewart	Tobin
Vanclief	Volpe
Walker	Whittaker—46

NAYS

Members

Anderson	Andre
Atkinson	Beatty
Belsher	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Brightwell	Browes
Campbell (Vancouver Centre)	Chadwick
Champagne (Champlain)	Charest
Chartrand	Clifford
Cole	Côté
Couture	Danis
Darling	DeBlois
Della Noce	Desjardins
Dobbie	Duceppe
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Gérin	Grey (Beaver River)
Gustafson	Halliday
Harvey (Chicoutimi)	Horner
Horning	Hudon
Jacques	Joncas
Jourdenais	Kempling
Larrivée	Loiselle
Lopez	MacDougall (Timiskaming)
Mayer	Mazankowski
McDermid	McDougall (St. Paul's)
Monteith	Moore
Nicholson	Oberle
O'Kurley	Paproski
Plamondon	Porter
Pronovost	Redway
Reid	Reimer
Robitaille	Rocheleau
Roy-Arcelin	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Siddon
Sobeski	Sparrow
Stevenson	Tétreault
Thompson	Tremblay (Québec-Est)
Van De Walle	Vankoughnet
Vien	Vincent
Wilbee	
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—89	

PAIRED MEMBERS

nil/aucun

The House divided on Motion No. 38, which was agreed to on the following division:

(*Division No. 377*)

YEAS

Members

Anderson	Andre
Beatty	Belsher
Bernier	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Boyer	Browes
Campbell (Vancouver Centre)	Chadwick
Champagne (Champlain)	Charest
Chartrand	Clifford
Cole	Côté
Couture	Danis
Darling	DeBlois
Dobbie	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Gérin
Gustafson	Halliday
Harvey (Chicoutimi)	Hogue
Horner	Horning
Jacques	Joncas
Jourdenais	Kempling
Larrivée	Loiselle
Lopez	MacDougall (Timiskaming)
Mayer	Mazankowski
McDermid	McDougall (St. Paul's)
Monteith	Moore
Nicholson	Oberle
O'Kurley	Paproski
Plamondon	Porter
Pronovost	Redway
Reid	Reimer
Robitaille	Rocheleau
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Tétreault
Thompson	Van De Walle
Vankoughnet	Vien
Vincent	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Worthy—85

NAYS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Bellemare
Bevilacqua	Blackburn (Brant)
Blaikie	Boudria
Caccia	Catterall
Comuzzi	Copps
Crawford	Dingwall
Duhamel	Flis

Foster
Gaffney
Grey (Beaver River)
Harvey (Edmonton East)
Hovdebo
Keyes
Kindy
MacDonald (Dartmouth)
Marchi
Milliken
Nault
Nystrom
Phinney
Samson
Skelly (Comox—Alberni)
Tobin
Volpe
Whittaker
Fulton
Gagliano
Harvard
Hopkins
Karpoff
Kilger (Stormont—Dundas)
Lee
MacLellan
Mifflin
Mills
Nunziata
Pagtakhan
Pickard
Skelly (North Island—Powell River)
Stewart
Vanclief
Walker
Young (Beaches—Woodbine)—52

PAIRED MEMBERS

nil/aucun

The House divided on Motion No. 18, which was agreed to on the following division:

(Division No. 378)

YEAS

Members

Anderson
Beatty
Bernier
Blackburn (Jonquière)
Blenkarn
Boyer
Campbell (Vancouver Centre)
Champagne (Champlain)
Chartrand
Cole
Couture
Darling
Dobbie
Epp
Feltham
Fontaine
Gustafson
Harvey (Chicoutimi)
Horner
Jacques
Jourdenais
Larrivée
Lopez
Mayer
McDermid
Monteith
Nicholson
O'Kurley
Plamondon
Pronovost
Reid
Robitaille
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Tardif
Thompson
Vankoughnet
Vincent
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Andre
Belsher
Bjornson
Blais
Bosley
Browes
Chadwick
Charest
Clifford
Côté
Danis
DeBlois
Edwards
Fee
Ferland
Gérin
Halliday
Hogue
Horning
Joncas
Kempling
Loiselle
MacDougall (Timiskaming)
Mazankowski
McDougall (St. Paul's)
Moore
Oberle
Paproski
Porter
Redway
Reimer
Rocheleau
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Sobeski
Stevenson
Tétreault
Van De Walle
Vien
Wilbee
Worthy—85

NAYS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Caccia
Comuzzi
Crawford
Duhamel
Foster
Gaffney
Grey (Beaver River)
Harvey (Edmonton East)
Hovdebo
Keyes
Kindy
MacDonald (Dartmouth)
Marchi
Milliken
Nault
Nystrom
Phinney
Samson
Skelly (Comox—Alberni)
Tobin
Volpe
Whittaker
Angus
Bellemare
Blackburn (Brant)
Boudria
Catterall
Copps
Dingwall
Flis
Fulton
Gagliano
Harvard
Hopkins
Karpoff
Kilger (Stormont—Dundas)
Lee
MacLellan
Mifflin
Mills
Nunziata
Pagtakhan
Pickard
Skelly (North Island—Powell River)
Stewart
Vanclief
Walker
Young (Beaches—Woodbine)—52

PAIRED MEMBERS

nil/aucun

The House divided on Motion No. 28, which was negatived on the following division:

(Division No. 379)

YEAS

Members

Althouse
Barrett
Blackburn (Brant)
Boudria
Catterall
Crawford
Duhamel
Foster
Gaffney
Harvey (Edmonton East)
Karpoff
Kilger (Stormont—Dundas)
Lee
MacLellan
Mifflin
Murphy
Nunziata
Pagtakhan
Pickard
Skelly (North Island—Powell River)
Stewart
Vanclief
Walker
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Caccia
Copps
Dingwall
Flis
Fulton
Harvard
Hopkins
Keyes
Kindy
MacDonald (Dartmouth)
Marchi
Mills
Nault
Nystrom
Phinney
Samson
Skelly (Comox—Alberni)
Tobin
Volpe
Whittaker—46

NAYS

Members

Anderson
Atkinson
Belsher
Andre
Beatty
Bjornson

Blackburn (Jonquière)
Blenkarn
Brightwell
Campbell (Vancouver Centre)
Champagne (Champlain)
Chartrand
Cole
Couture
Darling
Della Noce
Dobbie
Edwards
Fee
Ferland
Gérin
Gustafson
Harvey (Chicoutimi)
Horning
Jacques
Jourdenais
Larrivée
Lopez
Mayer
McDermid
Monteith
Nicholson
O'Kurley
Plamondon
Pronovost
Reid
Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Stevenson
Thompson
Van De Walle
Vien
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—89

Blais
Bosley
Browes
Chadwick
Charest
Clifford
Côté
Danis
DeBlois
Desjardins
Duceppe
Epp
Feltham
Fontaine
Grey (Beaver River)
Halliday
Horner
Hudon
Joncas
Kempling
Loiselle
MacDougall (Timiskaming)
Mazankowski
McDougall (St. Paul's)
Moore
Oberle
Paproski
Porter
Redway
Reimer
Rocheleau
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Tétreault
Tremblay (Québec-Est)
Vankoughnet
Vincent
Winegard

PAIRED MEMBERS

nil/aucun

The House divided on Motion No. 30, which was negatived on the following division:

(Division No. 380)

YEAS

Members

Althouse
Barrett
Blackburn (Brant)
Boudria
Catterall
Crawford
Duhamel
Foster
Gaffney
Harvey (Edmonton East)
Karpoff
Kilger (Stormont—Dundas)
Lee
MacLellan
Mifflin
Murphy
Nunziata
Pagtakhan
Pickard
Skelly (North Island—Powell River)
Stewart
Vanclief
Walker

Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Caccia
Copps
Dingwall
Flis
Fulton
Harvard
Hopkins
Keyes
Kindy
MacDonald (Dartmouth)
Marchi
Mills
Nault
Nystrom
Phinney
Samson
Skelly (Comox—Alberni)
Tobin
Volpe
Whittaker—46

NAYS

Members

Anderson
Atkinson
Belsher
Blackburn (Jonquière)
Blenkarn
Brightwell
Campbell (Vancouver Centre)
Champagne (Champlain)
Chartrand
Cole
Couture
Darling
Della Noce
Dobbie
Edwards
Fee
Ferland
Gérin
Gustafson
Harvey (Chicoutimi)
Horning
Jacques
Jourdenais
Larrivée
Lopez
Mayer
McDermid
Monteith
Nicholson
O'Kurley
Plamondon
Pronovost
Reid
Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Stevenson
Thompson
Van De Walle
Vien
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—89

Andre
Beatty
Bjornson
Blais
Bosley
Browes
Chadwick
Charest
Clifford
Côté
Danis
DeBlois
Desjardins
Duceppe
Epp
Feltham
Fontaine
Grey (Beaver River)
Halliday
Horner
Hudon
Joncas
Kempling
Loiselle
MacDougall (Timiskaming)
Mazankowski
McDougall (St. Paul's)
Moore
Oberle
Paproski
Porter
Redway
Reimer
Rocheleau
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Tétreault
Tremblay (Québec-Est)
Vankoughnet
Vincent
Winegard

PAIRED MEMBERS

nil/aucun

The House divided on Motion No. 31, which was negatived on the following division:

(Division No. 381)

YEAS

Members

Althouse
Barrett
Blackburn (Brant)
Boudria
Catterall
Crawford
Duhamel
Foster
Gaffney
Harvey (Edmonton East)
Karpoff
Kilger (Stormont—Dundas)
Lee

Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Caccia
Copps
Dingwall
Flis
Fulton
Harvard
Hopkins
Keyes
Kindy
MacDonald (Dartmouth)

MacLellan
Mifflin
Murphy
Nunziata
Pagtakhan
Pickard
Skelly (North Island—Powell River)
Stewart
Vanclief
Walker
Marchi
Mills
Nault
Nystrom
Phinney
Samson
Skelly (Comox—Alberni)
Tobin
Volpe
Whittaker—46

NAYS

Members

Anderson
Atkinson
Belsher
Blackburn (Jonquière)
Blenkarn
Brightwell
Campbell (Vancouver Centre)
Champagne (Champlain)
Chartrand
Cole
Couture
Darling
Della Noce
Dobbie
Edwards
Fee
Ferland
Gérin
Gustafson
Harvey (Chicoutimi)
Horning
Jacques
Jourdenais
Larrivée
Lopez
Mayer
McDermid
Monteith
Nicholson
O'Kurley
Plamondon
Pronovost
Reid
Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Stevenson
Thompson
Van De Walle
Vien
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—89
Andre
Beatty
Bjornson
Blais
Bosley
Browes
Chadwick
Charest
Clifford
Côté
Danis
DeBlois
Desjardins
Duceppe
Epp
Feltham
Fontaine
Grey (Beaver River)
Halliday
Horner
Hudon
Joncas
Kempling
Loiselle
MacDougall (Timiskaming)
Mazankowski
McDougall (St. Paul's)
Moore
Oberle
Paproski
Porter
Redway
Reimer
Rocheleau
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Tétreault
Tremblay (Québec-Est)
Vankoughnet
Vincent
Winegard

PAIRED MEMBERS

nil/aucun

The House divided on Motion No. 33, which was negatived on the following division:

(Division No. 382)

YEAS

Members

Althouse
Barrett
Blackburn (Brant)
Boudria
Catterall
Crawford
Duhamel
Foster
Gaffney
Harvey (Edmonton East)
Karpoff
Kilger (Stormont—Dundas)
Lee
MacLellan
Mifflin
Murphy
Nunziata
Pagtakhan
Pickard
Skelly (North Island—Powell River)
Stewart
Vanclief
Walker
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Caccia
Copps
Dingwall
Flis
Fulton
Harvard
Hopkins
Keyes
Kindy
MacDonald (Dartmouth)
Marchi
Mills
Nault
Nystrom
Phinney
Samson
Skelly (Comox—Alberni)
Tobin
Volpe
Whittaker—46

NAYS

Members

Anderson
Atkinson
Belsher
Blackburn (Jonquière)
Blenkarn
Brightwell
Campbell (Vancouver Centre)
Champagne (Champlain)
Chartrand
Cole
Couture
Darling
Della Noce
Dobbie
Edwards
Fee
Ferland
Gérin
Gustafson
Harvey (Chicoutimi)
Horning
Jacques
Jourdenais
Larrivée
Lopez
Mayer
McDermid
Monteith
Nicholson
O'Kurley
Plamondon
Pronovost
Reid
Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Stevenson
Thompson
Van De Walle
Vien
Wilbee
Wilson (Swift Current—Maple Creek Assiniboia)
Wilson (Etobicoke Centre)
Worthy—89
Andre
Beatty
Bjornson
Blais
Bosley
Browes
Chadwick
Charest
Clifford
Côté
Danis
DeBlois
Desjardins
Duceppe
Epp
Feltham
Fontaine
Grey (Beaver River)
Halliday
Horner
Hudon
Joncas
Kempling
Loiselle
MacDougall (Timiskaming)
Mazankowski
McDougall (St. Paul's)
Moore
Oberle
Paproski
Porter
Redway
Reimer
Rocheleau
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Tétreault
Tremblay (Québec-Est)
Vankoughnet
Vincent
Winegard

PAIRED MEMBERS

nil/aucun

The House divided on Motion No. 32, which was negatived on the following division:

(Division No. 383)

YEAS

Members

Althouse	Axworthy (Winnipeg South Centre)
Barrett	Bevilacqua
Blackburn (Brant)	Blaikie
Boudria	Caccia
Catterall	Copps
Crawford	Dingwall
Duhamel	Flis
Foster	Fulton
Gaffney	Harvard
Harvey (Edmonton East)	Hopkins
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kindy
Lee	MacDonald (Dartmouth)
MacLellan	Marchi
Mifflin	Mills
Murphy	Nault
Nunziata	Nystrom
Pagtakhan	Phinney
Pickard	Samson
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Stewart	Tobin
Vanclief	Volpe
Walker	Whittaker—46

NAYS

Members

Anderson	Andre
Atkinson	Beatty
Belsher	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Brightwell	Browes
Campbell (Vancouver Centre)	Chadwick
Champagné (Champlain)	Charest
Chartrand	Clifford
Cole	Côté
Couture	Danis
Darling	DeBlois
Della Noce	Desjardins
Dobbie	Duceppe
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Gérin	Grey (Beaver River)
Gustafson	Halliday
Harvey (Chicoutimi)	Horner
Horning	Hudon
Jacques	Joncas
Jourdenais	Kempling
Larrivée	Loiselle
Lopez	MacDougall (Timiskaming)
Mayer	Mazankowski
McDermid	McDougall (St. Paul's)
Monteith	Moore
Nicholson	Oberle
O'Kurley	Paproski
Plamondon	Porter
Pronovost	Redway
Reid	Reimer
Robitaille	Rocheleau
Roy-Arcelin	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Siddon
Sobeski	Sparrow
Stevenson	Tétreault
Thompson	Tremblay (Québec-Est)
Van De Walle	Vankoughnet
Vien	Vincent
Wilbee	
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—89	

PAIRED MEMBERS

nil/aucun

The House divided on Motion No. 34, which was negatived on the following division:

(Division No. 384)

YEAS

Members

Althouse	Axworthy (Winnipeg South Centre)
Barrett	Bevilacqua
Blackburn (Brant)	Blaikie
Boudria	Caccia
Catterall	Copps
Crawford	Dingwall
Duhamel	Flis
Foster	Fulton
Gaffney	Harvard
Harvey (Edmonton East)	Hopkins
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kindy
Lee	MacDonald (Dartmouth)
MacLellan	Marchi
Mifflin	Mills
Murphy	Nault
Nunziata	Nystrom
Pagtakhan	Phinney
Pickard	Samson
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Stewart	Tobin
Vanclief	Volpe
Walker	Whittaker—46

NAYS

Members

Anderson	Andre
Atkinson	Beatty
Belsher	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Brightwell	Browes
Campbell (Vancouver Centre)	Chadwick
Champagne (Champlain)	Charest
Chartrand	Clifford
Cole	Côté
Couture	Danis
Darling	DeBlois
Della Noce	Desjardins
Dobbie	Duceppe
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Gérin	Grey (Beaver River)
Gustafson	Halliday
Harvey (Chicoutimi)	Horner
Horning	Hudon
Jacques	Joncas
Jourdenais	Kempling
Larrivée	Loiselle
Lopez	MacDougall (Timiskaming)
Mayer	Mazankowski
McDermid	McDougall (St. Paul's)
Monteith	Moore

Nicholson
O'Kurley
Plamondon
Pronovost
Reid
Robitaille
Roy–Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Stevenson
Thompson
Van De Walle
Vien
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—89
Oberle
Paproski
Porter
Redway
Reimer
Rocheleau
Saint–Julien
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Tétreault
Tremblay (Québec–Est)
Vankoughnet
Vincent
Winegard

PAIRED MEMBERS

nil/aucun

The House divided on Motion No. 35, which was negatived on the following division:

(Division No. 385)

YEAS

Members

Althouse
Barrett
Blackburn (Brant)
Boudria
Catterall
Crawford
Duhamel
Foster
Gaffney
Harvey (Edmonton East)
Karpoff
Kilger (Stormont—Dundas)
Lee
MacLellan
Mifflin
Murphy
Nunziata
Pagtakhan
Pickard
Skelly (North Island—Powell River)
Stewart
Vanclief
Walker
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Caccia
Copps
Dingwall
Flis
Fulton
Harvard
Hopkins
Keyes
Kindy
MacDonald (Dartmouth)
Marchi
Mills
Nault
Nystrom
Phinney
Samson
Skelly (Comox—Alberni)
Tobin
Volpe
Whittaker—46

NAYS

Members

Anderson
Atkinson
Belsher
Blackburn (Jonquière)
Blenkarn
Brightwell
Campbell (Vancouver Centre)
Champagne (Champlain)
Chartrand
Cole
Couture
Darling
Della Noce
Dobbie
Edwards
Fee
Andre
Beatty
Bjornson
Blais
Bosley
Browes
Chadwick
Charest
Clifford
Côté
Danis
DeBlois
Desjardins
Duceppe
Epp
Feltham
Ferland
Gérin
Gustafson
Harvey (Chicoutimi)
Horning
Jacques
Jourdenais
Larrivée
Lopez
Mayer
McDermid
Monteith
Nicholson
O'Kurley
Plamondon
Pronovost
Reid
Robitaille
Roy–Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Stevenson
Thompson
Van De Walle
Vien
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—89
Fontaine
Grey (Beaver River)
Halliday
Horner
Hudon
Joncas
Kempling
Loiselle
MacDougall (Timiskaming)
Mazankowski
McDougall (St. Paul's)
Moore
Oberle
Paproski
Porter
Redway
Reimer
Rocheleau
Saint–Julien
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Tétreault
Tremblay (Québec–Est)
Vankoughnet
Vincent
Winegard

PAIRED MEMBERS

nil/aucun

The House divided on Motion No. 39, which was negatived on the following division:

(Division No. 386)

YEAS

Members

Althouse
Barrett
Blackburn (Brant)
Boudria
Catterall
Crawford
Duhamel
Foster
Gaffney
Harvey (Edmonton East)
Karpoff
Kilger (Stormont—Dundas)
Lee
MacLellan
Mifflin
Murphy
Nunziata
Pagtakhan
Pickard
Skelly (North Island—Powell River)
Stewart
Vanclief
Walker
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Caccia
Copps
Dingwall
Flis
Fulton
Harvard
Hopkins
Keyes
Kindy
MacDonald (Dartmouth)
Marchi
Mills
Nault
Nystrom
Phinney
Samson
Skelly (Comox—Alberni)
Tobin
Volpe
Whittaker—46

NAYS

Members

Anderson
Atkinson
Belsher
Blackburn (Jonquière)
Andre
Beatty
Bjornson
Blais

Blenkarn
Brightwell
Campbell (Vancouver Centre)
Champagne (Champlain)
Chartrand
Cole
Couture
Darling
Della Noce
Dobbie
Edwards
Fee
Ferland
Gérin
Gustafson
Harvey (Chicoutimi)
Horning
Jacques
Jourdenais
Larrivée
Lopez
Mayer
McDermid
Monteith
Nicholson
O'Kurley
Plamondon
Pronovost
Reid
Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Stevenson
Thompson
Van De Walle
Vien
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—89

Bosley
Browes
Chadwick
Charest
Clifford
Côté
Danis
DeBlois
Desjardins
Duceppe
Epp
Feltham
Fontaine
Grey (Beaver River)
Halliday
Horner
Hudon
Joncas
Kempling
Loiselle
MacDougall (Timiskaming)
Mazankowski
McDougall (St. Paul's)
Moore
Oberle
Paproski
Porter
Redway
Reimer
Rocheleau
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Tétreault
Tremblay (Québec-Est)
Vankoughnet
Vincent
Winegard

PAIRED MEMBERS

nil/aucun

Mr. Speaker: The next question is on Motion No. 17.

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

(*Division No. 387*)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bellemare
Blaikie
Catterall
Copps
Dingwall
Ferguson
Flis
Fulton
Gagliano
Harvey (Edmonton East)
Hovdebo
Kilger (Stormont—Dundas)
Kristiansen
MacDonald (Dartmouth)
Mifflin
Nault
Nystrom
Phinney
Samson
Skelly (Comox—Alberni)
Tobin
Volpe
Whittaker

Angus
Bélair
Blackburn (Brant)
Caccia
Comuzzi
Crawford
Duhamel
Finestone
Foster
Gaffney
Harvard
Hopkins
Keyes
Kindy
Lee
MacLellan
Mills
Nunziata
Pagtakhan
Pickard
Skelly (North Island—Powell River)
Stewart
Vanclief
Walker
Young (Beaches—Woodbine)—50

NAYS

Members

Anderson
Attewell
Belsher
Blackburn (Jonquière)
Blenkarn
Brightwell
Champagne (Champlain)
Côté
Darling
Della Noce
Dorin
Edwards
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Halliday
Hawkes
Horner
Joncas
Loiselle
MacDougall (Timiskaming)
Mayer
McDermid
Moore
Paproski
Porter
Reid
Richardson
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Siddon
Soetens
Stevenson
Tétreault
Tremblay (Québec-Est)
Vien
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Worthy—79

Atkinson
Beatty
Bernier
Blais
Boyer
Browes
Clifford
Danis
DeBlois
Desjardins
Duceppe
Epp
Feltham
Fretz
Gérin
Grey (Beaver River)
Harvey (Chicoutimi)
Hogue
Jacques
Jourdenais
Lopez
MacKay
Mazankowski
Monteith
Oberle
Plamondon
Redway
Ricard
Rocheleau
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Tardif
Thompson
Vankoughnet
Vincent

PAIRED MEMBERS

nil/aucun

Mr. Speaker: I declare the motion negatived. The next question is on Motion No. 40.

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

(*Division No. 388*)

YEAS

Members

Anderson
Attewell
Belsher
Blais
Bosley
Brightwell
Clifford
Danis
DeBlois
Desjardins

Andre
Beatty
Blackburn (Jonquière)
Blenkarn
Boyer
Cadieux
Cole
Darling
Della Noce
Dobbie

Dorin	Duceppe
Edwards	Epp
Fee	Feltham
Ferland	Fretz
Friesen	Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)	Halliday
Harvey (Chicoutimi)	Hawkes
Hogue	Horner
Jacques	Joncas
Jourdenais	Lopez
MacDougall (Timiskaming)	MacKay
Mayer	Mazankowski
McDermid	Monteith
Moore	Oberle
Paproski	Plamondon
Porter	Redway
Ricard	Richardson
Rocheleau	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Shields
Sobeski	Stevenson
Tardif	Tétreault
Thompson	Tremblay (Québec-Est)
Vankoughnet	Vien
Vincent	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—73

NAYS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Bellemare
Blackburn (Brant)	Blaikie
Boudria	Caccia
Comuzzi	Copps
Crawford	Dingwall
Ferguson	Finestone
Flis	Fulton
Gaffney	Grey (Beaver River)
Harvard	Hopkins
Howdebo	Kilger (Stormont—Dundas)
Kindy	Kristiansen
Lee	MacDonald (Dartmouth)
Mifflin	Mills
Nystrom	Pagtakhan
Phinney	Pickard
Samson	Skelly (North Island—Powell River)
Stewart	Vanclief
Volpe	Walker
Whittaker	Young (Beaches—Woodbine)—40

PAIRED MEMBERS

nil/aucun

• (2130)

Mr. Speaker: I declare the motion carried. The hon. member on a point of order.

Mr. Attewell: Mr. Speaker, I wonder if there might be agreement in the House to apply the same vote on the last motion to Motions No. 45 and 47?

Some hon. members: No.

[*Translation*]

Mr. Speaker: The next question is on Motion No. 45.

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

(Division No. 389)

YEAS

Members

Anderson	Andre
Attewell	Beatty
Belsher	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Boyer	Champagne (Champlain)
Cole	Danis
Darling	DeBlois
Della Noce	Desjardins
Dobbie	Dorin
Duceppe	Edwards
Epp	Fee
Feltham	Ferland
Fretz	Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)	Halliday
Harvey (Chicoutimi)	Hogue
Hudon	Jacques
Jourdenais	Lopez
MacDougall (Timiskaming)	MacKay
Mayer	Mazankowski
McKnight	Monteith
Moore	Nicholson
Oberle	Paproski
Redway	Ricard
Richardson	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Sobeski
Sparrow	Stevenson
Tardif	Tétreault
Tremblay (Québec-Est)	Vien
Vincent	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—67

NAYS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Bélair
Bellemare	Bevilacqua
Blackburn (Brant)	Blaikie
Boudria	Comuzzi
Copps	Crawford
Ferguson	Finestone
Flis	Fulton
Gaffney	Grey (Beaver River)
Harvard	Harvey (Edmonton East)
Heap	Hopkins
Kilger (Stormont—Dundas)	Kindy
Kristiansen	Lee
MacDonald (Dartmouth)	Marchi
Mills	Nystrom
Pagtakhan	Samson
Skelly (North Island—Powell River)	Stewart
Whittaker—35	

PAIRED MEMBERS

nil/aucun

[*English*]

Mr. Speaker: I declare the motion carried.

[*Translation*]

The next question is on Motion No. 46.

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

(*Division No. 390*)

YEAS

Members

Althouse	Axworthy (Winnipeg South Centre)
Bélair	Bellemare
Bevilacqua	Blackburn (Brant)
Blaikie	Boudria
Comuzzi	Copps
Crawford	Ferguson
Finestone	Flis
Foster	Fulton
Gaffney	Harvard
Harvey (Edmonton East)	Heap
Hopkins	Hovdebo
Kilger (Stormont—Dundas)	Kindy
Kristiansen	Lee
MacDonald (Dartmouth)	Marchi
Mills	Nystrom
Pagtakhan	Parent
Samson	Skelly (North Island—Powell River)
Stewart	Walker
Whittaker—37	

NAYS

Members

Anderson	Andre
Attewell	Beatty
Belsher	Bjornson
Blenkarn	Bosley
Boyer	Brightwell
Browes	Campbell (Vancouver Centre)
Champagne (Champlain)	Clifford
Cole	Côté
Darling	Della Noce
Desjardins	Dobbie
Duceppe	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)	Grey (Beaver River)
Halliday	Harvey (Chicoutimi)
Hogue	Hudon
Jacques	Loiselle
Lopez	MacDougall (Timiskaming)
MacKay	Mayer
Mazankowski	McDougall (St. Paul's)
McKnight	Monteith
Moore	Nicholson
Oberle	Paproski
Plamondon	Redway
Reimer	Ricard
Richardson	Rocheleau
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Soetens	Sparrow
Stevenson	Tardif
Tétreault	Tremblay (Québec-Est)
Vien	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—71

PAIRED MEMBERS

nil/aucun

• (2140)

[*English*]

Mr. Speaker: I declare the motion lost.

Mr. Attewell: Mr. Speaker, on a point of order. Just to try again, I wonder if the House might agree on the basis of reversing the vote on 46 to apply to Motions Nos. 47 and 48.

Some hon. members: Agreed.

[*Translation*]

Madam Deputy Speaker: The next question is on Motion No. 51.

Mr. Gérin: What happens to Motions Nos. 47 and 48?

Madam Deputy Speaker: Motions Nos. 47 and 48 were carried on division this afternoon.

The question is on Motion No. 51.

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

(*Division No. 391*)

YEAS

Members

Althouse	Angus
Bélair	Bellemare
Blackburn (Brant)	Blaikie
Boudria	Comuzzi
Copps	Crawford
Dingwall	Ferguson
Finestone	Flis
Foster	Fulton
Gaffney	Gagliano
Gauthier	Harvard
Heap	Hopkins
Hovdebo	Kilger (Stormont—Dundas)
Kindy	Kristiansen
MacDonald (Dartmouth)	Marchi
Mifflin	Mills
Nunziata	Nystrom
Pagtakhan	Parent
Samson	Skelly (North Island—Powell River)
Stewart	Tobin
Vanclief	Walker
Whittaker	Young (Beaches—Woodbine)—42

NAYS

Members

Andre	Atkinson
Attewell	Belsher
Bernier	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Boyer	Brightwell
Campbell (Vancouver Centre)	Clifford
Cole	Côté
Danis	Darling
Della Noce	Desjardins
Dorin	Duceppe
Edwards	Epp
Fee	Feltham
Ferland	Fretz
Friesen	Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)	Grey (Beaver River)
Halliday	Harvey (Chicoutimi)
Hawkes	Hogue
Horner	Jacques
Loiselle	Lopez
MacDougall (Timiskaming)	MacKay
Mayer	Mazankowski
McDougall (St. Paul's)	Monteith
Moore	Nicholson
Oberle	Paproski
Plamondon	Pronovost
Redway	Reid
Reimer	Ricard
Richardson	Rocheleau
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Soetens	Sparrow
Stevenson	Tardif
Tétreault	Tremblay (Québec-Est)
Turner (Halton—Peel)	Vien
Vincent	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard—76	

PAIRED MEMBERS

nil/aucun

[*English*]

Madam Deputy Speaker: I declare the motion lost.

Mr. Attewell: Madam Speaker, I wonder if the House might be in agreement to apply the vote on Motion No. 51 in reverse to Motions Nos. 52 and 56.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: Consent has not been given.

The next question is on Motion No. 52. An affirmative vote on Motion No. 52 obviates the need for a vote on Motions Nos. 54 and 55 and a negative vote on Motion No. 52 necessitates a vote on Motions Nos. 54 and 55.

The House divided on Motion No. 52, which was agreed to on the following division:

(*Division No. 392*)

YEAS

Members

Andre	Atkinson
Attewell	Belsher
Bernier	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Boyer	Brightwell
Campbell (Vancouver Centre)	Clifford
Côté	Danis
Darling	Della Noce
Desjardins	Dorin
Edwards	Epp
Fee	Ferland
Fretz	Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)	Halliday
Harvey (Chicoutimi)	Hockin
Horner	Jacques
Joncas	Loiselle
MacDougall (Timiskaming)	MacKay
Mazankowski	McDougall (St. Paul's)
Monteith	Moore
Nicholson	Oberle
Paproski	Porter
Pronovost	Redway
Reid	Reimer
Ricard	Richardson
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Shields
Soetens	Sparrow
Stevenson	Tardif
Tétreault	Tremblay (Québec-Est)
Turner (Halton—Peel)	Vien
Vincent	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard—66	

NAYS

Members

Althouse	Angus
Bélair	Bellemare
Bevilacqua	Blackburn (Brant)
Blaikie	Boudria
Copps	Dingwall
Duhamel	Ferguson
Finestone	Flis
Foster	Fulton
Gaffney	Gagliano
Gauthier	Grey (Beaver River)
Harvard	Harvey (Edmonton East)
Heap	Hopkins
Hovdebo	Keyes
Kindy	Kristiansen
LeBlanc (Cape Breton Highlands—Canso)	Marchi
Mifflin	Mills
Nault	Nunziata
Nystrom	Pagtakhan
Pickard	Samson
Skelly (North Island—Powell River)	Stewart
Tobin	Vanclief
Walker	Whittaker
Young (Beaches—Woodbine)—45	

PAIRED MEMBERS

nil/aucun

• (2150)

[*Translation*]

Madam Deputy Speaker: I declare the motion carried.

It will not be necessary to vote on Motions Nos. 54 and 55. The next question is on Motion No. 53.

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

(*Division No. 393*)

YEAS

Members

Althouse
Bellemare
Blackburn (Brant)
Caccia
Clancy
Copps
Dingwall
Ferguson
Flis
Gaffney
Gauthier
Harvey (Edmonton East)
Hopkins
Keyes
Kindy
LeBlanc (Cape Breton Highlands—Canso)
Mifflin
Nault
Nystrom
Pickard
Skelly (North Island—Powell River)
Tobin
Walker
Young (Beaches—Woodbine)—47

Angus
Bevilacqua
Blaikie
Catterall
Comuzzi
Crawford
Duhamel
Finestone
Fulton
Gagliano
Harvard
Heap
Hovdebo
Kilger (Stormont—Dundas)
Kristiansen
Marchi
Mills
Nunziata
Pagtakhan
Samson
Stewart
Vanclief
Whittaker

NAYS

Members

Andre
Attewell
Bjornson
Bosley
Brightwell
Champagne (Champlain)
Cole
Danis
DeBlois
Desjardins
Dorin
Edwards
Feltham
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Halliday
Hawkes
Hogue
Jacques
Koury
Lopez

Atkinson
Belsher
Blackburn (Jonquière)
Boyer
Campbell (Vancouver Centre)
Clifford
Côté
Darling
Della Noce
Dobbie
Duceppe
Epp
Fretz
Gérin
Gustafson
Harvey (Chicoutimi)
Hockin
Horner
Joncas
Loiselle
MacDougall (Timiskaming)

MacKay
Mazankowski
McDougall (St. Paul's)
Nicholson
Paproski
Pronovost
Reid
Ricard
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Sparrow
Turner (Halton—Peel)
Vien
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard—72

Mayer
McDermid
Monteith
Oberle
Porter
Redway
Reimer
Rocheleau
Schneider
Scott (Hamilton—Wentworth)
Soetens
Tremblay (Québec-Est)
Vankoughnet
Wilbee

PAIRED MEMBERS

nil/aucun

[*English*]

Madam Deputy Speaker: I declare the motion lost.

• (2200)

[*Translation*]

The next question is on Motion No. 56.

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

(*Division No. 394*)

YEAS

Members

Anderson
Attewell
Bird
Blackburn (Jonquière)
Bosley
Brightwell
Champagne (Champlain)
Côté
Darling
Della Noce
Dobbie
Duceppe
Epp
Fretz
Gérin
Gustafson
Harvey (Chicoutimi)
Hogue
Joncas
Koury
Lopez
MacKay
Mayer
McDermid
Monteith
Nicholson
Paproski
Pronovost
Reimer
Rocheleau
Schneider
Shields
Soetens
Tremblay (Québec-Est)
Vien
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard

Atkinson
Belsher
Bjornson
Blenkarn
Boyer
Campbell (Vancouver Centre)
Cole
Danis
DeBlois
Desjardins
Dorin
Edwards
Feltham
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Halliday
Hockin
Horner
Jourdenais
Langlois
MacDougall (Timiskaming)
Marin
Mazankowski
McDougall (St. Paul's)
Moore
Oberle
Porter
Redway
Ricard
Saint-Julien
Scott (Victoria—Haliburton)
Sobeski
Sparrow
Vankoughnet
Wilbee
Worthy—73

NAYS

Members

Althouse	Bellemare
Bevilacqua	Blackburn (Brant)
Blaikie	Boudria
Caccia	Catterall
Clancy	Comuzzi
Copps	Crawford
Dingwall	Duhamel
Ferguson	Finestone
Flis	Fulton
Gaffney	Gagliano
Gauthier	Grey (Beaver River)
Harvard	Harvey (Edmonton East)
Heap	Keyes
Kilger (Stormont—Dundas)	Kristiansen
LeBlanc (Cape Breton Highlands—Canso)	MacDonald (Dartmouth)
MacLellan	Marchi
Mifflin	Mills
Nault	Nunziata
Nystrom	Pagtakhan
Pickard	Rideout
Samson	Skelly (North Island—Powell River)
Skelly (Comox—Alberni)	Stewart
Tobin	Vanclief
Volpe	Walker
Whittaker	Young (Beaches—Woodbine)—50

PAIRED MEMBERS

nil/aucun

[*Translation*]

Madam Deputy Speaker: I declare the motion carried.

[*English*]

Mr. Dingwall: Madam Speaker, on a point of order, I wonder if there might be agreement to apply the vote on Motion No. 46 in reverse to Motions Nos. 41 and 43.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: No.

Madam Deputy Speaker: Consent is not given.

The next question is on Motion No. 41. An affirmative vote on Motion No. 41 will obviate the need for a vote on Motion No. 43. A negative vote on Motion No. 41 necessitates a vote on Motion No. 43.

The House divided on Motion No. 41, which was negatived on the following division:

(Division No. 395)

YEAS

Members

Althouse	Bellemare
Bevilacqua	Blackburn (Brant)
Blaikie	Boudria
Caccia	Catterall
Clancy	Comuzzi
Copps	Crawford
Dingwall	Duhamel
Ferguson	Finestone
Flis	Fulton
Funk	Gaffney
Gagliano	Gauthier
Harvard	Harvey (Edmonton East)
Heap	Keyes
Kilger (Stormont—Dundas)	Kindy
Kristiansen	LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)	MacLellan
Marchi	Mifflin
Mills	Nault
Nystrom	Pagtakhan
Pickard	Skelly (North Island—Powell River)
Skelly (Comox—Alberni)	Stewart
Tobin	Vanclief
Volpe	Walker
Whittaker	Young (Beaches—Woodbine)—48

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Belsher	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Campbell (Vancouver Centre)
Champagne (Champlain)	Cole
Danis	Darling
Della Noce	Desjardins
Dobbie	Dorin
Duceppe	Edwards
Epp	Feltham
Ferland	Fretz
Friesen	Gérin
Gray (Bonaventure—Îles-de- la-Madeleine)	Gustafson
Halliday	Harvey (Chicoutimi)
Hockin	Hogue
Hudon	Hughes
Joncas	Jourdenais
Koury	Langlois
Loiselle	Lopez
MacDougall (Timiskaming)	MacKay
Marin	Martin (Lincoln)
Mayer	Mazankowski
McDermid	McDougall (St. Paul's)
McKnight	Monteith
Moore	Nicholson
Oberle	Paproski
Porter	Pronovost
Redway	Reid
Reimer	Richardson
Rocheleau	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Sobeski	Soetens
Sparrow	Tardif
Thompson	Tremblay (Québec-Est)
Vankoughnet	Vien
Wilbee	
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—82

PAIRED MEMBERS

nil/aucun

• (2210)

Madam Deputy Speaker: I declare the motion negatived. The next question is on Motion No. 43.

Mr. Dingwall: Mr. Speaker, on a point of order. I wonder whether it could put to the House that the vote that has just been taken on Motion No. 41, which is very similar to Motion No. 43, could apply to that motion and apply in reverse to Motion No. 57. We could then proceed to Motion No. 61.

Some hon. members: No.

Madam Deputy Speaker: There is not unanimous consent.

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 in opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

Some hon. members: On division.

Motion negatived.

Madam Deputy Speaker: The next question is on Motion No. 57.

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

(Division No. 396)

YEAS

Members

Anderson
Atkinson
Belsher
Bjornson
Blais
Bosley
Brightwell
Champagne (Champlain)
Danis
Desjardins
Dorin
Edwards
Feltham
Friesen
Andre
Attewell
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Campbell (Vancouver Centre)
Cole
Darling
Dobbie
Duceppe
Epp
Ferland
Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)
Halliday
Hawkes
Hogue
Hughes
Joncas
Koury
Loiselle
MacDougall (Timiskaming)
Martin (Lincoln)
McDermid
McKnight
Moore
Paproski
Pronovost
Reid
Richardson
Rocheleau
Schneider
Shields
Sobeski
Sparrow
Thompson
Vankoughnet
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—81
Gustafson
Harvey (Chicoutimi)
Hockin
Hudon
Jacques
Jourdenais
Langlois
Lopez
Marin
Mazankowski
McDougall (St. Paul's)
Monteith
Oberle
Porter
Redway
Reimer
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Tardif
Tremblay (Québec-Est)
Vien
Winegard

NAYS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bevilacqua
Boudria
Butland
Catterall
Comuzzi
Crawford
Duhamel
Finestone
Fulton
Gagliano
Grey (Beaver River)
Harvey (Edmonton East)
Hopkins
Karpoff
Kilger (Stormont—Dundas)
Langdon (Essex—Windsor)
MacDonald (Dartmouth)
Marchi
Mills
Nystrom
Pickard
Skelly (Comox—Alberni)
Stupich
Vanclief
Walker
Young (Beaches—Woodbine)—55
Angus
Bellemare
Blaikie
Breaugh
Caccia
Clancy
Copps
Dingwall
Ferguson
Flis
Funk
Gauthier
Harvard
Heap
Hunter
Keyes
Kindy
LeBlanc (Cape Breton Highlands—Canso)
MacLellan
Mifflin
Nault
Pagtakhan
Skelly (North Island—Powell River)
Stewart
Tobin
Volpe
Whittaker

PAIRED MEMBERS

nil/aucun

[*Translation*]

Madam Deputy Speaker: I declare the motion carried.

[*English*]

Mrs. Dobbie: Madam Speaker, I wonder if, in the spirit of Christmas and because the members are tired and have been working hard all night, we might be able to find some agreement to apply the vote on Motion No. 61

to Motions Nos. 58, 60, 63, 67, 73 and 69 and to apply in reverse to Motions Nos. 68 and 70.

Madam Deputy Speaker: Is there consent?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: There is no unanimous consent.

The next question is on Motion No. 61. An affirmative vote on Motion No. 61 obviates the need for a vote on Motions Nos. 58 and 60 and a negative vote on Motion No. 61 necessitates a vote on Motions Nos. 58 and 60.

The House divided on Motion No. 61, which was negatived on the following division:

(Division No. 397)

YEAS

Members

Angus
Bellemare
Black
Boudria
Butland
Catterall
Comuzzi
Crawford
Duhamel
Flis
Gagliano
Harvard
Hopkins
Karpoff
Kilger (Stormont—Dundas)
Langdon (Essex—Windsor)
MacDonald (Dartmouth)
Marchi
Mifflin
Nault
Pagtakhan
Simmons
Skelly (Comox—Alberni)
Stupich
Vanclief
Walker

Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Breaugh
Caccia
Clancy
Copps
Dingwall
Finestone
Funk
Gauthier
Harvey (Edmonton East)
Hunter
Keyes
Kindy
LeBlanc (Cape Breton Highlands—Canso)
MacLellan
McLaughlin
Mills
Nunziata
Pickard
Skelly (North Island—Powell River)
Stewart
Tobin
Volpe
Whittaker—52

NAYS

Members

Anderson
Attewell
Belsher
Bird
Blais
Boyer
Champagne (Champlain)
Cole
Danis
DeBlois
Desjardins
Dorin
Edwards
Fee
Ferland
Gérin

Andre
Beatty
Bernier
Bjornson
Bosley
Brightwell
Clark (Yellowhead)
Côté
Darling
Della Noce
Dobbie
Duceppe
Epp
Feltham
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)

Grey (Beaver River)
Halliday
Hockin
Horning
Hughes
Joncas
Koury
Loiselle
MacDougall (Timiskaming)
Martin (Lincoln)
McDermid
Monteith
Nicholson
Porter
Redway
Ricard
Robitaille
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Tardif
Thompson
Vankoughnet
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—87

Gustafson
Harvey (Chicoutimi)
Hogue
Hudon
Jacques
Jourdenais
Langlois
Lopez
Marin
Mazankowski
McKnight
Moore
Paproski
Pronovost
Reimer
Richardson
Rocheleau
Schneider
Scott (Hamilton—Wentworth)
Siddon
Soetens
Stevenson
Tétreault
Tremblay (Québec-Est)
Vien
Winegard

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare the motion negatived.

The next question is on Motion No. 58. Is it the pleasure of the House to adopt the motion?

Some hon. members: No.

Some hon. members: On division.

Motion No. 58 negatived.

Madam Deputy Speaker: 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.

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.

Some hon. members: On division.

Motion No. 60 negatived.

Madam Deputy Speaker: The next question is on Motion No. 63. Is it the pleasure of the House to adopt the motion?

Some hon. members: No.

Some hon. members: On division.

Motion No. 63 negatived.

Madam Deputy Speaker: The next question is on Motion No. 67. Is it the pleasure of the House to adopt the motion?

Some hon. members: No.

Some hon. members: On division.

Motion No. 67 negatived.

Madam Deputy Speaker: The next question is on Motion No. 68. Is it the pleasure of the House to adopt the motion?

Some hon. members: No.

Some hon. members: On division.

Motion No. 68 agreed to.

Madam Deputy Speaker: The next question is on Motion No. 73. Is it the pleasure of the House to adopt the motion?

Some hon. members: No.

Some hon. members: On division.

Motion No. 73 negatived.

Madam Deputy Speaker: The negative vote on Motion No. 73 necessitates a vote on Motion No. 69. The next question is on Motion No. 69.

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

Some hon. members: No.

Some hon. members: On division.

Motion No. 69 negatived.

• (2230)

Madam Deputy Speaker: 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: On division.

Motion No. 70 agreed to.

[*Translation*]

Mr. Blais moved 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, as amended, 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:

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

(*Division No. 398*)

YEAS

Members

Anderson	Andre
Attewell	Beatty
Belsher	Bernier
Bird	Bjornson
Blais	Blenkarn
Bosley	Boyer
Brightwell	Champagne (Champlain)
Clark (Yellowhead)	Cole
Corbeil	Côté
Danis	Darling
DeBlois	Della Noce
Desjardins	Dobbie
Dorin	Duceppe
Edwards	Epp
Fee	Feltham
Ferland	Fretz
Friesen	Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hockin
Hogue	Horner
Horning	Hudon
Hughes	Jacques
Joncas	Jourdenais
Koury	Langlois
Lopez	MacDougall (Timiskaming)
MacKay	Marin
Martin (Lincoln)	Mazankowski
McDermid	McKnight
Monteith	Moore
Nicholson	Oberle
Paproski	Porter
Pronovost	Redway
Reimer	Ricard
Richardson	Robitaille
Rocheleau	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Siddon	Sobeski
Soetens	Sparrow
Stevenson	Tardif
Tétreault	Thompson
Tremblay (Québec-Est)	Vankoughnet
Vien	Weiner
Wilbee	
Wilson (Swift Current—Maple Creek—Assiniboia)	
Worthy—91	

NAYS

Members

Allmand	Angus
Axworthy (Winnipeg South Centre)	Bellemare
Bevilacqua	Black
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Copps
Crawford	Dingwall
Duhamel	Ferguson
Finestone	Flis
Fontana	Funk
Gagliano	Gauthier
Grey (Beaver River)	Harvard
Harvey (Edmonton East)	Hunter
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kindy
Kristiansen	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	MacDonald (Dartmouth)
MacLellan	Marchi
Mifflin	Milliken
Mills	Nault
Pagtakhan	Pickard
Riis	Robinson
Simmons	Skelly (North Island—Powell River)
Skelly (Comox—Alberni)	Stewart
Stupich	Tobin
Vanclief	Volpe—54

PAIRED MEMBERS

nil/aucun

[*English*]

Madam Deputy Speaker: I declare the motion carried.

[*Translation*]

It being 10.37 p.m., the House stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 10.37 p.m.

HOUSE OF COMMONS

Friday, December 10, 1992

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

INTERPARLIAMENTARY DELEGATION

PRESENTATION OF REPORT OF CANADA-EUROPE PARLIAMENTARY ASSOCIATION

Mr. Terry Clifford (London—Middlesex): Mr. Speaker, it is my pleasure to present to the House, on behalf of the Canada-Europe Parliamentary Association, in both official languages, the report on the Canadian delegation to the annual OECD debate of the Council of Europe Parliamentary Assembly, September 30 to October 2, 1992.

It is important for all parliamentarians of this House to know that at this debate it was firmly established that from now on there will be a formal debate held each year on the doings at the OECD.

Our government is heavily committed to the OECD. This gives parliamentarians a chance to find out the workings of the OECD, how it spends its money, what Canada's role is and to question the future of that assembly.

Finally, parliamentary debate at our delegation's urging has now been established.

* * *

TRANSPORT

FOURTH REPORT OF STANDING COMMITTEE

Mr. Ken Atkinson (St. Catharines): Mr. Speaker, I have the honour to present the fourth report of the Standing Committee on Transport which deals with the future of the Great Lakes St. Lawrence Seaway system.

It calls on the government to eliminate distortions created by the Western Grain Transportation Act in order to ensure that grain transportation is mode, load and direction neutral. It further recommends a three-year freeze on seaway pilotage fees and seaway tolls, as well as federal contributions on all capital funding necessary for the seaway system to be a safe, efficient and reliable transportation route.

I am very pleased to state that we have had a unanimous report on this important transportation issue. I wish to congratulate all members of the Standing Committee on Transport and the members of the sub-committee on the St. Lawrence Seaway for a job well done.

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

* * *

[*Translation*]

LAND TITLES REPEAL ACT

MEASURE TO ENACT

Hon. Epp (for the Minister of Indian Affairs and Northern Development) moved for leave to introduce Bill C-103, an act to provide for the repeal of the Land Titles Act and to amend other acts in relation thereto.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed to be adopted.

Mr. Epp (for the Minister of Indian Affairs and Northern Development) moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed to be adopted.

Bill read the first time and printed.

Routine Proceedings

SASKATCHEWAN TREATY LAND ENTITLEMENT ACT

MEASURE TO ENACT

Hon. Jake Epp (for the Minister of Indian Affairs and Northern Development) moved for leave to introduce Bill C-104, an act respecting an agreement regarding treaty land entitlement in Saskatchewan entered into on September 22, 1992 among Her Majesty the Queen in right of Canada, Her Majesty the Queen in right of Saskatchewan and the Keeseekoose, Muskowekwan, Ochapowace, Okanese, Piapot, Star Blanket, Yellowquill, Beardy's & Okemasis, Flying Dust, Little Pine, Moosomin, Mosquito Grizzly Bear's Head, Muskeg Lake, One Arrow, Pelican Lake, Red Pheasant, Saulteaux, Sweetgrass, Thunderchild, Witchekan Lake, Canoe Lake and English River bands, and respecting an agreement regarding treaty land entitlement in Saskatchewan entered into on September 23, 1992 among Her Majesty the Queen in right of Canada, Her Majesty the Queen in right of Saskatchewan and the Nekaneet band.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed to be adopted.

Mr. Epp (for the Minister of Indian Affairs and Northern Development) moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed to be adopted.

Bill read the first time and printed.

* * *

• (1010)

PUBLIC SERVICE COMPENSATION ACT

MEASURE TO ENACT

Hon. Jake Epp (for the Minister of Finance) moved for leave to introduce Bill C-105, an act to implement certain expenditure restraint provisions of the economic and fiscal statement tabled in the House of Commons on December 2, 1992.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Epp (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.

* * *

CANADIAN PETROLEUM RESOURCES ACT

MEASURE TO AMEND

Hon. Jake Epp (for the Minister of Energy, Mines and Resources) moved for leave to introduce Bill C-106, an act to amend certain petroleum-related acts in respect of Canadian ownership requirements and to confirm the validity of a certain regulation.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Epp 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.

* * *

EXPLOSIVES ACT

MEASURE TO AMEND

Hon. Jake Epp (for the Minister of Energy, Mines and Resources) moved for leave to introduce Bill C-107, an act to amend the Explosives Act.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Epp 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*]

CANADIAN HUMAN RIGHTS ACT

MEASURE TO AMEND

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved for leave to introduce Bill C-108, an act to amend the Canadian Human Rights Act and other acts in consequence thereof.

The Acting Speaker (Mr. DeBlois): 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.

Mr. Dorin: Mr. Speaker, I wonder if I could have the permission of the House to table a committee report at this point.

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

Some hon. members: Agreed.

* * *

FINANCE

16TH REPORT OF STANDING COMMITTEE

Mr. Murray W. Dorin (Edmonton Northwest): Mr. Speaker, I have the honour to present the 16th report of the Standing Committee on Finance concerning the Canada Deposit Insurance Corporation and deposit insurance, in both official languages.

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

* * *

CRIMINAL CODE

MEASURE TO AMEND

Mr. George S. Rideout (Moncton) moved for leave to introduce Bill C-390, an act to amend the Criminal Code (stalking).

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Rideout: Mr. Speaker, this piece of legislation would amend the Criminal Code to put more teeth into the area dealing with harassment and with wilfully following or stalking individuals. It is my hope that it will provide a more effective means of protection above and beyond the issuance of a peace bond and will give individuals, particularly women, but all individuals more protection under our Code. That is the reason I am introducing this bill at this time.

The Acting Speaker (Mr. DeBlois): Mr. Rideout moves that Bill C-390 be read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and printed.

* * *

INCOME TAX ACT

MEASURE TO AMEND

Mr. Ronald J. Duhamel (St. Boniface) moved for leave to introduce Bill C-391, an act to amend the Income Tax Act (tools).

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Duhamel: Mr. Speaker, this particular bill, if it were to proceed, would provide the following. My colleagues know that tradesmen who have an independent business are able to deduct from their revenue, their earnings of that year, the cost of the tools and equipment used in that profession. Tradesmen who work for someone and receive a salary, however, even though those tools and equipment are needed, cannot deduct the cost from their earnings.

This would permit mechanics, carpenters, plumbers, electricians, people from all trades who must supply tools and equipment to do their job for an employer to make the appropriate deductions from their earnings.

[*Translation*]

Canada's workers would certainly welcome the implementation of this proposal.

[*English*]

The Acting Speaker (Mr. DeBlois): Mr. Duhamel moves that Bill C-391 be read the first time and printed.

Pursuant to Standing Order 69(1) the motion is deemed adopted.

Bill read the first time and printed.

* * *

RECALL ACT

MEASURE TO ENACT

Miss Deborah Grey (Beaver River) moved for leave to introduce Bill C-392, an act to provide for the recall of members of Parliament.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Miss Grey: Mr. Speaker, I would like to thank you and it is my duty and honour to introduce today a bill which is an act to provide for the recall of members of Parliament.

This bill would allow the electors in any federal constituency to recall their member of Parliament by circulating a petition containing the names and addresses of a majority of the voters enumerated in that riding in the previous election. If a recall petition were to be deemed successful by the chief electoral officer a by-election would be called for that seat.

The bill also contains a number of limitations on the recall process designed to avoid superfluous and mischievous employment of this device.

I believe that this bill would do more to ensure democratic parliamentary reform than all the committees this House could put together. It is time that members started representing the interests of their constituents in Ottawa rather than Ottawa's interest in their constituencies.

The passage of this bill may convince them to do just that.

The Acting Speaker (Mr. DeBlois): Ms. Grey moves that Bill C-392 be read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and printed.

* * *

• (1020)

CORRECTIONS AND CONDITIONAL RELEASE ACT

MEASURE TO AMEND

Hon. Alan Redway (Don Valley East) moved for leave to introduce Bill C-393, an act to amend the Corrections and Conditional Release Act.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Redway: Mr. Speaker, I thank the member for London—Middlesex for seconding the introduction of the bill.

This is a bill to amend the Corrections and Conditional Release Act and to permit a police officer to arrest a person without warrant for breaching a condition of parole and statutory release.

As you know, Mr. Speaker, and as members of the House and the public are aware, police officers or peace officers can arrest a person who they believe on reasonable and probable grounds is about to breach the Criminal Code.

That is not so with respect to the breaching of a condition of parole and statutory release. They have to go away to try to get a justice of the peace to issue a warrant and then come back to try to find the person. If that happened in a normal situation under the Criminal Code, all sorts of crimes could be committed prior to the obtaining of the warrant. That is the problem here.

Members of the public cannot understand why, when they ask a police officer to arrest somebody who is about to breach their parole, the police officer shrugs and says: "I have to go away". This bill will correct that.

The Acting Speaker (Mr. DeBlois): Mr. Redway 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.

* * *

EXTERNAL AFFAIRS AND INTERNATIONAL TRADE

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) moved:

That, six members of the Standing Committee on External Affairs and International Trade be authorized to travel to New York City to study the role of the UN from December 14 to December 16, 1992.

That, notwithstanding any Standing Order of this House, the chief Whip of any recognized party may effect substitutions for that review, from any envelopes by filing notice thereof with the clerk of the committee and such substitutions shall be effective for the entire period of travel and should be effective immediately when they are received by the clerk of the committee.

FINANCE

AUTHORIZATION FOR SUBCOMMITTEE TO TRAVEL

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons) moved:

That, five members and three staff persons of the subcommittee on international financial institutions of the Standing Committee on Finance be authorized to travel to Washington, D.C., in relation to their study on the IMF and the World Bank for four days in January or February 1993.

[*Translation*]

Mr. Rocheleau: Mr. Speaker, we objected to this yesterday, and I do so again today. We thought substantial amounts of money could be saved by cutting on trips.

The Acting Speaker (Mr. DeBlois): Order, please. I do not think there is unanimous consent. Members cannot explain why they agree or disagree with this motion without prior notice.

* * *

[*English*]

POINT OF ORDER

BILL C-333

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I appreciate a chance to be recognized on a point of order.

Yesterday, because of the late voting, there was a change to the sequence of private members' motions and bills with the consequence that the bill of the member for Mission—Coquitlam that was to be discussed on Friday will not be discussed.

There have been consultations among all the members of the House representing parties and individuals, and I would seek unanimous consent to move the following motion:

That Bill C-333, an act to amend the Canada Health Act, standing in the name of the hon. member for Mission—Coquitlam on the Order Paper, be discharged, the bill withdrawn and the subject matter thereof be referred to the Standing Committee on Health and Welfare, Social Affairs, Seniors and Status of Women.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, after listening to the reasons given by the NDP House leader, we in the Official Opposition give our consent.

[*English*]

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I rise on the point of order. As Independents we give our consent to this bill as well. It is an excellent bill and an excellent initiative.

The Acting Speaker (Mr. DeBlois): Hon. members have heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

An hon. member: No.

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

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I wonder if I might briefly explain why we withheld consent. Is that in order?

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to give the floor to the hon. parliamentary secretary?

[*Translation*]

Mr. Gilles Rocheleau (Hull-Aylmer): Mr. Speaker, just now you would not let me explain why we were against trips. I do not see why we should agree to hear the reasons for withholding consent for a bill that—

The Acting Speaker (Mr. DeBlois): I want to thank the hon. member for his question, and I would like to make it clear that when unanimous consent is sought, the Chair must listen and wait. However, with the unanimous consent of the House, and I think the hon. member will appreciate this, any member may give his reasons for being opposed to or in favour of a motion. I will now ask the House whether there is unanimous consent for allowing the House leader to proceed.

Some hon. members: No.

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

[*English*]

PETITIONS

FRESHWATER EXPORTS

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is an honour and a privilege to present a number of petitions this morning on behalf of residents of Barriere, Darfield, Vavenby, Heffley Creek, Clearwater, Louis Creek, Bremner Creek, McLure, Little Fort, Birch Island, Skwaam Bay, Adams Lake, Blue River, Valemont, Upper Clearwater, Avola, Chu Chua and Canuck Lake.

All the petitioners add their names to what must be now in excess of 30,000 names, pointing out their opposition to diverting any rivers in Canada in order to sell water to the United States and northern Mexico.

They are asking that the Government of Canada pass legislation indicating and declaring clearly that our Canadian rivers are not for sale.

VIOLENCE

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I have a petition from many hundreds of people from central Vancouver Island.

They note that there is a link between violence in entertainment and desensitization to violence in our society, with the result that hundreds of men, women and children are being killed each year and the killers are pointing out that the violence is based on something they saw on television or in the media.

They suggest we are increasingly becoming a culture of violence and that a part of this culture is the serial killer board game which comes from the United States. It contains a bag of 25 babies and the point of the game is to murder as many defenceless children and adults as possible.

The petitioners note that the laws of Canada deal inadequately with these kinds of materials. They are asking Parliament to consider amending the Criminal Code of Canada so that violent and degrading material such as the serial killer board game and the mass murderer trading cards can be kept from being distributed in Canada.

• (1030)

[*Translation*]

LANGUAGE USED IN RADIO AND TELEVISION BROADCASTS

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have a petition this morning on practically the same subject.

Your petitioners ask Parliament to ensure that the CRTC carefully regulates the language used in radio and television broadcasts. It is their experience that quite often, unfortunately, the inappropriate language heard on radio and television undermines the efforts of families to create a healthy home environment.

Your petitioners also emphasize that it is unnecessary to use inappropriate language to inform people.

[*English*]

As I was indicating, it is unfortunate that inappropriate language is often used on radio and television. These petitioners would like it controlled because they see a link between language and abuse and they feel it has no place in Canadian society.

EAST TIMOR

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I have the honour to present two petitions, one from the Kitchener–Waterloo–Cambridge area and the other one from Ottawa and Montreal.

The petitioners are pointing out the hypocrisy of Canada in supporting United Nations resolutions for the self–determination of East Timor. As well we talk a good line about linking human rights considerations to foreign aid and international diplomacy. At the same time Canada allows the brutal repression of the East Timorese people to continue to the point where the situation is bordering on genocide.

Therefore the petitioners are calling on Parliament to condemn the Indonesian military occupation of East Timor and the genocide of the East Timorese people, to support publicly the right of the East Timorese people to determine their own destiny by referendum and free elections, and to support these causes in the United Nations and all other international arenas.

CANADA POST

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I rise to present two petitions both from my riding, one from the town of Caron and one from the town of Shamrock, concerning the future of Canada Post in those two communities.

The petition from Shamrock is signed by virtually every user of the post office there. They call upon this government to reverse its policy of closing down rural post offices in Canada.

They know the government is driving a stake into the heart of rural Canada every time it closes a post office. Communities like Shamrock need their federal outlets. They need their postal service. They have a right to the postal service.

They call upon this government to do the right thing and change its policies toward Canada Post in closing rural post offices.

* * *

COMMITTEES OF THE HOUSE

AUTHORIZATION TO TRAVEL

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, under Standing Order 56(1), I would like to move two motions for authorization to travel:

That six members of the Standing Committee on External Affairs and International Trade be authorized to travel to New York City to study the role of the UN from December 14 to December 16, 1992;

And that five members and three staff persons of the subcommittee on international financial institutions of the Standing Committee on Finance be authorized to travel to Washington, D.C., in relation to their study on the IMF and the World Bank for four days in January or February 1993.

The Acting Speaker (Mr. DeBlois): The hon. members have heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

[*Translation*]

The Acting Speaker (Mr. DeBlois): All those opposed to the motion will please rise.

And fewer than 25 members having risen:

The Acting Speaker (Mr. DeBlois): Since fewer than 25 members have risen, pursuant to Standing Order 56.1(3), the motion is deemed adopted.

Motion agreed to.

Mr. Rocheleau: Mr. Speaker, on a point of order. We just said we were opposed to excessive spending on trips outside the country, and now they are taking advantage of the Standing Orders of the House to pass—

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

Mr. Rocheleau: You are wasting taxpayers' money.

The Acting Speaker (Mr. DeBlois): Order, please. I will remind the hon. member for Hull—Aylmer that Standing Order 56.1 says:

(1)(*a*) In relation to any routine motion for the presentation of which unanimous consent is required and has been denied, a Minister of the Crown may request during Routine Proceedings that the Speaker propose the said question to the House.

(2) The question on any such motion shall be put forthwith, without debate or amendment.

(3) When the Speaker puts the question on such a motion, he or she shall ask those who object to rise in their places. If twenty-five or more Members then rise, the motion shall be deemed to have been withdrawn; otherwise, the motion shall have been adopted.

* * *

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 ask that all questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Shall all the questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

PATENT ACT AMENDMENT ACT, 1992

MEASURE TO AMEND

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved 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 third time and passed.

He said: Mr. Speaker, I am very pleased to speak in this House to conclude the debate on third reading of Bill C-91.

Since the government announced almost a year ago that it intended to make further amendments to the Patent Act, I think that all concerned have had plenty of time and opportunity to express their opinion.

On our side, we listened very carefully to all the opinions expressed, whether here in this House or in other forums outside. We have taken account of them to a large extent in drawing up and improving the bill, especially in the amendments we tabled that were adopted last night.

I think that the time has come for members of this House to conclude and settle the debate, for the greater benefit of the Canadian economy and also Canadian consumers.

On several occasions since June, I have had an opportunity to explain the main objectives of Bill C-91 and I would like to come back to them a little.

First, Bill C-91 is meant to continue the major undertaking of modernizing Canadian intellectual property legislation, which began some years ago. In the present economic context where knowledge and innovation are the watchwords, I think that everyone will agree that it is an essential element of our competitiveness.

Our purpose is also to align our laws with those of most of our international competitors, so that Canada can provide the same benefits and be as attractive as other countries in terms of international trade and investment.

This bill will help us to stimulate research and development in Canada, as well as growth in a leading-edge sector.

With Bill C-91, we also wanted to strengthen consumer protection, so that consumers can continue to obtain patented medicine at reasonable prices. I think that all Canadians are entitled to that.

• (1040)

[*English*]

To attain these main objectives, we basically are proposing two new provisions. First, Bill C-91 proposes the abolition of the compulsory licensing system for patented drugs. Let me emphasize that Canada is currently the only country in the industrialized world applying this system. Holders of pharmaceutical patents will thus be assured of the 20-year protection that is already provided to all other patent holders in the Canadian economy.

Second, the bill increases the powers of the Patented Medicine Prices Review Board. These new powers will enable the board to more effectively control the prices of both existing and new patented medicines. The bill provides for fines and prison terms for those who do not comply with the board's orders.

We remain convinced that Bill C-91 strikes a balance between two government objectives: economic growth and consumer protection.

[*Translation*]

Hon. members will remember the first step was made when Bill C-22 was passed in 1987. Today we can say, without exaggeration, that the impact of the 1987 amendments has been extremely positive, both for economic growth and job creation and for Canadian consumers, as far as patented drugs are concerned.

It seems appropriate, in the circumstances, to look back on the process that started in 1987. The innovative sector committed itself at the time—provided the amendments to Bill C-22 were passed—to doubling its spending on research and development as a percentage of sales from 5 per cent at the time to 10 per cent by 1996. The industry had set a time frame of about 10 years, or actually nine.

However, last year, five years ahead of schedule, the commitment to increase research levels was practically met. We have every reason to expect that this percentage will increase substantially in the years to come, provided we align our intellectual property policies with those of other industrialized countries.

Since 1987, the innovative sector of the pharmaceutical industry has spent more than $1 billion on research and development. Investment in basic research has more than tripled, rising from $30 million to $94 million between 1988 and 1991.

In 1991 alone, innovative pharmaceutical companies invested $376 million in R and D, an increase of 23 per cent over the previous year. This is just for 1991: $376 million. Between 1988 and 1991, the increase in R and D spending was an impressive 113 per cent, the highest in any Canadian industry. Not bad. Sometimes people say: "Look, we give industry a chance and it is not responding". In this case, I think we can say we were on target.

The innovating sector in the pharmaceutical industry is a very dynamic one today and employs more than 18,000 people in Canada. This has meant a very significant increase in the number of researchers as well as in new drug innovation and development here in Canada.

We know that pharmaceutical research, and I would even say research in general, needs a critical mass. We need to create an environment where enough researchers are brought together in one place so that this sector can develop.

I have personally visited companies where considerable investments involving hundreds of millions have been made over the years and I met young researchers who had left us. They had been trained here in Canada, and we know how much money and energy we put into our education system. We trained these researchers who have doctorates, Ph.D.s, and they went to Switzerland, to California and other parts of the United States to work. To earn their living in a leading sector, these Canadian brains had to go to the United States. These people came back. Just in the company that I visited, I believe that from 15 to 20 people had come back to work here in Canada for years to come.

Meanwhile, with the Patented Medicine Prices Review Board, we were able to keep the price of patented medicine at a very reasonable level. In fact, between 1987 and 1991, the price of existing patented medicine rose at an average annual rate of 2.9 per cent, well below inflation for the same period, which was around 4.4 per cent. In actual figures, this means that prices in general rose at the fairly low rate of 4 per cent, but drug prices rose even less. Today, drugs cost less in constant dollars than they did five years ago. That is astounding. This has happened in few other sectors.

Despite this undeniable progress, we are still behind our international competitors in the amount of intellectual property protection given to the pharmaceutical sector. Indeed, our present system is by far the least generous of the industrialized countries. Our compulsory licensing system not only discriminates against drug patents—just look at the number of years—it also discourages investment in R and D and new drug innovation and development in Canada.

What kind of investment can we expect in this country if a company that does not do basic research can sit and wait until another company has spent 10 years and hundreds of millions of dollars on research to develop a new drug? All it has to do is sit and wait until the drug comes on the market, copy it, wait two or three years for the copy to be approved, and then put it on the market, not at 10 per cent but 80 per cent of the other company's price. That is the kind of choice Canada has to make. We have a choice. Do we want a country that encourages copiers or do we want a country that encourages research, that encourages our budding scientists who are still in school and who in some cases spend 15 to 20 years of their lives getting an education? Would you rather we told those people: "There are no jobs for you in Canada. You better go to California to get a job. All we do here is copy. We will leave innovation to people in other countries. We will let them do the creative work, and you can come and copy what they do". No, Canada can do better than that.

[*English*]

We cannot tolerate a situation that for Canadians means the potential loss of productive jobs in a leading sector so important to our future. It is time to correct this situation and to encourage new investments in research and development in Canada. It is important to offer new export markets for Canadian products so that we can be more competitive internationally.

By adopting C-91, this House will be committing itself to this path of innovation and progress essential to the Canadian economy. Since last January innovative pharmaceutical firms have already announced additional investments totalling some $635 million by 1996.

• (1050)

When the innovative pharmaceutical industries committed $1 billion dollars, they delivered. Now they announce another $600 million investment. That is $1.7 billion of investment. It is a lot of money. This is over and above the approximately $2 billion the brand name industry will invest in research and development by 1996. This sharp increase in research activity means job creation. Notably it will provide better opportunities for our researchers so they will not be forced to leave the country to find employment that corresponds to their education and ability.

[*Translation*]

What we are talking about here are high quality, high paying jobs that generate employment in related fields.

It is estimated that a single job in the scientific sector generates a dozen more. That is one the reasons why it is so important to stimulate research activity in this country. These companies need services and supplies. The economic spin-offs and the multiplier effect on jobs are vital for Canada.

Increasing research is essential for our universities and hospitals which are actively involved in research, especially in the health sector. I think we all realize that research requires a lot of money and drug companies invest in research. For instance, the University of Alberta has developed exceptional expertise in clinical research in recent years. In British Columbia they are now looking at the possibilities, while companies are also looking at the maritimes. Hundreds of millions of dollars are involved. We are going to develop this industry over time, not the way some people in the opposition would like to see us do, which would make us a nation of copiers, a nation of people without a desire to innovate.

In the New Democratic Party, they say: "No, we do not have the resources. It is not our market. Let other people innovate in other countries, and once they have a successful drug, we will go and copy it". It is easy. All we have to do is copy the drug. We do not have to invent it. Let these young people go down to the United States to work for the multinationals. Let them innovate down there, and we will do the minor stuff like copying. We will copy the pills and try and put them on the market. We do not want that. Canadians can do better than that.

An hon. member: Of course, they can.

Mr. Blais: Canadians can do better than that. This is not a nation of copiers. Canadians are innovators. Canada is the best country in the world. I have confidence in these young people and I am glad to see some of them here today. I am confident that these young people will be even better than we are. They will invent even more than we have, because that is the way of the future.

We do not have to be satisfied with crumbs, as those people would have us believe. The future is ours, and I am not afraid of it. Canadians are the best in the world and we have to prove it in fields like this one.

In 1991, the innovative drug sector spent $84 million in universities and hospitals doing medical research. Passing this bill will of course consolidate and even increase this essential role that our research and training institutions play. Canada has an increasingly solid nucleus of internationally known researchers and institutions in the field of medical research. It is very important to maintain and develop this nucleus. That is precisely what this bill will help achieve.

We have people like Dr. Labrie, who does basic research on prostate cancer at Laval University. This is very important, because a few years from now, as many as one out of three Canadians may get cancer. That is where we should put our money, because it will save hundreds of thousands of lives in this country. That should be our focus. We must help the people who work in our research centres, hospitals and universities across Canada.

Improving patent protection will also offer an incentive for Canadian-owned companies to develop their own patented drugs. Eventually they could also obtain exclusive research mandates from the big drug companies. That is the way to go. We have to start somewhere to create the critical mass we need.

Eliminating compulsory licensing will stimulate research activity, which will have a very positive impact in our competitive position internationally. The resulting new pharmaceutical products developed in this country will lead to increased sales on foreign markets because of the international exclusivity granted companies located in Canada. This means increased exports in a rapidly expanding sector of our economy.

Furthermore, Bill C-91 will promote research on new treatments for chronic diseases and help reduce health care costs in the long run. In fact, as new drugs appear on the market, they may reduce the need for operations and prolonged hospital care.

Recently, I read an article in a medical journal about a drug that will soon be on the market and can be used instead of surgery to deal with prostate-related problems. This means saving thousands of dollars that would otherwise be spent on surgery and hospital care. Imagine the tremendous saving in health care costs. It is incredible. Let us remember we stand to benefit in the long term.

[*English*]

The bill before us is also based on an obvious concern for fairness. It is fair that the pharmaceutical products sector be entitled to the same patent protection that is given in all other sectors of the economy. I would even say that this is of special importance to pharmaceutical companies which often invest between 10 and 12 years in research, not to mention significant financial resources in developing new medicines.

Critics of Bill C-91 focus of course on the price of patented medicines. You would have to agree, Mr. Speaker, that the opposition has changed its argument very little since the debate on Bill C-22 in 1987. It even called to its aid Mr. Ralph Nader, a citizen of a country where the cost of prescription medicines is 32 per cent higher than in Canada. Mr. Nader would clearly be far wiser to defend American consumers than spend his time here with the critic of the Liberal Party.

What did Mr. Nader say? Basically he said the same thing as he did in 1987 which was that increased protection for intellectual property in the pharmaceutical field will create an explosion in the price of prescription drugs.

[*Translation*]

However, as I said earlier, the price curve of patented drugs since 1987 clearly indicates that the opposition and even Mr. Ralph Nader, at the time, were wrong. They were wrong then and they are still wrong today.

Perhaps I may recall that since 1987, we have had a quasi-judicial agency which has proved its mettle in monitoring the price of patented drugs. I am of course referring to the Patented Medicine Prices Review Board, whose powers will be enhanced under the new legislation. The board will thus be able to provide all Canadian consumers with even more effective price control. These new powers will authorize the board to order a reduction of prices it considers too high. It will also be able to impose fines of up to $100,000 a day to compensate for previous overpricing and to discourage such practices.

• (1100)

The board's orders will have the same force and effect as a Federal Court order. This means that non-compliance with these orders is equivalent to contempt of court, which carries particularly severe penalties. I am convinced that these new provisions will assure Canadian consumers, of reasonable prices, like those they have had since 1987.

At that time, and this is the other aspect, the generic industry said that Bill C-22 would mean death for it. Surprise, it has continued to grow and everything indicates that this will continue after Bill C-91 is passed.

It has grown so much that a very prosperous Canadian generic drug company has even bought companies in the United States, where they do not have compulsory licensing, the same system we will have here. It is strange how they want to frighten people. I do not know if they think someone is behind me making me do this, Mr. Speaker. I will turn my back to the camera to show that is not so. We do not have to believe that kind of nonsense which was not true in 1987 and is still not true today.

The only difference is that these companies will now be on the same equal footing. They will have to comply with the same rules as the generic industries in other industrialized countries.

In recent months, we have heard some very pertinent observations from consumers, provincial governments, researchers and business people throughout Canada. Of course we will follow up these concerns in the amendments that we proposed which were adopted yesterday.

[*English*]

We shall continue to take whatever action is necessary to improve the effectiveness of our patented medicine price control mechanisms. We intend to get interested parties, especially the consumer and provincial health ministers, involved in the activities of the review board as well as in future appointments to the board.

We believe it is essential to move ahead quickly with Bill C-91 and pass it without delay. I assure you that after discussing the issue for one year, everyone has had the opportunity to express his or her point of view. It is now the duty of the House to make a decision.

The pharmaceutical industry is now involved in a major—

An hon. member: We only spent a few hours on the bill.

Mr. Blais: We know that the people opposite are not interested in that, but the pharmaceutical industry is now involved in a major global restructuring.

As I speak, important decisions are being made on the location of plants, on research investments and on mandates for subsidiaries.

[*Translation*]

Maintaining uncertainty under such circumstances will undermine Canada's credibility. It would cost us many investment opportunities when our whole economy urgently needs them.

By passing this bill quickly, we are going along with the great trend of globalization. We are resolutely putting Canada on the same footing as other countries to attract productive investments. It is time to choose. Do we want to be a land of copiers, of second fiddles, or do we want to be a land of researchers, of people who have confidence in their youth and in the future? Do we want to be a little country of copiers, a little country that counts on others and will try to get investments through the back door, by accident, or do we want to think of the future, the future of our industry in a rapidly growing leading-edge sector?

Over the past few weeks, distinguished Canadians involved in scientific research came forward to reaffirm their support for the proposed reform before the legislative committee. They had no ulterior motive. Their only concern was the best interest of all Canadians.

Allow me to quote in this regard the vice-rector, education and research, at the University of Montreal, Dr. René Simard, who is also a past president of the National Advisory Council on Pharmaceutical Research. Dr. Simard recently said:

> The government must hasten the adoption of regulations to allow Canada to compete with nations of the European Community, the United States and Japan.
>
> The provisions of Bill C-91, if passed, will give universities a major incentive to expand higher studies to produce Ph.D.s capable of meeting the tremendous needs emerging in that field.

Let us face it. Now is the time to act.

By passing Bill C-91—and I will close on that—this House will give a clear indication of the fact that Canada is entering the global economy, accepting the rules of international competitiveness and firmly positioning itself as regards R and D.

The Canadian government cannot look to develop an intellectual property sector, an international intellectual property sector, knowing that one job out of three in Canada depends from international trade—we are among the best in the world—and expect special treatment. We want foreign countries to respect the rights of our scientists and inventors when they work abroad while we have the right to say: "You know, we see things quite differently here in Canada". We want to be respected when outside of the country, but at home, we do not want to have to abide by the rules because we are in a rush to copy.

[*English*]

You cannot have it both ways, as we say, Mr. Speaker.

[*Translation*]

You cannot have your cake and eat it too. When we want to have rules and when we want to be respected around the world, when we want people to respect us for what we are, we must do things like the rest of the world. You cannot speak from both sides of your mouth.

These people can, and have succeeded admirably by doing so over the last few years. However, in the end, Canadians will be able to appreciate the facts, the courage of our government which dared to act in this area and to explain very clearly to Canadians the path we intend to follow. We are moving toward a developing economy, toward global markets.

I am convinced that Canadians will support these things and the policy of the government. I urge members like my friend from Dartmouth, who has been uttering enormities for a year on this subject, to come to their senses and try to understand that these investments are essential to our economy, everywhere in Canada.

I hope that my colleagues here, those on the other side of the House, will understand that it is for Canada that we introduced this bill and that we must all support it.

[*English*]

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I sat here with a great deal of interest listening to my hon. colleague, the minister, trying to defend the indefensible. These individuals opposite know now that the Canadian public has seen through their very thin veneer, has looked at the arguments that they have made and found each and every one of them to be wanting.

The minister would like the Canadian public to believe first of all that Parliament has had a chance to debate this issue thoroughly. What nonsense. As a member of Parliament, forget that he is a minister of the Crown, he should be cowering in his seat when he sits down after talking about the rights of parliamentarians to debate this issue. He and the Minister for International Trade were the guys who rode shotgun with this bloody bill. This minister did the whole thing and made sure that Parliament did not have an opportunity to speak on this. He said that it has been before the Canadian public for a year. What nonsense. What utter nonsense. On June 23 the bill was introduced into the House. It was the last day we sat before the break for the summer. At that point in time the minister got up and he gave a good speech.

• (1110)

An hon. member: Now the truth comes out.

Mr. MacDonald (Dartmouth): He gave a good speech. We had two and one-half hours of debate on June 23. We came back some time in September, we had a couple more hours of debate and then the government shut the debate down. It used the big bloody instrument of closure when we came back after the referendum.

The government says the Canadian public has had a chance to look at this, that the Canadian public has had this issue before them for a long period of time. What utter nonsense.

An hon. member: Absolutely.

Mr. MacDonald (Dartmouth): It is very very clear why the government followed an agenda of search and destroy with regard to anybody who wanted to have a say on this bill. It either tried to discredit them or it used and abused the rules of Parliament to ensure that those individuals did not have an opportunity to speak. Why did the government do that?

An hon. member: It ought to be ashamed of itself.

Mr. MacDonald (Dartmouth): Why? The government knew the longer the debate went on, the lower the numbers got for the Tories. The longer the debate went on, the more it would dip lower and lower and lower because the Canadian public would sit back and ask what in the name of goodness is that bunch opposite doing to Parliament.

One of the biggest problems we have as members of Parliament in this wonderful institution which has served us so well for over 125 years is with credibility.

People ask me when I speak, for example, in Alberta or Manitoba or back in my riding in Dartmouth: What in the name of goodness is wrong with Parliament? Why is it that individual members are not allowed to speak their minds? Why is it that everything is pro forma? Why is it that every time an important issue comes up for debate in the Parliament of Canada this government uses closure?

It is because this government is morally bankrupt. It does not have the right to go forward in this way when it is at 14, 16, 20 or 22 per cent in the polls and in the fifth year of Parliament. It does not have the moral authority to proceed with legitimate debate in the Parliament of Canada.

It has used this over and over again and it has done it again this time. It came in and used that blunt, bloody instrument called closure and time allocation because it knows full well that its arguments on bills like Bill C-91 will not hold any water once the Canadian public has a chance to look at it.

I want to set the record straight at the beginning of my speech. We started debate on this very important bill when it was tabled for first reading on June 23. We came back and had a few hours of debate the last day that we sat before the referendum.

Then we came back after the Canadian public had told us clearly that it wants us to go back and start dealing with real issues that affect Canadians. Did the government come back and put a bill forward to try and help the two million people who are unemployed or on welfare, give them some dignity back, give them some employment, put some money in their pockets? The government did not do that.

The first day we were back—after collectively this institution got its butt kicked in the referendum—the first bill the government put was Bill C-91, this bill we are debating today.

This bill does not help Canadians. It is not going to put legions to work in Montreal, Quebec, Dartmouth or Winnipeg. It is a bill that is going to take $4 billion to $7 billion out of the Canadian health care system and deliver it on a silver platter to multinational drug companies south of the border.

The government did not just come in and say here is our agenda, this is what we are going to do. It came in after two and one-half hours of debate and invoked closure, time allocation. It shut down the voice of Parliament. That is exactly what it has done.

After a few more hours of debate it went to committee, and I think it is very appropriate that this be put today, before we even looked at one list of witnesses.

This is a very important bill on our side and I think the Canadian public agrees with us. It could have the impact of undermining the integrity of the Canadian health care system; something that we have held near and dear, something that makes us vastly different from other states around the world.

An hon. member: The envy of the world.

Mr. MacDonald (Dartmouth): This bill, coupled with the cutbacks in transfer payments for health care that the government has perpetrated over the last few years, this bill could have the impact of undermining the availability of quality health care for Canadians.

Is there a full debate on this? No. The government sent it over to the committee. The chairman of the committee or the former chairman is not here today. At committee, they did not even bother to look at the list of witnesses. They did not say to the member from the New Democratic Party, the health critic: Could you tell me who you think has to be heard on this bill? They did not come to me as the Official Opposition critic for consumer and corporate affairs and ask if they could hear my witnesses. They did not do any of that stuff. They said: "We have made a decision. We do not want Canadians to be heard on this issue. You are going to have three days of debate in committee. You are going to have three days to examine witnesses and if you do not like the fact that we are telling you that Canadians are not to be heard on this, we will shut you down. We will have a motion in the House and we will have the committee report without any hearings".

They walked into the committee and they had a gun at the temple and the itchy trigger finger of the minister opposite prepared to blow the brains out of anybody who dared say to the Government of Canada that this bill was improper and that there had to be full debate on it.

What did we do? Before they even looked at one list of witnesses, they shut us down. The Liberal Party had nearly 85 or 90 witnesses who absolutely demanded to be heard. The clerk of the committee, without any prodding from the opposition, had received 59 requests from witnesses to appear before the committee. How many did we have? The Canadian public has a right to know. Because of the blunt, bloody instrument of closure which they invoked on the committee, we had 18 witnesses.

The New Democratic Party was told it could have six, we were told we could have six and the government would have six. There were 18 witnesses who showed up at the committee. That was it, 18 witnesses. Incredible. A bill that has the potential to undermine the integrity of the Canadian health care system and they would not even let the witnesses appear. They would not let the provincial ministers appear, the individuals who are charged with the responsibility for making sure that the Canadian health care system works because health care is a provincial responsibility. This minister and his gang of thugs opposite made sure those ministers would not be heard. That is what they did.

Mr. Harvard: Nine out of 10 opposed the bill.

Mr. MacDonald (Dartmouth): Nine out of 10 ministers opposed the bill. We were allowed to hear one witness. The hon. parliamentary secretary should be ashamed of her behaviour on the committee. She tried to discredit the minister of health for British Columbia, an incredibly articulate individual whose primary concern was maintaining the integrity of the health care system in Canada.

But, no. The Tories had their marching orders. We heard the jackboots through the committee. We heard the jackboots daily—bang, bang, bang. "You are not allowed to debate this thing". Do you know what they wanted to do, Mr. Speaker? They wanted to make absolutely certain that by the time this bill came back to Parliament and went over to the Senate that it would be competing with Santa Claus. That is what they wanted. They wanted to make sure that people in Canada were out doing their Christmas shopping while this bunch opposite participated and planned the biggest rip-off of Canadians in the history of this country.

With Bill C-91, these individuals opposite have ensured that the Canadian health care system which is currently under tremendous pressure may collapse over the next few years. That is what they have done. They do not have the guts to have a full parliamentary hearing on this. They knew that every single day that it was before the public of Canada, every single day it was before the legislative committee studying this and every single day it was before this place, there were tens of thousands of Canadians who would wake up and say: "What in the name of God is our government doing to us? What in the name of God would drive these individuals opposite to come forward with a bill that may cripple our health care system?" If there are some obvious benefits to Canadians, I am waiting to hear what they are. All that we have heard is: "We have to do this".

I do not know the reason. Maybe there are some golden parachutes for some of the ministers opposite. We know that there are going to be a lot of ministers opposite looking for more than parachutes after the next election.

However, I am going to tell you something. We have heard testimony at the committee on this bill that it is going to cost between $4 billion and $7 billion. I do not want to underestimate that. It is b-i-l-l-i-o-n—$4 billion to $7 billion that is going to be sucked out of the Canadian health care system. It is going to be sucked out of the wallets of consumers. It is going to be sucked out of the wallets of the elderly, like consumers in Chicoutimi, Quebec, who perhaps have to be on a heart medication like Vasotec that probably would have had generic competition in the next few years. We would have seen the drug price drop by maybe 32 per cent. That is the government's own estimate, about 32 per cent.

• (1120)

What has the government done with this bill for the poor consumer in Chicoutimi, Quebec? It has said: "You are not going to get the benefit of lower drug costs like you used to under generic licensing. That is not going to happen any more".

This guy over here, the minister opposite, is absolutely enthralled by companies like Merck Frosst. He goes gaga when they show up in his office. Merck Frosst is getting 14 extra years of protection, not three, like the minister says, but 14 extra years of protection for a drug that is in the marketplace.

It means that the consumer in Chicoutimi or Dartmouth or Winnipeg, or wherever, is not going to benefit from competition on that particular drug. It means consumers are going to be paying 32 per cent higher for 14 years on that drug. Where does Merck Frosst take its profits? It does not reinvest them in Quebec, like the minister would like to have us believe; it goes to other places. It goes to Caribbean countries where there are better tax laws, it goes to Swiss bank accounts, and on and on.

An hon. member: Tell us about the bill.

Mr. MacDonald (Dartmouth): I am telling you about the bill. The Canadian public absolutely wants to know what the impact of the bill will be. Members want to talk about the bill, so let us talk about the bill.

They are saying opposite: "Tell us about the bill". I am going to tell them about the bill and they are going to start yelling to tell them about something else because they do not want the Canadian public to know this. In the 1960s—

An hon. member: Read my speech.

Mr. MacDonald (Dartmouth): You cannot even read your speech. He does not read it very well, that is the thing. He can still read but not terribly well.

You will notice, Mr. Speaker, that I do not have notes, I am not reading from a speech like the minister. I do not need departmental assistants to tell me what is right and wrong. I know what is right and wrong because I represent the vast majority of the Canadian public who are opposed to this bill.

Let us talk about the background. The hon. member for Winnipeg South is in a fit or something over there. I do not know what the heck it is but perhaps she could go and have a drink of water and maybe calm herself down.

In the 1960s a number of reports were commissioned by the Canadian government to try to figure out why the drug prices in Canada were higher than they were in corresponding nations, like the United States or Great Britain or France or Switzerland, or wherever. These studies conclusively proved that drug prices in Canada were much higher than the average, given the comparable state around the world.

The minister opposite says that is not true. I can quote from his own departmental documents. The minister has had 40 minutes to put his case. He has not put it and now he persists in trying to interrupt when the case is being put properly. The minister, if he has so much to say, should have shown up at committee, should have allowed the committee to sit like it wanted to sit, and we would have been able to question the minister longer than 25 minutes, which is the amount of time we got because he did not want the facts to be known.

Back in the sixties the Canadian government reports said that drug prices in Canada were too high. The right hon. member for Vancouver Quadra, a colleague of ours in the House of Commons, at that point, in 1967-68 introduced a bill which set up a system called compulsory licensing. That system, as set up, recognized that there is intellectual property rights for patents in Canada and around the world, but it recognized that in Canada there is another interest, the Canadian health care system. In order to protect the Canadian health care system, a system called compulsory licensing was set up which allowed competition, because competition moderates prices, it drives prices down.

We embarked on a regime in 1968 which worked. It does not matter who you talk to, you could talk to the Senate subcommittee on aging in the United States, or you could talk to the general accounting office, or even if you talked to departmental officials such as Mr. Eastman, who is the chairman of the PMPRB, everyone says the system works. We can give quotes all day long that he gave.

It is a clear fact known around the world that the system of compulsory licensing, which was introduced into the Canadian health care system by the right hon. member for Vancouver Quadra, has saved Canadians billions of dollars over the intervening years. Through 1968 and 1987 it saved Canadians billions of dollars in drug costs. When competition goes into the marketplace—and the government's own figures tells us this—the price of the drug goes down generally by about 32 per cent. Canadians benefit. Canadian health care plans benefit. Private insurers benefit because the price goes down.

Everything was working okay. There was not a big problem with generic licensing. However, this bunch opposite came to power in 1984 and after they got in power they just dropped down dead to the American agenda.

It is clear and there have been books written on this, one of the big things the Reagan administration wanted was for Canada to get rid of its system of compulsory licensing.

It had nothing to do with whether or not it was working. It did not care whether or not it was working. What it cared about was kissing up to the Americans down south.

An hon. member: Shame.

Mr. MacDonald (Dartmouth): This Prime Minister was more concerned about whether or not he was going to get the opportunity to sing. Remember in Quebec City when he sang *When Irish Eyes are Smiling*? Every Irishman in Canada was embarrassed by that.

There is a book out that said when the shamrock summit took place in Quebec City, the number one agenda item was not dealing with trade barriers. The number one agenda item was whether or not Canada would get rid of its compulsory licensing system.

The Prime Minister of Canada indicated clearly: "Ronnie, is that what you what? Ronnie Reagan, is that what you what? No problem. I will get my minions to work and we will kill the system. We will get rid of the system that has saved consumers in Canada billions of dollars".

That is what the government did. In 1987 a bill was introduced in this House called Bill C-22. Liberal Party members opposed it because it significantly altered the system of compulsory licensing in Canada. We fought it hard. We said Bill C-22 would lead to increased drug costs without any real increase in research and development investment in Canada. That is what we said.

We fought it very hard. The Senate of Canada did its job. The Senate of Canada sent the bill back. It had a number of amendments and it said: "No, this bill is not proper. We want the thing changed". But the government had its way like it usually does. It did not succumb to public pressure. That was in the glory days when it thought it could live forever. How things have changed.

The government pursued Bill C-22 and the system of compulsory licensing. At that time, the government gave a commitment, a solemn undertaking to Canadians and the ministers of health around the country, the system it put in place would remain in place until 1996. It said: "Do not worry about it. We know this is a great disruption to the system. We know it may lead to higher drug costs". The former minister even indicated at that time he knew it was going to lead to higher drug costs.

The government members said: "That is okay. There are going to be all these benefits, but do not worry because we are going to have some stability in the marketplace. We are not going to change the bill again. It is going to be like this until 1996".

Lo and behold, another call came from the lobbyists down in Washington about one year and one-half ago. They said to the Minister for International Trade and probably to the Prime Minister directly: "We do not like your system of compulsory licensing. We want it gone. We want it dead. We want it buried. We want it out of the system".

There have been articles written in *The New York Times*. and in papers all over the world about the U.S. drug lobbyists. They go around saying: "Great job. Not only are we influencing the agenda in Washington, but we have hijacked a government, the total Canadian government. We have put our agenda forward to the Canadian government and it has not even put up a fight".

It said: "Boys, what do you want?" They said: "We want rid of this thing called compulsory licensing because we do not like it. We think what we need here is a wide open system where we can charge whatever we want. We want to get rid of competition in the marketplace, but most of all we do not want an example of how you can regulate the drug industry for the benefit of consumers because there is change coming down in Washington. Down in Washington, we have a new administration coming in, President-elect Clinton. He clearly indicated the big multinational drug lobby that ran the Reagan-Bush administration is no longer going to be running the show down in Washington".

He has served them notice in a number of speeches and in his acceptance speech when he was elected just one month ago. He served them notice he was going to go after them. Health care policy in the United States would no longer be dictated by special interest groups like multinational lobbies. It would be dictated by what was in the best interests of American consumers.

Ms. Clancy: Tell us about the dinosaurs here.

Mr. MacDonald (Dartmouth): What do the dinosaurs over here do? They fall down dead. They say: "What do you want? What are your interests? No problem, we will do it. How quick do you want it? Shut down Parliament? Not a problem, we do that all the time. Hear from Canadians? Ah, they do not have to be heard from. You just have to ignore those people. You just have to ignore the Canadian public".

So the government came in with a bill which effectively is going to shut down the compulsory licensing system in Canada. It is going to do it well before the 1996 review and it is going to do it at the expense of the Canadian consumer and the Canadian health care system.

I started by talking about the unholy haste of this bill. Let us talk about some of the specifics of the bill.

• (1130)

This bill is specifically going to eliminate the system of compulsory licensing in Canada. The system has saved Canadian consumers billions of dollars over the last 15 years. It has saved billions of dollars for the Canadian health care system, dollars that go toward opening new treatment facilities, new hospital beds and things like that.

The government members say: "No, no, no, we do not want debate on this. We are going to change the system to the benefit of multinational drug companies to the detriment of Canadian consumers. We are not only going to do it effective the date the legislation passes, we are going to do it retroactively."

I think the Canadian consumers should know this piece of legislation is retroactive. It goes back to December 20 of last year. All these products currently in the marketplace were priced for 17 years of exclusivity with some competition at the end. They are going to get not three years but in the case of drugs like Vasotec, up to 14 additional years without competition.

What does that mean? It means Canada is going toward a system similar to that of the U.S. I want to read this. We are now harmonizing with U.S. legislation. What does it mean?

Let me quote from the U.S. Senate subcommittee on aging. This is important. It says: "The average American pays 62 per cent more for prescription drugs than the average Canadian citizen". Why is that? It is because they do not have a system of compulsory licensing. That is the system this government is driving us toward.

Families U.S.A., September 10, 1992, reported the top 20 prescription drugs purchased by the non-elderly rose in price by 82 per cent in a six year period in the United States. That is the system this bill is going to give us.

The U.S. House subcommittee on health, and Congressman Henry Waxman say U.S. brand name prescription drugs cost on average 32 per cent more in the United States than in Canada. The report adds Canada's controversial drug patent system and compulsory licensing contributed to lowering of prices on drugs in Canada. What in the name of goodness is this minister opposite doing? He is introducing a bill in this House which effectively is going to cost Canadian consumers $4 billion to $7 billion more for the drugs they have to purchase.

Mr. Blais: Untrue.

Mr. MacDonald (Dartmouth): The minister says it is untrue. Balderdash. The minister should read the minutes of the committee hearings, even those of the truncated committees. Elizabeth Cull, the minister of health from British Columbia was the only one we were allowed to hear. She represented nine of the 10 Canadian health care ministers.

The minister of health from Quebec decided he was going to opt out because of pressure from multinational drug companies. Elizabeth Cull said B.C.'s own study indicated it would cost over $140 million more for two drugs in British Columbia alone, as a result of this bill. That is just in B.C.

She indicated B.C. members had talked to the minister of health opposite and begged him not to proceed with this. As the protectors of Canada's health care system they knew this drug was going to put strains on it that may ultimately collapse the availability of quality health care for Canadians. However the government does not care.

The minister opposite talks about research and development. Give me a break. The multinational drug companies have rolled into town with their high-priced lobby. They have spent tens of millions of dollars to influence this bunch opposite and try to destabilize the opposition, which has not happened by the way, but they were absolutely enamoured by the international drug lobby.

These companies roll into town and say: "Okay, not only do we want the drug patent law in Canada changed, but we want it changed retroactively. We want it by December 31, 1992. If we do not get it Mr. Minister, you are not going to have those fancy announcements where you stand up and do your ribbon cuttings. You are not going to have the $500 million in research and development we are now promising. Either you get it done by December 31, or we are going to come after you, Mr. Minister. You are not going to have those photo ops we are now planning for you."

This government has caved in for photo opportunities with vague promises of $500 million for research and development. I think most Canadians out there who have a basic understanding of math will understand if you give $7 billion to multinational drug companies and they say: "We will put $500 million back", it is a pretty good deal for the multinational drug companies.

If the minister gave me $600 million, I would give $550 million back and retire for the rest of my life somewhere with $50 million in the bank. So this government says: "What a deal we have for you. Because we are going to eliminate compulsory licensing, we are going to give multinational drug companies up to $7 billion and out of that $7 billion, what a deal we got back from them. They are going to agree to put $500 million back into Canada for research and development." That is absolutely obscene.

The government sits back and talks about research and development in Canada. It knows full well the impact the drug patent laws have on research and development is minimal. It knows full well a big international drug company like Merck Frosst locates primarily in the country where it has its home base.

Let us get real here. Canada represents only 2 per cent of the international drug market. That is it.

This government would have you believe by giving another 3 to 14 years of protection we are somehow going to become the Mecca for research and development. What utter nonsense.

Mr. Côté, who was the Minister of Consumer and Corporate Affairs or Industry, Science and Technology back in 1987, made statements all over the place. When the government came in with Bill C-22 he said: "This is going to change the system. We are going to have research and development coming out of our noses and our ears and other orifices." Well it did not happen. He said there were going to be 3,000 jobs created in Canada as a result of Bill C-22. There have been 1,345 jobs created as a result of Bill C-22.

An hon. member: Two thousand four hundred.

Mr. MacDonald (Dartmouth): There have been less than 1,500 jobs created. The government promised these high-tech jobs and said: "You know these jobs are going to go to places like Montreal and Toronto." They include such things as janitors and floor washers. Those are the high-tech R and D jobs this bunch opposite negotiated with the multinational drug companies.

An hon. member: Government advertisers.

Mr. MacDonald (Dartmouth): Jobs have been created for sales individuals, advertising firms and probably lobbyists.

The one thing this drug bill has done is increase the profitability of some of the lobby companies in Montreal, Toronto and Ottawa, I will tell you that much.

This bunch opposite said: "If we give even more protection to the international holders of patents on pharmaceutical drugs we are going to get more research and development in Canada." The Liberal Party said: "Okay, if you are so sure of that put it in the bill. Put a requirement in the bill that the international drug companies will have to increase their investment in Canada." The government opposite said: "We could not possibly ask them to do that. We could not possibly require them by statute to put 15 per cent or 16 per cent or 17 per cent investment back into the Canadian economy because we like these guys. They buy us great dinners. There are a couple of golden parachutes too maybe for a couple of the front bench ministers, maybe even the Prime Minister, who knows, we will see in the future". We have heard that.

Ms. Clancy: Oh, I am shocked.

Mr. MacDonald (Dartmouth): So the government has not even required additional R and D in this bill.

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

[*Translation*]

Mr. Blais: Mr. Speaker, on a point of order, I believe the hon. member should at least take the time to think before—

An hon. member: He is short of arguments.

Mr. Blais: You have to be short of arguments to say such things in the House, Mr. Speaker. I think it is unacceptable—

[*English*]

Mr. Boudria: Mr. Speaker, on the same point of order. Just because the minister does not agree with the comments does not make them unparliamentary.

If the comments made were unparliamentary that is one thing, but clearly that is not the case. They might not be the comments the members like, but they must not be ruled unparliamentary. The minister must be warned not to interfere.

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

[*Translation*]

I would like to ask the hon. member for Dartmouth to be more careful in his remarks.

[*English*]

Mr. MacDonald (Dartmouth): The truth hurts does it not? The truth shall set you free. The truth is this government has caved in to a multinational drug lobby which is going to take $4 billion to $7 billion out of the Canadian health care system. It is going to deliver it to multinational drug companies, not Canadian-based drug companies. It will devastate the Canadian success story called generic drug manufacturers, an industry that was born and has been successful in Canada because of compulsory licensing. It is going to do all that and the minister gets upset when I put the fact to the record.

I can understand why the minister would be upset. I would be upset if the Canadian public thought I was an accomplice in giving away $4 billion to $7 billion.

Mr. Blais: You are a liar.

Ms. Clancy: Mr. Speaker, privilege. Withdraw.

• (1140)

Mr. MacDonald (Dartmouth): Mr. Speaker, I rise on a point of privilege. The minister opposite has just called me a liar. Mr. Speaker, I would ask you to ask the minister to withdraw that statement.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. Does the hon. minister wish to comment?

Mr. Blais: Mr. Speaker, you can understand my outrage when they accuse ministers of profiting from this bill. I may have called the hon. member a liar, but I would have liked him as well to retract the insulting insinuations he made concerning my colleagues and myself.

I am willing to retract, but I think my colleague should also retract the hurtful insinuations he made concerning this side of the House.

[*English*]

Mr. Dingwall: Mr. Speaker, I think the hon. minister has withdrawn his remarks. I want to thank the hon. minister for doing that.

I also want to point out to the Chair that when remarks of that nature are made in the House, there are no preconditions which are set for those remarks. If the minister cannot accept the heat of debate in the House of Commons, perhaps he ought to do the honourable thing and resign or leave the Chamber.

I would hope that the Chair would take under due notice that my colleague, the hon. member for Dartmouth, has made no unparliamentary suggestions in his remarks whatsoever and we accept the apology and the withdrawal of the Minister of Consumer and Corporate Affairs.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I have listened carefully to the debate from the beginning and I think that both sides of the House have uttered, in the heat of the debate, things that seemed almost unwise to me.

I have urged the hon. member for Dartmouth to be careful and I see that the hon. minister is also showing his good faith by retracting what he may have said. I think that in both cases co-operation is still evident and I call upon members from both sides of the House to carry on debate.

The hon. member for Dartmouth.

[*English*]

Mr. MacDonald (Dartmouth): Mr. Speaker, as I was saying—

Mr. Dingwall: Why would the minister be afraid?

Mr. MacDonald (Dartmouth): Mr. Speaker, this begs a question. Why would the minister be afraid of full debate? Why would the minister be afraid to debate the facts? Why would the minister be afraid to allow full and open committee hearings and hear the 150 or 160-odd witnesses who wanted to appear? Why would the minister on behalf of his government be afraid of a full debate in the Parliament of Canada?

It is fairly clear why he is afraid. The facts are not on his side. The facts are on the side of those who are opposing the elimination of compulsory licensing in Canada. The facts are on the side of the just and the good who say that this government has capitulated to a multinational drug lobby based in Washington. That is a fact. If the minister has trouble dealing with the facts, he knows what he can do.

They want more facts. We had at our committee an internationally renowned expert, Dr. Stephen W. Schondelmeyer, whom the government used to quote but no longer quotes since he came up with an unflattering analysis of what this bill was going to do. He is a pharmacological economist from the United States of America. I am going to read from the executive summary of what he gave us in those truncated committee hearings.

He said that total savings to Canadians from generic pharmaceuticals in 1992 was about $420 million in 1992 alone. Compulsory licensing saved Canadians almost $0.5 billion in 1992 alone. He also said that the added cost from one drug alone, Vasotec, to the Canadian health care system—the drug that has caused Merck Frosst to say to the minister that this bill must be retroactive because it has a drug in the pipeline and if there is a licence issued it will lose a lot of money—is an additional $50 million per year. This would be the value to Merck Frosst.

Whose interest is this government looking after? It certainly is not Canadians. It is certainly not the Canadian health care system. Listen to this, Madam Speaker. This is absolutely startling. This independent analysis states that the cumulative cost of Bill C-91 from 1993 to the year 2000 will be $1.7 billion by 2010 and the cumulative cost from 1993 will be $4 billion. This is the multibillion dollar, multinational drug bill. The ministers opposite, who have ridden shotgun over the parliamentary process to get this bill through with unholy haste, are delivering a multibillion dollar Christmas bonus to multinational drug companies.

Mr. Dingwall: Oh, there is a Santa Claus.

Mr. MacDonald (Dartmouth): There is a Santa Claus and his name is the Minister of Consumer and Corporate Affairs, but the only individuals who are going to get gifts this Christmas are executives with the multinational drug companies. Consumers will probably get a lump of coal in their stockings.

An hon. member: That is right and they will have to pay for that coal from Cape Breton.

Mr. MacDonald (Dartmouth): They will probably have to pay for that.

I want to give another quote from this eminent pharmacological economist, Dr. Stephen Schondelmeyer. He is the one that the Conservative members used to quote until they read his document and said: "Oh, my God, he has found out what we are trying to do here". He states: "The magnitude of the direct cost over the next 15 to 20 years of Bill C-91 will be $4 billion to $7 billion".

Mrs. Dobbie: Could the hon. member clarify if that was the same Schondelmeyer who worked for the generic drug companies?

Madam Deputy Speaker: The hon. parliamentary secretary does know that this is not a point of order but a point of debate.

Mr. MacDonald (Dartmouth): I can understand why the hon. member opposite, who was riding shotgun through most of the committee hearings, is quite concerned. When the facts are put on the record, she has to squirm all over the place. What they did was unconscionable in the committee.

When Dr. Stephen Schondelmeyer, who is a well respected international pharmacological economist came forward, it was shameful. The member opposite tried to discredit the individual, after quoting him so many times in committee and in the House before she knew that he had seen through the thin veneer of this bill and saw what it was going to cost. It was very clear from his testimony and the other testimony that we heard from a number of individuals that this bill is absolutely obscene.

This bill is going to cost through retroactivity alone. I want to talk about that. The Canadian public has a right to know that this bill is retroactive. This bill changes the way that the system worked in the past. It goes back and says that for drugs that are currently in the marketplace where a compulsory licence most likely would have been issued or one was applied for that what the government is going to do is make sure that those licences get cancelled. That is what the government is going to do.

Who is going to benefit from this? Is it the provincial health care ministers? I do not think so. We heard from Elizabeth Cull, a minister from British Columbia, who said that it is going to cost an additional hundreds of millions of dollars to the B.C. health care system. Is it Canadian consumers? We heard from them and they said: "We are not going to benefit". We heard from all kinds of individuals.

Do you know what, Madam Speaker? The only group of individuals who are going to benefit are the shareholders of multinational drug companies. This is pretty interesting. Of drugs in the pipeline, we heard that there were 24 applications to get a generic on the market to lower the price for Canadians. This bill retroactively is going to wipe that out. It is going to wipe them out. Anything that was applied for that had not been given—

An hon. member: How much is Santa going to give?

Mr. MacDonald (Dartmouth): Santa is going to give a lot to Merck Frosst, Glaxo and a couple of the other companies.

What we found out is that drugs in the pipeline, as they call it where a licence should be issued but because this government is going retroactive it will not be issued, is worth about $340 million per year.

It gets better. One drug, Vasotec, which is under patent to Merck Frosst, is worth $100 million of the $340 million of all the drugs in the marketplace. One drug is worth 30 per cent of the total value of all those drugs caught in this limbo of retroactivity.

Merck Frosst has been pretty good. Santa has delivered for Merck. Merck does not get three extra years for that drug, it gets 14 extra years for the drug. The effect of the retroactivity in this bill is to give Merck Frosst for one chemical entity called Vasotec in excess of $500 million in additional profits, sucked out of the wallets of Canadian consumers, of Canadian health care providers, of provincial governments and insurance companies. Not a bad gift for Christmas, $500 million, and every penny being paid for by the consumers of Canada. This is third reading debate. I am being told to wind up even though I could go for days on this. This is one of the most obscene bills we have seen in the Parliament of Canada since I was elected.

• (1150)

Members opposite are getting pretty skittish on this.

An hon. member: Particularly the minister.

Mr. MacDonald (Dartmouth): They know the longer this bill is before the public, the lower its popularity numbers go. I urge the government members opposite who have a sense of decency to re-examine what this bill does. Look at it in the context of the Canadian health care system. Look at in the context of consumers who live in their ridings. Most of all, I say that right is right and wrong is wrong. We will not support this bill.

I urge members on third reading to find a little bit of guts and a whole lot of conscience and vote against this obscene piece of dirty work which is effectively going to gut the Canadian health care system for the benefit of multinational drug companies.

Mr. Riis: Madam Speaker, I rise on a point of order. There have been discussions among all of the parties and the independents and others within the Chamber and I think you would find that there is unanimous consent to move the following motion:

> That Bill C-333, an act to amend the Canada Health Act, standing in the name of the hon. member for Mission—Coquitlam on the Order Paper be discharged, the bill withdrawn and the subject matter thereof referred to the Standing Committee on Health and Welfare, Social Affairs, Seniors and the Status of Women.

Mr. Dingwall: Mr. Speaker, my hon. friend is quite correct. There have been some consultations and I wish to give the consent of the Official Opposition to that motion.

[*Translation*]

Mr. Danis: Madam Speaker, if I may, I would like to intervene.

[*English*]

Before giving consent, since I am unaware of this, if you could just put it on hold for a few minutes. Of course, I do not doubt the word of my colleagues. I just want to be absolutely positive before we give consent.

Madam Deputy Speaker: If the hon. members for Kamloops and Cape Breton—East Richmond agree, the Chair will wait for a few minutes before putting the motion to the House.

Resuming debate.

Mr. Howard McCurdy (Windsor—St. Clair): Madam Speaker, nobody on this side and most Canadian people cannot be happy that we are debating this bill this morning. That this bill should be here at all is reprehensible. That it is here because of the pressure of the American government and American multinationals is contemptible. That its inevitable passage has been assured by an abuse of the Parliament of Canada is despicable. Worst of all, that this government should argue that this bill is for the benefit of Canadians is hypocritical. Virtually all Canadians would agree that this is a reprehensible, despicable, contemptible, hypo-

critical government that cares not for its people. This is not a government for the people; this is a government for the multinationals.

Its resolve is to further the ideological attack of this government on the Canadian system of social democracy in an effort to pursue a United States agenda to make us more like them, a society with an almost complete lack of sympathy for the poor, the aged, the ill and the disadvantaged.

Canada has become for many nations in the world a model of how we can approach the issue of the cost of drugs and the cost of medicare in a creative and successful fashion. You will recall, Madam Speaker, that in 1969 legislation was introduced in this House to provide for compulsory licensing of patented drugs by generic companies. What Canadians who are listening ought to remember is that before that time the prices of patented drugs in this country were the highest in the industrial world. This government says that legislation was an attack on intellectual property.

What people seem to forget is that the generic companies did not simply copy the drugs; they paid royalties for them. For those who consider this an attack on intellectual property rights, let us remember that published songs or published books provide royalties to their creators, just as is done in this instance.

So this was not an invasion of the sacred territory of intellectual property. On the contrary, it ensured that competition would be the mechanism assuring reasonable drug prices in this country. We were successful. During all of that time the profits of the drug companies went up and up, as they have continued to do.

In 1986, this government introduced Bill C-22, a bill that extended longer protection to patented drugs. Why did it do that? In the midst of claims that drug prices have not gone up, the government did that in spite of its claim in order, quite specifically, to increase the profits of the drug companies. There is no other reason for having done so. That is perfectly clear.

But we have to remember that Bill C-22 was introduced just before the free trade agreement was signed with the United States. It was a condition imposed by the American government under Ronald Reagan for pursuing negotiations of the free trade deal. I hear the hon. member across the way say: "That is not so". Well, let us just review a couple of facts.

The chairman of the U.S. trade advisory committee was Mr. Pratt. Remember Mr. Pratt, the president of Pfizer? He had a significant role in impressing upon the President of the United States that the Prime Minister had to be told that if he was going to have a deal, he was going to have to give something up.

When the Prime Minister asked what should be given up, the reply was: "Well, how about that generic deal you have going over there, where Canadians actually get drugs for a decent, fair price?" The Prime Minister agreed. Even before the free trade agreement ever entered this place, the deal was cooked.

If there is any doubt about that, let us look at the record out of external affairs. External affairs observed specifically that the trade-off which would have to be made in order to get the free trade agreement would be the elimination, as much as possible, of compulsory licensing of generic drugs in Canada. That is what Bill C-22 did. It provided extended patent protection as was wanted by the American concerns.

Of course, the government did not come in here and say: "Look folks, we have to get this deal so that we can negotiate a worse deal, the free trade agreement". It did not say: "We are going to pass this bill to increase the profits of the multinational pharmaceutical manufacturers that hold the patents". Oh no, it did not say that. What it said was that prices would not increase.

Can you imagine the sophistry of passing legislation in order to increase profits but at the same time telling us that prices will not increase? Why will they not increase? We are going to have a Patented Medicine Prices Review Board which will keep things under control.

Meanwhile, Canadians were promised $1.4 billion in new expenditures for R and D. The then Minister of Consumer and Corporate Affairs said that we were going to get 3,000 jobs for scientists and technologists out of that and new R and D. That was the justification and argument. What were the real results?

• (1200)

With respect to research expenditures, it has to be admitted that more than $1.4 billion is credited now to the pharmaceutical manufacturers, that is, the multinationals, in terms of increased R and D expenditures.

However, those 3,000 new research jobs did not materialize. The drug companies, the pharmaceutical manufacturers, that is, the PMAC members themselves, said that as of 1990-91 they had created 1,386 new jobs. Let us give them credit for another couple of hundred.

They were not those great science and technology jobs. Two-thirds of those jobs were for sales and administration. The research jobs that were created were in fact for that kind of research that is involved in clinical testing by and large.

We do not have and we never will have the basic original research thrust. It will remain in the United States. Not only that, 850 production jobs were lost in that period of time since that legislation was passed. Those are the benefits.

What about prices? The government claims that prices have risen at a rate of 2.9 per cent per year for patented drugs. However, the Patented Medicine Prices Review Board said that new drug prices were from 40 per cent to twice as high as what they were before Bill C-22 was passed.

That is apparently the cause of the results reported by Green Shield. It finds that the costs for drugs have gone up 11 per cent per annum since that time.

Indeed, Stephen Schondelmeyer, whose name has come up previously, said that before Bill C-22 was introduced the Canadian prices for single source drugs were 17 per cent lower than U.S. prices. After Bill C-22, the prices for single source drugs in Canada suddenly rose to 12 per cent higher than in the United States of America. What benefits? The consequences of this were inevitable.

The burden on drug benefit plans has been tremendous. In Ontario, there has been a 50 per cent increase in per capita costs. As a result of that, a number of drugs have been deinsured. The deductibles have been raised for senior citizens in pharmacare plans. Therefore, the impact on seniors, on governments and on the taxpayer is clear: It has been more costly.

Now we have Bill C-91. For those watching this debate, Bill C-91 will essentially double the period of patent protection. It is a direct attack on the generic industry. It has the same purpose as Bill C-22. That is to increase the profits of the drug companies. I repeat that. Let us be clear and unambiguous. There is no other reason for this legislation than to increase the profits of the multinational patent drug makers. What are the benefits that we are going to get from this?

Of course, there was an alliance out there forged by the multinationals, led by the American government to get the rules of GATT changed and the Dunkel provisions to provide increased intellectual property protection. Of course, this GATT proposal has not been approved and it is somewhat weaker than what is provided in the proposed North American free trade agreement.

The North American free trade agreement has the same history as the free trade agreement with respect to the legislation we have before us today. We have another free trade agreement that has a proposal for intellectual property protection, but before that agreement is even ratified, the legislation is in the House. The multinationals said: "Jump," and the government asked: "How high?"

The arguments of the government are again the same as they were for Bill C-22. There is nothing about the increased profits for the drug companies, but again we are going to get more research. Another $400 million or $500 million in new research money is being promised by the PMAC.

Of course, we were promised that drug prices would not increase. The drug prices will increase because profits must increase. What must be understood is that NAFTA and this bill are part of a campaign to make sure that multinational drug profits will increase and be maintained.

It is particularly important that Canada's system be under immediate attack because Canada is a model for the Third World. Without the kind of leadership Canada provides with its system the Third World peoples will not have a chance in fighting the multinationals.

It is important to get this legislation through right now in a hurry. That is why Parliament has been abused. That is why this government has been so anxious to keep a tent over the entire process, to keep people from knowing what is really going on. Unfortunately, people do know what is going on and hold this government in contempt for what it is doing.

It is very important for the multinationals to get the legislation through Parliament and eliminate the model that we are providing not only for the Third World but also for the United States. The Clinton administration is being made aware that the generic drug system control-

ling drug prices through competition is a reasonable one to be adopted by the Americans as well.

We have Senators Henry Waxman and David Pryor suggesting that Canada has found ways to control prescription drug prices and it is time for the United States to get on the bandwagon. They say this in observing that patented drugs in the United States cost 32 per cent more than they do in Canada even under Bill C-22. Bill C-91 will bring them into line and that is dangerous.

What does Bill C-91 provide? It says in effect that patent protection will be extended from 10 to 20 years to make things simple. It will destroy the system of compulsory licensing. It will virtually eliminate the generic role in providing competition to keep prices low.

As has been mentioned before, it is not enough for the government to rush in with this legislation and get it done now. It is retroactive to December 10, 1991.

Why do you suppose that is so? Because the intellectual property committee advising Carla Hills, the U.S. trade representative, which is dominated by the multinational drug manufacturing representatives insisted that the United States tell Canada to make it retroactive. This is in spite of the fact it will eliminate a number of generic products that were already in the pipeline. How outrageous.

This legislation does not even require that the patent be worked in Canada. The drug does not even have to be manufactured in Canada and there is no provision for the fine chemicals that go into the drug to be made in Canada. There is no real advantage in this bill to Canadians if you look at the balance.

What are they going to get in return? They are going to get another $400 to $500 million in research. They say that drug prices will not increase because the Patented Medicine Prices Review Board will have its mandate for controlling the prices of drugs strengthened.

• (1210)

Come on. This bill is intended to increase the profits of drug companies. We are being told that this institution is going to make sure that does not happen, except there is one fatal flaw. It is very doubtful whether this new power which they pretend to want to confer on this board will be constitutional. There is a very good chance that it would be considered by the courts to be unconstitutional.

What we have here is nonsense because, remember, it is the multinationals that want Bill C-91. They are very clear about another thing. They not only want to get rid of compulsory licensing. They also want to get rid of the Patented Medicine Prices Review Board. Obviously that must be their ultimate goal.

These sneaky devils have said they would put it in the bill, knowing that ultimately it probably will not work but the people will be fooled. There are other ways in which the people are being fooled.

One hon. member said there would be $170 million invested by Merck Frosst in Ontario. That is big stuff. B.C. is not going to be so happy. It is to get $15 million out there if and only if the government puts some money in for the construction of the building. A real advantage.

Let us look at this a little more closely. What the companies are actually promising amounts to not a whole lot. But let us add up the figures of the previous promise and the current promise and let us suppose that they are going to put $2 billion of new investment in R and D. What does that really mean? In Quebec it means that the drug companies will put in 30 per cent and the governments will put in 70 per cent. In Ontario it means that the government will put in 60 per cent and the drug companies 40 per cent.

If we look at it across the country and put it all together the $2 billion drug companies are promising to put in research has $1 billion coming out of my pocket and your pocket, Madam Speaker.

What are going to be the increased costs? The government says it will be $125 million over a decade. There are various figures being bandied about but this much is clear. It is going to cost between $4 billion and $6 billion more in increased drug costs. The governments are going to put in $1 billion in research money. In order to get $1 billion more in research money we are going to take $6 billion or $7 billion out of the pockets of Canadian taxpayers, out of Canadian governments and out of ordinary Canadian people who are ill or need these drugs. That is no deal at all. It would be better if the government just gave them the billion dollars and let them go on their way.

This bill is a contemptible additional step in the attack on Canadian civility and humanity. It is an attack on the people. It is there for NAFTA. This bill should be rejected and if NAFTA is passed, it should be annulled and all in it, such as this bill as a consequence of it, should be similarly abrogated. We should start back on the civilized path, the civilized vision of Canadians, not the ideological meanness that characterizes this government.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Madam Speaker, histrionics aside, I wonder if the hon. member could explain some things to me. Over the past number of days, this morning in the House and again when this member was speaking, we heard a lot of different figures being bandied about as to the cost of Bill C-91.

I would refer to an ad produced by the Canadian Drug Manufacturers Association, that is the generic companies, last January that said this bill would cost $300 million a year. After that in April, just a few short months later, they put out another almost identical ad, identical wording, except that suddenly the cost had jumped according to them to $1 billion a year.

We heard this morning what the hon. member of the Official Opposition was saying. He read Mr. Schondelmeyer's report, as if he were a great expert, saying that this was going to cost $1.7 billion a year until the year 2010. We just heard my hon. friend saying it is going to cost $7 billion until the year 2010.

There are some inconsistencies here. I wonder if the hon. member could explain what they are. The federal government's figures have been consistent throughout this whole period of discussion about Bill C-91. We have projections done by our federal public servants in whom I put a lot more confidence than I do in some American expert, some weekend expert who pulls his figures together on a Thanksgiving long weekend down in the United States. Our federal public servants have said consistently that there will be a cost attached, but it is a small cost in exchange for the huge amount of investment in research and development that will accrue from it.

They are saying that the cost will be $129 million over the next five years. That is about $1 per person per year, less than the cost of a prescription. They know how dangerous it is to try to project into the year 2010. It is almost impossible to figure out at this point in time with technology changes what will really happen. But as far as they would project, to the year 2000, they say that the cost may rise to a total of 2 per cent over that period of time.

Those are consistent figures. My hon. friend has given us a whole range of other figures that do not add up when we start to examine them, when we take a look at them. Perhaps he can explain why those figures are so inconsistent and where he got them from. What is the foundation, the basis, for these wild rhetorical projections that he has mouthed in this House?

Mr. McCurdy: Madam Speaker, the hon. member was in committee when I was there. I said to the hon. member that so many figures were being bandied about there ought to be adequate time before committee to hear the experts and cross-examine those experts to find out what the real figures were. If those figures are confused, largely it is because this government did not want those figures and did not give the opportunity to have those figures considered carefully enough to determine who was right.

The hon. member ought to be ashamed to display such ignorance as would have her describe an internationally known expert as a weekend expert. That is shameless.

Let us look at where the possible sources of the discrepancies, if there are discrepancies, are and what the sources are of my figures. Elizabeth Cull said that it will cost $1 billion additional money for the Government of British Columbia alone. Elizabeth Cull said that two drugs would cost an additional $145 million over six years. In Ontario it was suggested that additional costs would amount to $500 million a year in that province. Other experts suggests even more.

I do not know whether the hon. member knows it, but there are 10 provinces and 2 territories in this country. All we have to do is extrapolate the figures and we come up with exactly the same kind of figure as Schondelmeyer of between $4 billion and $6 billion over the next decade.

It does not make any difference. Let us suppose the figure is $4 billion. We are promised $2 billion in additional research investment. I did not hear the hon. member respond to the fact that of that amount of money no more than half will come from the drug companies. The other half will come from the provinces, from the governments, the federal and provincial governments.

If we are going to get $1 billion in additional research money actually put in by the multinationals, it is going to cost at minimum between $4 billion and $5 billion out of the pockets of Canadians. Madam Speaker, I know you know that does not add up to an advantage for Canadians.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I listened with attention to the remarks of my colleague this morning. He talked about trade as part of the debate. That brought another issue to my attention.

I have in hand a copy of a magazine called *McKesson Today*, published by this organization, McKesson, which by the way has acquired recently the Medis Corporation, a company that distributes 44 per cent of all the pharmaceutical drugs in Canada at the wholesale level.

• (1220)

Quite apart from the debate we are having today, there is another one which is attached to it, namely what the revocation of the Foreign Investment Review Agency of some years ago is doing to not only manufacturing, which is what we are debating today, but wholesale distribution which is falling into the hands of multinational corporations based outside this country. This company is advertising for itself in its own magazine which reads:

> With a population of 26.8 million, Canada represents a substantial market that has barely been scratched in terms of wholesale pharmaceutical distribution.

This is from an organization that already owns 44 per cent of that distribution in Canada.

With this bill, in combination with the bill of a few years ago and in combination with the revocation of the Foreign Investment Review Agency legislation, does my colleague agree that we will in fact see more and more corporate concentration, particularly corporate concentration based outside Canada, distributing, manufacturing and selling prescription drugs to Canadians?

Mr. McCurdy: Madam Speaker, the hon. member is quite correct. Whether they have been pharmaceuticals or scientific equipment provided to hospitals, there is no doubt that the provisions of the free trade agreement eliminate any performance tests and eliminate for all intents and purposes all tariff and non-tariff barriers. It is obvious that distributorship is being transferred to American companies.

When the member said something about import and export I thought it might be worth while to look at some of the claims that the Minister of Industry, Science and Technology advanced at one stage. He said that Bill C-22 encouraged the export of drugs from Canada and that our export market was going to be expanded. I do not know whether he said this—he may have left it unsaid—but what was unsaid was that exports of patented drugs increased from $200 million to $230 million. That is an increase, but it is also true that between 1987 and 1990, the same period over which that figure was gathered, our imports went from $700 million to $950 million, an increase of $220 million.

That just does not add up, and I am sure the hon. member knows that.

Mr. Brian White (Dauphin—Swan River): Madam Speaker, very briefly, I think it is important to follow up on the costs of Bill C-91. There have been some outrageous claims made.

I sat and listened to Dr. Schondelmeyer in committee where he estimated billions of dollars to the year 2010. There were four mistakes in that estimate. First, we cannot project to the year 2010 in this industry. Five years is as far as we can go. There were wrong sales figures in his estimate. There were lists of drugs that were off patent on that list and there were wrong patent expiry dates on that list.

There are government officials who have studied this matter for years. They have an analytical model based on five years. They have the products that are affected directly. They have made assumptions. For example, they assumed that every product will be copied, which is not the case, and they assumed that every generic will come on market immediately when it can, which is not the case either. That estimate is $25 million a year over five years; $1 per Canadian.

Could the member comment on that?

Mr. McCurdy: Madam Speaker, I will be happy to. I tell the hon. member what I told him and his colleagues in committee, as all of us on this side did in committee. If they had not limited that committee, if they had not done everything they could to disarm that committee and limit the number of witnesses and the length of time, we could have cross-examined on the various numbers from various sources.

He is getting his numbers from the government and we are supposed to trust that. He does not trust what we get from provincial governments, experts which the hon. member over there calls weekend experts.

The fact of the matter is that this bill was rushed through. We did not have the opportunity to engage in the kind of careful deliberation and study of these numbers that would have permitted a reasonable conclusion for our ourselves or for the Canadian populace. However, we do know that it is going to cost a lot more money, because that is why there is the bill.

No one can be so thick as to believe that eliminating generic compulsory licensing has any other purpose than to increase profits, and therefore increase costs. I do not know what is wrong with those folks over there. They know that is the reason for this bill. Why not admit it? It is going to cost us more, and we are not going to get anything out of it.

Mrs. Dobbie: Madam Speaker, on a point of order, I think that you will find that there is unanimous consent to extend the sitting hours through the midday interruption.

Madam Deputy Speaker: The House has heard the suggestion made by the hon. parliamentary secretary. Is there unanimous consent?

Some hon. members: Agreed.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, we have come to expect the sort of intervention that we have just heard. I always listen very carefully to what my hon. friend from Windsor says and how he says it.

When his voice goes up two or three octaves we know that he is getting into the political rhetoric. When he is talking in a low voice we know that it is fairly sensible stuff. Ninety-five per cent of the time his voice was up at least two octaves. That gives us a pretty good sense of the sort of stuff we are hearing from him.

During the course of this debate the greatest casualty of the debate has been the truth. I want to try to put some things on the record today that will present to Canadians who are listening the other side of the debate. It is based on careful work that has been done by members of the Public Service. They are people who have no political axe to grind, but who have done work based on the facts. They have made a careful analysis in supporting the positions they have advanced to us as ministers, which we are now presenting to the House.

We announced our intention to change the patent legislation on January 12, 1992. There has been plenty of time for people to understand the facts and get a clear understanding of what has been happening here. We are hearing in this debate the same phoney charges, the same hysteria, the same twisting of the facts that we saw in Bill C-22 some five years ago.

The opponents of Bill C-91—

Mr. Milliken: Nonsense.

Mr. Wilson (Etobicoke Centre): My friend opposite said nonsense. He unfortunately was not here because I am sure that he would have put a more sensible slant on the debate from his side of the House. However, the same outrageous statements are still being made.

Opponents have said recently that the innovative companies have failed to keep the promises they made in 1987, pursuant to Bill C-22. The companies said at that time that they would increase their percentage of sales devoted to research and development to 10 per cent. It was 4.9 per cent at the time. They said they would do that by 1996, and in 1991 it was 9.6 per cent. They have almost reached that objective, well ahead of schedule.

They invested $1.1 billion in research and development during that period and increased the amount of basic research from 17 per cent of total R and D to 26.5 per cent, a considerably higher dollar amount than was the case prior to Bill C-22.

Opponents said, and we have heard it again from my friend from Windsor, that they would never create the expected 3,000 jobs by 1996. In fact, they created 2,400 jobs by the end of 1991. These are figures for all to see, not the ones we have just heard unfortunately from my colleague from Windsor. Depending on the companies, between one-third and one-half of those jobs are in research and development. They are important jobs that people in this country are seeking governments to encourage.

• (1230)

Mr. Mills: They are sales and marketing jobs.

Mr. Wilson (Etobicoke Centre): My hon. friend is denigrating sales jobs. All I said was that one-third to one-half are research and development jobs. I do not know what my hon. friend is getting so exercised for. If he disagrees with that fact, then say so. He should not get exercised just because he has a different interpretation of it. The facts are the facts.

Opponents said that the 1987 legislation would destroy the generic industry. In fact, the sales of the generic companies increased by 180 per cent. We do not know what the profits are, but clearly the companies have been making profits because they have been investing in research and development. They have also been using some of those profits to buy generic companies. Where? In the United States where there is no compulsory licensing system. Let us put all these things in context.

The critics of Bill C-22 said that the prices of patented medicines would sky-rocket. The Patented Medicine Prices Review Board reported that the increase would be 2.9 per cent, well below the 4.4 per cent inflation during that period.

My friend talked about the fact that in 40 per cent of the cases there were excess prices. Let us put that into context, as well. It was about $700,000 in total in 1991. What the new legislation does do is provide for a roll back. In this bill we have improved the operations of the prices review board to deal with that particular concern.

Mr. McCurdy: Green Shield.

Mr. Wilson (Etobicoke Centre): My hon. friend has just yelled across at me: "Green Shield". That was a report that talked about total drug usage, not just the patented medicines affected by this legislation. It is very important to realize that the amount of drugs covered by this legislation is 20 per cent of the total.

When we consider the usage as well as the impact of prices on the non-patented medicines and the patented medicines not covered by this legislation then it is an apples and oranges comparison. It is very clear that people who are reviewing what Bill C-91 will do should not just take at face value what the Green Shield report says but look behind it. That is what the Patented Medicine Prices Review Board has tried to do.

[*Translation*]

Bill C-22 was a success as anticipated. It has improved the environment for R and D and has favoured job creation while maintaining reasonable drug prices and fostering generic concurrence.

But the world is going through many changes. The global climate surrounding the international drug industry is developing rapidly and Canada must be in the vanguard if we are to continue to lead the way.

[*English*]

Opponents are saying that we are doing this simply for the sake of the multinationals. They are wrong again. We are moving to do this for the sake of Canada and Canadians, for the sake of those who will benefit from new medicines, and for the sake of Canadian scientists and researchers and the growing number of innovative Canadian companies. I will just mention some of them: Quadra Logics in Vancouver, Biomira in Edmonton, Biochem Pharma in Montreal, Allelix Biopharmaceuticals in Toronto and Diagnostic Chemicals in Charlottetown. These are companies which will benefit from this protection of intellectual property. They are Canadian biotechnical companies. These are the companies that are developing the next generation of medicines for the sake of Canadian jobs in a dynamic, high-tech industry. Canadians, whether they are young or old, stand to live longer and more comfortable lives as a result of pharmaceutical innovations.

On the basis of the announcement last January and the tabling of the bill in June, the innovative drug companies have come forward with millions of dollars of new investment that will benefit all regions of the country.

The House may recall that I spoke about $500 million during the second reading of this legislation. That $500 million amount has now increased to $635 million over five years in new manufacturing investments and new research.

[*Translation*]

Astra is presently looking at various locations in Canada where it could set up a research centre with a world-wide mandate, and that represents an investment of $150 million.

Nordic Merrill Dow and Smith Klein Beechman have each announced investments of $40 million to increase research and development work.

Just three days ago, Ely Lilly announced new investments of $170 million for R and D for high-tech modernization and production.

There is more. Above all, the industry will invest more than $2.5 billion in Canada by 1996. This is good news. The economy needs good news.

[*English*]

I began my remarks by stating that there is a lot of misrepresentation and misinformation in the public domain on this legislation. Let us stop the scaremongering and look at the facts.

First, opponents say that drug prices will soar as a result of Bill C-91. They will not. They have not in the past and they will not in the future. The board, as I said a minute ago, has been given new powers over both new and existing patented drugs. The bill has teeth, it has very sharp teeth. It has some very substantial criminal law penalties that are quite significant.

Seniors have been especially concerned. Again, let us look at reality. Seniors are covered by drug plans in all provinces, and under current provincial plans at least 71 per cent will not pay one penny more as a result of Bill C-91. For the remaining 29 per cent, three-quarters or more of their drug costs are covered by provincial drug plans.

I believe what has caused some of the confusion is that some drug prices are rising faster than the rate of inflation. However, these are not the patented drugs. They have nothing to do with Bill C-91. There was a column in the paper the other day by Dalton Camp. He identified six drugs and talked about how much they had increased. None of these drugs will be affected by Bill C-91.

Eighty per cent of all drugs are not patented and therefore are not subject to any form of price control. The price increases of the remaining 20 per cent, the patented drugs, are under control pursuant to this legislation and Bill C-22 of 1987. These drugs have remained well below the inflation rate, as I mentioned earlier.

The second misconception relates to what my colleague from Windsor has been ranting about just now, which is the cost impact of Bill C-91. The government has over a period of time, from the ground up, made a drug by drug assessment of the cost increase. It would be $129 million over five years. I want to repeat that, $129 million over five years, roughly $25 million a year, $1 per Canadian per year. That would be offset by the tremendous benefits in new research and development and the new cures. I think that is something that Canadians can endure.

The opponents of this bill have offered cost projections that are all over the map. I listened carefully to my colleague from Windsor's response, but he did not give any substantiation for the wild figures of $4 billion, $6 billion, $7 billion that he threw around. However, Dr. Heinz Redwood, an internationally recognized industry expert, has reviewed the figures that have been developed in the Department of Industry, Science and Technology. He concluded that they are based on substantive analysis. I will quote him. He said: "They are based on acceptable methodology and reasonable assumptions".

• (1240)

He went on to say: "The cost to Canada may well turn out to be lower than forecast, thus adding a safety margin for possible but currently unforeseeable additional costs". Dr. Schondelmeyer, who my friend from Windsor referred to, projects this will cost $7 billion over 17 years. That projection may be sensational and you will probably read about it in the papers tomorrow morning. You will not read about the $129 million.

This is a gross overstatement because the professionals in the department of industry went through his analysis which he produced over the Thanksgiving weekend in the United States. They went over the analysis and pointed out there were drugs in there that were off patent. He was extending terms far beyond what he should have in order to come up with the analysis. What do they come back to? They come back to the $129 million we had developed.

We tabled Dr. Redwood's report in the committee and that is there for all members to see and review. I would like to talk about another element of this and that is the question of drug usage.

Drug costs are driven up more by drug usage, the type of drug, the size and the number of prescriptions. If each Canadian used just one less prescription per year, we would save almost 20 times the additional cost to the drug purchasing system we calculate.

Another misconception I want to address is the mistaken notion Bill C-91 will double the patent period for pharmaceuticals from 10 to 20 years. Unfortunately, we heard that again this morning from the hon. member from Windsor. It has been documented time and time again by my colleague, the Minister of Consumer and Corporate Affairs.

The increase as a result of this bill is three to three and a half years in the market protection provided to these companies. It is not 17, 10 or 20 years or whatever the figures are that get thrown around by the opponents of the bill.

Once the patent does expire, the generic drug companies in Canada will be able to compete openly with the company that invented the medicine, as is the case in any other sector of technology. This legislation is bringing the intellectual property protection for pharmaceuticals in line with what is there for all other types of inventions.

I think this point bears repeating again and again. We are not singling companies out for more favourable treatment, but bringing them into line with other industries.

Opponents say this bill will mean the end to the generic industry in Canada. As I said earlier, the generic industry has grown by 180 per cent since 1987. Our projections indicate in the new environment there is no reason why they should not be able to grow at rates equal to those of the rest of the pharmaceutical industry.

Close to 60 per cent of generic business is now generated from drugs that are already off patent. Furthermore, there are nearly 2,000 off-patent products available to the generics right now that have not been copied by them.

The U.S. generic industry operates in an environment without compulsory licences. It is growing and thriving so much the generic companies have bought U.S. generic companies using the profits they have generated here in Canada. Clearly, there is no reason why this sector should not prosper in Canada.

Yesterday morning Ralph Nader said on *Canada AM*: "If it ain't broke, why fix it?" These types of opponents ignore the changing realities of the global marketplace. Mr. Nader talks a great line about all Canada's inventions but he is really saying he would like to see us keep on inventing, but he would not provide the encouragement and protection to the inventors.

He would have us hand these inventions over to countries where there is this protection so they can commercialize the inventions for world markets and take the benefits outside Canada. I do not agree with that. We want to keep the jobs and benefits here in Canada and that is what Bill C-91 is all about.

An international consensus emerged in the GATT about a year ago on world standards for intellectual property. It is critical to Canada's future prosperity that we participate in this consensus. If we do not accept this proposal, Canada will put at risk many of the benefits of the Uruguay round and jeopardize our over-all trade relationships.

These are days of great change in this particular industry. I referred to *Business Week*, November 16, in my intervention earlier on second reading. I pointed out where a lot of change is happening. Jobs are being lost in other countries. Here in Canada we are gaining these jobs and we are doing so because we do have competitive advantages. We have world class scientists, excellent medical institutions and a reputation of high standards in the area of medicines. We have a tremendous international reputation in the type of health care system we have.

We are trying to achieve balance in this bill. I expect you would think people on both sides of this House would have an axe to grind at tilting the balance one way or the other in the course of the comments they make.

I want to quote someone who is probably quite objective. This person must try to find the right balance between attracting investment and controlling costs. I am speaking here of Premier Rae of Ontario. These are quotes from a press conference on December 7. He said:

> Just because we have some questions about Bill C-91 does not mean we are against this kind of investment.

For example, research and development, and high value-added manufacturing.

> The federal government has to take its responsibilities with regard to intellectual property and we respect that.

That is what we are doing with Bill C-91.

Then he went on to say:

> Whatever regime of intellectual property is worked through, this jurisdiction has to be competitive with others in attracting investments.

Again, this is what we are trying to do with Bill C-91.

He went on to say:

> We want to have a competitive balanced industry which can compete with anyone in the world. We need to have a reasonable regime for the protection of intellectual property and at the same time we have to take our responsibility for trying to manage the costs of a publicly insured plan.

This explains in a nutshell, the balance we are trying to attain with Bill C-91. I would encourage the members opposite to recognize those benefits we are bringing here, help us get this legislation through and then work with us in developing with the provinces and other players in the industry the best, most effective, most equitable type of price control regime we can provide for the Patented Medicine Prices Review Board.

That is the balance we should be trying to achieve in this House. We should not be trying to destroy the whole bill and with it the investment, research and development and good jobs that come from it.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I listened carefully to the minister. He seems to refer to this GATT agreement repeatedly not only in the House but in other conferences.

Yesterday my colleague from Winnipeg—St. James quoted from article 31(b) of the proposed GATT agreement. It reads as follows: "Where the law of a party allows for the other use of subject matter of a patent without authorization of the right holder, including use by the government or third parties, the following provision shall be respected. Such use may only be permitted if part of such use the proposed user has made efforts to obtain authorization and this requirement may be waived by a party in the case of a national emergency or other circumstances of extreme urgency or in cases of public non-commercial use".

What is the public health care system of Canada if it is non-commercial use? Would that not be a legitimate and valid argument for pleading for special status in exemption under the GATT?

• (1250)

Mr. Wilson (Etobicoke Centre): Madam Speaker, I am surprised my friend of all people would miss the point on this. We are not trying to find a way to avoid attracting investment in Canada. We are trying to find a way to attract investment in Canada.

As I pointed out in my remarks, we have seen the changes that are happening world-wide where new mandates for research and development for manufacturing are being established. We are getting these in Canada.

If I took the approach my hon. friend is implying through his question, we would not get this investment. That is the balance we are trying to achieve in this legislation.

[*Translation*]

Mr. Phillip Edmonston (Chambly): Madam Speaker, I listened with great interest to the minister. As a member from Quebec, I was particularly interested in what he had to say, because if we believe what he just said, it seems that this will benefit everybody. There should be a very minor increase in drug prices, and a lot of jobs would be created in Quebec.

I am not so sure about that. The Syndicat des enseignants du Québec already said that it did not believe the minister. Moreover, if we believe the internal reports of the Department of Consumer and Corporate Affairs, that department said that the projected spin-offs from Bill C-22 enacted a few years ago did not materialize.

A review is scheduled of the effectiveness of Bill C-22, which was enacted a couple of years ago and which was no small gift to the drug industry. Why do we not wait for that review which is already scheduled I think for 1996 before passing another bill which gives more or less the same results? Why is the government in such a hurry to legislate, to pass this new bill now? How can we trust a minister who, when he was the Minister of Finance, was never able to balance his budget? Is he relying on the same officials to get his figures?

[*English*]

Mr. Wilson (Etobicoke Centre): Madam Speaker, I think these personal shots are not very appropriate and I am not going to respond to them.

I will say to my hon. friend, his province of Quebec supports this quite aggressively. It sees the benefits of the new research and development and manufacturing, balanced by the protection on costs that are important to the management of the health care system in the province of Quebec.

My hon. friend asks why do we not wait until 1996. I guess we could wait until 1996, but we would forgo that investment. We would also have to run counter to the proposals in the GATT. As I said, that would put our position within the GATT at risk. That is something we on this side of the House are not prepared to risk.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I am seeking a clarification from the minister. I ask this sincerely with regard to whether or not the minister believes there is a conflict between the wording of the Dunkel report on GATT and the proposed NAFTA agreement, particularly as it relates to intellectual property.

It is my understanding that article VI on pharmaceuticals of annex 1001.2a, chapter 10, pages 10 to 55 of NAFTA the text reads: "Until January 1, 2002, this chapter shall not apply to the procurement by the Secretaria—and the Secretaria de Marina of drugs that are not currently patented in Mexico or whose Mexican patents have expired". Then there is another sentence and this is where I need the clarification. It says: "Nothing in this paragraph shows prejudice rights under chapter 17, intellectual property". Am I right to conclude that under the NAFTA agreement, the Mexican pharmaceutical industry will have a transition period of eight years under NAFTA, which is not the case under GATT?

Mr. Wilson (Etobicoke Centre): Madam Speaker, my hon. friend would have been able to get a better answer had he given me some notice of this question. I would be happy to respond to it.

My sense though is that what that particular provision provides for is a transition in the procurement as opposed to the intellectual property. My friend would be quite interested to know that patent protection in Mexico, a country that is fast developing and seeking this type of investment, is greater for the innovators than is the protection provided in Bill C-91. They have seen that it is important for them to have this degree of protection.

As a country that will be competing with Mexico for investment, as we compete with Europe and other countries, we have to be competitive as well. This is what Bill C-91 is all about.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Madam Speaker, my question really falls into line with the question that we just heard posed.

There have been a lot of charges from the opposition that we are making this bill retroactive and that somehow that is unfair or unusual. I wonder if the minister could tell us why the effective date is December 20, 1991.

Mr. Wilson (Etobicoke Centre): Madam Speaker, the importance of that date is to provide some certainty in the marketplace. If we had not established a date when the new provisions take hold, there would be chaos in the marketplace. Neither the generic companies nor the patent medicine companies would know where they stood with regard to new investments that either one of them might want to make because of the cash flows from drugs that are currently under development now would be quite up in the air as to who would get access to that cash flow.

I want to point out that it was in the interests of the generic companies that Mr. Dunkel provided the transition that he did provide. If he had not provided transition, the compulsory licences that were in place now would have been cancelled. However, he has said to leave those compulsory licences operative so that the companies can take advantage of those and provide for an extension of the patent protection on others.

It was a grandfathering of compulsory licences that were already given. That was done in the interests of the generic companies. By picking that specific date in compliance with the Dunkel proposal, we guard against the market distortions that clearly would have been there if we had said that we were going to wait and establish a date sometime in the future.

Therefore, that is why we have done it the way we have. It is quite consistent with long-standing tradition here in this country on the implementation of budget measures.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, my question concerns the Patented Medicine Prices Review Board.

Bill C-22 provided for that board, but what it really does is monitor wholesale prices but does not monitor retail prices. As the minister knows, most of the wholesalers are subsidiaries of big manufacturing companies. Naturally this is why we only have an increase of 2 per cent. At the retail level prices go up 50 per cent to 100 per cent. Therefore, can the minister comment on that?

Mr. Wilson (Etobicoke Centre): A brief comment, Madam Speaker. The federal government does not have the power constitutionally to control or to influence in a regulatory way retail prices. If there were to be controls, that would be the responsibility of the provincial governments. One of the important influences that we have in this country and one that can serve to help keep retail prices down is through the lists that the provincial governments put out indicating what drugs they encourage people to buy, the so-called formularies.

• (1300)

In this way they can keep an eye on what the retail prices are of the various drugs on the market and encourage people to use those when they are making their purchasing decisions.

This is one of the real strengths we have in Canada. It is one of the ways we want to work together with the provinces where we, through the prices review board, control prices at the manufacturing level and they, working through their formulary and the power that they have through the provincial drug programs, control the price at the retail level.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I would like to make a few points with regard to the bill which is before us and its subject matter, but first on the process.

This subject matter is of considerable interest to Canadians in every walk of life: seniors, health care professionals, individuals who have made careers in advocating certain provisions with regard to intellectual property. All have a great deal of concern about this bill and its consequences.

The arrangements which were made at committee were insufficient to deal with the subject matter in any extensive way.

There are those on the opposite side who would conclude because opposition parties sat down and heard a few witnesses that that should be the extent of the debate at committee. In fact members of that committee had hoped to have heard a far larger number of witnesses and wanted to have much more extensive hearings.

The able critic for our party, the hon. member for Dartmouth, repeatedly made that case only to be stonewalled because the government indicated that it was either a few witnesses or no witnesses at all. The motion which went on division was certainly done under duress and we are not being very well served by having a shortened debate on a subject matter which is of considerable interest to Canadians.

Also, I think it would give us a better opportunity. We have heard in this Chamber this morning the charges which were being made by the Minister of Consumer and Corporate Affairs that our facts were wrong. Those of us in opposition made the claim that our facts were right and theirs were wrong. However, that is the essence of parliamentary debate. If we had had longer hearings at committee we probably would have been able to have a much fuller examination of those facts and figures. That is not to suggest or impugn upon anyone who appeared before that committee and gave evidence or testimony.

That is the reality, Madam Speaker. We did not have enough time. We saw at a later stage of the debate of this bill numerous amendments which were not debated. Some of them were adjudicated in this Chamber but again they were not debated because the government was using the guillotine of closure and time allocation to shorten debate on a very important subject.

We are now at third reading on a bill of considerable concern to Canadians and all we have had is a cursory examination of many of the salient parts of this particular bill.

Many of us who have studied this particular issue—I had an opportunity on a previous occasion in 1987 to have such an opportunity to examine this bill—and I want to repeat for the record that I do not concur at all with the findings of the government opposite that we as a

separate and independent nation must move toward this new form of intellectual property rights at this time.

I want to be clear. I have great concerns about brand name companies operating in this country. I also have concerns about generic companies operating in this country. For the government of the day to say to Canadians we are now only going to have one industry which it will regulate in its entirety, that being brand name companies, the multinationals, to me is not fair. It is inappropriate and poor public policy.

We are not advocating as a national party, as the member for Dartmouth has indicated time and time again, that we get rid of one at the expense of the other. There ought to be a balance with regard to public policies which we believe compulsory licensing has been able to provide to Canadians over the years.

It was interesting to note that in 1987 the present government House leader, who was the minister responsible, said on the floor of the House of Commons on numerous occasions that the price of drugs in this country would not rise by one red cent. That is what the minister said. I wanted to make this statement, as I know the House would be interested in it.

My colleague, the member for Dartmouth, has repeatedly found information which has been placed on the record that this proposition and thesis just does not stand scrutiny by any test—the test of the opposition, the test of the New Democratic Party or the test of independent third parties. The cost of drugs has increased substantially.

In terms of the government's previous policy, it has not been able to live up to those promises, namely, that prices would not rise one red cent.

However, in this bill it is a little bit different. The government no longer takes out the argument that prices will not rise one cent. It takes out the argument that they are going to rise. Some may say by billions, but they are wrong. It is not billions, they say, it is millions. That is what they say. If you prorate that over a decade it becomes billions quite quickly.

I am astounded to find that the government opposite has seen fit to acknowledge and affirm our claim that prices will rise in this country. The mechanisms it has put in place to try to deal with that, as again our critic for the Official Opposition, the hon. member for Dartmouth, has repeatedly put, are not effective ways in which to deal with that.

The whole question of compulsory licensing and the rights of those individuals who have intellectual property is an argument that has been made in this House time and time again. We are a party that believes both systems can work in this country. They have been working up to now. They have been saving consumers thousands and thousands of dollars on an individual basis.

In point of fact just the other day I had to get a prescription for my son. I asked the pharmacist, who happens to be a friend, because a brand name was prescribed by the physician, if there was anything in stock equivalent to the brand name. The brand name product was $18.29. The generic product for the same thing, to treat the same illness, was $4.22—a sizeable difference.

I am not here to cry about the fact that I cannot afford the difference between $4 and $18, but the fact of the matter is that there are millions of Canadians who cannot afford that kind of difference. Why would we as a nation throw that system out when it has been balanced?

I know that my time is relatively short. I do want to say that I think there is room and there ought to be room in this country for the two systems of compulsory licensing as well as the brand name drug companies. I think we should keep the system that we have. It has been working well and it has been very effective for Canadians.

• (1310)

This particular piece of legislation does very little in terms of the guarantees for research and development. It does not address in any fundamental way the concerns that we have expressed in terms of pricing. Even the most objective soul in this world—I look to the Chair for guidance in that—would have to agree that a retroactive piece of legislation in itself is damaging.

A retroactive piece of legislation which is financial in its substance is far more damaging to the entire system than probably any other aspect of this particular bill. The government is ready to proceed as Santa Claus will proceed on Christmas Eve as he goes down the chimney and into the living-room to leave the gifts.

What a gift. The Conservative government opposite, consisting of the Minister of Justice, the Minister Responsible for Constitutional Affairs, the Minister of Communications, the Minister of National Health and Welfare—the Prime Minister will not be here shortly—has given this gift to the multinational corporations. It is at the price of taking the hard-earned dollars out of the pockets of ordinary Canadians across this country who work their 40 hours a week, who bring up their children, feed them, put them through school but who now have to be taxed by this government.

It is tax under Bill C-91 in order to facilitate the objectives of the multinational corporations whose primary concern as we all know is the bottom dollar. That is not fair.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Madam Speaker, I heard the member say that compulsory licensing works, that it is a good system and that we should keep it in place.

I gather that he is parroting the words of Ralph Nader, the American expert the Official Opposition brought to Canada to support its arguments in favour of compulsory licensing. He said: "If it is not broke, do not fix it". I would suggest that it is broke. Because of compulsory licensing, Canada's growth in the development of the pharmaceutical industry has been severely retarded.

Until 1987 nobody wanted to invest in R and D or in new plants and equipment here in Canada because of the patent licensing regime that was created by the Liberals. Perhaps the hon. member would like to tell us how he thinks compulsory licensing worked to attract that kind of investment. How does he think the compulsory licensing helped to employ Canadians in high value-added jobs? How does he think that compulsory licensing contributed to the universities in Canada?

It did not work. Perhaps he could tell us how he thinks he could create that kind of investment climate under a compulsory licensing regime.

Mr. Dingwall: Madam Speaker, I am not surprised at the question.

I guess I am surprised at the quality of the question, its lack of clarity and understanding of the role that parliamentary secretaries play in governing this country. The hon. member opposite has a responsibility to consumers in this country.

If the hon. member is trying to suggest that compulsory licensing has not contributed to lessening the costs that Canadian consumers have to pay in this country for prescription drugs, the evidence is there in abundance. It is clear. It is on the record. It has been given there by third party individuals and organizations time and time again.

I suggest to the hon. member that the argument that she raises today is an argument which ought to be debated in the fullness of time. She strikes but one side of the coin. We as a national party believe in intellectual property and that individuals ought to be rewarded for their particular discovery. There is no question about that, but equally so we are a national party that also believes that Canadian consumers have a right to be heard.

They have a right to have people accountable to them in terms of the price they pay for their prescription drugs. I thought the hon. member was going to ask me the tough question: What do you mean there are concerns about the generics? I will tell you what I mean by concerns about the generics as with the brand name companies: price and research and development. We have a good system. We could make it even better if that were the focus of this particular debate. However, that is not the focus of this particular debate.

The hon. member is suggesting to her consumers, her constituents, that we want to wipe out completely, forever and a day, compulsory licencing so you as consumers will have to pay top price. That is the difference. That is the ideological difference between Liberals and Tories.

The Tory agenda is clear. One primary objective is to put money in the multinational corporations at any cost. Consumers be damned, research and development be damned, the health care system be damned. The objective is the bottom dollar of the multinational corporations that happen to be driving the agenda of the neo-Conservatives opposite in this House.

Mrs. Christine Stewart (Northumberland): Madam Speaker, I am pleased to have the opportunity to continue debate on Bill C-91 but it seems beyond imagination to understand why there is a debate.

It is very obvious that the people, the consumers in this country, are totally opposed to this bill. I see it in my own riding where I have received many, many letters in opposition and encouraging me on behalf of my constituents and others across Canada to oppose this bill.

It is incomprehensible why this government at this time is having to pass legislation which will bring further benefit to only that sector of our North American economy which at the present time has the highest profit margin. Why is it necessary at this time to give it the opportunity for yet further profit, and not only profit but profit at the expense of every single Canadian citizen and consumer? As well as costing more per person, it puts our health care system in jeopardy.

To quote the Consumers' Association of Canada when it spoke before the legislative committee last week: "With a new administration about to take office in the U.S., Canada has no reason to proceed with Bill C-91 on the grounds of previous deals with the old U.S. administration to eliminate compulsory licencing".

It said that in view of the fact that the government uses the excuse that it has to put through this legislation at this time. This is in order to comply with rules of the new GATT, which has not yet been approved, and with the rules of NAFTA, which has not been approved either and which we on this side of the House will fight until we get satisfaction that certain minimum standards are met.

When we look at the GATT we see that there is no reason under the articles of GATT that Canada would have to bring in this legislation at this time. There are exceptions expressed explicitly in the GATT legislation which say it is not necessary for Canada to introduce this legislation which would eradicate compulsory licencing in this country.

Furthermore, in NAFTA we see not only the fact that exceptions are allowed, but that our government in negotiating the NAFTA has given a special exception to Mexico that it can have a transition period of eight years before it has to do any alteration to its legislation having to do with patented medicines, pharmaceuticals and such.

However, in Canada before the trade legislation is enacted, we are bringing forward the legislation today which will have a very negative effect on consumers, on our health care systems, on the generic industry in this country. We are also making that legislation retroactive.

• (1320)

The minister said just a few minutes ago the generic companies have had some benefit since C-22 was passed some years ago, which extended patent protection of the brand name drug companies. But listening to the generic companies it is obvious when C-22 was brought in, it was to be in place until 1997 and would not be altered until there had been a full review. On the basis of that, the generic industry adjusted, made plans and did some research. Yes, they had opportunities to develop their market, but so did the brand name companies equally if not more from that same legislation. Here we are passing retroactive legislation, which will seriously penalize them financially to the point their very existence in this country will be jeopardized.

We stand on this side of the House and make our points. It is constantly stated there is contradictory evidence out there. The fact is this government cut off debate. It cut off once again the voice of the Canadian people who had important things to say about this legislation and very important concerns which we share with them.

The minister said a little while ago anybody who is opposed to C-91 is ignorant of a changing, global marketplace. However, day after day we hear this government using the excuse for our economic woes in this country that we live in a global marketplace. We must be globally competitive. Our government is making us adjust unnecessarily to the agenda of the multinational corporations which are dominating the economy of our world more and more. This is absolutely not necessary.

We do live in a globally competitive marketplace, but this legislation only serves to enhance and benefit the multinational corporations. We do have a national agenda which is to represent the best interests of the Canadian people and we do not see it here.

The government says that and promises to go on to another point. It says powers of the Patented Medicine Prices Review Board will be increased and there will be more investment in research and development. None of this is legislated as part of Bill C-91 before us today. There is no compulsion upon multinational corporations which benefit to increase their research and development.

Yes, there are promises. I got a letter yesterday from Eli Lilly, Canada saying it is going to put a $170 million, five-year investment in Canada. It added such legislation as C-91, which gives pharmaceutical manufacturers greater intellectual property protection is critical to attracting this investment and enabling the industry to expand in Canada. Eli Lilly makes this announcement before the legislation C-91 has been passed on the assumptions it is going to pass and there is no debate in this country on anything, in this case on C-91. It also has an underlying message that if for some reason C-91 does not pass then it is not going to make this $170 million investment in this country, which we all know will benefit Eli Lilly tremendously to the detriment of Canadian consumers.

The powers of the Patented Medicine Prices Review Board were supposed to be sufficient with Bill C-22. It is very obvious from reports of different groups its powers were insufficient and prices indeed have risen far more than was anticipated by the government when Bill C-22 was passed.

We can look at the reports of various groups. The Ontario government drug plan reports increases in drug prices of 13.2 per cent. Green Shield health insurance company reports increases of 11.4 per cent. The Manitoba health insurance plan reports increases of 12.3 per cent. All these increases are much beyond the levels of inflation.

The minister would say: "Well that is because they are talking about all drugs, not just patent drugs". However, the fact is any ordinary drug that shows a good profitability for a brand name company can be reformulated and have a patent applied to it, so for time after time after time profitable drugs for the multinational brand name pharmaceutical companies can be put on to patent at our personal expense. This country cannot afford to have the cost of pharmaceutical drugs increase. This country cannot afford this government.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): I would like to make a comment, Madam Speaker, and clear up a matter that has been discussed twice just recently by members of the Official Opposition. It is the question of GATT. Some of the statements they have made are quite erroneous. I would just like to assure them NAFTA carries the very same commitment as the GATT Dunkel text in terms of intellectual property.

Mexico does not get an eight-year delay in having to comply with drug patent requirements under NAFTA. The fact is all the parties have to comply on the same basis. That is the whole idea behind this international discussion of trading rules. There must be a level playing field for everybody. The eight-year transition period the member opposite quoted a few moments ago when the minister was speaking has to do with the procurement of drugs and not intellectual property protection, which is what we are talking about here with Bill C-91 and the question of patent protection for drugs.

I would also just like to ask the member a question.

An hon. member: Point of order, point of order.

Mrs. Dobbie: The time is for comments and questions, Madam Speaker.

Madam Deputy Speaker: The hon. member on a point of order.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, I just want to be sure, after 13 years of being here which is not a long time, what the proper role of questions and answers is relative to debate. I understood it is to allow appropriate questions by those members in the House interested in the debate. It does not allow debate and rebuttal by the government systematically to every speaker. I have noticed the hon. member opposite has been given repeated opportunity to rebut speaker after speaker on this side when there are many other members in the House who seek to be heard and ask a question or offer a comment.

The Speaker's job is to provide fair opportunity, which this Speaker has done in a totally exemplary fashion time and time again. I just want to be sure I understand well the role of questions and comments. I believe it is to provide as many members as possible a chance to involve themselves in the debate and not allow one parliamentary secretary to rebut every speaker who has spoken. I think that is wrong, Madam Speaker.

Madam Deputy Speaker: I thank the hon. member for telling me I normally do not have anyone unhappy with the way the floor has been given to different members. I have been trying to allow a first question after a speech to someone from another party. I have done this for the last six years, and this is the very first time it has been brought to my attention.

Earlier in the noon hour we had probably the best period of questions and comments I have seen in the House in a long time, following the Minister of International Trade's intervention. There were short questions and short answers. I think five different members from different parties and an independent were involved. At this time when we only have five minutes, I think it is normal to try to get questions from all sides.

Mr. Tobin: As long as it is not the same person over and over again.

Madam Deputy Speaker: Well, the Chair cannot decide who is in the House. Order, please.

Just before the hon. member was in the House, the hon. member for Dauphin—Swan River was up. I can assure the hon. member I will make sure people from all sides of the House get a chance to speak, but I cannot decide who is in the House from one party or another. This is totally out of my hands as the hon. member will understand.

Mrs. Christine Stewart (Northumberland): Thank you very much, Madam Speaker. I would like to respond to the comments of the parliamentary secretary across the way. I would like to quote again very specifically from the NAFTA text which gives Mexico exceptional treatment. If it does not apply as an exceptional treatment for Mexico then why was that particular section not also equally applied to Canada? The section says very explicitly until January 1, 2002 that this chapter shall not apply to the procurement by ministries. That could be provincial governments under our health care plan or the federal ministry. Why did that not also apply to Canadian provincial ministries of health on drugs that are not currently patented in Mexico or whose Mexico patents have expired? Nothing in this paragraph shall prejudice rights under chapter 17, intellectual property.

• (1330)

If that was not giving special benefit to Mexico in NAFTA then why did it not explicitly state Canada would have the same advantages as Mexico? It seems very clear to this side of the House this government has bowed once again to the lobby of the multinational brand name pharmaceutical companies and we, on the backs of Canadian consumers have given them, not us, a definite benefit.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I was wondering about the Patented Medicines Prices Review Board and whether this member agrees with the minister when he says it is not constitutionally allowed for the federal government to monitor retail prices. He said we cannot monitor retail prices, only wholesale prices.

Does she agree with that statement?

Mrs. Stewart: I am not a constitutional expert but it seems bizarre to me the government or any body would only be able to supervise or review wholesale prices and not retail prices. That just does not make sense to me, but as I say, I am not a constitutional expert.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Madam Speaker, I am delighted to be able to rise today and speak on this bill. I will try to deal with some of the issues that have come up in a factual way, one by one, to dispel any doubts or concerns my friends opposite might have.

It is clear to me they are still confused about a number of issues, not the least of which is the difference between procurement and intellectual property. To respond to the question that was inherent in the hon. member's last intervention, we are talking about procurement and not intellectual property when we are dealing with the text she quoted from the NAFTA.

We are dealing with Bill C-91 in the House today which is an act to amend the patent protection act.

I want to begin by going right back to the beginning and asking what is a compulsory licence. A lot of people must be scratching their heads and asking what does compulsory licence mean. If you have a patent does that not give you some protection against infringement on that patent for *x* number of years? Is that not something

everybody would just take for granted? That is what a patent means, is it not?

That is what a patent means in most countries and that is what a patent will mean in Canada after the passage of Bill C-91. Much to my dismay when I came here I learned that currently, a patent can be infringed upon by a special system set up by the Liberal government that provides for something called compulsory licensing. Those words mean we give someone the special privilege to copy a drug while it is still under patent protection.

This bill removes this artificial and damaging provision that has been inserted into our Canadian intellectual property rights. It creates an atmosphere of fairness and a level playing field. It brings Canada into the 21st century with the rest of the G-7 countries and all the rest of the industrial world, with the exception perhaps of India, which is not exactly one of our key trading partners.

It allows us then to be able to attract investment and research and development dollars, which means more jobs for Canadians. They are not just jobs that do not pay well or that are difficult to attract key people to. We are talking about high valued-added jobs that will create opportunities for the development of information based technologies for the future.

The opposition has claimed that somehow the federal government of the day is trying to pass Bill C-91 because it has some nefarious plot. Nothing could be further from the truth.

The fact is, as I have said already, this bill will allow us to attract more investment and it will create more jobs. Since we announced that we were going to proceed with Bill C-91 a year ago—there has been ample time for the country to think about this bill and ample time for debate and discussion, in spite of what my friends opposite have said—we have had announcements of $502 million in investments to the benefit of Canada.

In my own home province, a local company that has been there since maybe the 1960s has doubled its investment by $60 million in the last two or three months. What this means in terms of real jobs and real investment for Manitobans is a spin-off benefit of $145 million a year. That is a tremendously significant boost to the Manitoba economy.

For the agricultural sector, it means jobs. It means opportunities to expand into other areas at a time when traditional agricultural products are difficult to market.

It means that young people coming out of our universities will have an opportunity for employment and will be able to use their degrees and make their degrees worth more in the future. It means that young people coming out of our universities, not just in Manitoba but around the country, will not have to go to the United States or Europe to ply their trade that they have spent so many years developing.

It also means more research. Universities like the University of Alberta, the University of B.C. or even the University of Manitoba, not to mention all the eastern universities, have received something like $84 million in increased research and development funds since 1987 when we passed Bill C-22 limiting the amount of time for compulsory licences. I think even members opposite would admit that this is a very important investment in the future of our young people and the future of our country.

I would also like to point out that the international trade consensus through GATT, which represents 108 countries, is that we must have level playing fields. Regulations such as compulsory licensing are totally unfair. Creating barriers to trade is no longer going to be tolerated in this world.

It is also important to recognize that this is part of the government's over-all plan to create an atmosphere in Canada in which there are jobs available for people, there are investments, there is real trade. Canadians will be far more prosperous in the future because they have a good strong foundation based on common sense rather than government interference.

Since we made the change with the introduction of Bill C-22 back in 1987 there has been a tremendously good pay-back. One of the things that the opposition will claim is that if we pass this bill—and it did this when we were passing Bill C-22—there are going to be huge price increases for drugs. Another claim it made was that the generic companies were going to go crumbling into oblivion because of the passage of Bill C-22, and now with the passage of Bill C-91.

The fact of the matter is that the increase in drug prices has been kept to 2.9 per cent over this period of time because of the PMPRB, the Patented Medicine Prices Review Board. One of the hon. members mentioned a few moments ago that part of my job is to protect consumers. That is precisely what the PMPRB has done since 1987 and precisely what it will continue to do except that now it will have an even better ability to do this than it did before. It will have more teeth. Under the new PMPRB we will be able to send people to prison for up to a year if they do not comply with the policies.

• (1340)

We can fine corporations up to $100,000 a day. These are real penalties. We can order roll backs. We can order a double indemnity if the company refuses to comply with the policies of the PMPRB, and ask it to pay the government double what it would have made in profits over the period of time when it was pricing excessively.

All of these things are issues that are not terribly well received by the innovative companies, by PMAC and others. However, they are things we think we have to do in order to protect consumers because, as the member opposite rightfully said, that is our job.

I would like to point out also that while we have heard a lot about how compulsory licensing has kept prices down there is just not any real evidence to demonstrate it over a long period of time. We have heard the GAO quoted several times and I would like to quote it myself.

The study the United States General Accounting Office conducted pointed out two things. I am going to quote it so that members opposite will understand exactly what I am saying. It said: "Price differentials appear to be driven by factors that influence how much manufacturers can charge for a drug product in the U.S. and Canadian markets. Specifically, manufacturers selling drugs in Canada face two constraints that do not exist in the United States: federal regulations that are designed to restrain introductory prices for new patented drugs as well as price increases for existing patented drugs; and provincial drug benefit plans".

The report then goes on to elaborate on this and mentions that: "The PMPRB appears to restrain Canadian drug prices" and it explains that its mandate is to review patented medicine prices and ensure that they are not excessive.

The key to lower drug prices in Canada has been the PMPRB. With this new bill and the PMPRB's expanded ability to control prices we will be able to have an even stronger handle on the increase in drug prices, particularly with regard to introductory prices.

Provincial formularies play another important role. In fact, the federal government is also examining the possibility of establishing a formulary, which would give us an even stronger handle on what drugs are being sold in our country.

It is not true to say that somehow if this bill passes consumers are going to pay some exorbitant price increase. I want to say to all the people out there, seniors particularly, who have been frightened by the fearmongering tactics of some of the opposition that they will not be forced to pay exorbitant price increases for their drugs as a result of Bill C-91.

Most seniors are covered by provincial drug plans, but even for those who are not the price increases they might face are really quite minimal. Overall, no matter who pays for it, the price increases we are facing—the federal government agrees, our officials have told us, that there will be some small price increases despite the PMPRB.

We are looking at $129 million over five years. That is all. That is less than the price of a prescription per year per person. It is about $1 per person per year over that five years. Even if we go beyond the five years to the year 2000 we are looking at an increase over today's costs of about 2 per cent. That is all.

I hope those who are being frightened by the tactics of some who would lead them to believe that prices are going to be out of control after this bill passes will set those fears aside because they are not warranted in any way. The members opposite should be ashamed for using such tactics to make their point.

On the question of price increases, we have heard a lot about Mr. Schondelmeyer who appeared before the committee and talked about numbers that were all over the map. As a matter of fact, some ads were put out. In January some of the generic companies got together and put out an ad that said that prices would increase by $300 million a year. That is a pretty scary figure, but I guess it was not scary enough because two or three months later they came back and said that prices were going to increase by $1 billion a year. They were at the committee

a week ago, maybe eight or ten days ago, and guess what. Now the figure was not $300 million or $1 billion.

Now they are talking about $2 billion a year. That is utterly ludicrous. There is just no evidence to support such ludicrous and outlandish claims, but these are the kinds of things that are being said. They are very worrying to people on fixed incomes, and to seniors particularly, who have to rely on the system. They are concerned about costs.

Mr. Schondelmeyer admitted in committee, when I asked him a direct question, that he worked for the Canadian Drug Manufacturers' Association which represents the generic companies who are in opposition to this bill. I do not fault the generic drug companies for that. I can understand that they like things the way they are. They have a special licence to copy patents before they have expired. That is nice.

However, that is limiting the kind of investment we can have. I do not blame them for putting their point forward, but they should base it more on factual evidence than they have.

Then Mr. Schondelmeyer admitted to me in committee that not only was he working for the CDMA but in fact he had pulled his figures together over the Thanksgiving weekend. He told me that. How credible can figures like this be when someone admits that he is already dealing with a vested interest and that he has pulled these figures together over Thanksgiving weekend?

That was not enough. The opposition had to go out and find Ralph Nader. To be frank I thought he had passed on. He has not been a real factor in consumerism in North America for years. But here he was. Those members brought him out of moth-balls, propped him up and got him to say a few things about drug prices in Canada.

I do not know where he got his facts because the things he said were really quite irrelevant. He was reduced to the point of mouthing platitudes. He said: "If it ain't broke, don't fix it". As I mentioned before, the fact of the matter is that compulsory licensing, the regime set up here by the Liberals, is broken. If it had worked, we would have had the kind of investment and development in the industry that we are getting now and that we have been getting since 1987.

The instant American experts of the opposition do not have the facts at their disposal. I, for one, place a lot more reliance on our federal civil servants. They have taken the time to set up the models and to develop them over a long period of time based on very clear empirical evidence. We know that they found that drug prices will rise by only $129 million over five years, $1 per person per year. That is all.

There are a number of other issues I want to get to, but let me just touch on a couple of other things that might be of interest to the members opposite because they obviously lack information or they would not be making such outlandish claims all the time.

Eighty per cent of all drugs in Canada are not affected by Bill C-91. Did you know that? All we are dealing with is 20 per cent of the drug bill. All we are dealing with is 3 per cent of the over-all health care bill. Yet those members are making claims that are so outlandish that we would have to be dealing not only with the drug bill but the entire health care bill not just for Canada, but probably for the United States as well.

The opposition has said that the generic industry will be absolutely destroyed by this bill. It has made that claim several times. It also made that claim back in 1987 when we passed Bill C-22. Let me just share a few facts.

An hon. member: How about it?

Mrs. Dobbie: Clean out your ears and listen a little bit, because you may learn something.

Since 1987, with that nefarious Bill C-22 that it was so worried about, the generic companies' sales have risen by 180 per cent. That is 180 per cent. So much for a suffering industry.

The fact is there is no PMPRB overseeing what price increases the generic companies put into place. They are totally uncontrolled. Not only that, but 85 per cent of the generic drug industry is controlled by two companies. It is controlled by just two companies, and they are not public companies. They are not accountable to us. They are not accountable to anybody because the two companies are owned by two individuals. They are private companies. Therefore, we have no idea how much they are making in profits, none whatsoever.

• (1350)

Yet we hear across the way that somehow there is something despicable about the fact that these innovative drug companies made 8.3 per cent in profits in the last few years for which I have figures available. They were number six behind a long line of other companies. One of the ones right ahead of them was a mop and brush company.

I am not carrying a brief for the innovative drug companies. All drug companies make a fair profit, and perhaps some even more than a fair profit. However, the fact of the matter is that we do have control over price increases put on the table by the innovative drug companies. We do not have control over the generic companies. The other fact is that the generic companies will be able to continue to copy drugs once this bill has been passed. They cannot copy drugs that are under patent. They will have to wait another three years or maybe three and one-half years until the patent expires, which is only fair under international intellectual property law. That is just the standard across the world.

They will still be able to produce drugs under generic brand names. The fact is that right now only $167 million of their $400 million in sales per year are copied patented drugs. There is something I would like to explain to members opposite if they will be quiet long enough to listen for half a second. Just to go back, the generic companies have sales of about $400 million a year. Of that $400 million, only $167 million are for sale of drugs they have copied that are under patent. The other 60 per cent are drugs they are producing that are off patent already.

That reminds me of something. Going back to Mr. Schondelmeyer, when he put the figures before us he admitted to the committee that the list of the 42 drugs he supposedly used to create his outlandish figure of $1.72 billion was the same as the list we had. We found that half the drugs he had on his list or at least quite a number of them were already off patent. His figures were totally out of line.

The generic companies have done very well in Canada. That is all well and good. It is appropriate. I like to see Canadian companies do well. I might say that they took their profits and invested them in the United States to buy drug companies there.

The bottom line here is very simple. We are passing Bill C-91 because it is good for Canada, it is good for Canadians, it is going to create more jobs, and it is going to create more opportunities. I would like to close by challenging the Official Opposition to tell me, if it comes into government in the next year, whether it will withdraw Bill C-91 and reinstate compulsory licensing. I submit that it will not.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, that was indeed an entertaining diatribe by the hon. member for Winnipeg South. I was curious as to why we had six or seven people lining up for the Liberal nomination in that riding and now I know why.

The member opposite just said, and Canadians listening to this debate should note: "Trust us, the additional cost of drugs in Canada will only go up by $129 million over five years". This is from the same government that told us last February the deficit was going to be $27.5 billion. It came in at $34.5 billion. This is from the same government that said it would create 500,000 new jobs in the budget last February. They are currently down; 250,000 jobs have been lost since it made that projection.

Why would anybody take seriously a commitment from this member that drug costs will not rise dramatically when it comes from the party that called senior citizens pensions "a sacred trust" and whose first act when it came into office was to attempt to deindex senior citizens pensions. It took a wonderful lady from the province of Quebec to call the Prime Minister "Charlie Brown" and bring him to his senses for attempting to mislead the senior citizens of Canada before the government finally backed off.

I want to ask the member and all these members who at some time, when they screw up their backbones and courage to do it, have to go back and face their constituents: Are they really serious when they say that the sick, the poor, the elderly, and those who live on fixed incomes have to subsidize R and D in Canada?

Are they really serious when they say that the only way the universities, the post-secondary institutions, the centres of excellence of Canada will have any money for R and D is if we take it out of the pockets of Canada's senior citizens and Canada's sick?

Are we so bereft of national vision, of commitment, of belief in the excellence of Canadians that we have to reach out and literally act as a bunch of back-room muggers, knocking off the elderly, knocking off the weak and knocking off the disadvantaged to pay for R and D?

Let me say the following to the member. If she is so convinced the people of Canada are with her, she should take this policy to the people of Canada in the next election and see what percentage of them are prepared to pass to this government the right to rape them daily in the cost of their drugs. She should take that policy to the people in an election.

Mrs. Dobbie: Madam Speaker, clearly I got under the member's skin when I asked if they were prepared to withdraw this bill if they came into power. It is clear to me that they are not.

I know most members opposite support the bill. In fact it is a previous Liberal Minister of Consumer and Corporate Affairs who is leading the innovative lobbyists who want this bill passed. It is pretty clear to me that they do support this bill and they would not withdraw it.

I just want to correct the record. Again my friend is using emotional tactics to try to create fear in the hearts of a lot of people who cannot defend themselves. Read my lips. I would not say that to you, Madam Speaker, but I will say it to the hon. member. The PMPRB will protect seniors, provincial governments and others from inordinate price increases. The PMPRB has been effective over the past five years.

I will repeat this so that my friend can hear it, just in case he cannot read lips. He may not be able to. Since 1987, when the PMPRB came into place, patented medicine drug prices in Canada have been kept to increases of 2.9 per cent. That is in spite of the fact that the Consumer Price Index was 4.4 per cent. The PMPRB was effective then. It will be even more effective with its expanded abilities to roll back prices, to imprison or impose fines upon drug companies that do not live up to the policies they set in terms of prices.

I say to the hon. member: Do not use scare tactics to try to frighten senior citizens and other people who cannot defend themselves. It is unconscionable.

Mr. Sergio Marchi (York West): Madam Speaker, we thought we had heard it all from the hon. member for Winnipeg South. When she asks members on this side to read her lips, does she know that no one is prepared to use that line because we know what happened to the last guy who said: "Read my lips". The Americans down south did exactly that and Canadians will very likely do so in the next election.

This member has the audacity to suggest that it is not good enough that the multinational corporations in the pharmaceutical industry own and have captured 92 per cent of the Canadian market. At least we on this side of the House are advocating *status quo*. The Canadian compulsory drug licensing industry has 8 per cent. It moderates prices and creates jobs.

The member talks about only raising prices $158 million when in fact over the course of 15 years the price-tag will be more like $4 billion to $7 billion. Why did the government move on retroactive legislation to last December, giving the windfall of $2 billion just in retroactivity and $1.3 billion of that total going to one multinational corporation, namely Merck Frosst?

Madam Deputy Speaker: When we resume debate, there will be two minutes left for the hon. member for Winnipeg South to answer.

[*Translation*]

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*]

LANGUAGE EQUALITY

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, tomorrow the government will present a resolution to constitutionally entrench the equality of French and English languages in New Brunswick.

I want to congratulate the legislature and Government of New Brunswick for this outstanding initiative and tell them that we are strongly supportive.

This constitutional provision from a province with a two-third anglophone and one-third francophone population presents us with a model for several other provinces with substantial linguistic minorities, in particular Ontario and Quebec.

The argument by some critics that this provision was part of the Charlottetown accord and consequently rejected in the recent referendum is not valid. This provision only affects New Brunswick, and New Brunswick overwhelmingly voted yes in the referendum.

Another argument that provision to protect collective rights is out of place in our Constitution because it will reduce individual rights is equally invalid. Since 1867 we have had numerous provisions in our Constitution to protect collective minority rights including linguistic, religious and cultural rights. This has been balanced with substantial protection for individual rights.

Once again, congratulations to New Brunswick for its leadership, tolerance and fair-mindedness. Hopefully other provinces will follow suit.

* * *

ELDER ABUSE

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, elder abuse is a dreadful problem that exists in Canada. Too many seniors are suffering from poverty, financial exploitation, neglect, emotional and physical abuse.

In every part of the country and in families of every social, economic and cultural background, seniors are being abused at the hands of their family members and people they trust. This is a far cry from the days when seniors were more respected because of their wisdom and experience.

The federal government has made it clear that fighting against elder abuse is a priority, but we must go further in our efforts to eliminate the abuse of Canada's elderly.

We live in a civilized society and elder abuse of any kind must not be tolerated.

* * *

[*Translation*]

GUN CONTROL

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, the day before yesterday, a 16-year old teenager killed himself playing Russian roulette under the bewildered gaze of his friends. He probably hoped the magazine was empty each time he pulled the trigger. Unfortunately, the second time he put the gun to his head, the bullet was in place and he killed himself. For him, the game was over.

How did he happen to have this gun in his hands? Where are our gun control laws? When will the next death defying game take place? We must tighten controls and monitor more strictly the sale and registration of fire arms right now. This accident is a useless loss of life, one death too many.

* * *

[*English*]

SMALL BUSINESS

Mr. Stan Wilbee (Delta): Mr. Speaker, in this government's continuing effort to encourage small business growth, the Minister of Finance announced in his economic statement first of all the introduction of a one-year unemployment insurance premium cap, which will reduce costs to employers by about $500 million, and a 10 per cent investment tax credit. Investments in machinery equipment for farms, mines, oil and gas, fishing, manufacturing, construction and long haul transportation will qualify.

The benefit will reduce small business taxes by $300 million over the two years. The small business financing program will be extended until the end of 1994. The ceiling for guaranteed loans to small businesses under the Small Businesses Loans Act will be further increased to $250,000. The rules will be changed to further encourage investment in small business by RRSPs and labour sponsored venture capital funds.

I applaud the minister for his efforts to assist the Canadian small businessman.

* * *

INTERNATIONAL HUMAN RIGHTS DAY

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, today is International Human Rights Day and despite great strides and unprecedented change in global order, there is still an abundance of suffering in the world.

As a country long respected for its commitment to human rights and as a country with a diverse ethnic composition, Canada can and must use its influence to encourage other governments around the world to heighten their human rights standards.

Closer to home, I am concerned about a number of human rights issues here in Canada. While pleased that the Minister of Justice today began to address some of the concerns that Liberals have long expressed such as our country's treatment of our aboriginal people, people with disabilities and with regard to sexual orientation, there still needs to be much more work on these issues and others such as race relations. Indeed, the increase in both hate crimes and hate propaganda is a disturbing trend.

Today, as we pause to recognize Human Rights Day, let us all remember that as a country we must continue to endeavour to meet the many human rights challenges that face us both domestically and internationally.

* * *

[*Translation*]

INTERNATIONAL HUMAN RIGHTS DAY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, once again, today marks International Human Rights Day. This event is even more important this year as we celebrate the 10th anniversary of the Canadian Charter of Rights and Freedoms.

This is a beautiful opportunity for all of us today, and for every Canadian, to reflect on the significance of our common values, of our citizenship and to take stock of the progress accomplished so far to eliminate the obstacles to equality faced by a number of Canadians.

Because of the international role Canada tries to play in the defence of human rights, Canadians should feel especially concerned by such a day which is aimed at reminding all of us of just how important our rights and freedoms are.

* * *

[*English*]

INDIA

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on this International Day of Human Rights, all Canadians are saddened by the escalating level of violence and death as a result of the wide-spread bloody rioting throughout India following the destruction of a 16th century mosque in the northern town of Ayodha.

This incident could have been averted if the Indian government had ordered sufficient security to protect the site and adequate police to uphold the order of the Supreme Court to protect the shrine. This crisis has been in the making for the last three years and the Indian Prime Minister must accept full responsibility for the mayhem that has occurred.

It appears that the UP state government and federal government may have mishandled this issue in pursuit of narrow political ends. We trust now that all necessary steps will be taken to ensure that other mosques are not demolished and the violence is quelled.

I ask the Prime Minister to contact the Indian government and ask that the government urge all parties in the Indian federal Parliament to co-operate, take action and take every effort to end what is seen by many as a serious crime against a minority.

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HUMAN RIGHTS

Mr. Benno Friesen (Surrey—White Rock—South Langley): Mr. Speaker, 44 years ago, Canada's John Humphrey was instrumental in developing the Universal Declaration of Human Rights and today we commemorate the adoption of that document which laid down the fundamental rights and freedoms for all mankind.

Also today, at the United Nations, the hon. Monique Landry introduces a resolution proclaiming 1993 the International Year of the World's Indigenous People. Canadian government and indigenous representatives have led in UN efforts to advance indigenous rights world-wide and will continue to do so in the years to come.

The rights embodied in the universal declaration represent both central organizing principles of Canadian society and a cornerstone of Canada's foreign policy. The end of the cold war has set in train unparalleled progress in the building of a more secure and prosperous world based on respect for individual rights.

Canada has been a constructive force behind the historic trend bilaterally and in the UN, the Commonwealth, la Francophonie, the Organization of American States, the Conference on Security and Co-operation in Europe.

Daunting obstacles remain in the quest to translate the principles of the universal declaration into universal reality, but these challenges only serve to reinforce our resolve.

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

* * *

CADET OFFICER TRAINING

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, two years ago a young man from my riding, Mr. Darrell Blue, and two other young men were expelled from the cadet officer training course which was being held in western Canada.

Since that time one of the young men has been reinstated but the other two, Mr. Blue included, have not been reinstated. I have contacted the Associate Minister of Defence but still no action has been taken to readmit my constituent to the officer training course.

I call on the minister to immediately rectify this case, or to publicly publish her reason for admitting one cadet but not reinstating the other two cadets. This, in my opinion, is a case of fairness being put aside and justice being denied.

* * *

• (1410)

CHRISTMAS TREES

Mr. Peter L. McCreath (South Shore): Mr. Speaker, I have in my hand a very important government document issued by the Fire Commissioner of Canada, Mr. T. J. Danfield. It is Fire Prevention Bulletin No. 1988-2, our file No. 46003. It is issued to all heads of departments and agencies. The subject is the use of natural Christmas trees.

It says in part, and I quote: "The Canada Labour Code, part IV and the pursuant Canada Occupational Safety and Health Regulations outline fire safety requirements within the federal jurisdiction. This legislation does not prohibit the use of natural Christmas trees". The document proceeds to outline fire safety precautions that should be taken in the use and display of real Christmas trees in federal buildings.

Given that real Christmas trees are beautiful, fresh and safe, given that real Christmas trees are a centrepiece of the Christmas celebration, given that right down the hall in this very building the Senate foyer is adorned with a magnificent 25-foot natural Christmas tree, why are the halls of the House of Commons lined with a bunch of fakes?

Why does this House—

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

* * *

REFUGEES

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, this government in its immigration plans is officially turning against real refugees.

The United Nations High Commission for Refugees has asked Canada and other well-to-do countries to resettle a total of 72,000 selected refugees in 1993, higher by 68 per cent than their 1992 request.

Nevertheless, this government has chopped Canada's planned share of refugees for selection overseas by 14,000, cutting government sponsored refugees by 3,000 and privately sponsored refugees by 11,000.

At the same time, Bill C-86 further restricts those who come to Canada to seek protection through the Immigration and Refugee Board. Likely almost half of those who arrive will be sent away without a hearing before the board.

Shame on Canada's government for cutting back help to refugees when the need has increased.

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INTERNATIONAL HUMAN RIGHTS DAY

Mr. Ken James (Sarnia—Lambton: Mr. Speaker, December 10, 1992, is International Human Rights Day and the 44th anniversary of the United Nations adoption of the Universal Declaration of Human Rights.

Today is a good time for all Canadians to reflect on our common values and to renew our commitment to tear down barriers to full participation that can exist in our society. Canada remains known around the world for its caring and compassionate position, qualities that reflect our citizenship values and our ongoing desire for a society where equality and justice prevails.

Canada has played and continues to play a lead role in the field of human rights. We will continue along this path.

Only by working together, governments, individuals, businesses and community groups, can we fight racism, injustice, discrimination and achieve a fair and decent quality of life for all.

The Government of Canada cannot do this alone. We need the partnership of all Canadians to help promote awareness of human rights issues.

* * *

UNEMPLOYMENT INSURANCE

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I make reference to the recent UI changes announced by the Minister of Employment and Immigration.

The so-called just cause clause makes reference to sexual harassment, hazardous working conditions, obligation to follow a spouse and discrimination.

Should the just cause clause be questioned and the legitimacy of the individual leaving his or her work place be in doubt, the minister did not bother to define anything and did not indicate that the appeal process could take years before final resolution of a dispute could be reached.

Another flaw was the lack of a clause allowing voluntary retirement to be a just cause to leave the work place. If unions, governments, employees and employers reach agreement that older workers be encouraged to take early retirement making positions available for younger workers, surely this is a just cause.

I ask the minister, is this just another Tory cause, is it just because or is it truly just cause?

* * *

[*Translation*]

COMMONWEALTH PLYWOOD

Mr. Gabriel Desjardins (Témiscamingue): Mr. Speaker, Commonwealth Plywood announced this week an investment of $7.107 million for the reconstruction of a sawmill in Belleterre, Témiscamingue. With that investment, the company will be able to replace the previous building complex destroyed by fire in 1989.

The president of Commonwealth Plywood, Mr. Caine, said that it would have been impossible to realize this project, so important for the economic recovery of the Témiscamingue region, without a federal contribution of approximately $1,401,750 through the Federal Office for Regional Development. This ultramodern plant will create 70 new jobs and will confirm 30 existing ones.

Mr. Speaker, with Christmas coming, this is excellent news for a population hoping for such job creation projects and I would like to take this opportunity to wish Mr. Caine a very merry Christmas.

* * *

[*English*]

SCARBOROUGH GENERAL HOSPITAL AUXILIARY

Mr. Tom Wappel (Scarborough West): Mr. Speaker, one year after Scarborough General Hospital first opened in 1956 a group of 20 community-minded women, mostly the wives of doctors, decided to volunteer their services to the hospital.

This year marks the 35th anniversary of the hospital auxiliary which has grown from the original 20 founders to more than 400 male and female volunteers aged 13 to over 80, a full-time director of volunteer services, and a full-time manager of the gift shops.

The auxiliary's philosophy is the same today as it was 35 years ago: a smile for patients and an extra hand for staff. The dedicated volunteers provide patient care but also help to raise donations. In fact over the last five years the auxiliary has donated $1.1 million to the hospital.

Without volunteers, many of our most cherished institutions, groups, clubs and organizations would cease to exist. The spirit of volunteership is alive and well in the Scarborough General Hospital Auxiliary. All citizens of Scarborough salute these dedicated people this year celebrating their 35th anniversary of service to the hospital and the community.

* * *

ELIZABETH DOWDESWELL

Hon. David MacDonald (Rosedale): Mr. Speaker, I would like to bring to the attention of the House the appointment of a prominent Canadian public servant to

an important international post, that of executive director of the United Nations Environment Program.

It is an honour for Canada and a source of hope for the future of UNEP and of the international environment movement that the UN General Assembly has this week appointed Ms. Elizabeth Dowdeswell to that post.

Ms. Dowdeswell, who currently heads the Atmospheric Environment Service of Environment Canada, will bring to this senior function outstanding qualities as a skilful manager and negotiator and an uncommon sense of vision and determination at a time when creative thinking and energetic action are needed in the wake of the earth summit.

Ms. Dowdeswell played a key role throughout the international negotiations that led to the signing last June of the framework convention on climate change. It is appropriate that she was nominated to the UNEP post by Secretary-General Boutros Boutros-Ghali on the very day last week that the Prime Minister signed the ratification papers for the climate change convention and one on biodiversity on behalf of Canada.

I am sure we all wish her well in this important post.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask a question of the Minister of Finance and Deputy Prime Minister.

Yesterday the Governor of the Bank of Canada said that problem number one in Canada was still the fight against inflation, while inflation is at 1.4 per cent and unemployment is virtually nine times higher at 11.8 per cent.

Does the Minister of Finance agree with the Governor of the Bank of Canada that the number one economic problem in Canada is still inflation? Yes or no.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, containing inflation is a very key component of our over-all medium term macro-economic policy because in order to maintain price stability one has to have inflation down and control inflationary pressures. That continues to be one of our fundamental policy objectives and in fact one of our key policy objectives.

The other one is the need to engage in fiscal consolidation. Through fiscal consolidation and the containment of inflation we can pursue a policy of price stability and sustainable growth. That is the clear objective of this government.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, we realize—and the statistics have come out—that there are 1.7 million casualties from this long fight against inflation. Does the Minister of Finance agree with the Governor of the Bank of Canada who said yesterday that it was just fine, as long as eventually we have our economy in better shape?

I would like to know from the Minister of Finance if the time has come for this government to stop fighting inflation at all costs and, as the first priority of this administration, start fighting unemployment and creating jobs for Canadians?

• (1420)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the key to job creation and investment is low interest rates, and we cannot have low interest rates unless we have control of inflation. That is a very key fundamental.

A couple of weeks ago the hon. Leader of the Opposition was complaining about the rise in interest rates. Price stability and fiscal consolidation are key components to containing interest rates. We took steps in the economic plan that I outlined last Wednesday to pursue the continuation of fiscal consolidation, deficit containment, while at the same time taking steps to invest in people, business and infrastructure and to encourage trade and partnerships.

That is a fundamental plan that has been outlined. I heard nothing from the Liberal Party except to borrow $15 billion to spend on infrastructure and to go further in debt.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): First of all, we never said $15 billion.

Some hon. members: Oh, oh.

Mr. Chrétien: I never used that figure. They can say whatever they want, but I challenge them to prove it. I have another question for the Minister of Finance.

Yesterday, the Governor of the Bank of Canada admitted that the unemployment level would still be very high next year. So I would like to ask the Minister of Finance why he refuses to release to us and to the Canadian people the predictions made by the Governor of the Bank of Canada and those made by his own department regarding unemployment levels for 1993 and 1994. Why is the Minister of Finance hiding the truth from Canadians in this pre-election year?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I remind the hon. Leader of the Opposition that five, five and five total fifteen. What he is suggesting is that the federal government go out and borrow $5 billion. He is suggesting that the provinces go out and borrow $5 billion, and he is suggesting that the municipalities go out and borrow $5 billion. There is only one taxpayer.

Financial markets are looking at the totality of Canada's debt: federal, provincial and municipal. The hon. Leader of the Opposition asks for specifics on job creation. Let him reread the statement. We predict 300,000 new jobs to be created in the next year.

* * *

EMPLOYMENT

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, my question is for the Minister of Finance.

The Minister of Finance and his predecessors sat comfortably as 200,000 metro jobs were swept away in just the last three years. This is a tale of two Tories who have cast record numbers on to welfare lines and food banks but offer only a pittance to relieve their suffering.

Why did the minister promise Canadians that he would restore hope before he launched his mini budget operation nickel and dime?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the mini pittance that the hon. member is talking about is a 450 per cent increase under the developmental use of the unemployment insurance program to help those very people who become unemployed get the skills they need to re-enter the labour market.

It may not seem important to the hon. member that in a time of fiscal restraint we would increase that amount of money for training unemployed Canadians so that they can re-enter the labour market.

At the time of the recession an interpretation of the help wanted index showed that some 300,000 positions in this country could not be filled by people with the proper skills. The emphasis of the Minister of Finance in his plan for growth in Canada by investing in human resources is the right recipe for Canada and for Ontario.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, the government's empty coffers are only matched by its empty hearts. This government talks about responsibility while it is responsible for the highest unemployment rate in the G-7.

My supplementary question is for the Minister of Finance. The 1.5 million workers who were trapped by unemployment this summer must have winced every time they saw their taxpayers' dollars flashed across their television screens in pre-election "feel good" ads. If Canada were not number one in taxpayer funded political advertising, would there not be more money for job creation?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I have a little difficulty following the hon. member's question.

The hon. member knows very well that within the fiscal constraints we are operating under we did provide some $1 billion plus toward stimulating economic activity in the country through investments in people, freezing the UI premium, providing a UI cap on employer contributions on behalf of employees, new provisions with respect to investment in infrastructure across the country, investments in infrastructure that will improve the economic and productive capacity of Canada. A number of jobs will be created as a result.

Clearly the best engine for economic activity and job creation is the small business sector. Members opposite allude to this on a frequent basis and I agree with them. We have addressed that in spades, from improvements in investment to incentives and to insurance premium holidays. All these things will stimulate the 900,000 small

businesses out there and create more activity and create more jobs in the process.

* * *

HUMAN RIGHTS

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my question is for the Deputy Prime Minister.

A report card on human rights shows that this government has a failing record in 15 different areas. It has failed to protect the rights of children, minorities, gays and lesbians, unemployed workers, native women and refugee claimants. I hope the Deputy Prime Minister, and indeed all ministers, will study this report card and make a commitment to improve human rights protections in the year ahead.

In particular, will the Deputy Prime Minister give his assurances today that his government will strengthen the Employment Equity Act and the Human Rights Commission to remove systemic discrimination against minorities in our own Public Service? We want no more Chander Grover cases.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, that was sort of an omnibus question. The hon. member will know that we have just tabled amendments to the Canadian Human Rights Act which deal with a broad range of issues including the functioning of the Canadian Human Rights Tribunal and the relationship between the tribunals and the commissions.

I believe the amendments which I tabled today will go a long way toward making recourse to the Canadian Human Rights Commission available to Canadians and will in fact increase the damages which Canadians may get when they have a successful adjudication of a case before the commission.

The Canadian human rights process is alive and well and significantly improved as a result of amendments tabled today in this House.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I am sure many constituents in the minister's own riding will not agree with the kind of proposal she has tabled today.

My supplementary question, however, is for the Deputy Prime Minister. The government has denied human rights protections to many minorities by cancelling funding for the Court Challenges Program and the Race Relations Foundation.

Today I want to suggest to the Deputy Prime Minister that his government can take a positive action that will cost very little. When will the Prime Minister apologize officially and discuss redress for past injustices to Chinese Canadians who paid a racist head tax and to Ukrainians, German and Italian Canadians who were illegally interned?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Mr. Speaker, we have indeed listened very carefully to the representations that were made by the communities that have been affected. As a result of that very helpful consultation I am now studying a number of options on which I hope to be able to report back to the cabinet and the government in a very short period of time.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I must say that was the answer the minister gave over six months ago. It is time the Prime Minister acted on behalf of all Canadians.

• (1430)

My final supplementary question is for the minister who is speaking for health and welfare today. The government signed the UN Declaration on the Rights of the Child to deal with poverty and yet over one million children in Canada are still poor.

Will the minister of health and welfare by February 1993 table an action plan to eliminate child poverty in Canada and will he give particular attention to the plight of native children?

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, with regard to children and families, the Minister of Finance, when he tabled his budget last February, outlined the new child benefit package and put $2.1 billion into this specific program over the next four years.

Also the Minister of National Health and Welfare tabled earlier *Brighter Futures* which channels $500 million to those families and those children, who are really the hardest up. We are going out there to prevent, to protect, also to educate the public with regard to youngsters and their difficulties.

I want to add there is a specific area dealing with our native people and the problems they have had. We have done a great deal.

* * *

[*Translation*]

POVERTY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Minister of Employment and Immigration.

The Artisans de Paix in Trois-Rivières will be feeding 10,000 children this Christmas. In Edmundston, the minister's home town, a Christmas dinner will be held for 250 poor people. The Atelier de Rado will give away 19,000 pieces of second-hand clothing to needy children and families. For the first time ever, children in that town will depend on food banks to get something to eat.

Does the minister still believe that these people are abusing the system? Does he really think that these people want to spend winter in Florida?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I have nothing to learn from the hon. member for Hamilton East as far as people from Madawaska—Victoria are concerned, and especially those from Edmundston. I know these people well and I have proudly represented them in Parliament for over six years now.

I have never questioned the fact that we have to rely on a strong economy if we really want to help the needy. Unlike the Liberals who are showing their stuff in front of the media, the Minister of Finance has put forward an action plan based on the fundamentals, to ensure that the economy will recover and that jobs will be created, not only for the residents of Madawaska—Victoria and Edmundston, but for all Canadians throughout the country.

[*English*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, Canadians are looking for jobs for other than Tory senators and if the minister and his party are not prepared to offer those jobs, I can tell you there are 40 candidates in the gallery here today on the Liberal side of the House who will—

Some hon. members: Oh, oh.

Ms. Copps: Mr. Speaker, my question is for the minister. If his policies are working, why is it that the Christmas Bureau in Red Deer, Alberta, is giving food vouchers to 1,500 families this Christmas? Why is the Supateria in Penticton, B.C., feeding 50 per cent more people than last year? Why is the Moose Jaw Food Bank feeding 550 families a month? Why is the Salvation Army food bank—

Mr. Speaker: I think we must move on.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, a lot of Canadians saw the display by the hon. member and they will soon realize, if they have not already, that she was really quick to talk about the poor, the children, those that miss and quickly thereafter, the Liberal candidates.

This place is not a House of demagoguery. The government is trying to help those people. The difference—

Mr. Speaker: I think we should move on.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have a question also for the Minister of Employment and Immigration.

As he will know, a quarter of Canadians live in abject poverty. Most are women, senior citizens and innocent children. That is the legacy of this government.

Newfoundland ranks first. It has the highest unemployment rate by a long shot. It has the lowest in terms of income levels.

With so many people in grinding poverty, why will the minister not do something to ease the pain, to make this Christmas just a little less miserable for Canada's poorest people?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, if the hon. member wants to know the extent of the concern on the part of the government for poor people, he should look at the impact of the moratorium on cod in Newfoundland and Labrador on the fishermen and plant workers. They are poor people.

The answer of this government was to put $700 million into a special program to help those people. The answer of this government was to have a special project in New Brunswick to help welfare recipients in the N.B. work project trying to put those poor people back into the labour market and give them hope.

It was about a project in B.C. and New Brunswick where we are investing $50 million to help welfare recipients by adding more money to their income to again bring them into the labour market.

The difference between those members and we on this side of the House is that we have a plan.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, if your argument is really weak, shout all the more.

Some hon. members: Oh, oh.

Mr. Simmons: We looked at what the minister did. We looked at what the minister did for unemployment insurance. We looked at what the minister did for family allowances.

[*Translation*]

For example, in the minister's riding a soup kitchen for students will be opened in January in his home town of Edmundston.

[*English*]

I ask the minister this. Why this despicable treatment of the poor people? Why the capping of payments? Why the tampering with assistance?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member is right. He is absolutely right in adjusting the tone of this question and the height of his voice.

They may try to make the people believe that the measures being taken are irrelevant to the real needs of the people. Even casual observers of the world scene, after looking at the success of Canada on the world market, know we do it because we are an exporting country. We do it because we are producing goods and services that are the best in the world. To do that, we need to invest in human resources.

The statement last week by the Minister of Finance brought the contribution of this government to human resources development to an all-time high of $3.8 billion invested. That will yield results for Canadians and jobs.

Oral Questions

HUMAN RIGHTS

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, acts of war are the ultimate human rights abuse.

Today, on International Human Rights Day and every day, women and young girls are imprisoned, gang raped, tortured and killed in Bosnia-Hercegovina. Many are forced to bear children. Some die from gang rape and others are used, abused and then killed.

My question is for the Deputy Prime Minister. Will the government insist that the UN and European missions investigating war crimes in the former Yugoslavia pay particular attention to these bordello death camps where rape is used as a weapon of genocide?

• (1440)

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Mr. Speaker, I know that I share, along with all members of this House and all Canadians, the horror at some of the information we have received on this. I can assure my colleagues that the Secretary of State for External Affairs and I have been working to gather more information and put forward a very strong case.

Let me share with my colleague some of the specific initiatives we have already undertaken. As she knows, the United Nations has established a commission of experts to collect information on these crimes and very specifically to include crimes against women and children. We have a Canadian, Commander Fenrick, who sits on this commission.

We have also been supporting the establishment of an *ad hoc* judicial tribunal to try those who are charged with war crimes in ex-Yugoslavia and we are actively exploring the establishment of such a body. We are also looking at ways that we might be able to help, as part of our contribution to international relief agencies, to provide assistance to victims of such assaults.

The Secretary of State for External Affairs next week at the meeting in Geneva where they will be discussing the whole issue related to ex-Yugoslavia will, of course, be specifically raising this issue with her colleagues from other countries.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I asked specifically whether these Canadian

representatives would visit these rape death camps and take specific action on those camps?

A regional parliament in Germany has earmarked one million marks for aid to these women and girls. On Monday, in response to a question from my colleague for Victoria, the Secretary of State for External Affairs said that she was open to the idea of specific humanitarian aid to these women and girls.

What actions have been taken to target aid to the survivors of these gang rape campaigns?

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Mr. Speaker, as I indicated in my earlier answer, that is one of the initiatives the Secretary of State for External Affairs is exploring and we hope we will be able to provide that support in an appropriate way.

We have also indicated that we would be quite prepared to participate again in a mission that would have access to the detention camps. That would allow an opportunity specifically in the mandate of such a mission to look at the concerns relating to women and children.

* * *

[*Translation*]

UNEMPLOYMENT

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is for the Minister of Finance.

Unemployment rates for women, the disabled and native people are much higher than for others because these Canadians are paid much less than others. Consequently, they will get much lower unemployment benefits than in the past and they will suffer much more than before. Is the government prepared to correct this injustice? It seems to me that the government should recognize the seriousness of the situation and act immediately.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member just referred to the situation of some native and disabled people. He just said to the House and to Canadians that the unemployment insurance benefits of these groups would be much lower when, in fact, the level of benefits which will be paid from April 1993 until the end of March 1994 will be exactly the same as it was in 1992. This is not a decrease. There is not a single unemployed Canadian now collecting unemployment insurance whose cheque will decrease from one month to the next, contrary to what the Liberals did in 1978.

Mr. Ronald J. Duhamel (St. Boniface): The minister should ask the groups I just referred to which one of us is right.

[*English*]

My supplementary question is for the Minister of Finance. Certain native programs have been frozen. I suppose the government will deny that. Others have suffered a 10 per cent cut. I suppose that will be denied as well. One example is native friendship centres whose prime mission is to help these aboriginal peoples to acquire the skills necessary to participate fully in their communities.

In trying to cut the deficit and the debt, will the government stop trying to cut corners on the backs of aboriginals, on the backs of women and on the backs of handicapped Canadians?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, it is a fact that the grants and contributions have been cut by 10 per cent, but with some significant exemption.

For example, the selected native programs relating to health and welfare, elementary and secondary education, housing, and policing have been exempted, as have training programs, GRIP and NISA and some cost-sharing programs with the provinces. We have been very attentive in making sure that these programs the hon. member referred to were protected.

* * *

[*Translation*]

OFFICIAL LANGUAGES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, there is no way for a member to obtain clarification from the departments concerning the 10 per cent cut in grants and contributions.

In view of the specific commitment of Parliament to official languages, I would like to ask the Deputy Prime Minister and Minister of Finance which official languages programs will be affected by these cuts? How much will the cuts be in terms of percentage? What steps, if any, will be taken to prevent these programs of national importance from being crushed with all the others?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Mr. Speaker, the hon. member was probably here on December 2 when we all experienced contributing to a very difficult situation.

We will suffer a 10 per cent cut next year. That is right, but each department will examine their priorities. I am convinced that the Secretary of State will do his best, as always, to protect the official language minority communities. This year, there was over $28 million in this program. I am sure that will be a major concern of his when he is back in the House.

[*English*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, groups representing official language minorities, communities that are so important to the minister, are nearly exclusively dependent upon the federal government for their survival. He knows that. Everybody knows that.

Will the Minister of Finance tell the House whether *la Fédération des communautés francophones et acadienne*, Alliance Quebec, and other defenders of minority language rights in this country will be subjected to the same reductions of 10 per cent in each of the next two years?

We have lost the Court Challenges Program. Is the government now silencing the official voice of these communities?

I want the Minister of Finance to answer me. I did not get an answer from the minister of whatever it is. The Secretary of State will not answer. Treasury Board will not answer. Finance will not answer. For God's sake, give us a clear answer.

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Mr. Speaker, we have nothing to be ashamed of in our defence of official language minority communities since 1984.

I had the honour and privilege of having served in that capacity for some 22 months with the program in my direct responsibility. We did everything we could to make sure that we heard and considered the plight of the communities from coast to coast, whether they were the anglophone communities in Quebec or the francophone communities outside Quebec.

As I said in the other official language, when the minister returns to the House I am sure he will take into consideration the very serious concerns of the member.

However, we have to take into consideration the fact that these are very difficult economic times. There is the fact that we have all had to suffer a 10 per cent reduction in grants, contributions and subsidies. We will do this to the best of our abilities within our own ministries.

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CONSUMER PRICE INDEX

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, yesterday in committee, officials of the Bank of Canada indicated that the consumer price index was overstated up to 1 per cent. This is because there had been a substantial change in the basket of goods making up the CPI since 1986 in terms of the quality of goods and in terms of consumption patterns.

• (1450)

Is the minister going to change the CPI or have Statistics Canada change it in view of the enormous number of payments made by the Government of Canada based on the inflation rate?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member knows that the composite index is usually fixed for a period of five years. Of course during that period of time there are several changes which can take place, such as the improvement in product development as well as a change in the over-all basket of consumer goods and the utilization of those goods. Therefore, it would be very difficult to change it on an annual basis.

Having recognized the fact that there are some biases built into the system, as time goes by, those are important things which need to be factored in. The suggestion was that there could be as much as one-half to 1 per cent. I am not sure whether that is a scientific assessment, but suffice it to say there is a bias built in by virtue of the product development that occurs and the impact that has, as well as the relative utilization of the basket of goods that was established five years ago.

Oral Questions

LUBICON INDIAN BAND

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development.

Last month the Hon. E. Davie Fulton, the government's own former investigator into the continuing plight of the Lubicon people, publicly described their situation as a history of abuse.

He charged that promises had not been fulfilled, that government representatives had said things they did not mean, abdicated obligations, engaged in obfuscation and generally prevented any settlement which may have ensured the Lubicons would not have suffered so dreadfully. He said the Lubicon people are "desperately in need of a sincere, honest and simple approach and response to their problems and a process of honest and open negotiations with a sincere desire to make a settlement".

When will the government heed Mr. Fulton's just counsel and begin to negotiate a fair and just settlement in good faith with the Lubicon people?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, of course I have every respect for the Hon. Mr. Fulton and his advice of which I have taken careful note. In fact I have spoken with Mr. Fulton on these matters.

I am sure he was not referring to efforts I have sincerely made over the past 12 months, having met more than a half a dozen times with Chief Bernard Ominayak of the Lubicon nation to find a solution to this matter.

In the time available I can only tell the hon. member that we have made a very generous and honourable proposal to the Lubicon people which would build a new community, create an economic development fund and provide additional incentives to settle exceeding $50 million which, together with the 95 square miles and additional financial support from the province of Alberta, will be more than adequate compensation for their grievance.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, Mr. Fulton delivered himself of these remarks on November 2, after the most recent government offer was made, after the most recent meeting of the minister with the chief of the Lubicon people.

Will the government at least accept the public conclusion stated on November 2 by Mr. Fulton? That was that the Lubicon claim of $100 million in compensation is, again in his words "justifiable on the basis of the hardships they have suffered, the indignities to which they have been subjected and the misery they have endured over these past years through faults entirely other than their own".

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, the significant offer I presented to Chief Ominayak last summer and which I discussed with him on subsequent occasions would more than adequately accommodate all of the aspects of the Lubicon nation's needs, provide a brand new community and significant financial compensation.

The additional $100 million the hon. member speaks of would be for the alleged loss of aboriginal title to oil and gas lands. That would amount to recognition that other bands in the area had no rights while those had been recognized under treaty and would amount to over a $1 million settlement for every family of four in the Lubicon community.

* * *

CHILD PORNOGRAPHY

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, my question is for the Minister of Justice who earlier this year said the government would be introducing legislation to prohibit child pornography some time this session.

I understand the Butler decision has expanded the scope of the existing anti-obscenity law which referred to child pornography. I know our law currently makes it an offence to produce, manufacture and sell pornography.

I am sure the minister understands the urgent need to outlaw the possession of child pornography. Therefore, when will the minister take action? How will Canadians know that this legislation is being effectively enforced?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I compliment the hon. member on his question which has set out an excellent brief of where we are in the law. It leaves me very little room to expound in my answer but simply to say that I expect to introduce legislation in the new year.

The provision concerning possession of child pornography will be designed to close a loophole in the law where it is perhaps not possible to identify those who have been the victims of child abuse except through this particular type of evidence.

As to the assurance the hon. member asked for about knowing that it is enforced, all I can say is that by changing the law in this way we will put tools in the hands of law enforcement officers to lay charges.

We will have to monitor the enforcement of that provision as we do with any other and as is undergoing now in the parliamentary committee with respect to Bill C-15 which was the most recent legal change with respect to child sexual abuse.

* * *

TRANSPORT

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Transport.

The president of CN Rail confirmed this morning that as many as 10,000 employees of CN Rail will be likely to lose their jobs over the next three years.

As the sole shareholder of CN Rail, does the government support this job cut? If so, does it accept some responsibility for the well-being of the individuals involved?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I believe that the new president of CN appeared before the committee this morning and gave clear and precise answers to all the questions asked by the committee members.

I think he also said that the plan that is being developed has not yet led to definite decisions. I remind the hon. member that, generally speaking, the conditions of employment in railway companies are the most generous in the country as far as job loss is concerned.

Mr. John Manley (Ottawa South): Mr. Speaker, such an appearance by the minister before the committee would also be welcome.

[*English*]

Given the situation in the railways which parallels to a great extent the problems we faced in the airlines, I would like to ask the minister this. In response to his challenge Canadian Airlines has announced a reduction of 15 per cent in its capacity. Does the minister expect a similar announcement from Air Canada?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I think that Air Canada is already on record as saying it is examining the cuts that have been announced in the capacity by Canadian Airlines and will probably follow suit very shortly.

* * *

CONFLICT OF INTEREST

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Deputy Prime Minister and it concerns the government's so-called commitment to ethics in government.

In February 1988 the government introduced a conflict of interest bill and has allowed it to die twice on the Order Paper.

Given that nearly five years has passed since then, is the government in its dying days in office ready to commit itself again to conflict of interest legislation?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): In front of these 40 job applicants, I will avoid disappointing them in terms of their prospects.

In regard to the conflict of interest legislation, as the hon. member knows, the subject matter of the bill was referred to an all-party committee which produced a unanimous report recommending changes and so on. In fact, the government is examining these. I think I can indicate to the hon. member that fairly early in the new year he will have an opportunity to examine the government's proposals. I hope he will find them much to his liking.

• (1500)

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I want to test the minister's commitment right now.

[*Translation*]

Tomorrow, the House will adjourn for six weeks. During that period, the cabinet will still hold meetings. Is the minister prepared to make a commitment, on his behalf and on behalf of the government, that there will be no Order in Council appointments, no patronage appointments, until the House resumes sitting on February 1, so that parliamentarians can question the government on that issue?

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, that is quite a change of subject here in midstream. I just want to indicate to the hon. member that, as he properly indicates, even though the House may adjourn the government will carry on.

It is obviously very much in the interests of the government and the country that we have good people to fill the positions that are required in the boards of agencies and we will continue to maintain the same high standards we have for the last eight years.

* * *

[*Translation*]

HOUSING

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, my question is to the minister responsible for housing.

Why does the minister refuse to authorize the Canada Mortgage and Housing Corporation to guarantee the indexed loans or mortgages used by housing co-ops? This would give low and middle-income families a chance to own property, it would help economic recovery and would cost the government nothing.

[*English*]

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, this government is spending over $2 billion for the needs of housing for Canadians and we are looking at every possible way to address core need.

The question of ILM mortgages and other variations is under consideration. I will simply take my colleague's question as a representation.

AGRICULTURE

Mr. David Bjornson (Selkirk—Red River): Mr. Speaker, I would like to put a question to the Minister of Agriculture in response to a number of telephone calls I have received from people in rural Manitoba. Can the minister please tell the House the status of the interim and final payments of this year's GRIP program?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, as the hon. member will know, once the provinces receive the data they have the ability to flow that money through those programs when they wish.

The province that he comes from, the province of Manitoba, will be making both the final board and non-board payments early in 1993. Alberta will be making its non-board payments starting next week. As for other provinces, they have not informed me as to when they will be making that money available to producers but they do have the numbers and they have the capability to send that money to the farmers in Canada.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I am wondering if the government House leader would indicate to the House the business for tomorrow and in particular the chronology of the business tomorrow in terms of what we will start with and how debate will proceed for the remainder of the day.

I wish to give notice that I do not intend to raise a debate about it but I want to inform the government House leader and the parliamentary secretary that last June the House had given Royal Assent, as they will recall, to Bill C-22 which was the Bankruptcy Act.

At that time the minister in a news release indicated his intention to propose to the House of Commons when it resumed in the fall a special joint committee to be established on the important issue of unpaid wage claims which would report to the House of Commons by the summer of 1993.

I believe it has been raised in the other House. I do not know what the response of the government House leader is, but I am wondering if he could take that under advisement and perhaps tomorrow I might get a fuller answer to that question.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): In terms of that particular question, I am afraid I will have to take that as notice and will talk to the minister and see if we can get back to the hon. member to provide the information he sought.

In terms of legislation for Friday, there are discussions going on between House leaders and parties with respect to obtaining passage of a number of pieces of legislation which have general support and hopefully can be dealt with.

One is Bill C-94, dealing with Gitksan-wet'suwet'en land claims in Yukon and Northwest Territories for which I understand there is general support.

We would also like to proceed with Bill C-96, reorganization of the Nova Scotia courts, for which I understand there is general agreement, plus second reading of Bill C-8, the motor vehicle safety bill, a technical bill and it would be useful to have it in committee for work to proceed while we are adjourned. We would also like to proceed with Bill C-42, the wildlife plant and animal protection act, which has received second reading and committee study and which I understand is also generally accepted.

My colleague, the Minister of State for Small Businesses and Tourism, has been talking to his counterparts, the critics from the opposition parties, with respect to amendments to the Small Businesses Loans Act and certainly if there were a willingness to introduce the changes in that, which would be quite beneficial to the small business sector, I would want to leave that option open.

Mr. Dingwall: Madam Speaker, I thought that perhaps it was an innocent mistake with regard to other business that may be raised tomorrow, particularly in view of what has transpired in other jurisdictions.

Mr. Andre: Madam Speaker, we are having discussions on that question and I think my colleague, the Minister Responsible for Constitutional Affairs, is working on that and I will certainly get back to the hon. member on that.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, on this last point, could the House leader be a bit more explicit? Is it the plan to proceed with some discussion tomorrow?

Mr. Andre: It certainly is the desire.

Mr. Riis: Madam Speaker, on another point of order. There has been discussion among the parties and among others in the House and I think the Chair might find unanimous consent to permit the following motion:

> That the order for second reading of Bill C-333, an act to amend the Canada Health Act, standing in the name of the member for Mission—Coquitlam on the Order Paper, be discharged, the bill withdrawn, and the subject matter referred to the Standing Committee on Health and Welfare, Social Affairs, Seniors and the Status of Women.

Mr. Andre: Madam Speaker, I had assumed and thought this was going to take place in the context of the debate on second reading after the debate on private members' business. I am a little surprised at the time it should be brought up. Certainly the government has no opposition to it.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Motion agreed to, order discharged and bill withdrawn.

[*Translation*]

Mr. Côté: Madam Speaker, I rise on a point of order to ask the House for unanimous consent to allow me, exceptionally, to table a report, which will only take a few seconds.

[*English*]

Madam Deputy Speaker: Is there unanimous consent for the House to revert to presentation of reports from parliamentary delegations?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*Translation*]

INTERNATIONAL ASSOCIATION OF FRENCH-SPEAKING PARLIAMENTARIANS

TABLING OF REPORT OF CANADIAN SECTION

Mr. Yvon Côté (Richmond—Wolfe): 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 Assemblée internationale des parlementaires de langue française, at the meeting of the Bureau de la commission de coopération et de développement of the AIPLF, held in Paris on November 10, 1992.

* * *

[*English*]

WAYS AND MEANS

TABLING OF NOTICE OF MOTION

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, pursuant to Standing Order 83(1), I wish to table a notice of Ways and Means motion respecting the Excise Tax Act, and I ask that an Order of the Day be designated for consideration of the motion.

* * *

• (1510)

POINT OF ORDER

COURT CHALLENGES PROGRAM

Mr. David Dingwall (Cape Breton—East Richmond): On a point of order, Madam Speaker. The concern I wanted to raise while the Secretary of State is here is with regard to the response that we were to receive from the Court Challenges Program.

I believe the committee had filed that report. It is well overdue and I think the opposition has been very reasonable. I think we have been generous, keeping in mind that Christmas is not all that far off, and I would hope that the minister could provide us with a very specific answer to the questions that we have raised on at least four occasions to that particular report.

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Madam Speaker, I do understand the concern and the desire of the member to have the answer immediately.

I am not familiar with how quickly that can be done, but I have been pursuing it very diligently and I am attempting to have that answer for the House as quickly as possible. I hope to be able to have that resolved within days, rather than any longer.

Mr. Dingwall: Madam Speaker, with all due respect to the minister, that answer has been given on at least three occasions when I have raised this particular issue. It being Christmas, I would have thought that the minister would be much more generous, much more reasonable and would give us a specific time.

I have asked the Chair and the Clerk for guidance with regard to this issue. This is a breach of the Standing Orders of the House which all members have agreed to. Here we have a minister of the Crown failing to provide a report which is due to this House.

There were extraordinary circumstances and we were prepared to accept those for a reasonable period of time.

I will conclude my remarks and I will raise this again tomorrow, because I know other members wish to proceed with debate. This is a very fundamental program of the government which it has axed on which the standing committee has made a report, submitted it to the government, and we are awaiting a response.

I would ask the minister again to give us a specific date as to when the report will be tabled. If that answer is not forthcoming, I am afraid I am going to have to raise the matter again tomorrow under another category.

* * *

PRESENCE IN GALLERY

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Madam Speaker, I think that the House would want to be aware of the presence in the gallery of the Hon. Ken Rostadt, the Attorney General for the province of Alberta, and his colleague, the Hon. Steve West, Solicitor General for the province of Alberta.

Some hon. members: Hear, hear.

Madam Deputy Speaker: The Chair does salute our guests and reminds the hon. member that the Chair is the one who should be doing that.

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 third time and passed.

Madam Deputy Speaker: When the House proceeded with the statements by members according to Standing Order 31, there were two minutes left in the period of question and comments. The floor belongs to the hon. member for Winnipeg South.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Madam Speaker, before I answer the question or attempt to, I might say that this morning I mentioned that there was $84 million in university investments that had accrued to Canada since 1987.

I would like to correct that. In fact, $84 million is the amount that the innovative companies invested in research and development in Canadian universities in 1991 alone. Since 1987 the total amount to universities and hospitals is about $245 million.

I think that this correction to the record shows that by opening up our trade opportunities, by getting rid of compulsory licensing, we are attracting investment, not just in hard goods, plants and things like that, but in the future of our country through the ability of universities to fund training for students, open up new places, new posts for people who have spent their lives trying to develop the expertise that will allow us to create a very viable and important health industry in Canada.

This is important to the future of all Canadians, particularly those who are out there now worried about their health in the future. There is the development of new drugs and the opportunity to come up with new cures. These are the things that Bill C-91 is all about and these are the things that will have an important impact on the future of everyone, particularly those who are most at risk.

Mr. George S. Baker (Gander—Grand Falls): Madam Speaker, I thought I would say a few words on this bill after listening to the former Minister of Finance and the parliamentary secretary who followed the former Minister of Finance when they mentioned attracting investment.

The former Minister of Finance mentioned encouraging investment, giving incentives to create jobs. It was not that long ago that the former Minister of Finance used those exact same words in this Chamber when the Conservatives first got elected in 1984.

In 1985, the minister stood in this Chamber and used the same words in speaking about scientific research. He said that he was going to continue a program which had been instituted in 1984. As some members might recall, it was the scientific research tax credit program and the minister renewed the government's commitment for another year. It ended in 1986.

The minister stood in this Chamber and talked about creating jobs. He said he would put a moratorium on it but that the government was willing to expand employment in this country. He used exactly the same words as he used here today. The exact same circumstances apply. There is no guarantee in this legislation at all that there will be this investment. There is no guarantee that these jobs will be created.

I thought back to some of the horror stories that came out of the Government of Canada at that time. There was the case of a company that was given a $30 million tax credit to investigate the difference between black and white cows and red and white cows.

Another company was given $1.7 million to investigate the construction of miniature submarines in Canada. Another company was given another $20 million to investigate computers that would actually send things through the air waves between Vancouver and St. John's, Newfoundland without having anything in the telephone lines.

It brought back some memories of the minister standing in this Chamber in 1985 and then again in 1986, announcing the $500,000 capital gains write-off with no strings attached at all. There were no strings attached at all as to what you could use for that write-off.

Consequently, for that $500,000 write-off on capital gains, a great many people were claiming profits from the sale of diamonds, fur coats, yachts. In the following year, 1987, the same minister who stood in the House a moment ago and talked about giving breathing room for people to invest money and create jobs removed the surtax on large corporations. He removed that but he also removed the federal tax rebate of $100 per claimant in 1987.

It was the same reasoning. This will create jobs. This will encourage investment. There were no strings attached. There was nothing definitive in writing, saying you have to do this because you must allow these companies the breathing room in order to make their investments and create jobs.

• (1520)

Then Bill C-22 came in. It talked about the same thing we are talking about here today, namely, all of the jobs that would be created, all of this great new investment into our universities and into our schools of higher learning. I remind the minister that the interest on the $2 billion allowed in write-offs for the scientific research tax credit in 1985, not in 1984, and until it stopped in 1986, would have increased the grants to universities and medical research institutions in this country by a full 60 per cent. That is just the interest on the $2 billion.

The concern was trying to find out what the difference was between black and white cows and red and white cows when this would have increased the total amount given to universities in this country by 60 per cent.

The government was not satisfied in 1987 with giving further tax breaks, without having any restriction at all on the $500,000 capital gains, so it went into the diamonds, fur coats and yachts and things like that. Not content with that, the same minister who spoke in this House a moment ago about giving breathing room to create jobs and to have money invested, turned around in 1990 and removed all restrictions on capital gains to anybody who had large amounts of money in private trusts—tens of billions of dollars.

When he made the announcement, it was that this would actually create jobs. This would encourage investment. It all sounds so familiar. The same minister who talked about giving breathing room, encouraging investments and creating jobs turned around last year and changed the entertainment section in the Income Tax Act. What can you do now? It is not good enough to allow some people to write off the cost of a private box in Skydome. Not only can you write off 80 per cent of that, but we will allow to write off 100 per cent of various types of entertainment.

It was on the radio the next morning after the change was made, I believe it was CBC radio, Peter Gzowski's program. They claimed that escort services were now legal because they encouraged investment. They encouraged investors to invest in Canada.

Look at how far we have come with this rationale to allow breathing room, to allow money to be used to create jobs in Canada when our jobs have gone down at the same time those offers were made. There is only one thing we know about this bill, it is going to increase the cost to ordinary Canadians.

There was only one thing we knew about the tax changes that were made in 1985, 1986, 1987, 1989 and 1991. That was they increased the cost to ordinary Canadians and shifted the tax burden from the very wealthy and from the people who have all the money in our society, the international corporations, to our ordinary people.

Today we have gone to the GST. We have now gone to cutting back on unemployment insurance while the government says it is going to give more leeway, more breathing room to these big companies with the hope that they will invest, with the promise that they are going to invest in Canada. There is nothing on stride, nothing on paper at all, just a promise that they are going to invest.

I see that my 10 minutes are up. This is not a very intelligent way to deal with intellectual property.

In conclusion, let me say there appears to be a philosophy underlying all the changes that have been made since 1984. That philosophy has caused a major shift in who is paying the bill. The people we refer to as the middle class and the lower class are paying the bill.

This bill is just another exercise of that authority. The Government of Canada should be ashamed of itself that it is moving it through this Chamber at this speed.

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, I could not agree with the member more when he said this was not an intelligent way to deal with intellectual property. There is no question about it. He is absolutely correct.

On that side of the House for the last two weeks all we have heard is rhetoric and nothing but misrepresentation of fact. They should be ashamed of themselves. They have done that continually on every stage of this bill.

The member should go back to the CBC which can use some good actors. All his speech is intended to do is to raise emotions back home. They have nothing, absolutely nothing, to do with facts. If he had been in the House this morning and had listened to the minister he would understand that what he was saying was absolutely incorrect.

The minister stepped through the numbers with regard to investment in this country as I did last night at report stage on this bill. They are absolutely incorrect. Bill C-22 did exactly what we said it would do. It led to an increase in investment and jobs in this country, something we want. We want to invest in Canada. We want more jobs in Canada. Every time we want to do it and bring in legislation to do it, they want to kill that legislation.

Bill C-91 is going to work as has Bill C-22. They should be absolutely ashamed of themselves for standing in the House and misrepresenting that bill.

Mr. Baker: Madam Speaker, Canadians must really be scratching their heads. They have all these Conservative members standing in this Chamber and saying two things, every single one of them—cabinet ministers, parliamentary secretaries, members from the east coast, west coast, north coast and central Canada. First—and they always make sure they make this point—they say drug prices have not gone up. They say that drug prices have not gone up. Do they want me to repeat it again? Drug prices have not gone up.

They say: "We are telling the truth". They say: "Here are the facts and figures to show that drug prices have not gone up". But the minister stated a few moments ago in the Chamber: "We have nothing to do with retail sales. We cannot control that. We cannot monitor that. We cannot monitor the sale of drugs to ordinary Canadians. We cannot do that".

What can they do? They say the price of drugs has not gone up. Then they say: "Oh, we cannot monitor the price of drugs to Canadians, but the prices have not gone up". Why? The minister says it is unconstitutional for them to monitor the retail sale price of drugs in the country. Every Canadian knows the price of drugs has gone up. Where do they live? It cannot be Canada if they say the prices have not gone up.

Not only that, but by the minister's logic there must be something wrong when nine out of ten governments say they are going to pay exorbitant prices under this new bill, that drug prices have gone up, that it is going to cost ordinary taxpayers hundreds of millions of dollars, and that the sick and the poor are going to pay.

Mr. Neil Young (Beaches—Woodbine): Madam Speaker, in terms of the dispute that seems to have arisen over prices and why governments cannot control them, is the hon. member aware of a case that arose in the United Kingdom? It involved a fellow by the name of Stanley Adams who had worked in the pharmaceutical industry. He was eventually blackballed by that industry for exposing the pricing practices of drug companies.

I will quote a passage from his book. He said: "Transfer pricing had two advantages. It enabled the company to avoid a large amount of taxation and it allowed them to overcharge without appearing to do so. It worked like this. If a Roche manufacturing company needed to buy raw material from the parent company in Basle to make a finished article, then the raw material was not as you might think, provided at cost or cost plus to a certain fixed level of profit. No. First Roche headquarters had to decide what the world market of that product was or, in other words, just how much they could sell it for and still be sure of having buyers. Then they had no further to look than at different levels of taxation in the various countries and then they had to decide, bearing that in mind, just how much profit they wanted each individual company to show, if any. Once they had made that decision, which obviously depended on how high—"

• (1530)

Madam Deputy Speaker: I have to interrupt the hon. member. We did specify that it had to be a very short question and that is becoming a very long comment. A very short comment from the hon. member for Gander—Grand Falls.

Mr. Baker: I have a very short answer, Madam Speaker. I know exactly what the hon. member was building up to. I did not read it, but I know exactly what this gentleman was building up to. He is building up to explaining why it is that so many of these companies paid not one penny of tax in this country, not one cent. He can explain why Revenue Canada today can tell each member of Parliament that there are individuals who are involved in those companies and make over a quarter of a million dollars a year who do not pay one penny of income tax and why there are so many people in the six figure bracket in this country claiming the child tax credit and the GST rebate because of our system of taxation that favours the very wealthy in this country.

Ms. Mary Clancy (Halifax): Madam Speaker, it is a great pleasure to follow in debate my colleague, the hon. member for Gander—Grand Falls. For those of us who are new members of this House of Commons in the most recent election, he is someone to watch, to emulate and to consider a mentor in his ability as a debater and in his representation of the people of Newfoundland and the people of Canada.

Bill C-91 in and of itself, the pernicious piece of legislation that it is, is really only a symptom. It is a symptom of a far-reaching disease that is afflicting this country. In the United States it was known as Reaganomics, in Great Britain it was known as Thatcherism. The only thing I think we can call it here is Mulrunacy.

It is not funny. It really is not funny. It is tragic. It is tragic that senior citizens in this country and the parents of young children in this country are going to be sacrificed on the altar of this government's desire to harmonize with the United States of America. All we have heard for the last eight years is harmonize, level playing field, all of these things, that somehow, somebody over there, all of them over there—we could read their lips I suppose—would tell us is a good thing for Canada.

It is interesting that in the United States a little over a month ago, the electorate there decided to change direction. Would that the electorate in Canada had soon the opportunity to do that very thing.

Why is this bill pernicious? It is pernicious because of the amount of money it is going to cost ordinary Canadians.

We know from the experts in the field that the total savings to Canadians from generic pharmaceuticals in 1992 was about $420 million. Is this a figure to sneeze at? Madam Speaker, would you tell me why the government thinks that this is not something that is good for Canadians, particularly in a recessionary economy, particularly when it has failed so abysmally at all the other promises it attempted to make to the people of Canada about job creation and creating a better future; all the promises with regard to the free trade agreement; all the promises with regard to the economic plans that it had.

This country is littered with the broken promises of this government. This country is soon to be littered with the broken hearts and broken spirits of Canadians who cannot and will not survive because of the hard-heartedness of the government that sits on the other side of this Chamber.

It is not amusing, it is not funny and it is not something that we should heckle about. It is not even something that we should be debating here today. I impute no motives to the members on the other side. I believe and I have always believed that the vast majority of parliamentarians are here to do their best for their constituencies because they believe in public service and because they want to represent their people. However, for those of us on this side of the House there comes a point where you must say: "Stop". You must say: "Look at what it is you are trying to do". You must say to each and every one of them: "Go back into your ridings and talk to the senior citizens. Go back into your ridings and talk to the young parents. Go back into your ridings and talk to the ordinary Canadian on the street. Ask them whether they think this is a good bill". The answer, overwhelmingly, from coast to coast is: "No, no, no".

I do not know how much clearer it can be. The answer equally to this government is that the smoke and mirrors response offered by the minister, by the member for Winnipeg South, by other apologists for this piece of legislation that deserves to go in instantly to the circular file, is this smoke and mirrors response on research and development.

We would like to see some hard figures. We would like to see some response as to just how much money is going into research and development when the whole research and development area in this country is at an appalling low level. Again, why is it at an appalling low level? Because of the ghastly policies of this government. Slowly but surely Canadians' birthrights are being sold off. We are losing all of those things that made us uniquely Canadian and we are losing them because of government policy.

It is enough to make you scratch your head and say: "What is the motivation behind this government? What is the reason that it wants to do this? What motivates these people?"

Mrs. Gaffney: They are masochists.

Ms. Clancy: Well, their masochism, as my hon. colleague from Nepean has suggested, is soon going to come home to roost because the pain that they must so clearly desire will very soon be inflicted upon them.

Again, this is no cause for levity, no cause even for humour. Here we are, two weeks before Christmas, in what is going to be one of the hardest winters in this country since the Great Depression of the 1930s. In a country where people are going to go cold and hungry this winter because of other government policies, in a country where women cannot get justice from their own government in areas of pay equity and sexual harassment, in a country where the government appears to turn a blind eye and a deaf ear to the pleas of its own citizenry for justice, for equality and for a decent standard of living, here we sit in this House of Commons, two weeks before Christmas, in this the hard winter of the hard recession of the 1990s prepared once again to see a bill forced through the House of Commons that is an attack on the people of Canada, that is more particularly an attack on elderly people. Of course when we get to that, who form the majority of the elderly? Elderly women.

There was a joke that said something about women living longer than men. The joke was something about no, it just seems longer. Well, it is going to seem particularly long when elderly women, the poorest of the poor in this country, are hit yet again from another direction.

• (1540)

Some provinces have limited pharmacare for the elderly. That is very true. However, every single day more of those drugs that are covered by provincial programs are removed from the list. The sovereign province of Ontario with a great socialist government put a whole new list out just in the last couple of months.

This is not the kind of Canada that we want. I do not think it is the kind of Canada that the members over there really want. I guess the only thing I can do in all of this is to make a plea to the members over there as we sit here on this Thursday afternoon, on the second last day of what has been one of the most truncated sessions of Parliament in the history of our country, as we sit here following the example of my colleague the hon. member for Dartmouth, and try to stave off what is clearly the inevitable because of the mathematics of government, as we sit here to show to the people of Canada that we on this side of the House find this bill pernicious, that we on this side of the House stand up for the ordinary Canadian, that we on this side of the House have a care for something other than the bottom line of big business and the so-called harmony with the United States of America.

Yes, Madam Speaker, I am winding up. We are all winding up in this House and very soon the pitch is going to be thrown and I know across whose plate it is going to land.

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, I compliment the member for Halifax for the eloquence of her remarks. Indeed, I found nothing in them that I disagreed with.

Like many other members, I have had an outpouring of petitions from my constituents, in fact the biggest number of petitions from my riding since the free trade debate in the early life of this Parliament and very much a part of the same debate.

My constituency is one of those places where medicare in this country was founded. Some of the great battles of medicare were fought in the community of Prince Albert. People there know that what this represents is not only a chipping away of medicare but a very real cost to the individual consumers and a further selling out of our country's social programs.

There are those who look at the polls and some looking at them think there is a chance that her party might form a government after the next election. Certainly that might be a premature assumption, but nevertheless since any party in this House could form a government, I would like to ask whether if in fact her party forms a government it is committed to getting rid of this legislation and replacing it with the pre-1987 legislation. Furthermore would it rid of the NAFTA which would entrench this legislation beyond the reach of this Parliament if it were to survive?

Mr. Edmonston: Answer the question.

Ms. Clancy: I ask the hon. member from wherever he is from in Quebec to let me answer my own questions.

First and foremost, it may come as a vast surprise to the hon. members of the New Democratic Party that the NAFTA has not passed yet. News flash, guys, it has not passed yet.

Second, with regard to restoring the pre-1987 levels, I can say with clarity and with conviction that we in the Liberal Party are committed to restoring the infrastructure, in the broadest sense of the word, of this country whether we are talking about our transportation sector, whether we are talking about pharmaceuticals or whether we are talking about social programs in general. There has been a perilous amount of damage done in this country since September 4, 1984, a day that will live in infamy. When the day comes that we return to government, we will have to work long and hard to correct the damage that has taken place over the last eight and a half years.

I look at the member for Eglinton—Lawrence, I look at the member for Northumberland, I look at the member for Nepean, and the members from Winnipeg and from Windsor, Cape Breton Highlands—Canso, and Ottawa. I say to every one here that all of us and our colleagues who were here today, the 40 new nominated Liberal candidates across this country, that when we form the government the people of Canada will know once again that they have friends in the House of Commons on the government benches.

They will know that they have friends in the cabinet. They will know that there is a humanitarian and compassionate government—

An hon. member: —next summer.

Ms. Clancy: —and one that does not interrupt.

An hon. member: Answer the question.

Ms. Clancy: I answered the question. NAFTA has not been passed, Bill. Check your newspaper.

Madam Deputy Speaker: The hon. member for Halifax should know better than within a period of 30 seconds calling hon. members by their names and so on. I know there is a full moon. I know it is almost the Christmas holiday, but let us try to keep faithful to some of the rules.

Ms. Clancy: I have not named anybody, Madam Speaker.

Madam Deputy Speaker: Let us be faithful to some of the rules. It would be appreciated.

Mr. John Harvard (Winnipeg—St. James): Madam Speaker, earlier today my hon. friend from Winnipeg South asked, what is $129 million?

I would like to remind my hon. friend that the last time a politician uttered such nonsense, that politician got toasted in the next election. By the way, Bill C-91 is not going to cost $129 million. It is going to cost in the billions.

I want to raise this question with my colleague from Halifax. A famous Conservative said back in 1984: "Conservatives must show the Canadian people what we have about us, a dimension of tenderness. Of all the challenges of government, none is more noble, no obligation more sacred."

Did the hon. parliamentary secretary say that? Uh, uh. Did the Minister for International Trade say that? No. Guess who said it? The Prime Minister of Canada said it.

I would like to ask my colleague from Halifax whether Bill C-91 is consistent with a dimension of tenderness. Is it consistent with a dimension of tenderness?

Ms. Clancy: Madam Speaker, I thank my hon. colleague from Winnipeg—St. James. I say that only is the bill not in keeping with the dimension of tenderness, it may be in keeping only with some form of dementia.

At the very best of times, when you look at what happens *vis-à-vis* Canada and the United States, we all remember—speaking of George Bush as the hon. member for Winnipeg South did a little earlier today—that Mr. Bush talked about a kinder, gentler America when he was first elected.

Those of us living here said that we already have it. It is called Canada. The great tragedy is that in this Mulrunacy coming from the same fountain as Thatcherism and Reaganomics, we are in great danger of losing this kinder, gentler country. However, there are those of us here who will see that it comes back.

Mr. Brian White (Dauphin—Swan River): Madam Speaker, I am very pleased to join in the third reading debate on Bill C-91 today.

It is an issue that is dear to my heart, being a 1972 graduate of pharmacy and still a licensed pharmacist in the province of Manitoba. In fact, I spent 12 years behind the counter of a retail pharmacy in Manitoba until I became a member of Parliament in 1984.

I will be right up front to start with. It is largely a question of philosophy. I will be up front about my own feelings. I support this legislation on face value because I believe in intellectual property rights, and I believe in property rights of all kinds.

I can understand the New Democrats being opposed to this bill on philosophical grounds because intellectual property rights and property rights of any kind contradict socialist theory. You cannot practice social engineering in a country when you embrace intellectual and other property rights.

With the Liberals it is a little harder to understand because I know its members believe in research and development, and I know they are not guided by the theories of Karl Marx. It is a little harder to understand other than base crass politics. Simply put, Bill C-91 means Canada can enhance its reputation as a modern, industrial country with a high-tech research capability.

Hundreds of millions of dollars have been invested since the passage of Bill C-22 in 1987. These companies, the brand name companies, the multinationals, and I should clarify this point, may be multinational but they employ 17,000 Canadians in plants and offices across the country.

• (1550)

They are profitable. As I mentioned, they are multinational. I will tell the House this country is in a lot of trouble if we continue to treat profitable businesses with such disdain. That is because governments cannot finance the research and development that needs to be done if we want to be considered a first world modern country.

In fact, industries like the brand name pharmaceutical companies are doing more than half of the R and D in Canada now and governments cannot afford to do it all. If we do not pass this bill we are moving in the wrong direction.

As a matter of fact, Canada is the only industrial country in the world that uses the Patent Act to control drug prices. Other industrial countries all use some form of a prices control board. We have had the Patented Medicine Prices Review Board in place since 1987 with the passage of Bill C-22 and Bill C-91 strengthens the powers of that board. It will have powers to roll back prices, to recapture over-priced products from companies. It will have powers to fine companies and individuals and even powers in extreme cases to imprison people.

In fact, we had the chairman of the board, Dr. Harry Eastman, appear before the committee. He told the committee on more than one occasion that the board has been quite effective in controlling the prices of patented medicines in Canada. It is odd that Dr. Eastman was capable enough to head a Liberal royal commission back in the 1980s but somehow when he becomes chairman of the Patented Medicine Prices Review Board and the Liberals oppose a bill, suddenly he is not credible anymore. He told us quite clearly the board is working.

With the hysteria and the fear mongering that has been going on, please excuse me if I do not get overly agitated like some of the speakers in this debate. I was on the committee that dealt with Bill C-22 in 1987 and again with Bill C-91. I heard all the same arguments in 1987 so we have been through all this before. It was not true then and it is not true now.

I will give you three examples of what was said back in 1987 about Bill C-22. The first one was that drug prices would increase dramatically. There are two points I would like to make here.

In the committee the generic drug company representatives told us that Bill C-22 has had no effect on them yet. To claim that we have higher drug prices since 1987,

based on what they told us, cannot be justified. How can we prove that there have been price increases at all?

Based on the report from the Prices Review Board the prices of patented medicine which is the only category of drugs in Canada controlled and monitored by the PMPRB have increased 2.9 per cent per year since 1987, below the level of inflation. That is absolutely true.

We also heard from Green Shield, which is a source often quoted by opposition members. It told us that prices have increased by 11 per cent. That report and the report of the board are not contradictory because they use different criteria and they measure different things. They are not contradictory, something that was confirmed by Dr. Eastman, the chairman.

One of the other criticisms was that there would not be any creation of jobs and research and development would not happen. The companies are five years ahead of schedule. They promised in Bill C-22 to increase research and development to 10 per cent of sales by 1996. They are at 9.6 per cent in 1992. There have been 2,400 jobs created, more created than work in the entire generic industry. What reason do we have to doubt those brand name companies this time?

The third criticism was that the generic industry would somehow be destroyed by Bill C-22. I do not blame the generic drug company representatives and the owners for saying what they are saying because they are trying to protect some massive profits. We are speaking of profits that have gone up 180 per cent since 1987. Two of the top 10 drug companies in Canada are generic companies. There are only two or three other companies in Canada that have sales higher than the highest selling generic company. They are trying to protect their niche of the market and they are trying to protect their profit margin.

One final point on this is that there is a thriving generic industry in the United States and it has a much more restrictive patent policy than we do here in Canada.

We hear a lot from the other side about billions of dollars of costs to our health care system. These claims have been proven to be outrageous, and I will tell you why.

One of the sources being quoted by the opposition, one witness we heard at committee, was a Dr. Schondelmeyer from the United States, a pharmaceutical economist with impeccable credentials. I do not question the man's credentials, he is very knowledgeable. What I do question is his study.

When I looked at his study there were four areas where there were serious mistakes. He uses a list of 42 products. He has wrong patent expiry dates; he has wrong sales figures in at least one case; he has off-patent products on that list, unaffected by Bill C-91; and he assumes a 30 per cent growth rate in sales for these drug products to the year 2010. Anybody in the pharmaceutical industry knows that you cannot predict past five years, and even predicting five years from today is very risky.

We also hear a lot about the costs of pharmaceutical drugs to our health care system in Canada. We hear that it is going to cost our health care system billions of dollars. One thing we do not hear, and one thing that has to be said, is the amount of money saved to our health care system by some of these brand name products. These products, researched and developed by these brand name companies would not exist and there would be nothing to copy if these products were not developed.

The one that is mentioned most often and has been mentioned several times today is a product called Vasotec, made by Merck Frosst and distributed in Canada. It is, I believe, if not the highest selling drug in North America is right near the top. It is used in cardiovascular disease for high blood pressure. There are tens of thousands of people in Canada who die each year from cardiovascular disease, hundreds of thousands in the United States who die each year from CV disease. There has been an independent study done which states Vasotec saves the health care system in Canada $100 million per year because of 58,000 fewer hospitalizations.

There is a new drug on the market called Proscar, which has been on the market a matter of weeks. It is used for prostate enlargement, and 75 per cent of males in Canada will suffer from that illness. This drug will prevent surgery in many cases. We do not yet have the cost figures on this but the savings will be in the millions of dollars as well, because every day that you can prevent

someone from going into hospital you are saving a great deal of money.

One other recent case. There is a drug called Zofran which is used for cancer patients undergoing chemotherapy. It helps control the nausea and vomiting that go along with chemotherapy, unfortunately, in many cases. This drug is being used in hospitals across the country. There is one hospital in Ontario that is saving $12,000 a day by using this drug which allows patients to go home who otherwise would be in the hospital. It is saving $12,000 a day in one hospital in Canada.

The final classic example, going back several years, was the product Cimetidine used for ulcer therapy, made by Smith, Kline & French, which saved tens of millions of dollars to our health care system.

What I am trying to say, in conclusion, is that in Canada we either have to consider ourselves as a first world, high-tech, modern country or we do not. Of course it is going to cost consumers more money with a policy like this. This type of thing costs money. If every industrial country in the world had a system of compulsory licensing, we would not have the infrastructure in place, we would not have the incentive to develop these new products that give us all a better quality of life and save our health care system millions of dollars.

Hon. Bob Kaplan (York Centre): There is a logical error in the comments made by the hon. member and I would like to ask him about it.

He makes the point that medicine, like any other patented product, deserves to be treated like any other patented product and that, therefore, compulsory licensing or that type of restriction on the rights of the inventors to realize profits on their gain, is unreasonable.

• (1600)

On the other hand, while he is saying that this is an invention like any other and should be treated like any other, he says that we have this board which is going to limit and control prices. Does the government also advocate a control system for the prices of books, or for the prices of zippers, or all the other products that are subject to patent?

It seems to me the very recognition and acceptance of a prices control board is an admission by the government that prescriptions are prescription drugs and patented drugs are in a special category and should be treated differently from other inventions and that this government is prepared to treat them differently. Therefore, to make the argument that they are just in the same boat is disproved by the very way it treats them.

If it turns out that the prices control board is unconstitutional and is struck down as *ultra vires* of the federal government, will that member then allow for a system like compulsory licensing to make sure that the consumer does not get ripped off on patented products which are not like any other but which are essential for life and health?

Mr. White: Madam Speaker, there is no error in logic at all. When I began my comments I talked about my personal philosophy and my belief in the protection of intellectual property rights. That belief exists by itself.

I am not the minister and it was not my legislation that was written in 1987, but the prices review board was part of the process and it has been working. Most industrial countries are using a prices review board to control drug prices. It was shown clearly in 1969 when compulsory licensing was put in place that the prices of pharmaceuticals were too high.

However, I think they can be dealt with separately. We can believe in the protection of intellectual property rights. We have the board in place. I support the board because most of the concerns that we hear on this legislation are for costs.

As long as we have the board in place and we can believe what it is saying, because opposition members in the committee did not believe what Dr. Eastman was saying and I cannot think of anyone more reputable or able to lead that board than Dr. Eastman. What he said was not believed. His opinion was that the only problem with constitutionality was controlling the price of drugs at the retail level because there was an overlap with provincial responsibility at that end.

I support the board. I think it is doing good work and I think it will stay in place as long as there are concerns about the prices of drugs.

Mr. Bob Speller (Haldimand—Norfolk): Madam Speaker, the fact of the matter is that the elimination of compulsory licensing will mean higher drug prices for Canadians. It will mean a direct attack on our Canadian health care system.

I have to take issue with most of what the hon. member said because it is in a direction that this country is not going. If he talked to Canadians, he would find they are concerned that they are going to have to pay higher prices for drugs. They are afraid that as a result of that they are going to have to pay a lot more for their drug plans.

The member is from the province of Manitoba. This may not be related but I know the hon. member knows the Minister of Consumer and Corporate Affairs is also a mini-agriculture minister. The minister keeps talking about the fact that the reason we have to bring this in is because of the GATT.

Why is the minister prepared at this time to bring this bill in when he knows that at the GATT for supply management he could use something like this as a bargaining chip? He could use something like this to help the supply managed industries which are really important to Manitoba.

The minister knows we are the only country that is bringing in a bill like this. Why is it that when the minister—

Madam Deputy Speaker: I will have to interrupt the hon. member to allow a few seconds for an answer. We are in questions and comments period.

This is not the time for debate. This is questions or comments and the floor belongs to the hon. member for Dauphin—Swan River.

Mr. White: Madam Speaker, I will be brief in my response because I know we are almost out of time.

The first question asked was whether drug prices were going to be higher. Yes they are going to be higher. I have looked at the model that the ISTC has put together and it makes a lot of sense. There is a list of drugs affected by Bill C-91. I have checked that list and it is all valid with the extended patent dates.

There are two assumptions made that I do not agree with. First of all, the department assumes that all products are going to be copied and that is not the case. It is about 1 in 20. The other assumption made is that generics will all enter the market immediately when they are able to. That does not happen either. Usually they wait until it is seen how profitable the product is going to be. Then the product comes on to the market once the licence is in place.

Those figures say $25 million a year for Canadians. That is $1 per year per Canadian. Two cups of coffee a year per Canadian. I think that is a fair price to pay to have the proper system in place to encourage this type of investment.

Mr. René Soetens (Ontario): Madam Speaker, it is a pleasure to participate in the debate on this very important bill.

What we might ask first is why we would be interested in changing the patent legislation particularly as it relates to the drug manufacturing sector.

During the committee process we did hear from a number of witnesses. One that I thought made an excellent presentation was Professor Fernand Labrie from the Laval University Research Centre. I should remind hon. members that Professor Labrie is one of Canada's premier research scientists.

In his brief he gave us a number of comparisons about the economic activity of research and development as it existed in Canada prior to 1987, prior to the current drug patent legislation and also what was going on in other parts of the world and how this legislation would compare to others.

Certainly, there was no doubt about the content of Professor Labrie's argument. He was certainly very supportive of the change. He was supportive of the change because it would bring a much increased economic activity of research and development into the university process. It would create lots of improvements because of the change in patent legislation.

I would like to read one particular paragraph by Professor Labrie. There was a concern about how Canada's patent legislation would then stack up to others. I would just like to quote briefly from his comments on page 14.

It says: "Bill C-91 is the minimum required since the addition of three years of protection for patent products, namely from 7 to 10 years, after approval of the drug remains below the standards accepted by the other members of the group of seven nations. In fact it can be seen on figure 4 that a protection of 14 years is offered in the United States while 15 years are already accepted or planned for the countries of the European common market. So what we are doing is still not achieving the levels that other of our major competitors have, but certainly moving in the right direction".

Then you have to question whether that view is shared and will that economic activity in the form of research activity come to Canada.

The committee received from the Office of the Dean, Faculty of Medicine of the University of Alberta, a very strong endorsement of the whole idea of an influx of research dollars into that particular university. We received another one from the University of Alberta, Department of Medical Microbiology and Infectious Diseases. Again, it was a very strong endorsement of the program as proposed.

We also received endorsement from the Canadian Pharmaceutical Association. Although its brief went into many areas that were really outside what was being reviewed by the committee, I would just like to read one sentence which relates to a comment raised by others about prices. It states: "The association is pleased that the government is proposing to expand the powers of the Patented Medicine Prices Review Board".

The prices review board, although part of the legislation, is something not referred to too often at least in the public press as to the ability of government to control the price of patent medicines so that the concern about the economic impact on the health care system is in fact minimized. It certainly supports that particular aspect of it.

McMaster University, Faculty of Health Sciences sent forward a number of reasons that it supports the particular legislation that was before us.

• (1610)

The idea that it is a very centralized support system is somewhat erroneous because we received recommendations of support from the Victoria General Hospital out of Halifax. We received support from the Metropolitan Toronto Board of Trade and the Board of Trade of Montreal.

We received numerous submissions, for example from Quadra Logic Technologies Inc., a group in British Columbia. It says: "My colleagues and I at Quadra Logic Technologies Inc. strongly believe the extra patent protection given pharmaceutical innovators and their investors would be an important encouragement to the creation of knowledge based jobs in Canada".

We had numerous representations to the committee. Even another group from Dalhousie University sent in submissions of support. Support within the industry that the government says will benefit is certainly there and it is there in spades. I am pleased to see that.

I have to look at this and ask how it affects my constituency. Well, the Liberal Party in my constituency is saying that this is going to be devastating on jobs in my riding. Of course, it is interesting that the Liberal Party representative in my riding, having lived there for I think two or three weeks, knows diddly nothing about the riding because what he is out talking about is the comment: "Your local MP wants to destroy the Canadian pharmaceutical industry and cost up to 100 people in this community their jobs". Obviously he has not done a lot of research.

If he were to do some research in my riding about the jobs that are being protected for the Canadian pharmaceutical industry, he would find a company by the name of Fisons Canada located in Pickering. Since the implementation of the drug patent legislation in 1987, it has invested some $8.5 million in research. It has built a new facility in the town of Pickering. It has increased its employees from 38 to 67 people in the Pickering office itself and has added 27 or 28 people in other parts of Canada. It is a large plant of 50,000 square feet.

So there it is. A Pickering based company has clearly increased its investment in my riding. Of course, he would challenge the people who work there as not being important to the constituency. What he ought to do is learn a little about the constituency.

However, recognizing that he is new and maybe he has not seen that plant, maybe he would like to drive by the Purdue Frederick plant which did not exist in 1987. It is 82,000 square feet, an investment of $14 million and employs 135 people. It has a commitment to increase its investment in research. In fact, its investment in research has grown from 2.5 per cent in 1988 to 6 per cent of its sales in 1991.

If that Liberal candidate in my riding had the slightest inclination of being concerned about what goes on in the riding, he might have discovered that.

Or he might have gone over to Ajax where there is the large Leo Laboratories head office. That was not there in 1987. He would have discovered the opportunities that have been created. It has increased its number of employees in the last five years from 32 to 71. He is not concerned about all those people who work in that head office.

He is not concerned about the fact that that company has increased its investment in research from zero dollars in 1987 to over $1 million per year in 1992 and anticipate further increases. In fact, it is not only anticipating further increases, it is expecting its research expenditures to increase by at least 25 per cent a year over the next period of time.

Of course, if he is concerned about jobs, he would want to go to the Sandoz operations in Whitby. I am not sure he knows where Whitby is in my riding. If he would go over there and have a look at the Sandoz operations, he would see a large manufacturing plant which employs some 260 people that has more than doubled in size since 1987.

It has doubled in size for a number of reasons. One is patent protection. Two is the free trade agreement. Because of the free trade agreement, that manufacturing plant in my riding was able to take a contract from Sandoz U.S. to supply the U.S. market with one of its products. Because of that acquisition of increased economic activity in the Sandoz plant in Whitby, it was then able to go to the Sandoz operations world-wide. It now has a mandate to produce this drug in Whitby, Ontario for the world market.

If my Liberal opponent wants to get out and learn a little bit about the riding, I would be happy to take him when he has a lot of spare time some day after the next election and show him around so he fully understands just what is going on in my riding.

To make it a little more meaningful, we had a problem with the whole issue of pricing and the perception people have. I would like to finally wrap up and say I believe the Patented Medicine Prices Review Board and the powers it has been given will adequately protect the people of my constituency from the drug prices the opposition is espousing as terrible things. In fact, I think they are well protected.

I thank you for this opportunity. I only wish I had more time to give you more information.

Mr. Joseph Volpe (Eglinton—Lawrence): Madam Speaker, since the hon. member who just spoke could not remember the name of his opponent in the riding of Ontario but devoted 12 minutes of time to him, I will blurt out his name for him. It is Dan McTeague. Either way he is going to be the member.

The member is confused about prices. He has overlooked the fact prices are already very high so there is a return on investment over a projected period of time, which under Bill C-22 is indicated as seven years. This legislation will extend protection, or a monopoly on those prices for an ever greater period of time.

If the member is really sincere about protecting intellectual property rights he will be honest enough and remind himself and all the members of his caucus such protection already exists for a 20-year period. The portion of the 20-year period that goes beyond the exclusivity of the competition portion is already recompensed by anyone who copies the product to the tune of 4 per cent of sales to allow for competition. It does not deprive them of anything and most, if not all of the investment, is returned before that competition is allowed.

Such is the case in a report published in the *Globe and Mail* the other day. We learned one of these multinational corporations was receiving 100 per cent return on investment per annum over the course of the last five years for the parent company. They do not need greater incentive. Let us just be honest and say the intellectual property rights are already well protected and we are not talking here about encouraging further investment. The inducements of the marketplace are already there.

We are really looking to reach out further and extend a monopoly, not free marketplace trade, but an inhibition of trade for a longer period of time. Why?

Mr. Soetens: I did know the name of the Liberal candidate. The problem he is going to have is most Liberals in the riding do not know his name because they had to bring him in from Scarborough to fill the nomination.

There is a process in this legislation dealing with prices. When the Department of Industry, Science and Technology appeared before the committee to explain the rationale of how it arrived at its price structure and forecast of the costs in the $125 million to $130 million range, the Liberal Party and the NDP spent a whole day questioning the officials on their process and evaluation methods and could not find a loophole.

I should point out when the opposition witness appeared before the committee with Professor Schondelmeyer, the first question asked by the government members shot his forecasts full of holes. This continued through the second, third and fourth questions.

I believe the system is put in place so Canadian consumers will not be gouged by an unfair price structure. That has proven to be the case in the last five years and I believe with the increased strengths in this legislation for the review board that will not happen in the future either.

• (1620)

[*Translation*]

Madam Deputy Speaker: Pursuant to Standing Order 38, it is my duty 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—Refugees; the hon. member for Western Arctic—Fur Industry; the Hon. member for Moncton—External Affairs; the hon. member for Moose Jaw—Lake Centre—Agriculture; the hon. member for Comox—Alberni—Aboriginal Housing.

Mr. Phillip Edmonston (Chambly): Madam Speaker, I rise today to oppose Bill C-91, a bill experts say will have us pay anywhere from $1 to $7 billion more for drugs.

This legislation will have disastrous consequences in Canada, in Quebec, especially as regards our health system. Basically, what we have here is legislation which will increase the price of patented drugs in exchange for promises—I want to lay emphasis on the word promises—of job creation in research and development.

I may well be the only member from Quebec to speak against this bill because I tend to agree with *The Toronto Star* when it says that this government cares more about intellectual property than about people.

I think it is outrageous to be willing to exchange a promise to create jobs, a few menial jobs perhaps, for billions and billions of dollars in giveaways because, from what the federal government has told us, it would seem that we did not get the jobs we had been promised with Bill C-22 when it was passed. We did not get the jobs.

When the government says that the price of patented drugs has not increased—and I want to be precise here—by more than the rate of inflation since Bill C-22 was adopted, that is not true. We have heard the testimonies before the committee on consumer and corporate affairs. We have heard government experts who have told us that they did not have all the answers to our questions, for instance, on the drug called Vasotec. I can tell you that Mr. Eastman, a government expert, said he did not know that drug. Therefore, he could not tell if the price increase was more or less equal to the rate of inflation.

We were left hanging to some extent. We had been asked to take part in this debate by a number of people who may not be important the way ministers or pharmaceutical company officials are, but important people nonetheless. They are constituents from my riding and from other ridings who have responded to our small household mailings and answered the question: Are you for or against this bill on pharmaceutical products?

In my riding of Chambly, I can tell you that the vast majority of those who responded were against. Most of them were middle-class and middle-aged people. These people have told us—I would not want to offend the Minister of Consumer and Corporate Affairs, but I will say it: anyway—that they do not trust at all what the government says about the price of drugs. The people in my riding of Chambly believe, and this is important, that it is dead wrong about the price paid by consumers for drugs when they go to the pharmacy.

To check on the claims made by my constituents, I decided, like a good lawyer, to go to the nearest drug store. There I met an honest pharmacist and I asked him what the price difference really was since the government had legislated on patented drugs. What was the difference? Had prices only increased between 2.7 per cent and 2.9 per cent a year, as the government claimed, since that legislation came in force? The pharmacist replied: "Not on your life, Phil". He then showed me some boxes of medication and said: "Look how much it used to cost and how much it is now". And I must say that I am much more inclined to believe the people in my

riding, the middle-class, the poor and the older people. I believe them because they have a lot—

Mr. Blais: Mr. Speaker, on a point of order I just have a technical question for the hon. member. I am quite willing to let the member talk freely on this issue, but he just showed two boxes of medication here in the House, without identifying them and without mentioning their price either. It becomes very difficult for us to judge. Mr. Speaker, it is not customary here in the House to show—

[*English*]

The Acting Speaker (Mr. Paproski): As far as I am concerned, he should not be displaying anything on his desk. If he does that again, I will just recognize the next speaker.

Mr. Edmonston: Mr. Speaker, this is my own personal medication. I wish to refer specifically to the medication and show you the difference between the generic and patented drug. I needed the box to remember the exact pharmacological name.

If I may refer to it, I will try to keep it out of the view of the camera. I think it is very important to refer to it. I am not trying to make any grandstand theatrical play with this government, but I do need to have that information, if I have your permission, Mr. Speaker.

The Acting Speaker (Mr. Paproski): As I rise, you can look at your box and then find out what the name of the generic drug is. Then I will let you speak on it.

Mr. Edmonston: Thank you very much, Mr Speaker, for your help in this matter.

I was speaking about the visit I made to the local pharmacy. The pharmacist told me he agreed with many of the people who wrote to me in Chambly that this was a particularly nasty bill.

An hon. member: What about the name?

Mr. Edmonston: I will get to the name in a minute. Please hold your horses.

He said he felt if this bill were to go through it would mean a great deal more money spent by Canadians, particularly in my riding, because of the government's gift of millions and according to some experts, billions of dollars to the drug industry.

Vasotec is an example of a drug that is going to be increased in price to the extent it will be very difficult for average Canadians to pay for it. It is used quite extensively. I believe it is either the number one or number three best seller in Canada. It has not been proven by Mr. Eastman to be one of the drugs that did not go higher than the rate of inflation.

Mr. Eastman told us he did not have the information on Vasotec although we had gone to a pharmacy. I think as the minister pores over his notes he will remember that if he was there that day. I believe my colleague from Surrey North actually gave the material to the minister's people as well as to Mr. Eastman and discovered they did not have the information.

My colleague from Surrey North alleged the price of this one pharmaceutical patent drug had increased far in excess of 2 per cent. I would be glad to have a response from the minister. I believe it had gone closer to 6 or 7 per cent.

• (1630)

I continue on to the question of the difference between the government's figures and the figures presented by independent agencies like Green Shield. Green Shield is an independent agency that deals with drug pricing. It has been doing so for many years on behalf of unions and other people who need to know about that when they are dealing with collective agreements.

It is interesting to note that whenever the government hears that Green Shield is disputing the government figure of 2.9 per cent the federal government automatically says Green Shield is talking about much more than just these patent drugs, that it is talking about all drugs.

Green Shield has said that the increase is close to 6 or 7 per cent if we take out the other drugs. That is incredible. That is not 2 per cent. It is 6 or 7 per cent.

[*Translation*]

We all tend to have an axe to grind in this House. It is understandable and normal in the context of parliamentary debate to stand up for one's constituency. However, I wonder what constituency this government opposite is representing. Does it represent the seniors? Certainly not because seniors are angry; they are really annoyed about this bill. I cannot understand how members

opposite who represent older people can say that people are not angry. That is incredible.

People are angry, and not just older people, but also middle-class people who cannot afford to pay more for Vasotec or other drugs. They are convinced—and there is evidence to back this up—that the price of drugs, of patented drugs, has really been horribly inflated over the past few years.

We are asking this government: Why the rush? Why is it so urgent that we pass this legislation today? What is the hurry? To please GATT of course. But people have asked: Why this urge to please GATT just now? This thing has worked well for us in Canada. It has even helped keep our health system healthy. However, if this bill were to be passed today, I really think that would strike quite a blow to our health system.

I am probably the only member from Quebec to speak and vote against this bill. I know that many Conservative members from Quebec and Bloc Quebecois members will call me an enemy of Quebec. I hate this sort of criticism because it is divisive. People are being labelled as either friends or enemies of Quebec. Let me tell you that I am as much a Quebecer as the Minister of Consumer and Corporate Affairs and that I am no enemy of Quebec. But I am definitely an enemy of exploitation, and I suggest that this bill does exploit the most vulnerable people in our society.

I know there are plenty of statistics supporting both sides. The government has quoted figures indicating that all kinds of jobs will be created. I suggest we will get next to nothing, essentially jobs with low pay, jobs in marketing, and jobs in testing pharmaceutical products developed elsewhere, in other countries. Born in the U.S., I chose to become a Quebecer and a Canadian. Quebec and Canada are really very different from the United States. I am therefore a little sad and sorry to see that we are in the process of becoming exactly what the Americans no longer want to be. In other words, they no longer want to be exploited by one of the biggest lobbies in the world, the drug industry lobby.

I know the government was approached by a lobby firm which happens to be one of the biggest in the world. It probably has one of the worst reputations as well. As far as the truth is concerned, talk about a bad reputation—

An hon. member: Time.

Mr. Edmonston: I am sorry, but I believe I have 20 minutes and those 20 minutes are not up yet, Mr. Speaker. I will continue. Patience, my friends across the way, even if it hurts. I will not take long.

Let me tell you about your friends called—

[*English*]

The Acting Speaker (Mr. Paproski): The hon. member has another four minutes.

[*Translation*]

Mr. Edmonston: Thank you, Mr. Speaker, I was aware of that. But it does not hurt to tell my colleagues.

Do you know the people behind the lobby firm called Hill and Knowlton, the one that works for the big patented drug companies? Hill and Knowlton is the same lobby firm that made such a fuss, when we had that problem between Iraq and Kuwait, over this young lady who said she had seen poor little babies thrown out of their incubators and killed by the Iraqis. In fact, she was the daughter of the Kuwaiti ambassador, and she did not see a thing, no massacre of infants, nothing.

Mr. Blais: What does that have to do with it?

Mr. Edmonston: I mention this because what we have here is a problem with the truth. We have a problem with the figures quoted and especially the ones government members quoted today, because the lobbyists are doing most of the work. In my opinion, when you have lobbyists working with you to get this bill through the House in record time, people who have worked for Jean-Claude Duvalier, the Moonies and Reverend Moon, and the Church of Scientology, well, I am sorry, but I have a problem with the truth of what is being said.

I intend to finish the way I began. My goodness, I never saw the Minister of Consumer and Corporate Affairs show such a lively interest in the proceedings. It is fantastic.

As long as you support the absolute right to intellectual property, I say you are really out to lunch, because people have no absolute right to intellectual property. Especially not where drugs are concerned. The present system works very well, without any problems. And we do not have to give away billions of dollars to the drug companies.

In concluding, I would like to make one more comment. As a writer who has written 64 books, I ought to know the importance of intellectual property. Now you may not know this, but when you write books, you do not have the absolute right to intellectual property over those books. There is a Canadian program and a Quebec program that allow people to copy your books, and you are paid royalties for those copies. My point is that we can have a mixed system under which we can protect people like writers as well as people who are sick. And that is why I am against Bill C-91.

[*English*]

The Acting Speaker (Mr. Paproski): The hon. member's time has expired.

• (1640)

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, there are a few comments to which I would like to respond, especially when I listen to the hon. member saying that the system is working very well. I cannot reconcile that with what they say has been an explosion of prices. It works well or it is not working. They cannot have it both ways. They should make up their minds.

[*Translation*]

I would like to come back to some points, Mr. Speaker. They talk about promised investment. Rumour or gossip has it that the hon. member wants to be mayor of Montreal—

An hon. member: Good luck.

Mr. Blais: They say that he wants to run for mayor of Montreal. One billion in investment, which he can see from his own car as he returns to his Montreal area riding. He can see it with his own eyes. The 2,400 jobs created in Montreal and Toronto, the $85 million spent in university research centres in Alberta, British Columbia, soon in Nova Scotia and in other parts of the country are very concrete. Half the jobs he is talking about, the jobs created, are in high technology. He should be able to realize those things.

He mentioned something in particular that I would like to come back to. Can he admit that the price of drugs for which we are responsible, because he often tends to confuse federal and provincial responsibility, the price of patented medicine, that we are responsible for it at the manufacturer's level but the provinces are responsible at the retail level? Perhaps he could talk to his colleague, Premier Bob Rae of Ontario, and the two other provincial premiers, one of whom is in British Columbia, and ask them to act so as to prevent the retail price of a drug like Vasotec from going up 13 per cent, not the manufacturer's price but the retail price. The retail price depends on the provinces. Perhaps he could discuss it with Mr. Rae and tell him to intervene. The federal government cannot act on the retail price. That is one thing.

Also, I would like the hon. member to give me an answer. Is he aware that the price of patented medicine accounts for only 3 per cent? We are only talking about 3 out of 100. Patented medicine makes up 3 per cent of the total. I have a young daughter who is this tall. When I tell her this is 100 and that is 3, she understands what I mean. I hope that my colleague will understand that it cannot lead to an excessive increase in drug prices, because it affects only 3 per cent. I would like him to give me an answer on these points and maybe also tell us the name of those famous drugs he has on hand, because I suppose he must have had time to take a look at them so that we can check the things he said at the beginning of the debate.

[*English*]

The Acting Speaker (Mr. Paproski): Maybe I could get the other questioners to ask questions and then I will cut them all off at once.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I was interested in the interchange. As this debate draws to a close I am struck by the fact the statements by the government become more outrageous while we need to have a great deal of calmness.

I have been concerned with this piece of legislation. Both as social policy chair and as chair of western caucus I noticed the way in which regional development has been used as a stick. The fear of unemployment is used against fellow Canadians, the promise of jobs that will never appear.

In all my years as an academic I remember watching this take place in terms of urban development and other sectors of the economy where people promise you jobs in order to keep you quiet.

I was wondering if the hon. member would talk a little bit about this job strategy as a phoney way to approach health policy.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I understand that the member opposite will make a final comment. However, I just wanted to take the opportunity to thank all the hon. members in this House for their wholehearted and spirited debate, not just in the House but in the committee process. It was in the best parliamentary tradition. I appreciate the interest that they have all shown in the bill.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have a question. I do not want this mush. I want to ask the member why he thinks the government is putting this legislation through when it means that my constituents will have to pay more for their drugs when they cannot afford it.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I want to put a question to the member who just spoke. I do want to stick to the facts, which I do not believe he has done. I want to remind him that patented drug prices have risen only 2.9 per cent on average.

The Acting Speaker (Mr. Paproski): It being 4.45 p.m., pursuant to order made Wednesday, December 9, 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 stage of the bill now before the House.

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 yeas have it.

And more than five members having risen:

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

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

(*Division No. 399*)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bernier	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Chadwick	Champagne (Champlain)
Charest	Chartrand
Clifford	Cole
Collins	Cooper
Corbeil	Côté
Danis	DeBlois
Della Noce	Desjardins
Dick	Dobbie
Domm	Dorin
Duceppe	Duplessis
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Fretz	Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)	Guilbault
Halliday	Hawkes
Hogue	Horner
Horning	Hudon
Jacques	James
Jelinek	Johnson
Joncas	Jourdenais
Kempling	Koury
Langlois	Larrivée
Layton	Lewis
Loiselle	MacDonald (Rosedale)
MacDougall (Timiskaming)	MacKay
Malone	Marin
Martin (Lincoln)	Mayer
Mazankowski	McCreath
McDermid	McKnight
Merrithew	Monteith
Moore	Nicholson
Oberle	O'Kurley
Porter	Redway
Reimer	Ricard
Richardson	Robitaille
Rocheleau	Roy-Arcelin
Saint-Julien	Schneider
Scott (Hamilton—Wentworth)	Siddon
Sobeski	Soetens
Sparrow	Stevenson

Tardif	Thacker
Thompson	Thorkelson
Tremblay (Rosemont)	Tremblay (Québec-Est)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vankoughnet
Vien	Vincent
Weiner	White
Wilbee	
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard—118

NAYS

Members

Allmand	Anawak
Angus	Arseneault
Assad	Axworthy (Winnipeg South Centre)
Bélair	Bellemare
Bevilacqua	Black
Blackburn (Brant)	Boudria
Breaugh	Brewin
Caccia	Catterall
Chrétien	Clancy
Crawford	Dingwall
Dionne	Duhamel
Edmonston	Ferguson
Finestone	Fontana
Foster	Fulton
Funk	Gaffney
Gagliano	Gray (Windsor West)
Grey (Beaver River)	Guarnieri
Harb	Harvard
Harvey (Edmonton East)	Heap
Hovdebo	Jordan
Kaplan	Keyes
Kilger (Stormont—Dundas)	Kindy
Kristiansen	Langdon (Essex—Windsor)
Laporte	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacAulay
MacDonald (Dartmouth)	MacLaren
MacLellan	MacWilliam
Manley	Marchi
Marleau	McCurdy
McGuire	McLaughlin
Milliken	Mills
Murphy	Nault
Nowlan	Nunziata
Nystrom	Pagtakhan
Parent	Peterson
Pickard	Proud
Rideout	Riis
Rodriguez	Simmons
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stewart
Stupich	Taylor
Tobin	Volpe
Waddell	Walker
Wappel	Whittaker
Wood	Young (Acadie—Bathurst)
Young (Beaches—Woodbine)—91	

PAIRED—MEMBERS

de Cotret	Phinney

• (1710)

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

Bill read the third time and passed.

Mr. Shields: Mr. Speaker, on a point of order, the green bus got in an accident, had a flat tire, ran out of gas, I ran and—

The Acting Speaker (Mr. Paproski): On a point of order, the hon. member for Swift Current—Maple Creek—Assiniboia.

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I seek consent for the following motion:

> That, notwithstanding any Standing Order and the usual practices of the House, Bill S-16, an act to restructure the United Grain Growers, Limited, be now called for second reading and that the House proceed to dispose of the said bill at all stages.

Motion agreed to.

PRIVATE MEMBERS' BUSINESS

[*English*]

UNITED GRAIN GROWERS, LIMITED

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia) moved that Bill S-16, an act to restructure United Grain Growers, Limited, be read the second time and referred to Committee of the Whole.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Paproski in the chair.

The Deputy Chairman: Order, please. House in Committee of the Whole on Bill S-16, an act to restructure United Grain Growers, Limited.

Clauses 2 to 14 agreed to.

On Clause 15—*Board of Directors*

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Chairman, I want to speak briefly to this bill, S-16, and in doing so thank especially the member for Lambton—Middlesex for their co-operation as well as the critics from the other parties.

The United Grain Growers had its origin in the Grain Growers Grain Company which was formed by farmers in the Sintaluta district of Saskatchewan in the early 1900s. The United Grain Growers, Limited was an amalgamation of the Grain Growers Grain Company along with some other farmer organized co-ops. It was incorporated under a special act of Parliament in 1911. Today it is a co-operative with some 86,000 members and $400 million in assets. It operates 266 elevators across

the four western provinces as well as two terminals at Thunder Bay and one in Vancouver.

In addition to the handling of grain, UGG sells fertilizer, seed and other farm supplies and publishes farm papers like *Grain News* and *The Country Guide*.

As hon. members know, the world marketplace for grain is not easy. In the face of subsidized competition, any and all deficiencies in the handling and transportation of grain to tide water must be examined. Like the other handlers, United Grain Growers faces major capital expenditures to modernize its grain handling facilities. Significant investments will be required in order to build new elevators and upgrade many of the older facilities so they can be made to work effectively in linking producers to their offshore customers.

• (1720)

To this end, over 95 per cent of the shareholder delegates at the United Grain Growers 86th annual meeting last month approved a capital reorganization and restructuring plan. Since that date, November 4, 1992, the company has moved swiftly to meet the requirements of Parliament to allow this petition to be considered. The problems are UGG is not now legally empowered to enter into underwriting agreements with the investment banking community nor can the company issue shares to take advantage of the investment interest that has already been expressed.

Further, the capital construction plans of the company contemplate attracting equity capital for investment. If UGG were not able to enter into an underwriting arrangement, this would cause delays that would impact on the company's cash position and ultimately the investment program in grain handling infrastructure.

It is for this reason that timely consideration of the bill has been requested. UGG was incorporated by an act of Parliament. The general laws of Canada do not allow the company to reorganize itself. The changes must be approved by Parliament.

The changes are these. They are embodied in Bill S-16. The legislation will cause UGG's capital structure to change in the following ways. First, it will allow for new capital investment needed. Second, it will allow for the allocation of the existing equity and patronage dividend credits on a fair and equitable basis. Third, it will allow for the preservation of the existing representative membership structure. Fourth, it will preserve farmer control, as 12 of the 15 members of the board of directors will be farmers.

Once this reorganization is complete, United Grain Growers intends to make an initial public offering of its common shares in order to raise the capital necessary for expansion and modernization of its infrastructure.

Finally, this legislation will enable United Grain to better serve its customers throughout western Canada. In the larger picture it will help Canada's competitive position in world agricultural markets.

I therefore thank all members present for supporting this motion in regard to Bill S-16 which will enable the restructuring of United Grain.

Mr. Maurice Foster (Algoma): Mr. Chairman, we would like to lend our support to the hon. member's statement this afternoon on Bill S-16, the United Grain Growers restructuring bill. It is a private member's bill from the Senate.

It will allow this company to restructure its financial arrangements so that it can raise funds in the financial markets of the country. It will maintain the control of the grain producers who now are involved in this organization. It will allow them to go ahead with capital construction in the summer of 1993.

The United Grain Growers have had some 25 information meetings throughout the west. I understand there is broad support from their 86,000 members across the three prairie provinces to see this capital reorganization of the company go ahead. Then it can raise funds in the capital markets of the country and go ahead with its capital construction projects in the summer of 1993. We support the speedy passage of this bill.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Chairman, on behalf of my party and myself I would also like to indicate that we intend to support this legislation. It is obviously something the farmers that have been involved in the United Grain Growers have thought through very carefully. They have discussed this in many meetings and have finally made a decision on it. It is only appropriate that we not stand in their way of this reorganization.

However, as my party's critic for co-operative and community development, I do have to say that in some ways this is a sad note in the history of Canadian agriculture. The United Grain Growers really pioneered the whole concept of the organization of co-operatives on the prairies that very firmly entrenched farmer control of grain handling over a number of generations now.

This present structure envisions that farmers will continue to maintain control of that structure but that might well prove difficult to do once the present course of action has been embarked on.

In closing, I would just like to congratulate all the directors of the United Grain Growers over the years both at the local and at the national level and recognize the contribution that they have made to Canadian agriculture.

Clause agreed to.

Clauses 16 to 28 inclusive agreed to.

Clause 1 agreed to.

Preamble agreed to.

Title agreed to.

Bill agreed to.

Bill reported, concurred in, read the third time and passed.

The Acting Speaker (Mr. Paproski): 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.

* * *

AUTOMOTIVE POLLUTION REDUCTION ACT

MEASURE TO ENACT

The House resumed from Monday, November 23, 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.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I appreciate the opportunity to speak on Bill C-226 this afternoon, an act to reduce automotive pollution.

The Department of Transport administers emission regulations for motor vehicles under the Motor Vehicle Safety Act but it does not regulate fuels. The Minister of the Environment has authority to regulate certain aspects of fuel quality under the Canadian Environmental Protection Act. I would like to say a few words about motor vehicle pollution and the relationship between vehicles, fuel and emission controls.

The North American automobile industry is gearing up to manufacture vehicles meeting new stringent United States emission standards beginning in 1994. These low emission vehicles are designed around fuel available in the United States.

Considerable work is being done by vehicle manufacturers on more advanced emission controls planned on the U.S. Clean Air Act. Some of these involve reformulated gasolines and other alternative fuels.

Motor vehicle emissions depend on the fuel that is used and how the vehicle and its emission controls process that fuel. To achieve much lower vehicle emissions than we have today, we need better fuels as well as better vehicle emission controls. In some cases, the fuel constituent itself is harmful, as was the case with lead. In addition, certain fuels and fuel additives can damage emission control devices.

One of the reasons against the use of lead in gasoline is that it in a sense poisoned the exhaust catalyst so that they are no longer effective in controlling emissions. Canadians are very conscious of the need to protect the environment, and the government takes very seriously its responsibility to regulate emissions from the ever-growing fleet of motor vehicles.

• (1730)

Under the impetus of government emissions regulations, the auto industry has made impressive improvements in the unit emissions from passenger cars. Today emissions of hydrocarbons and carbon have been reduced by over 95 per cent from the uncontrolled vehicles of the 1970s while emissions of oxides of nitrogen have been cut back by 70 per cent and further reductions will occur in the mid-1990s.

Canadian regulations are planned to have the same stringent vehicle emission controls as those in the United States. One step toward bringing new emission regulations on stream is to make detailed amendments

to the Motor Vehicle Safety Act. This step is currently in progress through Bill S-8, the Motor Vehicle Safety Act.

Meanwhile, there is a memorandum of understanding with vehicle manufacturers that cars sold in Canada between 1994 and 1996 will meet the new standards. These further reduce emissions of hydrocarbons by 29 per cent and of oxides of nitrogen by 60 per cent from the already low values.

Since Canada represents 8 per cent of a largely integrated U.S.-Canadian market supplied by an international industry, manufacturers have little difficulty providing Canada with the same emission controls as used in the United States even if they are stringent controls.

As I said, an important part of vehicle emission control is the fuel. Canadian gasoline is not always the same as that available in the United States. We have our own feedstock and refineries, and marketing of the final product is relatively local rather than being international or even national.

As the U.S. tightens its regulations on automotive gasoline and as the vehicle manufacturers develop emission controls based on fuels of a certain standard, the availability of compatible fuels in Canada becomes a very important issue.

In addition to any direct emission effect of a fuel it is an issue for manufacturers that their vehicles give a satisfactory lifetime performance in Canada.

It is important, therefore, for the successful outcome of the emission control negotiations and regulations under the Motor Vehicle Safety Act that compatible fuels are available and continue to be available in Canada.

The two items addressed by Bill C-226 are oxygen content and another very difficult phrase known as MMT or methylcyclopentadienyl manganese tricarbonyl. The oxygen content of gasoline is important for low emissions of carbon monoxide and can be raised by gasoline additives, one being ethanol about 10 per cent by volume, to achieve the suggested oxygen level. However, there are important questions in developing an oxygen level less than the number in Bill C-226.

MMT is not allowed by regulation under the United States Clean Air Act. It is widely used in Canada and is a potential issue for vehicle manufacturers. They are faced with a different gasoline than used for 92 per cent of the vehicles in the Canada-U.S. fleet. It is a very significant thing that the gasoline we use in Canada with MMT is not allowable for 92 per cent of the fleet produced in an integrated fashion by Canada and the United States. Ninety-two per cent of that is represented by the U.S. market.

Evidence of direct harmful effects, or of significant effects to vehicle emission control systems is not yet clear. The Ethyl Corporation, maker of the MMT additive, continues research and representations in Washington with a view to having MMT allowed in the U.S.

Environment Canada with its responsibilities under the Canadian Environmental Protection Act and Energy, Mines and Resources Canada are both well aware of these issues. These departments along with Transport Canada are in close contact.

Fuel standards are extremely technical in nature and it is vitally important to the environment that gasoline should be compatible with vehicle emission controls. Comprehensive fuel regulations need to be developed and kept up to date with rapidly changing technology.

Whereas the intent of Bill C-226 to foster cleaner gasolines has merit, the mandates it contains to bring about changes in fuel quality are not appropriate primarily of course for the marketing reality that I mentioned earlier of 92 per cent of the integrated market being in the United States where MMT is not allowable.

There is, however, an established process for considering new fuel specifications and this should be followed in the quest for cleaner fuels. Federal departments, the Canadian General Standards Board, provincial governments, and the oil refining and vehicle industries are all following this subject very closely. A workshop was convened in October by government departments and the Canadian Petroleum Products Institute to discuss the opportunities and the costs associated with gasoline reformulation. This workshop involved the numerous parties which would be affected by the fuel changes, including the motor vehicle industry and environmental organizations.

To ensure proper consideration, therefore, of the complex technical and environmental health and economic issues involved in this whole question of fuels and contaminants, the established process is the one that we on this side feel should be encouraged.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, I do not know where the member for Fredericton—York—Sunbury gets his information from, but it seems to me he is sadly unaware of the fact that MMT, which he discussed in his intervention, has been banned in the United States since 1978. Therefore, it is very unlikely it will ever be allowed again as he implied in his speech.

We have before us for discussion today a very reasonable and interesting proposal, namely a bill that would reduce automotive pollution. It is proposed by the member for Lambton—Middlesex. It is a bill that commands attention and respect. It will have three results if implemented. It would ban a substance that is detrimental to health, namely MMT, which is an additive to gasoline. It would reduce certain emissions that cause various forms of air pollution. Also, it would promote the use of a renewable source of energy called ethanol which is produced from corn and would add considerably to the agricultural economy.

The title of the proposal alone, namely an act to reduce automotive pollution, should be enough to generate positive supportive interventions on the part of backbenchers of all parties. Only a Conservative government would argue against it. This is what we have seen throughout the debate on this measure.

The last time we debated this bill on November 23, the government trotted its big artillery into the Chamber which revealed in the course of the discussion the weakness of the arguments.

Let me quote, for instance, the parliamentary secretary for national health and welfare, as reported at page 13764 of *Hansard*. She said:

> The elderly may be susceptible to brain damage from manganese but we lack the knowledge about both susceptibility and differences in metabolism in this particular group.

Manganese is what we are talking about when we mention MMT. The parliamentary secretary for national health and welfare seemed blissfully unaware of an Environmental Protection Agency decision which made a specific reference to manganese containing the substance MMT as follows:

> During EPA's consideration of the 1990 ethyl submission, EPA's office of research and development conducted a manganese inhalation risk assessment based on the available data which found that:
>
> —because of the considerable uncertainties and data gaps in the available information it is not possible to conclude definitely that the increased use of MMT as a fuel additive will (or will not) increase public health risk.

• (1740)

Obviously the Environmental Protection Agency did not rule out MMT as a risk to public health. This is a point which seems to have escaped the Parliamentary Secretary to the Minister of National Health and Welfare as well as the member for Fredericton—York—Sunbury.

Then on November 23 we had an intervention by an esteemed colleague whom I admire and respect, the member for Parry Sound—Muskoka. He said in his intervention that ethanol increases nitrous oxides. That is true, but ethanol blends reduce carbon monoxide and hydrocarbon emissions while an increase in nitrous oxides takes place. The over-all effect is a net reduction of ozone-forming acids. That is a point that has escaped the spokespeople on the government side.

The member for Parry Sound—Muskoka went on to quote the Ethyl Corporation. It is tantamount to putting the fox in charge of the chicken coop to start quoting the Ethyl Corporation on matters related to pollution.

There was an interesting quotation in the speech by the member for Parry Sound—Muskoka when he said:

> Our interventions to regulate fuel quality should only be where no other mechanism will achieve the desired result.

He invoked the idea that voluntary co-operative efforts of the fuel suppliers and motor vehicle manufacturers should take place. He remarked:

> Market based approach has proven effective and therefore the government will continue to support and facilitate these efforts.

When it came to acid rain the member for Parry Sound—Muskoka was a very active participant and promoter of government intervention. One wonders why the same approach should not apply when it comes to gasoline additives and automotive pollution.

The member for Parry Sound—Muskoka went on to say:

> The benefits of removing MMT should be addressed and development of a comprehensive strategy on fuel quality should take place.

After eight years in power it is outstanding that such a declaration should be made, having had five subsequent environment ministers and having had to invoke the necessity of a comprehensive strategy. Where is this strategy, one wonders?

Then we have the Parliamentary Secretary to the Prime Minister asking on November 23:

> Is it reasonable to pre-empt a comprehensive review of gasoline specifications and environmental impacts under way in Canada?

Which review is that? By whom? With whom? When? Where are the public consultations?

The Parliamentary Secretary to the Prime Minister went on to say:

> If MMT were not allowed, gasoline costs would increase likely leading to higher gas costs to consumers.

What about the lower gasoline cost in the United States where MMT is not used because it is banned? How do the Americans achieve that miracle of selling unleaded gasoline at lower cost than in Canada and not using MMT?

In essence, to sum up, government members in desperation are using studies by industry. The Parliamentary Secretary to the Minister of National Health and Welfare admits that the elderly may be susceptible to brain damage. The same parliamentary secretary admits that we have knowledge on manganese and health, but she prefers to shift the onus of proof that manganese is not dangerous to the health community rather than ask industry to prove that MMT is not dangerous. This is a rather absurd position for a parliamentary secretary for health and welfare to take. Instead he should insist that the onus of proof ought to be on industry, that industry should prove that manganese is not harmful to human health.

The member for Parry Sound—Muskoka admits that existing data on MMT are inconclusive. Unfortunately he embraces a double standard, as I mentioned earlier, government intervention on acid rain but not on MMT.

The Parliamentary Secretary to the Prime Minister reveals the existence of a comprehensive review of gas specifications taking place but without public consultations.

A very distressing picture is emerging in the debate on this very fine bill of the member for Lambton—Middlesex. We can congratulate him for having taken this initiative. It is good for the farmers. It is good for urban dwellers. It is good for the improvement of air quality and ought to be enthusiastically supported on all sides of the House.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I welcome the opportunity to speak on this bill today. I will cut my remarks short in order to allow other hon. members who want to speak on the bill the opportunity to speak.

I want to congratulate the member for Lambton—Middlesex on all his hard work and diligence in bringing this matter before the House.

The environment, renewable resources and a viable agricultural community are all extremely important concerns this House has looked at for some time. Ethanol, an environmentally sound product which we have in abundance, really relates to all three of those concerns. Ethanol is good for the environment. It is a renewable resource. It creates an additional market for Canadian agricultural products.

Throughout this debate we have heard government members telling the House that MMT is a safe, environmentally friendly product. They say that many health risks associated with MMT have been greatly exaggerated. For this reason they say they cannot support this bill because it would necessarily ban MMT as a fuel additive in gasoline.

The fact is that the government's position is so entrenched that it does not even test for emission standards. When it tests emission standards the gasoline that it tests does not even have MMT in it. A letter to the hon. member for Lambton—Middlesex from the Minister of the Environment dated December 10, 1992 stated:

> Thank you for your letter—Transport Canada's emission testing procedures—The methods it uses in confirmatory emission testing are based on U.S. Environmental Protection Agency certification testing procedures, which are accepted industry-wide, and require that a standardized test fuel be used. That fuel does not contain MMT.

The Minister of the Environment is telling Canadians that we do tests in this country on fuel that does not contain MMT, but everyone driving down the street has MMT in their fuel. This is scandalous. I would gladly put this letter into the record because I think the government has to address the issue seriously. It is a scandalous issue. In addition as spokespersons for the MMT industry, namely Ethyl Corporation, they cannot in good

conscience support this bill. Make no mistake. The government has made its position very clear.

Contrary to what the hon. member for Calgary Southwest has said—and I have indicated to her that I would be speaking on her comments tonight; I realize she is not in the House—there are many health risks and effects at this particular point in time associated with MMT.

Certainly we are all aware of the neurological effects of the key ingredient manganese. Manganese poisoning can lead to learning disabilities and neurological damage. Ms. Ellen Silbergeld, Environmental Defence Fund, who has a Ph.D. from John Hopkins University, made a written submission to the EPA on July 20, 1990, two years ago.

• (1750)

She said:

> We know that manganese at high dose is a demonstrated human neurotoxin with persistent and irreversible pathological effects on brain structure and resulting severe impairments in movement and mental state. We do not know what the long-term chronic, low dose consequences of human exposure to manganese are. We do not know a "safe" level of manganese exposure, particularly for those subgroups that may be at increased risk for neurotoxicity (the young and the aged).

The Liberal Party and people on this side of the House have constantly supported the need for Canada to develop alternative fuels. It is good for rural Canada. I think it is good for all Canadians.

On many occasions we have called on the government to introduce legislation that would seriously support the use of ethanol and ban MMT. We have consistently called on the government to put a program in place for the development of ethanol blended fuels in Canada. All we have seen is government inaction which prompted my hon. colleague from Lambton—Middlesex to bring forward this bill.

Excise tax relief alone is not enough. The $12 million announced last month to encourage production and use of ethanol in Canada is really just a drop in the bucket. It means nothing. It will not help the corn producers in my area and will not help the corn producers in southwestern Ontario.

The ethanol industry does not need more research and development. It needs a serious commitment from this government on ethanol. It needs industry supply for this product and consumer demand for it, which could immediately be realized by banning MMT.

The government needs to take the initiative and then the ethanol plants will be built. That will help Canadian farmers, rural Canada, all Canadians and the Canadian environment.

[*Translation*]

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, we must ask ourselves what will be the impact of Bill C-226 on the fuel-producing industry.

Right now in Canada ethanol blended fuel production is around 18 million litres a year and comes mainly from two plants. The first one is owned by Mohawk Oil in Minnedosa, Manitoba and produces 10 million litres a year. The other located in Lanigan, Saskatchewan also produces 10 million litres a year. It is owned by Poundmaker Ethanol Limited. The Lanigan plant, which started production in July 1991, is the first ethanol plant linked to a cattle feedlot in order to take full advantage of co-products. If, by law, gasoline sold in Canada had to have a 3.2 per cent content of oxygen-containing compounds, we would have to produce 10 million litres of ethanol a day, that is close to 200 times our present capacity. In the short term, we probably would have to increase our ethanol blended fuel imports to fill the gap in production.

However, the possible shortage and the initial dependence on imports would be offset by an increase in ethanol production which would greatly help the farm industry. Many interest groups and segments of our society would benefit from ethanol production and its use as a transportation fuel. Suffice to mention the environmental sector, the agriculture and forest industries, as well as the various opportunities to diversify the economy and employment. That is why in early 1991 the federal government created the Interdepartmental

Committee on Ethanol with the mandate to develop an action plan aimed at promoting ethanol production and use in Canada.

What would be the impact of this bill on the refining industry? Right now Canadian refineries use an additive called MMT which increases by a point the octane rating of the gasoline they produce. Canada is one of the few countries in the world which prohibits the addition of lead in gasoline in order to meet fuel specifications. Allowing refineries to add MMT to their blends gives them a certain flexibility in their production. On the other hand, American refineries do not use MMT in their unleaded gasoline but mix it with their lead blends, which gives them great flexibility to raise their octane rating.

What would refineries do if all of a sudden, the use of MMT was banned?

In the short term, increasing the severity factor in the refining process would probably be the least costly solution for most refiners. Nevertheless, the additional costs have been estimated at $75 million a year, or about 0.2 cents per litre of gasoline. If the severity index were increased in the refining process, refineries would consume more fuel and produce more carbon dioxide, thus going against our efforts to solve the problem of global warming.

This decision would also slightly increase the amount of benzene and other aromatic compounds in gasoline, which in the long run might not help encourage the use of less polluting fuels. To offset the losses in processing and to meet their fuel requirements, the refineries would need 278,000 cubic metres more crude oil, which would force us to import more oil in years to come.

Nevertheless, this bill does not just seek to eliminate MMT. It would also impose the use of an oxygenated fuel as a component of gasoline. In the United States, the most widely used oxygenated fuels are ethanol and MTBE, an ether produced from methanol and butane. In most cases, MTBE is the cheaper of the two and American refiners use it even without a tax break.

To meet the oxygen content requirements of this bill, we would have to use more MTBE than present gasoline standards allow. If these standards were more flexible, refiners could use MTBE and remove MMT from gasoline without increasing the severity factor in oil refining, as I already explained. Nevertheless, as a result, gasoline production costs would rise by about $300 million a year, or 0.8 cents per litre.

If refiners used ethanol to comply with the oxygen content standards and could meet the demand, they could replace MMT without increasing the severity factor in the refining process. However, this solution would be even costlier than using MTBE, and even taking account of the decision made in the budget to abolish the excise tax on the alcohol portion of mixed fuels, the refineries' annual operating costs would increase by $600 million, or about 1.6 cents per litre of gasoline.

Who would pay these costs? The refineries. But given the difficult economic situation of that industry, I expect they will be under strong pressure to pass the bill on to gasoline buyers. Thus Canadian consumers would pay much of the extra cost.

Should consumers be glad to pay the cost of a product that will improve environmental quality? That depends on the balance between product cost and environmental benefits that the consumer can observe around them.

As people have said, we do not know very well how good it will be for the environment to remove MMT from gasoline and impose a very high oxygen content. In some cases, it might improve air quality locally, but in others, air quality might be worse. In fact, it all depends on what environmental problem is being dealt with.

That is one more reason to set gasoline specifications after a thorough technical examination. We must ensure that the proposed changes to the specifications will improve air quality in cities and not worsen it, and that this improvement will benefit consumers in return for the extra costs they will have to pay.

• (1800)

In short, by supporting Bill C-226 moved by my colleague on the other side, we must not encourage the setting of arbitrary specifications that would serve no other purpose than to impose the marketing of ethanol. Instead, we must continue to examine possible changes to various gas blends, as CGSB does, and carry on consultations with the provinces and the automobile and petroleum industries. Finally, we must also maintain the

government's ongoing initiatives to stimulate production and use of ethanol.

The Acting Speaker (Mr. Paproski): The time provided for the consideration of Private Members' Business has now expired.

According to Standing Order 93, the item 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.

REFUGEES

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, in late May of this year Vigil, a Toronto-based refugee support group, announced that it would no longer make requests to the minister of immigration to admit refugees on humanitarian and compassionate grounds because, it said, the minister was systematically turning down every such request. This position announced by Vigil was supported by many other refugee support groups working in Canada.

The figures justify what Vigil had said. For example, in the period January 1, 1991 to April 22, 1992 only 23 of 3,485 cases were admitted on the basis of humanitarian and compassionate grounds. For the entire year of 1991, in Quebec only four out of 884 cases were admitted, and in Ontario only 16 out of 2,288 cases were admitted.

What I am talking about is a discretionary power given to the minister in the Immigration Act to admit refugees and other immigrants, especially refugees, who have gone through the process but for one reason or another, despite the merit of their case, it is turned down, either due to mistake, forgotten evidence, the fact that new evidence has come on after the case was heard, error, or whatever.

The power given to the minister to admit cases on humanitarian and compassionate grounds was the last resort given to refugees—I am talking about meritorious refugees, not phoney ones—to have their cases heard and to be granted admission to this country.

I am not talking about the humanitarian and compassionate review which is done at local levels throughout Canada after a refugee's case is turned down by the Immigration and Refugee Board. There is an automatic review at the local level of all cases turned down locally by the Immigration and Refugee Board. I am not talking about that.

In answer to my question on June 2, the minister said that 8,000 had been admitted in 1991. He is talking principally of those cases which are reviewed at the local level. I am talking about the direct appeals to the minister.

On June 2 I asked the minister why he was systematically turning down all these cases, why he was changing the policy under the former minister. That discretionary power had been used with good judgment. He gave me no answer.

During the debate on Bill C-86, the minister announced that he appointed Gordon Fairweather to recommend criteria for the use of that power. I welcomed that announcement, but I want to know today when Mr. Fairweather will report. When will we have these criteria in place and will the minister not use this power in the interim period and those cases that are flagrantly admissible? There are some cases where it is obvious the individual is a refugee but there has been an error. Would the government please at least—

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

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I have quite a long answer here but I will try to get part of it in on the record.

I would first like to place the question in context of noting that persons who have been refused have already been through a pre-inquiry on humanitarian and compassionate review, the most generous refugee determination process in the world with regard to acceptance rate.

We are interested in offering protection in Canada to those persons who are individually in need of protection. The primary criteria of this post-review was to take place after second level of CRDB refusal. It is to ensure that we do not remove persons who would become a "person of circumstance case" with respect to refugee review climates.

As surely good people, we must also consider that over one million people each year inquire about immigration into Canada through a normal process. These decisions are made on a case by case basis, taking into consideration all aspects of the case.

In addition, the government has undertaken as part of Bill C-86 to seek regulatory powers which will allow the creation of special programs on public policy on humanitarian consideration.

FUR INDUSTRY

Mrs. Ethel Blondin-Andrew (Western Arctic): Mr. Speaker, I am very happy to have the opportunity to once again address the issue of the fur industry and the sealing industry.

As you have probably noted in my request to appear again, I am not satisfied with the answers that I received during Question Period and I have asked for an adjournment debate.

I want to deal with the obstacles this industry is currently facing. The economic livelihood, of course, of the Inuit peoples and the people of Newfoundland is being seriously jeopardized by these rather callous and insensitive, mostly foreign financed animal rights campaigns which have unfairly targeted what is left of the sealing and fur industry in this country, an industry which is also sustainable and environmentally friendly and a cultural way of life.

I have asked the Minister of Indian Affairs and Northern Development to make a commitment for the protection of the livelihood of these peoples by launching a counter ad campaign. I feel that would be very effective and would at least send a message out that the fur industry is not up for the abuse of foreign financed organizations which do not really care about the livelihoods of the people of Canada, the original peoples of Canada. I urge the Minister of Indian Affairs and Northern Development to make that commitment.

In light of the finance minister's recent economic statement in which we can expect 10 per cent cuts in funding to a number of vital aboriginal programs, I want to stress the importance of this government continuing its commitment to organizations such as Indigenous Survival International and the Fur Industry Defence Program. These organizations provide a voice for the fur industry in this country and also struggle to provide that Canadian sealers and trappers have the tools they need to struggle for their economic survival.

Last Wednesday the Minister of Finance announced that this government's priority was to build confidence, enhance growth, create jobs and help Canadians take advantage of new opportunities. He also stated that: "Trade is Canada's life-blood".

After almost 400 years, Europe still takes 75 per cent of our wild fur production. The incomes of 100,000 Canadians depend upon access to that market. In 1995 the European Community law will try to end this remarkable trading record by placing severe restrictions on most wild fur exports. If this government is really committed to keeping the Canadian fur trade competitive, the Minister of the Environment together with the Minister for International Trade and Industry, Science and Technology must reaffirm that their departments each will provide the adequate funding needed to complete the trap standards and research work required to satisfy and meet 1995 European Community humane trap requirements.

In addition to this, the Minister of Finance, who says he is committed to helping Canadians take advantage of market opportunities, needs to assure the trappers and sealers in this country that the proper educational and new trap technology training programs and information must be made available. This government must not let three-quarters of our market slip away, never to be regained again.

It is time for this government to take action and make a firm commitment on this national and fast becoming international issue. Mr. Speaker, you and I are both advocates of the fur industry, as I know only too well. We both wear fur publicly and I encourage our leaders and our elected officials to do likewise.

I would also like to say I want to wish all those hard-toiling individuals out on the trapline a very merry Christmas.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, it is a pleasure for me to respond to my friend from Western Arctic, particularly in the presence of my friend from Timiskaming who has taken such a lead role in his work with the fur industry over a long period of time. The fur industry is, in fact, Canada's oldest industry. There has been a wild fur industry in this country for over 400 years. The reality is 95 per cent of the Canadian market is in Europe. If we want to continue to trade with Europe we must protect the interests of the constituents of my colleague opposite and from other parts of the

Arctic. We must protect the trappers in northern Ontario and other parts of this country, as well as the people of Newfoundland and Labrador who depend so heavily on the seal industry.

• (1810)

We must recognize we have to have a realistic approach in response to the European legislation. Its demands have made it very difficult for our trappers. However the response of government, the fur industry and those who depend so heavily on it has been to sit down and work together. We must ensure we have the proper trapping methods available to all so we comply with European law, but we must also have the skills and tools my hon. colleague talked about available to us.

There has been an extensive amount of training provided to aboriginal peoples and there is a special emphasis on replacing any outmoded equipment. The co-ordination over the last five years has been provided by Indian Affairs and Northern Development. There is a renewed commitment by this government to ensure that program is in place for the next five years to protect those markets and ensure the people of this country who have depended so long and so heavily on the fur industry can do so in the future.

EXTERNAL AFFAIRS

Mr. George S. Rideout (Moncton): Mr. Speaker, I recently asked a question of the minister of external affairs dealing with David Spencer and Christine Lamont who are in prison in Brazil. The answers I received from both the minister and the Prime Minister have me concerned. They are indicating the request for expulsion would not be automatically granted. I agree with that, but they go further and say it has not been granted in modern times and is not the type of thing that could be utilized. Yet the evidence I have which the justice committee received indicates quite clearly the expulsion order would be expedited quickly and has been granted in the past. In fact, a Chilean was expelled from Brazil just within the year.

There are precedents for this particular remedy under Brazilian law. The Prime Minister, in an excellent response to my question went into great detail. But one thing he said which has me concerned is that Christine Lamont's illness was just a minor thing, a swelling in the legs. From the information we are given, that may well be the case, but in all likelihood something more serious is causing that particular problem. It ranges anywhere from tuberculosis to AIDS. Those are serious matters and I do not think the Prime Minister should simply just cast that away and say: "Well, it is not that serious. It is just a minor thing".

The third thing that really has me concerned is I spoke with the premier of the province of New Brunswick, Frank McKenna who said he had a meeting with the Prime Minister and the Prime Minister assured him he had already requested expulsion and was committed to that. However, when the Prime Minister responded to my question he said that no, that was not the case, that he never made the commitment to the premier. I do not want to get into a fight between the Prime Minister and the premier of New Brunswick, but there is a very wide difference between what the Prime Minister is saying and what the premier is saying. I think it is incumbent upon the Prime Minister to clarify his position and clarify just exactly what is going on with respect to the commitment he made to the premier of New Brunswick.

All in all when you translate it, according to the minister's own officials this matter can be dealt with very quickly on a state to state level. If a request came from Canada to Brazil, the minister of justice in Brazil promised to expedite the matter just as quickly as it could possibly be done. Many people in Canada and I feel this is an excellent opportunity to get two Canadians back to Canada. No matter whether they are guilty or innocent they have served three years in a Brazilian jail. If they were here in Canada they would probably be eligible for parole. If they were Brazilians they would be eligible for parole. Now we have an opportunity for Canada to intercede on their behalf and bring them back to Canada.

This is the step that we would like to see. For that reason the response of the Prime Minister and the Secretary of State for External Affairs is quite frankly unacceptable to the families and to a number of Canadians.

It is time that we looked out for these Canadians, as well as other Canadians who are in other jails and who are experiencing similar problems. We have a chance and an opportunity to act on their behalf and we ought to do so.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I listened with care to my hon. friend from Moncton. As he correctly said the Prime Minister did give a very complete answer to this question yesterday. I do not think the Prime Minister would have committed himself to do something that he knew he could not do.

It cannot be assumed that if Canada were to ask for the expulsion of Christine Lamont and David Spencer it would be granted automatically. While the Brazilian president has the discretionary authority to grant expulsion, it has been emphasized to us that there is a clear distinction between the authority, as set out in the Brazilian constitution, and the practice by which that authority is exercised.

We have been told that in practice expulsion would not be granted while appeals are under way or before the convicted prisoner has served his or her sentence. We have also been told that the Brazilian government would not agree to expulsion in these circumstances because it would amount to unwarranted interference by the executive branch of government in the affairs of the judiciary and would discriminate against the other defendants who would not be released or expelled.

The case of the Chilean who was recently expelled from Brazil bears no resemblance to this case. There was no court procedure under way in Brazil in his case, nor was he even in custody. The Chilean authorities wanted him in order to provide information on individuals for whose disappearance during the Pinochet regime he is alleged to have been responsible. This is essentially an extradition case and was handled by expulsion because it is a more rapid procedure.

On many occasions the Secretary of State for External Affairs has expressed concern over the severity of the sentences received by Ms. Lamont and Mr. Spencer. These sentences and the convictions themselves are being appealed in the Brazilian courts. The Canadian embassy in Brasilia has been working actively to ensure that both the appeal of the convictions and the appeal of the sentences move forward as quickly as possible.

Unfortunately, the appeal of the sentences received a set-back on November 30 when the judge ruled that an essential document was missing from the appeal documents, but this ruling was immediately appealed by the lawyers representing Ms. Lamont and Mr. Spencer. The embassy will continue to do everything possible to ensure that the appeal process keeps moving expeditiously.

The embassy's efforts to hasten the ratification of the Transfer of Offenders Treaty between Canada and Brazil, which was signed last July 15, have also been achieving some success. The treaty was approved by the foreign relations committee of the Chamber of Deputies yesterday and we are told that it will be forwarded to the justice committee today.

Finally, I would like to reaffirm that the consulate general in Sao Paulo is doing everything possible to ensure the safety and welfare of Ms. Lamont and Mr. Spencer. Last week when the consulate general learned that Ms. Lamont was suffering from swelling of the ankles it immediately dispatched a Canadian doctor to examine her. After consultations with the prison doctor who had examined her previously and with Ms. Lamont's lawyers arrangements for blood tests at a private facility were made. The consulate general provided sterile syringes for the blood test. It will continue to monitor the situation closely and provide all possible assistance.

AGRICULTURE

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, last Friday I rose in the House to ask the Minister of Finance and the Minister of Agriculture a question with respect to the Crow benefit.

Western Canadian farmers are at a disadvantage in western Canada because they are hundreds of miles from port. In fact, in some cases they are over 1,000 miles from port and have to ship their grain long distances to those ports. The Crow benefit, and before it the Crow rate, has been instrumental in the grain transportation system as we know it in Canada.

Today, the grain transportation system accounts for tens of thousands of jobs and creates hundreds of millions of dollars for our Canadian economy. When the minister cut the Crow benefit it took $73 million directly out of the pockets of western Canadian producers and put in jeopardy the future of the whole Canadian grain transportation system. In fact, the loss of the Crow benefit will destroy this system unless alternatives are put in place.

• (1820)

The history of agriculture that this government has certainly does not show confidence in this government by the western Canadian producers because it has spent billions of dollars on agriculture in this country but the money has not been spent with any real objective in mind. We still have farmers losing their land, we still have problems in agriculture, we still have rural communities disappearing.

Taxpayers should be upset, farmers should be upset, rural communities should be upset at the waste of money that this government has spent on agriculture. What is even more disparaging is the fact that this money could have been spent much more wisely and with a much greater benefit.

The fact that this government is removing the Crow benefit causes me a lot of concern and causes farmers right across this country a lot of concern. Unless there is something to put in place of the Crow benefit there are going to be grain shipments south. They are going to be going through different ports and our transportation system as we know it is going to disappear.

Right now the St. Lawrence Seaway is in severe difficulty because it is not receiving the grain shipments that it feels it should and it is having financial difficulties. There have already been shipments of grain that have gone through the state of Washington as an experiment. Some of the grain companies are already talking in terms of moving grain south.

It is going to wreak havoc on the economy of western Canada if those procedures continue, if the Crow benefit continues to be reduced and if the Crow benefit disappears. The only reason grain is not moving south right now is the Crow benefit which provides a financial advantage for the farmers to move their grain on the Canadian lines. If the Crow benefit is gone, if the Crow benefit disappears, what we are then going to see progressively is more and more grain moving south.

Look at the subsidized Mississippi River route that the Americans employ. If somewhere down the road they change their attitude toward subsidies and if the cost goes up we may find ourselves in Canada unable to ship grain via the Canadian route simply because we have not taken into account these alternatives.

I would like to ask the government, at a time when it is reducing the Crow benefit, at a time when it is taking money out of the farmers' pockets, what alternative programs does it have in place? What is its plan? When it reduces the Crow benefit, when it loses the Crow benefit, what is it going to put in place to ensure that we have not only farm families in viable rural communities but a viable and healthy Canadian grain transportation system?

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, in considering the impact on agriculture of the economic statement by the Minister of Finance, it is important to examine the whole package of measures.

In seeking the control of the over-all budget, the government is asking many groups to make sacrifices and adjustments. The government has exempted some groups and most important it has exempted the major safety net programs for farmers.

The safety net programs are the core measures through which governments and farmers together have organized to protect farmers against unfavourable markets or production uncertainties. The government recognizes that prices to farmers are among the lowest in history, but that is precisely why we have in place the Gross Revenue Insurance Program, the Net Income Stabilization Accounts, Crop Insurance and the National Tripartite Stabilization Programs. These programs are completely exempt from what the government is asking in other areas.

The over-all impact of reducing the WGTA subsidy by 10 per cent on the well-being of prairie grain producers will be small. At most, it would reduce operating margins by two per cent. What will be much more important will be world market developments and growing conditions in 1993. At the same time, it is estimated that net operating margins of beef and hog producers will increase by about one per cent.

The 10 per cent reduction in grants and contributions, including the reduction in the dairy program subsidy, while significant and meaningful, will not put individuals or subsectors at risk. The supply management system provides protection to the dairy sector that is more important and more valuable than a small reduction in the dairy subsidy.

The reintroduction of the 10 per cent investment tax credit for the balance of this year and for all of 1993 will provide significant benefits to farmers on the purchase of new machinery and equipment.

I would like to table the balance of this so that the hon. member can see that we are certainly working with the agricultural community.

ABORIGINAL HOUSING

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, last Friday, I asked a question of the minister of aboriginal affairs concerning aboriginal housing.

I note the parliamentary secretary in the House is a faithful attender in the aboriginal affairs committee so he will be aware of the extent of the problem relating to aboriginal housing which the committee has been studying over the last several months.

What prompted my question was that a few days ago the associate deputy minister made a statement in the public accounts committee that of the 70,000 units of aboriginal housing stock in the nation, 35,000 of those units were unliveable. I would like to quote the associate deputy: "Thirty-five thousand units at this stage of the game would be what I call adequate and suitable, liveable in other words".

That statement was so shocking that I decided to bring the issue to the attention of the House during Question Period. When you consider that 35,000 units or half of the existing aboriginal housing stock is unliveable, that there is a backlog of housing units according to the Auditor General of 10,000 to 11,000 units that need to be built and that, when you add in the Bill C-31 requirements for people newly reinstated as aboriginal people under that bill, they require an additional 13,000 units.

The requirement for aboriginal housing stock is 59,000 units. The government is doing virtually nothing to deal with this backlog. The Auditor General's cost estimates, if they are extrapolated to the whole problem, would indicate that the total cost of eliminating the backlog of aboriginal housing would be $2.1 billion, or half the cost of the government's attack helicopter program. I want to emphasize that that cost is just to deal with the backlog.

My reason for asking the question was to point out that in the financial statement of the Minister of Finance, he did not include aboriginal housing as one of the job creation programs. Rather he included transportation infrastructure and transportation megaprojects.

I want to draw the attention of the House to the fact that if aboriginal housing could be included under the minister's financial statement, it would have created jobs in aboriginal communities where those jobs are desperately needed. It would have created new housing which would have reduced the problems related to overcrowding such as drug abuse, sex abuse, family violence and all of those things that were pointed out by witnesses in our committee were problems with aboriginal housing.

It would have created needed employment in those aboriginal communities because building housing is the most job intensive way of investing capital that a government can do. I hope that the parliamentary secretary will have a positive response as compared to the one given to me by the member for Lincoln when she misled the House by her answer last Friday. I am looking forward to that answer.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, it is a pleasure for me to be able to respond on behalf of the Department of Indian Affairs and Northern Development.

My colleague from Comox—Alberni makes reference to the Standing Committee on Aboriginal Affairs and the work it is doing on a study of aboriginal housing.

A number of the concerns that we are all aware of and some of the ones that he has alluded to are addressed in that report, not the least of which is that there is not enough money. That is clear. Not enough money is something that unfortunately faces all governments in this country, and it comes down to the ability of the government and therefore the society to respond to the need.

Clearly, as the report will point out, there are a number of needs other than just money, not the least of which is the way we deliver the programming and the best way that aboriginal people and aboriginal communities can take advantage of the housing.

One of the problems at this point is that to spend money in housing does not in fact provide the local benefit that we would like to see and we think possible. However, I think it is important to recognize that DIAND's responsibility for housing on reserve has led to a commitment that has increased by 34 per cent in the last five years, from $102.7 million to $137.8 million. This fiscal year alone, the Minister of Indian Affairs and Northern Development has budgeted $300 million in direct contributions to First Nations governments. He will also provide about $127 million in guarantees for on reserve housing and CMHC will invest $100 million this year in on reserve housing as well.

Ninety-one per cent of the housing on reserve has brought adequate water service. Seventy per cent of the current housing stock on reserve has been constructed or renovated in the last 10 years.

As we have discussed and we agree, there was much to be done. One of the things that the department has undertaken is a major study of the housing need itself. There has been a broad consultation with First Nations. The government has spent about $2.5 million on that consultation and held over 250 meetings with a variety of First Nations and their representatives.

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow morning at 10 o'clock a.m. pursuant to Standing Order 24(1).

The House adjourned at 6.31 p.m.

HOUSE OF COMMONS

Friday, December 11, 1992

The House met at 10 a.m.

Prayers

[*English*]

PRIVILEGE

MEMBER FOR LOTBINIÈRE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I rise on a question of privilege.

The news last night and this morning indicated that the hon. member for Lotbinière has been convicted of misuse of funds of the House of Commons. Members of the House obviously have refrained from making any comments until the final resolution had taken place.

We have learned of the conviction and now the House must decide. Normally the member would have resigned and maybe that has already taken place. Perhaps I could seek some information from the government side.

It is the tradition of this House always to discipline its members in addition to the discipline meted out by the courts.

Mr. Speaker, I would ask that you give some guidance regarding the consideration of taking action on this case. If there is a particular course of action to be taken I would be prepared of course to move the appropriate motion.

Right Hon. Joe Clark (President of the Privy Council and Minister Responsible for Constitutional Affairs): Mr. Speaker, the member for Kamloops and I have roughly an equivalent formation in the law and he would know as I do that this is a matter which may still be before the courts.

He made reference to the wisdom of the House in letting court processes be carried through to their conclusion. It would seem to me, Mr. Speaker, for your guidance, that was a prudent course at the time. In the circumstances, it remains a prudent course.

It would be well for all of us to respect the difference between the political functions that occur here which always require some restraint and the functions of the courts.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my colleague and friend from the New Democratic Party has made an intervention. I wish the record to show that in the adjudication announced by the courts the sentencing will not take place until the new year.

There may be appeals. There could be questions of law which would thereafter be examined in a higher court. Mr. Speaker, I am not attempting to advise you on all the aspects of law, but I do not believe at this time it would be the most appropriate thing to do in view of what the courts have before them.

I would suggest that you give careful consideration to the interventions made by the Minister Responsible for Constitutional Affairs and me.

Mr. Riis: Mr. Speaker, I want to make it clear to my hon. friends this was not intended to mean that we should act in haste.

This was the first opportunity we have had since learning the news. I felt that we should at least seek some clarification as to what the course may be.

Having heard these interventions in terms of the recognition of the right of appeal, we await some advice from you, Mr. Speaker.

Mr. Speaker: The hon. member for Kamloops has raised a matter which of course is of importance to this House. The right hon. minister has responded on the government side and the hon. member for Cape Breton—East Richmond on behalf of Her Majesty's Loyal Opposition.

The matter raised is the announcement of the conviction of a member of Parliament for certain offences.

There is a convention which I expect would be followed. It is that the court will inform the Chair officially of what has transpired. I do not anticipate receiving that this morning or maybe not even for some days.

The other matter referred to is the question of an appeal. I am not in a position, nor I suppose are hon. colleagues, to know whether an appeal would be taken. I think we should look carefully at that.

Again, we do not know what is likely to transpire at the sentencing or what arguments may be used by the defence at that time, all of which would affect whatever action this place might ultimately take.

• (1010)

We had a matter like this some years ago. Hon. members will remember that I took the matter under advisement to consider my position and to consider what was appropriate under the circumstances. As it turned out, the matter was resolved without the necessity of the Chair having to make any ruling at all.

However, the hon. member for Kamloops has, as he said, brought this matter to the attention of the House at the first possible opportunity. If I understood him correctly, he is not suggesting that the House should take any sudden action today, but when it is appropriate under all the circumstances.

I will take the application of the hon. member under advisement. As soon as I am in a position to advise the House further I shall do so.

GOVERNMENT ORDERS

[*Translation*]

THE CONSTITUTION

NEW BRUNSWICK CONSTITUTIONAL AMENDMENT PROPOSAL

Hon. Bernard Valcourt (Minister of Employment and Immigration) moved:

WHEREAS section 43 of the Constitution Act, 1982 provides that an amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province to which the amendment applies;

NOW THEREFORE the House of Commons resolves that an amendment to the Constitution of Canada be authorized to be made by proclamation issued by His Excellency the Governor General under the Great Seal of Canada in accordance with the schedule hereto.

SCHEDULE

AMENDMENT TO THE CONSTITUTION OF CANADA

1. The Constitution Act, 1982 is amended by adding thereto, immediately after section 16 thereof, the following section:

"16.1 (1) The English linguistic community and the French linguistic community in New Brunswick have equality of status and equal rights and privileges, including the right to distinct educational institutions and such distinct cultural institutions as are necessary for the preservation and promotion of those communities.

(2) The role of the legislature and government of New Brunswick to preserve and promote the status, rights and privileges referred to in subsection (1) is affirmed."

2. This amendment may be cited as the Constitution Amendment, year of proclamation (New Brunswick).

He said: Madame Speaker, in the parliamentary life of any politician, there are moments that have special significance and remain engraved on our hearts for a long time. Today is one of those moments.

From the time of our earliest forebears and during the relentless efforts of past generations to carve out a place in this difficult landscape, to create a safe home for their language and culture, our country—which is more than a mere territory—has been a crucible in which was forged a historic reconciliation of two languages and cultures.

[*English*]

We are witnesses today to the culmination of a long historical development which is also the beginning of a new journey for the English and French linguistic communities of New Brunswick and indeed of Canada. Today is one of those history-making moments for New Brunswick's two official language communities.

The constitutional resolution we are proposing to pass today will entrench in Canada's Constitution the main provisions of an act recognizing the two official linguistic communities in New Brunswick.

This constitutional amendment recognizes the principle of equal status, equal rights and equal privileges for these two language communities. In particular, it recognizes the right to the separate educational and cultural institutions that are necessary for their protection and promotion.

It also reaffirms the role of New Brunswick's legislature and government to protect and promote the status, rights and privileges of these language communities.

The constitutional amendment proposed by the New Brunswick legislative assembly is the fruit of a number of years of constant effort by governments and the people of this province.

[*Translation*]

It is the direct consequence of the enactment of the act recognizing the two official linguistic communities in New Brunswick, better know as Bill 88 or the Equality Act, which was passed under the Hatfield government in July 1981.

Bill 88 is much more than a mere legal provision. For New Brunswick's Acadian community, Bill 88 was intended to respond to the legitimate aspirations of Acadian men and women as expressed at the Convention d'orientation nationale des Acadiens, held in 1979 in Edmundston, the principal town in my riding.

I participated in that convention, and the spirit that inspired it bore witness to the courage and determination to equip the Acadian community with the tools it needed for its cultural, linguistic and economic development. Important steps had already been taken at that time.

Former Premier Robichaud, now a senator, had embarked on major reforms, particularly the Official Languages Act and the equal opportunities for all programs. Under the leadership of his successor, Premier Hatfield, and his minister, Jean Maurice Simard, also a senator now, several further reforms were implemented, such as duality in the Department of Education, community centres, schools and so forth.

[*English*]

In the same vein as its predecessors who were the pioneers, Premier McKenna's government supported these reforms and committed itself, with the leaders of the Progressive Conservative and the New Democratic opposition parties to entrenching this recognition of equality in the Canadian Constitution. This was attempted in amendments to the Meech Lake accord of June 9, 1990 and in the Charlottetown agreement.

It should be made clear that at no time during this period and these negotiations did the province of New Brunswick, the provincial governments or the federal government waiver from the purpose of entrenching these principles.

[*Translation*]

I wish to refer especially to the efforts and indefatigable support of the Prime Minister, without whom passage of the resolution today would be far from certain. All official language minorities can count on the Prime Minister as a staunch friend, and I want to thank him personnaly on behalf of all New Brunswickers for his constant support and leadership on this issue.

[*English*]

For New Brunswick's anglophone community Bill 88 and the entrenchment of its main provisions in Canada's Constitution means a number of things.

First, it confirms almost inalienably the road that the two communities have taken together for many years now, the progress they have made together and the future they want to build together as partners, not opponents.

It testifies to an irreversible social maturity that wants to develop a common existence and pass on to future generations of New Brunswickers their desire to continue this social and economic experiment.

This resolution enables anglophone communities which are in a minority situation in some areas to take control of their own cultural and linguistic development in the field of education and other government services.

• (1020)

In a community like Madawaska—Victoria, my riding, the main town, Edmonston, a small community of 12,000 people, has a population of only 4 per cent of anglophones. Because of the spirit in New Brunswick and because of that duality, these people have separate school boards in my home town, district 33. Therefore, this constitutional measure testifies to New Brunswick's generous and creative vision of Canada's future.

[*Translation*]

This province is a microcosm of the Canadian federal reality. On our home ground, by working devotedly, making compromises and above all respecting the reality of others, we have succeeded in creating a climate of understanding that is conducive to fruitful and satisfactory linguistic arrangements.

As you know, the constitutional amendment we are debating today had a proper place in the Charlottetown agreement. When the referendum was held, more than 60 per cent of my compatriots voted in favour of the constitutional agreement laid before them.

In other words, not only did they support the constitutional amendment that particularly affected them, but they were still sufficiently generous to accept the other compromises that would have put us on the road to greater national solidarity and consequently greater prosperity.

However that may be, the possibility of such a bilateral constitutional resolution is provided for in section 43 of the Constitution Act, 1982.

[*English*]

New Brunswick has always been a haven for our two linguistic communities. Many Acadian men and women found refuge there after the deportation in 1755. It was there that the Loyalists, fleeing the United States, established a home following the Treaty of Paris in 1783.

Today this tradition of hospitality to strangers is still very strong among us. New citizens come from all over the world with the goal of building here, with us, a bright future for themselves and their descendants.

[*Translation*]

This constitutional amendment will strengthen this social fabric and give it a permanent foundation. It is also a splendid and significant step forward for the men and women in New Brunswick involved in a continuing search for harmony based on self-confidence and openness to others.

[*English*]

I fervently hope that this example of respect for differences, of tolerance toward cultural diversity and of receptiveness to others spreads throughout Canada. Despite the difficulties that have sometimes marred the development of our national identity, the truth is that we have more things in common to celebrate than we have differences to define.

[*Translation*]

A historic moment such as we are experiencing today, at the beginning of this holiday season when we celebrate men and women of good will, can only strengthen us in our sincere desire to extend the productive lessons of New Brunswick's experience to Canada.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, I am very proud to get up today in this House to support the motion. It is not every day that I agree with the Minister of Employment and Immigration, but I am delighted to get up today to support his motion.

[*Translation*]

As you all know, becoming the member for Beauséjour was probably one of the finest moments of my political career.

[*English*]

To get up today and to speak on this motion gives me great pleasure. The minister referred to an historic moment and it is, indeed, a big one.

It is Canada at its best. This is the generosity, the tolerance, the diversity that has made this country what it is. This is what we are enshrining in the Constitution for New Brunswick.

[*Translation*]

Going around that riding in the past two years, I realized that a third of my constituents were English-speaking and two-thirds were French-speaking. They all live together, but they have their own schools. They share a common life but are separate at the same time.

[*English*]

When you are in Sackville, Dorchester, Cape Tormentine, Port Elgin, you have people who came from the United States to Canada. They were Loyalists who wanted to remain part of what they believed in. In those days it was the British Empire. They did not want to join the American revolution.

[*Translation*]

Then you go to the other side, to Cap-Pelé, Shediac, Buctouche and you see these French speaking people, these Acadians, who were deported and came back, but who kept the French language and culture in absolutely incredible conditions. They are proud of their Frenchness, they are proud of speaking French and very proud of being New Brunswickers; nothing will stop them from remaining French speaking. They are very proud to be Canadian.

If that spirit prevailed in the country from coast to coast, I think it would be the best example that Canada could give to the whole world. When we see the problems in the world today, where people kill one another because of cultural or language differences and you go to New Brunswick or to my riding, the smallest English speaking communities have their school commission, the French speaking community has its school commissions and they live and work together for the economic progress of that community; this is Canada at its best.

Today, as I speak in this House as the member for Beauséjour, I am pleased to support this motion, because in the history of New Brunswick and especially of the French community in New Brunswick, they have taken their destiny in hand, with this unfailing perseverance and determination.

The minister talked about Senator Robichaud, who decided to shake New Brunswick's cage, so to speak, by proposing to make the two language communities equal. Later Richard Hatfield took up the torch and today Premier Frank McKenna is continuing to advance the cause.

[*English*]

For me it is a great day. It is an example that we can be together and at the same time be different in Canada. I have my colleagues with me. The member for Moncton and the other members live that by the day. They are all elected, every one of them, by francophones and anglophones. They manage to keep them happy.

That is the way I would like this country to work. It is not the Charlottetown accord or anything else. This is a commitment of these two communities that was done a long time ago. When we amended the Constitution in 1982, we made provisions so that some amendments could be made to the Constitution in a bilateral way between the provincial and the federal governments.

That is exactly why it is there. There are some elements in the Constitution that affect only one province. It will not be unique to New Brunswick. For example, in Newfoundland they have the duality of the school system based on religion. This does not exist in other provinces. The same thing exists in Quebec. It is not the case in Ontario and other provinces. We need to have that flexibility in the Constitution. It is being used for a very noble purpose today.

• (1030)

In conclusion, I would like to say that it is a great example of understanding, generosity, tolerance and diversity.

[*Translation*]

Since I will unfortunately not be a candidate in the riding of Beauséjour at the next election, I am happy to take the opportunity given me today to support the government's proposal and ensure that the Canadian Constitution will fully protect New Brunswick's French speaking community. This is a great day. I am pleased to support this motion and I take the opportunity to thank the people of Beauséjour who have been so generous to me and my wife these last two years during which I represented them.

[*English*]

All these places, Cape Tormentine, Sackville, Dorchester, Memramcook up to Richibucto, are the best of Canada.

Therefore, it is with great pleasure that I support this motion.

I move, seconded by the hon. member for Acadie—Bathurst:

That the question be now put.

Some hon. members: Hear, hear.

Hon. Lorne Nystrom (Yorkton—Melville): Madam Speaker, I too wish to say a few words on behalf of my party in support of the motion before the House today to amend the Constitution of Canada.

It is really a very rare day indeed in this country when we actually amend the Constitution of Canada. We have spent many hours and many years talking about constitutional reform, but today we are actually amending the Constitution and making this country a better place not just for the people in New Brunswick, but a better place for all of us regardless of where we live.

I am very proud, on behalf of my party, to say that we support the amendment of the Constitution to enshrine in our constitutional law the equality of the linguistic communities of the anglophones and francophones in the province of New Brunswick.

I do that for two reasons. First of all, the process here is the right process and, second, because of the substance of what we are doing today in terms of New Brunswick. In terms of process, this amendment has come through a long and very open process in the province of New Brunswick.

I can remember years ago speaking with New Brunswick people about the process in that province toward the fight for linguistic equality of the two communities. Away back in July 1981 the New Brunswick legislature passed a law guaranteeing the equality of the two official language communities in that province. In 1982, in the Charter of Rights and Freedoms, we had section 16 that guarantees the equality of the French and English languages in the province of New Brunswick, making it the only officially bilingual province in this country.

We can go on to 1989 and 1992 when two legislative committees in New Brunswick recommended further constitutional change after extensive public hearings in the province of New Brunswick.

[*Translation*]

This process has been going on for many years. Right here in this House, the language situation in the province of New Brunswick has already been studied.

I very well remember Mr. McKenna two years ago during the Meech Lake crisis. We also had a committee, chaired by the Minister of the Environment and the same proposal was in the Charest report. In June 1990, we also had a resolution in this House to change the Canadian Constitution for New Brunswick. The motion was already before the House then, but unfortunately it was not presented to the members.

I also remember the Beaudoin–Dobbie report very well. It was supported by every political party in Canada. We also supported the proposal on New Brunswick in the Beaudoin–Dobbie report. Later, we had the Charlottetown accord. Despite the result of the referendum on that accord, the Charlottetown proposal received very strong support in New Brunswick, both from anglophones and from francophones. If I remember correctly, over 60 per cent of the people in New Brunswick supported the Charlottetown agreement. Again, the New Brunswick proposal was included in this agreement, Madam Speaker. It was supported by the people, by the provincial government members and by the members from the three major parties represented in this House.

On Friday, December 4, the resolution was introduced and adopted by the New Brunswick Legislative Assembly in Fredericton. It was supported by the McKenna Liberal Party, by the Conservative Party as well as by the hon. member and leader of the other party at the Legislative Assembly, Elizabeth Weir.

I would like to say a few words about Mr. Hatfield. He was the premier of that province for many years and he fought hard for linguistic equality in New Brunswick. He has accomplished many positive things for the Acadians as well as for the other people of the province.

I can also remember another former premier, Mr. Robichaud, a Liberal premier, who has done exactly the same thing for New Brunswick. The other party has always been quite small in that province, but nonetheless present, as exemplified by Elizabeth Weir last week, at the Legislative Assembly.

[*English*]

For all kinds of reasons of process what we are doing today is the right thing. This has been studied by people in New Brunswick, by committees in that province and by federal committees for the last number of years. It has been before the House previously. It was part of the companion resolution of Mr. McKenna back in 1990. It was part of the Charest report and part of the Beaudoin–Dobbie report. It was supported by all political parties as the right and proper thing to do.

Last Friday the legislature passed it, supported by the three national parties in the province of New Brunswick. They have now asked the federal Parliament, the Senate and the House of Commons, to pass the resolution as

required under section 43 of our Constitution Act to make this an amendment to the Constitution of Canada.

The process has been open, consultative and supported by the people and the legislature of the province of New Brunswick. Of course the resolution applies only to the province of New Brunswick.

The second point I would like to make on why we should be supporting this today is its substance. It is right and just to make sure we have equality between the two linguistic communities in that province. It is an act of generosity, an act of tolerance, an act that reflects our history that we have in this country as a whole two linguistic communities.

New Brunswick is really a microcosm of Canada. One-third of New Brunswickers are francophones and about two-thirds are anglophones. In order for the community to survive and thrive, the equality of those two communities should be enshrined in our Constitution. Our party has always supported minority language rights, openness, generosity and tolerance when it comes to the two languages in this country. I am very proud to be supporting this amendment to the Constitution of Canada on behalf of our party.

I want to conclude by briefly making a couple of more points. The first is that we are doing this in the proper way. In 1981 we had about four or five ways agreed upon at that time on how to amend our Constitution. One way was through unanimous consent for about five different items. The major way was with the support of two-thirds of the provinces, with 50 per cent of the population residing in the province and with the support of Parliament. That was the bulk of the amendments to our Constitution. That was the bulk of Charlottetown.

The third way was a bilateral way where the amendment affects one or more provinces but not all provinces. It had to be passed by the legislatures of those provinces and by the Parliament of Canada, under section 43 of the Constitution of Canada. It is interesting that section 43(b) also refers directly to language issues. It states: "Any amendment to any provision that relates to the use of the English or French language within a province".

What we are doing here is precisely what is called for in terms of the Constitution of Canada as patriated by then Prime Minister Pierre Elliott Trudeau.

• (1040)

That leads me to my last two points. There is a concern by some people that maybe what we are doing here is introducing something new called collective rights. I just want to say that line of thinking is absolutely wrong. We already have in our Constitution many times references to collective rights of people, linguistic rights in terms of the French language and English language all across this country. We have in section 16 of the Constitution the listing of those rights. We also have in section 23 guarantees for official language minorities. Be they English in Quebec for education or the francophones outside Quebec for education, those are collective rights. They are already in the Constitution of Canada.

In addition to linguistic rights and educational rights, we have rights for the aboriginal people that are already part of the Constitution of this country. In addition to that we have rights in Canada for people who come from many different multicultural and multiracial backgrounds. I suppose we could even say that under section 36 we have certain economic obligations of the federal government to provide equalization and regional development plans to help poor provinces, and again that helps collectivities in the poorer parts of the country.

Any challenge to what we are doing today is a very shallow challenge. It reflects people who go back to the 19th century and think the only rights that are important are individual rights. That is a very reactionary thing of the past and something we should be turning down as Canadians. This is a very positive, progressive amendment to the Constitution. It is in sync with what we have done before. It is an extension of what we have done before.

The last point I want to make before I sit down is that I do sometimes worry about the future of this country. I want to say at this time I know that the minister himself worries about the future of this country. The Minister Responsible for the Constitutional Affairs has done many months of very fine work in trying to build a national consensus. It is not just the minister; indeed many people in this House and many of the provincial political leaders across the country have worked hard. That consensus did not achieve fruition. We saw the results of the October 26 referendum.

Despite that, despite the fact that I sometimes worry about the future of this country, I think that within Canada and all regions of this country there is a great feeling that we must keep this country together. There is a great feeling that we must find ways of reforming our institutions, making this institution more meaningful, binding our country together and expressing that tolerance and that generosity to keep the country together as we move on to the 21st century.

I am optimistic about the future of Canada. I think this country is going to work. The gesture of today is a very concrete step in making this country better not only for the Acadian minority, not only for New Brunswick, but for all Canadians regardless of where we may live.

Madam Deputy Speaker: Before moving on I should officially put to the House the motion moved by the Leader of the Opposition a bit earlier. Mr. Chrétien, seconded by Mr. Young (Acadie—Bathurst), moved:

That the question be now put.

[*Translation*]

Mr. Douglas Young (Acadie—Bathurst): Madam Speaker, it is with great emotion and pride that I participate in this historic debate on a motion authorizing an amendment to the Constitution Act of 1982 in order to enshrine: (1) that the English linguistic community and the French linguistic community in New Brunswick have equality of status and equal rights and privileges, including the right to distinct educational institutions and such distinct cultural institutions as are necessary for the preservation and promotion fo those communities; (2) that the role of the legislature and government of New Brunswick to preserve and promote the status, rights and privileges referred to above is affirmed.

The two official language communities of New Brunswick have shown great understanding and generosity, and it is this spirit of liberality and magnanimity that allows us today to enshrine in our Constitution this principle of equality which is so important for our people's harmonious development.

For the Acadian community in my province, the recognition of these rights is the result of a very long struggle. A century ago, the Acadian people gave themselves a few emblems to rally around such as a flag, an anthem and a national day. From these symbolic actions emerged a defensive nationalism, whose first priority is to preserve their language, culture and religion. Eventually they established ways to develop their economy, such as the Acadian co-operative movement, to ensure that the survivors of Grand-Pré would continue to survive.

Rapid progress was made when Louis Robichaud was elected as the first Acadian premier of New Brunswick in 1960. The University of Moncton was founded in 1963 and the Official Languages Act was proclaimed in 1969.

The equal opportunities program launched by Mr. Robichaud in the sixties has been essential to Acadians achieving recognition of the equal status they now enjoy with their English speaking neighbours.

Two figures who followed in the footsteps of Mr. Robichaud also deserve our recognition and gratitude, and I am referring to the late Richard Hatfield, who became premier in 1970, and the present premier, the Hon. Frank McKenna, who on Friday, December 4, led the legislature of my province in passing a resolution that recognizes the equal status of both official language communities of New Brunswick.

I want to thank my colleagues in the New Brunswick legislature whose co-operation made it possible for us to take part in this important event in Acadian history and in the history of New Brunswick and Canada. The support shown for Premier McKenna's resolution by the leader of the Conservative Party of New Brunswick, Dennis Cochrane, and by the members of his caucus, and the support of the leader of the New Democratic Party, Ms. Elizabeth Weir, is tangible proof that friendship and understanding between two official language communities are possible in this country.

I want to thank the Government of Canada, led by Prime Minister and seconded by the hon. member for Madawaska—Victoria and Minister of Employment and Immigration for what they did today.

It is a great privilege to witness this historic day with the Leader of the Opposition who sponsored the enshrinement in the Constitution of the Charter of Rights and Freedoms and who represents a large number of Acadians as the member for Beauséjour in my province. A coincidence, I would say, that proves that luck is always on the side of those who persevere.

On this day, as we witness the end of a long struggle for harmony and the enhancement of both official language communities of New Brunswick, it is also appropriate to mention the many people who worked so hard, often without public recognition, that we might experience this historic moment.

I am thinking of Father Clément Cormier, Martin Légère, Raymond Gionet, Dr. Marcel Sormany, Dr. Alexandre Savoie, Antonine Maillet, Hédard Robichaud, Blanche Bourgeois, the nuns who worked with such dedication in Acadia, Gilbert Finn, Marie-Esther Robichaud, Michel Doucet, Michel Bastarache and many others who worked without respite for equal status for New Brunswick's Acadians.

Madam Speaker, need I add that these pioneers and passionate defenders of the cause acted in the best Acadian tradition by avoiding confrontation and fruitless debate, preferring instead the route of dialogue and compromise.

[*English*]

The English speaking majority in New Brunswick is made up of Canadians whose origins can be traced to many lands: Ireland, Scotland, India, England, Germany, Italy, Pakistan, the United States. The list is very long.

I want to say today to my colleagues in this place that what makes so many of them so very special is that they share a tradition of generosity of spirit and a commitment to fairness and equity that makes me extremely proud to be a New Brunswicker.

[*Translation*]

This day will remain engraved forever in the collective memory of Acadians as the conclusion of one of the longest battles ever fought by a Canadian minority, determined to contribute in a positive way to the development of its province and its country.

This is a solemn moment, and all those who helped write this chapter in our history deserve our admiration, gratitude and respect. In concluding, I want to say this is a great day for Acadia, and I hope that the example set by New Brunswick's two official language minorities will be followed by others across Canada.

Christmas has come early this year for Acadians, and speaking on behalf of my colleagues—the hon. member for Restigouche—Chaleur, the hon. member for Moncton, the hon. member for Miramichi—and all New Brunswickers, I can assure you we are very grateful.

• (1050)

Mr. Gilles Rocheleau (Hull—Aylmer): Madam Speaker, first of all, I would like to point out the big effort of the members from New Brunswick in this House who agreed to table and sponsor this motion today. As members of the Bloc Quebecois, we are extremely pleased to endorse this motion. However, I would like to make some comments.

We did not have a chance to examine it more closely and I wonder whether the Meech Lake accord would pass as quickly if it came back to the House today. The Meech Lake accord let Quebec return to the Canadian Constitution upright and not on its knees. I wonder if the other Canadian provinces would have the courage New Brunswick has in recognizing duality and the founding peoples. I take Ontario for example. It is making slow progress, but should follow New Brunswick's example. Manitoba, Saskatchewan, Alberta and the other provinces should imitate Quebec, for all purposes. But no, that was not done. Furthermore, it was confirmed in the massive rejection of the Charlottetown accord throughout Canada. Not only Quebec voted against the Charlottetown accord, but many other provinces of Canada, like British Columbia, Alberta, Saskatchewan, Manitoba and Nova Scotia; the Toronto region voted yes, but when the outlying regions are included, 50 per cent of Ontarians voted against the Charlottetown accord.

We will support this motion because the Bloc Quebecois would not want to prevent Canada from developing as Canadians want. At the same time, we are showing this House again today that Quebec is being prevented from developing as it wants.

Just a few weeks ago, when the House returned, the minister who tabled this motion, supported by the Minister Responsible for Constitutional Affairs, told us, in answer to a request from the Bloc Quebecois to transfer occupational training to Quebec, that the Government of Quebec's requests could not be granted because the people had voted against the Charlottetown accord. Today these same ministers are tabling this motion and asking the House to agree to pass it on first, second and third reading in the same day, which we will do.

In conclusion, I say that this country, Canada, divided as it might be, is never divided because of Quebec. We in Quebec want the rest of Canada to develop as Canadians want, as long as they let Quebec develop as the people of Quebec want and agree to that.

[*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 yeas have it.

And more than five members having risen:

[*Translation*]

Madam Deputy Speaker: Pursuant to Standing Order 45(6), the recorded division stands deferred until 6 p.m. on Monday, February 1, 1993.

Mr. Plamondon: Madam Speaker, on a point of order. We are prepared to give our consent. If there is unanimous consent, we are prepared to vote immediately, since all three parties are in favour.

Mr. Clark (Yellowhead): If the hon. member wants to reconsider his objection, we are willing to have the question put again, and we are in favour of having a vote immediately.

[*English*]

Madam Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

Some hon. members: No.

[*Translation*]

Mr. Rocheleau: Madam Speaker, we wanted a vote in the House, but we are willing to have the vote held immediately. If a vote is held, we in the Bloc Quebecois will vote in favour.

Madam Deputy Speaker: Unfortunately, when he requested a vote at this time, the hon. member overlooked the fact that unless there is unanimous consent, the House never proceeds with a vote on Fridays. The division is always deferred, unless there is unanimous consent.

[*English*]

Mr. Dingwall: Madam Speaker, when the Chair read the motion that the question be now put, to my colleagues who are in favour of the motion, it simply means that we will have an opportunity to vote on the question which is before us.

I am happy to see that my colleague who has spoken on behalf of the Bloc Quebecois is in agreement with that.

If the Chair were to ask if the motion could go forward, I think it would find a disposition in the House for that unless there were five members who would then stand up and oppose that particular motion. If those members would understand, we could proceed with the vote which I think all members would like to have forthwith.

Mr. Nowlan: Madam Speaker, the situation we are in is that the Chair has already called the vote. Five members have stood to put the vote, and the Chair stated that according to the rules of Friday it would be deferred.

Mr. Clark (Yellowhead): Madam Speaker, it always requires some interpretation of the rules of the House.

My understanding, based upon what I have seen here, is that five members rose, two of whom may not have clearly understood all of the consequences of their rising at that time. As I understood the interventions that were made by the Bloc Quebecois members of the House, it was an indication to the Chair that they would like to have reconsidered the vote that they had cast which had caused this matter not to proceed.

If there are only three members opposed, then the matter can proceed. If there are five, it cannot. My understanding is that the Bloc members wanted to proceed and therefore the only opposition would come from the Independents and the Reform members. I would ask the Chair to put that question again since there has been a clear indication that there had been

some voting without a full understanding of the consequences.

• (1100)

Madam Deputy Speaker: We are now at eleven o'clock and the House should proceed to Statements Pursuant to S. O. 31.

I understand what the hon. minister is saying and what other members have also suggested. However I will need unanimous consent to come back. What I suggest is that not only the Chair but each and every member takes it under advisement until after Question Period when, if unanimous consent is given, I would be delighted to put the question again.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

HUMAN RIGHTS

Mr. Al Johnson (Calgary North): Madam Speaker, yesterday was Human Rights Day and I was therefore pleased that the Minister of Justice tabled legislation to amend the Human Rights Act and that this discussion is now in the public domain.

I was most disappointed, however, that the legislation failed to explicitly define what constituted a family relationship. I am also disappointed that it did not state categorically that spousal benefits were exclusively available to heterosexual families.

I am also troubled that the legislation merely added sexual discrimination to the long list of personal attributes which we do not discriminate against rather than state quite plainly that we do not discriminate against people based on their personal attributes, whatever those attributes may be.

In short, the legislation lacks definition where it needs it and it has too much definition where it does not. I call upon the Minister of Justice to review these amendments to ensure that they do two things. First, they effectively protect all Canadians from discrimination and, second, they strengthen, define and support Canadian families whose existence is the very foundation of our country and the basis for its continued existence.

* * *

HOCKEY CANADA

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, Hockey Canada has been involved in international hockey for 20 years. NHL players donate their services.

I have asked several ministers repeatedly for the complete books and records of Hockey Canada: revenues, expenses, tax receipts, sponsorships, rink board advertising, et cetera.

The U.S. government through the FBI has been gathering this information on Hockey Canada for three years. Why is the Government of Canada not interested in satisfying the NHL players who were involved in these tournaments and who want to see the records?

I believe taking three years to react on the Hockey Canada file is too long.

* * *

QUEEN ELIZABETH II

Hon. Alan Redway (Don Valley East): Madam Speaker, on behalf of myself, my family, members of this House and the people of Canada I wish to convey to our sovereign, Queen Elizabeth II, the Queen of Canada, our warmest best wishes for the holiday season and above all for a most happy, healthy and peaceful 1993.

The past year, the 40th year of the Queen's reign, has been an exceedingly trying and stressful one for her, but through it all she has continued to personify and to demonstrate the finest qualities of the human spirit, qualities which are best demonstrated at times of adversity.

As each of us has our own personal problems and difficulties, times of trouble bring us together. It is at times like this that we can truly appreciate what the Queen symbolizes to us and how exceedingly well she fulfils her role and her responsibilities.

Our thoughts and our prayers are with her. God save the Queen.

S. O. 31

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Madam Speaker, the emergency response program of the Minister of Fisheries and Oceans, announced a couple of weeks ago, was certainly a step in the right direction. It will ease the financial situation for many people, but it excludes some people who really ought to have been included.

For example, seven fishermen at Lord's Cove will not qualify despite their long attachment with the fishery running from 12 years to as much as 46 years. At Rose Blanche, long-time fishermen do not qualify. At Red Harbour, Burnt Islands, Point May, many communities, many fishermen in my riding, many plant workers are also unfairly left out.

There is no argument that the program does what it sets out to do. It eases the pain. I applaud the minister for that, but he must now realize that some people who ought to have been included have unfairly been falling through the cracks.

I invite the minister—

Madam Deputy Speaker: I regret to interrupt the hon. member but his time has expired.

* * *

PEACEKEEPING

Mr. Larry Schneider (Regina—Wascana): Madam Speaker, last night the Prime Minister, in an address to Harvard University, indicated that Canada had 1 per cent of the world's population and yet provided 10 per cent of the world's peacekeeping efforts. I support Canada's role in peacekeeping for in many ways keeping peace abroad is similar to keeping peace in our own country.

However many constituents are concerned with our level of involvement. This comes at a time when our debt seems to be in a critical situation thereby stifling our ability to deal with many of our own problems.

Canadians are unaware of the participation of other countries in what should be a shared role. Many of my constituents are asking Canada to reconsider the extent of our involvement in international peacekeeping and be guided by the principle that charity begins at home.

RURAL DIGNITY

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, next Monday marks the sixth anniversary of the founding of Rural Dignity.

In the last six years its members have fought tirelessly on behalf of rural Canada. Rural Dignity has helped to draw attention to the issues affecting rural Canada. Whether it has been the closure of rural post offices, the loss of VIA Rail services or cuts to health care in rural areas, Rural Dignity has been there. Equally important has been Rural Dignity's ability to make people aware of the seriousness of the problems facing rural Canada.

Today most Canadians and even some politicians realize that if we do not act soon many of our rural communities will not survive. Increasingly people in rural communities across Canada have made it clear that they are not going to let their communities be shut down without a fight.

Today the people of St. Clément, Quebec, are occupying their post office to prevent Canada Post from shutting it down. In my own constituency of Moose Jaw—Lake Centre the people of Shamrock are working to force Canada Post to respect the wishes of the community and keep the post office open.

The renewed determination of Canadians in rural areas who fight for the survival of rural Canada is due in no small part to the work of Rural Dignity.

* * *

NUCLEAR POWER

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Madam Speaker, ever since coming to Ottawa I have pressed the case for nuclear development in New Brunswick because of two equally compelling considerations.

First, the existing Point Lepreau nuclear reactor is rated as one of the best operating units in the entire world and New Brunswick's nuclear management capability is highly regarded as the right environment for carrying out the construction of the Candu III prototype.

Second, the future potential for modular construction and sale of Candu III units world-wide offers New Brunswick an unprecedented economic horizon that would be difficult to match in any other way.

Unfortunately the provincial government in New Brunswick has apparently not been satisfied during negotiations that acceptable costs and guarantee provisions have been forthcoming and has been unwilling to consummate an agreement with AECL and the federal government.

Without question, in my view, New Brunswick is now on the verge of missing a compelling opportunity. I call on my colleagues in both the federal and provincial governments to make extraordinary efforts to salvage these nuclear power negotiations between them.

* * *

INDIGENOUS PEOPLE

Mrs. Christine Stewart (Northumberland): Madam Speaker, yesterday was International Human Rights Day. It draws attention to an issue which has become fundamental to world peace.

As well, yesterday at the United Nations General Assembly our minister in charge of development assistance presented the commemorative resolution marking recognition of 1993 as the International Year of Indigenous Peoples.

Citizens of the world know—certainly the Government of Canada must know—that Canada will be known internationally by its actions, not its rhetoric.

CIDA's current development assistance decisions in Colombia are one current example of government wrong-headed human rights and indigenous policy. A recent successful CUSO linked project benefiting indigenous people in Colombia has just been denied third phase funding on the basis of budget cuts. The project risks failure from midstream abandonment by CIDA.

On the other hand, with no consultation with thousands of indigenous peoples in the Choco rain forest area of Colombia, CIDA is involved in supporting development of a megaproject which will destroy the indigenous peoples' lifestyle and habitat.

The Canadian government must improve its indigenous—

S. O. 31

Madam Deputy Speaker: The hon. member for Mount Royal.

* * *

MINORITY RIGHTS

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I note after long awaited consideration from Quebec that Bill 178 may be changed. After four years of keeping our English speaking face from being seen on streets and signs, Bill 101 will be reviewed.

Social justice and fair play were always on the minds of the Quebec people. I am glad the politicians plan to listen and act, respecting anglophones as part of Quebec's rich heritage and in the interest of an open and democratic society.

Let there be respect for the bilingual contract of Canada, the spirit of choice. Let anglophone schools enrol immigrant students from English speaking countries in their excellent bilingual immersion programs. Let municipalities continue to reflect their bicultural history. Let tourism reflect our two great cultures on our roads and in our resorts.

I call not for a softening but for a repeal of Bill 178 and for significant revisions to Bill 101, not as a gesture of goodwill but a statement that Canada's respect for minority rights and minority language rights has not been extinguished under Bill 178. For like the hanoukka lamp of old, the festival of—

Madam Deputy Speaker: The hon. member's time has expired.

* * *

• (1110)

YOUNG OFFENDERS ACT

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Madam Speaker, I was speaking to Bryan Cousineau, York Regional Police Chief yesterday. He said that changes to the Young Offenders Act, specifically with respect to age limits, is a priority. He explained that youths of 16 and 17 years who commit crimes know exactly what they are doing and should be punished more severely. Right now these young people commit dangerous crimes, armed with weapons, and they walk away with incredibly lenient sentences.

The federal government must introduce changes to the Young Offenders Act so that these young people will be tried in adult court and will be dealt some harsh penalties for their criminal activities.

We need to support our police officers and make sure we are doing everything we can to help them do their jobs more effectively.

* * *

INTERNATIONAL CRIMINAL COURT

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, last April I urged the Canadian government to support at the United Nations sixth committee a proposal for an international criminal court.

I said at the time that it was an idea whose time had come. I am pleased to report to the House today that the government has indeed actively supported such a court. I would like to congratulate the minister of external affairs.

Last week, some 130 experts in this field, including 12 parliamentarians from all across the world, members of Parliamentarians for Global Action, attended the UN sponsored conference in Siracusa, Italy.

That conference urged as a first step to such an international criminal court the establishment by the UN or the CSCE in Europe of an *ad hoc* tribunal to try allegations of genocide and war crimes in Yugoslavia.

Last night the Prime Minister urged the UN to be more than just peacekeepers but to become peacemakers in Yugoslavia. I urge his government to promote this new proposal actively as a first step to bringing—

Madam Deputy Speaker: The hon. member's time has expired.

* * *

TRADE

Mr. A. H. Harry Brightwell (Perth—Wellington—Waterloo): Madam Speaker, we are presently discussing the North American free trade agreement and its effect on Canadian trade and its workers.

I want to discuss trade that is already occurring. This week a firm in my riding announced the contract for the sale of prefabricated homes to Mexico. This contract will in its entirety create employment for some 340 Canadian people over 30 months. It will use existing industrial space and does not require new technology.

What it does require is recognition of the emerging purchasing power of Mexico, recognition of the material that must be used and the ingenuity to design a structure that can be packaged and shipped to Mexico at a competitive price.

In this case Festival Developments Group Limited has done all of these. The startling size of this contract makes it special. The total sale of 27,500 units will create a $179 million export to Mexico with opportunities to expand it.

Canadian skill and Canadian ingenuity can compete in Mexico and around the world.

* * *

[*Translation*]

LANGUAGE EQUALITY IN NEW BRUNSWICK

Mr. Guy H. Arseneault (Restigouche—Chaleur): Madam Speaker, we New Brunswickers are very proud of the support for the motion on language equality in New Brunswick.

I listened with interest to what my leader, the Minister of Employment and Immigration and my colleague from Acadie—Bathurst said and I fully agree with them.

[*English*]

The population in my riding is comprised of both French and English people who have been living together in harmony since the time of settlement.

Today's motion simply recognizes something that these people have known for hundreds of years, that both linguistic communities are equal.

[*Translation*]

The support for this motion is a message and a challenge to the rest of Canada. I urge Canada to unite in a lasting way and accept the challenge. Such unity would be a model throughout the world.

I am proud to have had an opportunity to participate and support this motion.

[*English*]

CHEMAINUS

Mr. David D. Stupich (Nanaimo—Cowichan): Madam Speaker, this fall I attended the 10th anniversary of the Chemainus' Festival of Murals. Chemainus notes with amusement Welland's attempt to claim the title Mural City of Canada. While I congratulate Welland on the attempt, I feel I must point out a few facts.

Chemainus is recognized internationally as the Mural Capital of the World. The town and its citizens combine history, culture and the arts to save what could have become a ghost town.

Chemainus, like so many small communities, was a single industry town dependent on forestry. When the economy slowed and the industry began to change, Chemainus suffered.

This was a town that would not die. Instead, through the inspiration of Karl Schultz and others and the hard work of many, Chemainus was born again. Now, after 10 years, 32 murals and thousands of visitors, Chemainus is known as the little town that did.

Its Festival of Murals Society has gone on to help other communities start mural projects of their own in Steubenville, Ohio; Bowenshire, Queensland, Australia; and Welland, the mural capital of Ontario.

* * *

ROUGE RIVER VALLEY

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, four and a half years ago the Minister of the Environment committed to support the establishment of a park to preserve the Rouge River Valley lands in Scarborough.

The government at that time pledged $10 million to the park initiative. Since then the provincial government has decided to establish the park and a multipartite advisory committee has recommended that the land base of the park be 20,000 acres in Scarborough and Markham.

This park proposal will create Canada's largest urban parkland to protect the natural environment and wildlife including 55 species of fish, 200 species of birds, 28 species of mammals, 700 species of plants, wetlands and forests.

The provincial government will make a critical decision next week on the future of the park proposal. We ask the government to renew its commitment to the Rouge Valley, participate in the planning and management of the park and commit surplus federal lands in the area to land swaps to build the necessary park land base.

* * *

CHILDREN

Mrs. Dorothy Dobbie (Winnipeg South): Madam Speaker, one year ago Canada said its children are important by ratifying the UN Convention on the Rights of the Child. Since ratification this government has taken concrete steps to honour its commitment to children and their families.

In May 1992 Canada introduced its action plan for children and announced the child development initiative, a group of long-term programs to address the conditions of risk that threaten the well-being and development of one Canadian child in five.

In addition, the new child tax benefit to begin in January 1993 represents an increase of $2.1 billion in federal government support for children and families over the next five years.

Children are our most precious resource. These initiatives demonstrate the Government of Canada's resolve in meeting its obligation to children and their families.

ORAL QUESTION PERIOD

[*English*]

SENATE APPOINTMENTS

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, since it is the last sitting day, I would like to wish you and everybody in the House of Commons a very Merry Christmas and happy holidays.

My question is for the Acting Prime Minister. We read in the press that Senator Lowell Murray, the Leader of the Government in the Senate, confirmed yesterday that the Prime Minister is about to make ten Senate appointments. He said: "We want to be more at ease to pass controversial legislation like Bill C-91 and NAFTA".

Everybody remembers that in 1984, the right hon. member for Vancouver Quadra, when he was Prime Minister, made some appointments in the fifth year of his mandate. At that time, the present Prime Minister said that the Prime Minister had an option and it was not normal to do something like that in the fifth year of the mandate.

I ask the Acting Prime Minister why it would be moral in 1992 to do something like that when it was absolutely immoral according to the Prime Minister in 1984. Why would the Prime Minister do today that which he used as an instrument to win the election in 1984?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, as the hon. Leader of the Opposition knows, many of the appointments having to do with the contents of the referendum were held in abeyance until such time as the decision on the referendum was held. Therefore, there is a backlog of appointments in a number of areas.

The hon. Leader of the Opposition knows the outcome of the referendum which involved very substantial changes to the structure and the composition of the Senate. Of course, with that having been rejected by the people of Canada, the institutional structures of the House of Commons and the Senate remain the same.

There is not only an obligation but also a responsibility for the Prime Minister to fulfil his duties commensurate with the Constitution and the traditions of the past.

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, that is exactly my point. Now we are in the fifth year of the mandate and that was the big argument made by the Prime Minister in 1984. I do not question the legality or the constitutionality. I am talking about the morality of doing such a thing.

• (1120)

The Prime Minister was so offended in 1984 and a lot of people claim that is what made the difference in the election. I want to know from the Acting Prime Minister what makes it moral in 1992 when it was absolutely immoral in 1984?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, there is quite a difference between filling the Senate on the eve of an election versus an election that may be held anywhere from six to ten months down the road.

If we want to talk about democratic morality we could not get a better example than the Leader of the Opposition going into a constituency and hand-picking his favourite candidate to represent the Liberal Party in the next election. That is quite an example of political morality.

Hon. Jean Chrétien (Leader of the Opposition): I had the backing of 90 per cent of the members who were delegates.

[*Translation*]

I shall return to this question.

In 1984, the government was in the third or fourth month of its fifth year. Today this government is in its fifth year and it is getting ready to do exactly what they reproached the government for in 1984.

Will the Acting Prime Minister inform the Prime Minister that Canadians do not want this kind of abuse of power by a government that has absolutely no legitimacy now?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, it is quite interesting to note the hon. member is now backtracking on a spirited defence of his former leader which he took back in 1984.

Let me just assure the hon. Leader of the Opposition. He says he has the backing of 90 per cent of his members. The Prime Minister has the backing of 100 per cent of his members.

Some hon. members: Hear, hear.

An hon. member: And they are all going down with him too.

* * *

EMPLOYMENT

Ms. Sheila Copps (Hamilton East): Madam Speaker, my question is for the Minister of Finance.

All the excuses in the world will not cover up the fact that the Prime Minister and this government are desperately clinging to power in the fifth year of a mandate.

Canada has the highest unemployment rate in the industrialized world. We have more jobless Canadians at this point than at any other time in our 125-year history. Food banks are bursting at the seams.

If the Conservative government has done such a great job on the economy why is the jobless situation so absolutely heartbreaking?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, it is interesting that the hon. member is on this kick of bad-mouthing Canada when the United Nations says we are the best country in the world in which to live.

The hon. member talks about the high level of unemployment and yes, it is too high. We are taking steps to bring it down. I also remind the hon. member that there are 12,252,000 Canadians who are working and there are 1.8 million self-employed Canadians. That too is a record.

Ms. Sheila Copps (Hamilton East): Madam Speaker, I am not bad-mouthing Canada. I believe in Canada. I think a new government could give Canada a chance again.

[*Translation*]

We know that more than a million children are lining up for food and clothing over the Christmas period. We know that unemployed Canadians are being treated savagely by this government.

If your government's policies are so good, why are you not ready to go to the people directly to find out if you have their support in an election?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, she will not have to worry. She will have a chance to go to the people.

We had the same invitations going into the 1988 election. Many members opposite were sorry they badgered us to call the election because when the dust settled they ended up over there and we ended up over here.

Certainly there are difficulties. The impact of the economic slowdown has had an effect on all Canadians.

I remind the hon. member that federal spending on social programs which really address some of the difficult programs that he referred to has increased. Spending by the federal government between the period 1984-85 and 1991-92 increased from $44.6 billion to $66.8 billion. That was an increase of 5.9 per cent, and that was per year, when program spending was averaging at a growth rate of about 4 per cent on an annual basis.

In terms of the incidence of low income, 1984 to 1990, the 1984 figures had a percentage of 18.1 per cent. In 1990 it was down to 14.6 per cent. It went up a little bit in 1991 to 16 per cent, reflecting again the economic slowdown, but conditions are better today than they were in 1984 when we assumed office.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, this morning young homeless Canadians are forced to live in tents out in front of the Parliament Buildings in the middle of a snowstorm. Some members find humorous the fact that homeless people exist in this country. I know people find this very, very funny. As young children line up at food banks which is their source of food today, 1992 will be remembered as the worst year in government performance since 1981 when the Liberals were on that side of the House.

Remember then there were a million people unemployed and now it is 1.6 million people. There were huge debts and now we have larger debts facing this country.

Will the Minister of Finance admit that the old ways have proven to be a complete disaster? Will he use the next six weeks to rethink his policies and come back with a new initiative to get people back working again?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Well, Madam Speaker, the hon. member wants government to bury its head in the sand and ignore the realities of the North American and world economic situation. We are going through a period of economic downturn because there is a global slowdown.

As a matter of fact, we are projecting a growth rate of 2.5 per cent for 1993. The combined growth rate anticipated for the European Economic Community is 1 per

cent. The world growth rate is at 1 per cent. Canada has been affected by that.

We are taking steps as outlined in the economic statement last week to invest in people, business and infrastructure and to encourage more trade. We are a trading country. Naturally our performance in trade is very important. We are investing in productivity enhancement, but most important we are investing in skills upgrading and retraining.

That is the focus, because the focus of the changing economy compels us to adapt to those changes and that is precisely what we are doing.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, the Minister of Finance can use all the figures he wants. The reality is that unemployment in Canada is remaining at unprecedented rates. The predictions are that it is not going to change for the next couple of years.

As a matter of fact, the manufacturing index this morning indicates that Canadian manufacturers are losing market share domestically as well as on world markets at a higher rate than most other industrialized countries. The situation is worsening.

As he and the Prime Minister and their colleagues do a lot of walking in the snow during the next six weeks contemplating their employment futures, they should give some consideration to the plight of the unemployed in this country.

Will he consider the tens of thousands, yea millions, of people concerned about the future in terms of their own employment and change his policies?

If he refuses to do that, will he do the right thing and urge the Prime Minister to call an election so we can change this government and get a government in that will actually change course and put people back to work?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I can only take it that the hon. member is suggesting we follow the same kind of policies as the New Democratic Party is following in the province of Ontario. That is an anti-business attitude which has driven business out of this country into the United States and has disrupted orderly growth and orderly transition. That is not the course of action we intend to follow.

• (1130)

THE SENATE

Hon. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is for the Minister Responsible for Constitutional Affairs. It is about jobs, namely the 10 vacancies in the Senate.

During the referendum campaign the Minister Responsible for Constitutional Affairs, the Prime Minister, most people of this House and indeed the people of this country found the present unelected Senate to be absolutely unacceptable in a modern democracy.

In light of that, and I know the Prime Minister has the constitutional right to appoint senators—I do not want that for an answer—I wonder if the minister would suggest to the Prime Minister that there be a moratorium on the appointment of all senators until either we reform the other place, the Senate, or if we cannot reform the Senate, then abolish it; in other words, no more senators until it is reformed or abolished.

Right Hon. Joe Clark (President of the Privy Council and Minister Responsible for Constitutional Affairs): Madam Speaker, I think that such a recommendation would be quite inappropriate. We had proposals for change. They were considered. They were extensive. They were rejected. We must now make do with the Senate that is in place.

We cannot allow the referendum result which stopped one attempt at reform to also stop the business of Canada, which could be the result if we simply allowed the atrophy of one of the two institutions established by the Constitution of Canada as being part of the Parliament of Canada.

I am sure the hon. member understands that. I know he was a believer in whole-hearted reform. I am sure he would not associate himself with people like Preston Manning who are suggesting that after they had defeated a proposal for whole-hearted reform, we should go forward with some kind of half-hearted, partial reform.

THE HOMELESS

Mr. Mac Harb (Ottawa Centre): Madam Speaker, my question is for the Minister of Finance.

Only a few steps from Parliament Hill in my riding of Ottawa Centre, homeless and jobless people are living on Wellington Street in a makeshift tent.

Why was there nothing in the recent budget to help these homeless young people and others in cities across Canada so that they may have a dignified shelter over their heads?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member knows very well that the federal government puts in in excess of $2 billion on an annual basis toward housing in Canada. It is a very, very large commitment and it has been growing over the years.

I do not know what the hon. member has in mind specifically, but here again, the best way to enhance confidence and optimism is to create the opportunities for job creation. We took a number of steps and announced a number of initiatives in the statement on Wednesday which will help small business and which will help individuals train and adjust to the changing environment. It constitutes a massive program of complementing the changes that are already taking place and being advanced by the private sector.

What we are proposing here is a partnership regime between the two levels of government, the private sector and the workers of Canada to deal with this very important challenge that can be turned into enormous opportunities for our country.

* * *

POVERTY

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, if this government's policies are so great, how come in Montreal 18,000 children need food baskets this Christmas, while in Quebec City another 4,000 are going to need those baskets and in my own riding of Mount Royal, 540 people will go to the Multi-caf food bank for their Hanukkah and Christmas baskets, now without meat and now without milk. They have had to put in powdered milk because they cannot afford real milk. That is a total shame.

What are this government's economic policies going to do to answer the needs of these families? Is this the way we have to live in the province of Quebec to feed our families?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I say to the hon. member that the federal government is transferring in excess of $39 billion annually to the provinces in the form of cash transfers and tax points. That is a lot of money. Those transfers are not going down. They are going up.

What we are doing as well, as we outlined in the economic plan last week, is taking a number of steps to bolster growth, to encourage confidence, to create jobs and to generate economic activity. Rather than zeroing in on the negatives, I ask the hon. member to look at the positive elements in that package and look at the response that it has been receiving from the business community which is responding in a very favourable manner. It will, I am sure, deliver the jobs that we have projected.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, I will put a question to the Minister of Finance.

As he probably knows, in Winnipeg this year, right now, close to one out of every four children live in poverty. We have had a 500 per cent increase in welfare cases, and we have the highest unemployment rate for young people in the entire country.

Yet this week his colleague the minister of western diversification had the nerve to spend public dollars to begin a series of ads trying to camouflage the fact that this government has frozen transfer payments to the province of Manitoba for the past two years.

I want to ask the Minister of Finance: As a minister who preaches the virtue of frugality, will he ask his colleague to either pay for those ads out of his own pocket or out of the bulging Tory coffers from those $500 a plate dinners and use the public money to alleviate poverty, suffering and unemployment in the province of Manitoba?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I take it that the hon. member is taking exception to the very generous contributions that the federal government provides to the province of Manitoba.

If he is opposed to it, tell us what elements he wants cut back.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, my question is for the Minister of Finance.

This year, 1.2 million Quebecers will spend Christmas in poverty. Could the minister tell us how he will give hope to these 1.2 million poor Quebecers? Will he once and for all attack the problem of unemployment and create jobs, instead of attacking the unemployed who are victims of his bad economic policies?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, like all hon. members in this House, we are concerned about unemployment and poverty. I could tell the hon. member, who voted against Bill C-91 yesterday, that it is a way to create high quality jobs and thus reduce unemployment.

Instead of voting for this positive measure, the hon. member just repeated the nonsense that his party spewed out during the whole debate on a similar bill in 1987. That bill passed and has yielded concrete results for the Montreal region.

* * *

[*English*]

NATIONAIR

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, my question is for the Minister of Transport.

Today's report in both *The Ottawa Citizen* and Montreal's *The Gazette* has an uncanny resemblance to Justice Moshansky's report on events leading up to the Dryden crash. In short, like the Dryden crash, the Nationair crash in Jeddah was an accident waiting to happen.

Will the Minister of Transport agree to do the following: One, release the Jeddah report today; and two, invite Justice Moshansky to come back into the aviation field and do an inquiry into the affairs of Nationair and the Jeddah accident.

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, we will release the Jeddah report as soon as we receive it and have a chance to examine it.

The Jeddah inquiry was under the auspices of the local governments, with participation by the National Transportation Safety Board of Canada. We will deal with this report when it comes to us.

I think the hon. member has to accept the fact that after Mr. Justice Moshansky tabled his report, the next day when appearing on television and radio programs and in interviews with the media, he reiterated that the aviation system in Canada is one of the safest in the world.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, the minister did not respond to my request for an inquiry, a request that has been communicated to me today by both CUPE, the union that represented the flight attendants who were killed on the crash, and by two parents of those flight attendants.

I want to go back to the minister in a slightly different way. There has been a question about the relationship between Transport Canada and Nationair. The chief of air carrier operations for region 7, an individual who was part of the pre-Jeddah audit of Nationair, who also wrote the glowing report on Nationair's safety during the lockout situation, has been seconded this fall by Transport Canada to work for Nationair as part of an executive exchange program for up to three years.

• (1140)

In light of this, I would ask the minister once again, will he not only launch an inquiry into the safety aspects of Nationair, in particular the Jeddah crash, but will he also conduct an inquiry into the relationship between Nationair and Transport Canada?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, as soon as Nationair started experiencing problems with its employees and there were reports about the Nationair safety system not being adequate, we had put into place a regular inspection system to ensure that safety was in fact maintained in conformity with the Transport Canada standards. All the reports received not just from one inspector but from all the inspectors assigned to this case were to the effect that the company did meet Transport Canada requirements. There were no reports of Nationair not meeting Transport Canada requirements.

Regarding the employee in question, the hon. member said he was taking part in on ongoing exchange program between government and the private sector. This employee, who is experienced in transportation, will go and work for Nationair, and a Nationair employee could come and work for the government of Canada. As far as I know, the department looked into all aspects dealing with conflict of interest and there was no conflict of interest in this case.

* * *

[*English*]

CYPRUS

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, in the absence of the Secretary of State for External Affairs, I would like to pose my question to the Minister of National Defence.

The United Nations Security Council passed a resolution to bring about peace in Cyprus. Talks between President Vasilious, representing the Greek Cypriot side, and Mr. Denktash, representing the Turkish Cypriot side, have been going on all summer and have been suspended because of the presidential election coming up in Cyprus in February. These talks will resume in March.

Does the minister not think that our peacekeeping troops should be left in Cyprus at least until a just and viable solution is found, since it is around the corner, or at least until the United Nations can find peacekeepers from other countries to replace the Canadian peacekeeping forces?

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Madam Speaker, perhaps I can advise the hon. member that on behalf of the Secretary of State for External Affairs, I will be making a statement immediately following Question Period with respect to the government's policy on Cyprus. I can assure my hon. colleague that it will be consistent with the recent report of the Secretary General of the UN.

[*Translation*]

CYPRUS

Mme Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, my question is directed to the Deputy Prime Minister.

After a presence of over twenty years in Cyprus, the Canadian government gives just a few months' notice before withdrawing our troops. Why abandon at this time a policy that has maintained peace since 1964 without even debating it in this House?

[*English*]

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Madam Speaker, as I have already indicated, I will be making a statement in the House with respect to the government's decision on this important matter and there will be an opportunity for the parties to respond at that time.

* * *

REFUGEES

Mr. David Walker (Winnipeg North Centre): Madam Speaker, my question is for the minister of immigration. This week a distraught government-sponsored refugee couple came to my office. As the minister knows, the Husseins have been awaiting the arrival of their child for six months because Canadian officials in Turkey were not able to complete the rather simple paperwork. On December 6 they received news that their child took sick and died the same day. Given that the department was fully aware of this case because of numerous inquiries and urgent requests on behalf of this couple, will the minister initiate today a full and complete investigation into this tragedy and commit himself to reporting back to the House?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, first let me thank the member for giving me notice of his question.

This issue was first brought to my attention this morning. On a personal note, I can certainly empathize with any family that has lost a child. I have given directions in my department to provide me with information as to what has happened in this case. I can assure the hon. member that as soon as I find out I will apprise him of the results of those findings.

What is important here and what this points to is the importance of our refugee determination system proceeding in a more efficient and faster way. That is behind many of the amendments I proposed to the Immigration Act.

It is of little comfort to a family that is going through a tragedy like this, but the purpose of these amendments is to change the situation in order to avoid tragedies such as this.

Mr. David Walker (Winnipeg North Centre): Madam Speaker, my supplementary question is for the same minister. The minister is quite right that this sort of tragedy has to be avoided at all costs. I would remind the minister that his department and his office were contacted several times in the last six months and he should, as part of the investigation, ensure that this does not happen again.

There is a similar case of another family that came on the same plane and is in London, Ontario awaiting the arrival of their child. I would like to ask the minister to look into the case of the Taher family and to make sure that they do not suffer the same tragedy as the Hussein family.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, absolutely. I want the hon. member to know that the member for London East is working on that case. Again this morning this was brought to my attention and I have personally asked my officials to provide me with a report of this situation.

If the hon. member or any hon. member in the House has suggestions of how we can improve the system in order to have a more expeditious dealing with those cases, I am open to suggestions.

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TELECOMMUNICATIONS

Mr. Al Johnson (Calgary North): Madam Speaker, my question is for the Minister of Communications. During the recent referendum the Reform Party of Canada distributed letters and pamphlets which urged Canadians to call a 1-900 line to support their campaign. What it conveniently failed to mention was that there would be an automatic charge on the caller's phone bill. Many people thought this was a toll free line. Now they find they have to pay the bill which may total millions of dollars.

I challenge the Reform Party to tell Canadians the full cost of this scam.

What is the minister going to do to stop this sort of shameful abuse of legitimate services offered by our telephone companies?

Hon. Perrin Beatty (Minister of Communications): Madam Speaker, the regulations of the CRTC are quite clear in terms of ensuring that consumers are informed about potential charges.

For example, the general tariff for Bell Canada specifies that each sponsor's advertisements, publications or other communications containing a 900 service number shall also contain an appropriate statement outlining the charges that a caller will incur for each call to that number.

The CRTC does this in order to protect consumers. If any Canadian has a concern where they believe that a service has not followed this regulation, they have the right to launch a complaint with the CRTC.

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JUSTICE

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, two months ago Dawn Shaw, a six year old girl was raped and murdered in a school playground in Comox, B.C.

The RCMP has done everything in its power, without much success, to identify the murderer. One of the things hampering the police investigation is the fact that rapists do not leave fingerprints but they do leave body fluids and other tissue which contains DNA material.

Will the Minister of Justice consider changes to criminal law to permit DNA samples to be taken in addition to fingerprints and photographs when people are charged with sexual assault in order to facilitate the identification of sex offenders through DNA matching?

• (1150)

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I thank the hon. member for what is a very good question.

As that member and the House may know, DNA typing is a relatively new technology. It is expensive but it seems to be very effective.

The Criminal Code at present places limits on what the police can do in obtaining evidence of crime. The courts have taken some decisions with respect to what is appropriate interference. I have asked my officials to look further into the matter of how DNA testing can be regulated and how it can be made available for the best use of this kind of situation.

I thank the member for his question.

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HOCKEY CANADA

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, my question is for the Minister of State for Fitness and Amateur Sport.

The minister will know that today in Florida, governors of the National Hockey League are discussing the future of the league, while in Canada the hockey tradition, whether it be professional or amateur, goes on.

However, many serious questions have been raised recently about the financial dealings of the non-profit federal agency Hockey Canada and certain individuals.

I ask the minister responsible if the government will provide to this House a full financial disclosure other than the annual one-line item expenses and income reports for Hockey Canada since Hockey Canada has been incorporated?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I will take that question on behalf of my colleague, the Solicitor General, who has indicated that this matter is currently being investigated by the RCMP. The Government of Canada will offer no further information until the RCMP has concluded its investigation.

Mr. Bob Kilger (Stormont—Dundas): Madam Speaker, I welcome the Minister of Justice telling the House that the RCMP has an ongoing and I would hope an independent operation and not simply an operation in conjunction with the FBI.

I would like to ask the minister why the government has hidden the RCMP's involvement for so long in this matter?

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 hon. colleague would know that the RCMP does not necessarily advertise the investigations it is undertaking.

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AIRLINE INDUSTRY

Mr. John Manley (Ottawa South): Madam Speaker, my question is for the Minister of Transport.

Given that the mandate for the U.S. negotiators in the bilateral air services treaty expires on January 20 when the new administration takes office, I would like to ask the minister what instructions he has given to the Canadian negotiator in view of this timetable and in view of the current crisis in the Canadian airline industry?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, the negotiations are proceeding in a satisfactory manner. If it is not concluded before the new administration takes power in the United States, we do not doubt that it may renew the mandate of the present negotiators or it may appoint new negotiators and the negotiations would then continue on a normal basis.

Mr. John Manley (Ottawa South): Madam Speaker, I am becoming increasingly concerned with the government's failure to take really meaningful action in the face of the crisis in the Canadian airline industry.

We need some answers to some questions and I hope the minister will give some today. In particular, has the government initiated a meeting between the government and the two major carriers as provided in the terms of the loan agreement to Canadian Airlines? When will the government announce the details of its plans to recalibrate the regulatory framework of the industry, to use the minister's own mumbo-jumbo? When can we expect some real action on this crisis by the government?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, we are not only having discussions with the airline presidents and employees but we are also negotiating and discussing with all the stakeholders in the

airline industry. I hope, when the House returns, to be in a position to table proposals.

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[*English*]

VIOLENCE AGAINST WOMEN

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Madam Speaker, my question is for the Minister responsible for the Status of Women.

I am very concerned about the enormity of violence against women in Canada. We live in a country where at least one in every ten women is battered by her husband or male partner. An average of 100 women are murdered every year by their partners.

The federal government has a responsibility to ensure that Canadian women live in a safer Canada. The only way this can be accomplished is with a tough and aggressive national policy.

What is the status of the panel on violence against women and when their final report is received, hopefully early in the new year, will she deal with the recommendations quickly?

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Madam Speaker, I know my hon. colleague has been following the work of the panel and is aware that over the past year submissions from some 4,000 individuals and organizations have been heard. Along with the aboriginal circle, the panel has visited 139 communities, including many remote communities in all parts of Canada.

An interim report has been published, to which I would draw the attention of members. As well, last week a compilation of testimony, a very moving and disturbing reflection of what has been said, was published.

Early in the new year the final action plan will be published which I know will give not only the federal government guidance but will provide actions which each individual in this country can take, along with organizations, to bring about an end to violence against women throughout Canadian society.

CANADIAN BROADCASTING CORPORATION

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, the president of the CBC has secretly threatened to close down the network's television stations and take CBC radio and Radio Canada off the airwaves if employees do not allow the corporation to dip into their pension reserves in order to shore up its funding shortfall. This is blackmail of the worst kind.

I would like to ask the Minister of Communications if he will refuse to allow this blatant coercion of CBC employees to have to actually pay in order to secure their own jobs.

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, as the hon. member knows, the constraints that apply to all aspects of government activities apply as well to the CBC. The CBC and its employees are currently looking at the question of a surplus which exists in the accounts at the present time. It is the responsibility of the board of the CBC and the board of pensions to take a look at this and determine the best way to use that.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, as the minister knows, the employees had reached a tentative agreement with the management of the corporation to use those pension surpluses. Apparently on the directive from Treasury Board that plan is out the window.

So also is a counter offer by the CBC employees to allow the CBC to make zero contributions to its pension plan over the next year.

I would like to know if the minister is prepared to resolve this ongoing financial dilemma by committing this government to implementing long-term and stable financing for the CBC. Or does he condone the wishes of Treasury Board to essentially take the guillotine to the CBC?

Hon. Perrin Beatty (Minister of Communications): Madam Speaker, let me first of all challenge my hon. friend to indicate to me what directive of the Treasury Board he is referring to. The Treasury Board did not direct the board of the CBC to take a decision with regard to the pension funds.

Second, the federal taxpayers are currently providing a subsidy for the CBC every year in excess of $1 billion—it is a very substantial subsidy—at a time when ordinary Canadians are wrestling with the need to try to be able to afford the basic necessities of life, at a time when the

federal deficit continues to put additional pressure upon governments.

It is incumbent upon all members of Parliament who call for more federal spending to explain to Canadians directly that they also favour running up the federal deficit at the same time.

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PRIVY COUNCIL OFFICE

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, my question is for the Acting Prime Minister.

The public accounts of the Government of Canada inform us of shocking increases in the costs of running the Privy Council Office and the Prime Minister's office.

I want to ask the Prime Minister how come there is no money for the poor in Canada and there is enough money for a 160 per cent increase over four years to run the Privy Council Office.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, if the hon. member had inquired into this he would have realized that the increase in the PCO and PMO budgets is essentially due to the four royal commissions; the Royal Commission on National Passenger Transportation, the new reproductive technologies commission, the electoral reform, the Indian claims and aboriginal peoples commission.

I should advise the hon. member that the increase in the political staff component of the Prime Minister's budget over the last four years has been something in the order of 1 per cent per year, less than the rate of inflation.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, that is cold comfort for the unemployed and the homeless in Canada.

• (1200)

[*Translation*]

Are the Deputy Prime Minister and his government finally willing to set an example for Canadians, to stop what they are doing and to help the poor in this country instead of satisfying the needs of the government and the Prime Minister?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, let the hon. member be serious. Who does he want to pay for the royal commissions? Does he want the private sector to pay for them?

What other department of government would he suggest should pay for them? These four royal commissions are very important, the first on national passenger transportation, the second on new reproductive technologies, the third on electoral reform and the fourth on Indian claims and aboriginal peoples.

If he does not want the government to pay for them, who does he suggest should pay for these commissions?

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NUCLEAR INDUSTRY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Madam Speaker, I have a question for the Minister of Energy, Mines and Resources about Canada's nuclear development program.

It is my understanding that negotiations for construction of a Candu III prototype reactor have not yet been successful either in New Brunswick or Saskatchewan, the two provinces involved, but I understand that a separate element of that program, a Research Centre of Excellence, has been separated from negotiations with one or both of the provinces.

I would like to ask this question: Why has the Centre of Excellence been separated from the commitment to build a reactor? What is the status of the over-all negotiations?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Madam Speaker, the hon. member has been very faithful in his promotion of his province and also for nuclear power.

Lepreau L-1 in New Brunswick is without any question of a world-class standard. It was my hope that we would be able to develop an agreement with New Brunswick. New Brunswick has informed us that it will not need that type of power before well into the next century.

We have finalized a memorandum of understanding with Saskatchewan whereby, tied in with 25 per cent of the world's uranium production that is now located in Saskatchewan, we will put together a deal, especially

now after the NDP in Saskatchewan has supported the nuclear industry.

What we will do is ask of the NDP in the memorandum of understanding the same consideration for the nuclear industry as we asked of the previous government in Saskatchewan. I think it is a good deal for Saskatchewan, for Canada and for the nuclear industry.

As I say to the hon. member, we ask of the NDP government in Saskatchewan the same deal as we asked from the Grant Devine government.

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VIMY BAND

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, the Department of National Defence is considering moving the Vimy band from Kingston to Camp Borden at a cost in moving expenses of over $400,000 when the same people could be moved from Camp Borden to Kingston at a cost of only $93,000.

Will the minister direct her department to abandon this foolhardy and expensive scheme in the interest of saving money for Canadian taxpayers and ensure that the Vimy band remains where it has been since its founding 40 years ago, in Kingston?

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Madam Speaker, I would like to correct my hon. colleague and state that the cost savings from such a move would be about $400,000 a year.

We have to look at all sorts of ways in which to reduce our budgets and meet our commitments. We will be looking at a variety of options and will certainly be prepared to advise my hon. colleague when decisions have been made.

[*Translation*]

Madam Deputy Speaker: Before resuming with Routine Proceedings, I am pleased to announce to the members that, as is the tradition, the Speaker will be delighted to welcome all members of the House, between noon and 2 p.m., in Room 216 North, where we can have a bite and exchange wishes for Christmas and the New Year.

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 three petitions.

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

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EXTERNAL AFFAIRS

PEACEKEEPING IN CYPRUS

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): I rise today on behalf of the Secretary of State for External Affairs, who was unable to fly to Ottawa this morning because of the snow storm. On her behalf I am now announcing the government's decision about Canada's participation in the United Nations peacekeeping operation in Cyprus.

After extensive consultations with the United Nations, Greece, Turkey, as well as Greek and Turkish Cypriots, the government has informed the Secretary–General of the United Nations that Canada will withdraw its troops from Cyprus beginning June of 1993, the withdrawal to be completed by September.

For the past 28 years, from the very beginning of the UN peacekeeping operation in Cyprus, thousands of Canadian men and women have displayed extraordinary competence, fairness and calm under pressure in the cause of peace. Their presence in Cyprus has been a powerful symbol of Canada's commitment to peace and security in the world. It has been a source of honour and pride, not only for those serving there but for all Canadians.

I am sure I speak for all members of the House and for all Canadians when I say that these Canadian men and women, as well as their families, are those to whom Canada owes a large debt of gratitude for their dedication and their professionalism, and to the 24 who died in the service of peace for their sacrifice.

Beyond our contribution of troops and equipment, Canada has spared no effort to help the Secretary-General find a peaceful solution to this dispute. As recently as this year, the Secretary of State for External Affairs visited Cyprus, Greece and Turkey in May to press all parties concerned to work with the Secretary-General to that end.

She renewed our plea to Cypriots at the UN General Assembly in September and indicated that our patience was running short. We were deeply disappointed that the discussions under the Secretary-General's guidance have not been successful. In a unanimous resolution on November 25, the Security Council stated that the present status quo is not acceptable.

The government has also taken into account the report and appreciates the effort by a group of parliamentarians, led by the hon. member for Don Valley East, that provided the Secretary of State for External Affairs with useful information on the current situation in Cyprus.

After 28 years of service in Cyprus, after 28 years of watching both sides in the dispute being either unable or unwilling to negotiate a political solution, after 28 years of significant expenditures to maintain troops and equipment in that region without any measurable progress, it was time to face facts and come to certain conclusions.

Our experience in Cyprus has taught us many lessons.

One of the most important is that parties in a dispute must understand that there are limits to the duration of any peacekeeping operation. Peacekeeping must never be considered as an end in itself or as a substitute for political leadership, negotiation and honourable compromise. The basis for any peacekeeping operation has always been an agreement by the parties involved to work toward a political settlement. Whether or not Canadian troops remain in Cyprus, Greek and Turkish Cypriots bear the ultimate responsibility for resolving the dispute.

It appears that instead of taking advantage of the peace and order which the UN mission has afforded, some political leaders have used the presence of UN forces to avoid making the difficult choices, to avoid making the compromises required to ensure peaceful coexistence. At a time when there are increasing demands for peacekeeping around the world, we must ensure that we establish our priorities carefully and manage our resources and contributions effectively.

In deciding to withdraw our troops, we are not saying that the United Nations should put an end to its peacekeeping mission in Cyprus. That is a matter for the Security Council, the Secretary General and the parties involved to consider.

• (1210)

Furthermore, I assure the House that we will continue to support the Secretary-General's ongoing efforts to find a peacefully negotiated solution. In that regard, Canada once again calls upon the parties involved to implement Security Council resolution 789 and to work with the Secretary-General. If circumstances change, Canada would consider contributing directly to new UN efforts toward a peaceful settlement in Cyprus or to its implementation.

As the Secretary of State for External Affairs told the UN General Assembly last September, the Government of Canada endorses the Secretary-General's agenda for peace, in particular the peacemaking and peacekeeping themes of that document. That is why Canada will continue to play a leading role in international efforts to secure peace. We are turning a page in this particular chapter of our history. Our passion for peace remains as fervent as it was 30 years ago when our soldiers donned the blue beret and went to Cyprus.

With over 4,000 troops participating in peacekeeping missions from Cambodia to Bosnia, from Croatia to Central America and the Middle East, the words Canada and peacekeeping will always be closely associated in the eyes of Canadians and in the eyes of the world.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, it is my honour to respond on behalf of the Liberal Party to the minister's statement notifying the Secretary-General of the United Nations that Canada will withdraw its troops from Cyprus beginning in June of 1993, the complete withdrawal by September.

On behalf of Her Majesty's Loyal Opposition, I would like to express our gratitude, our appreciation, our heartfelt thanks to the thousands of men and women who act as our peacekeepers around the world. Their role is expanding now to peacemaking, to diplomacy. Returning from Cyprus, spending a lot of time with our peacekeepers there, I saw first hand what an outstanding

reputation our Canadian UN troops establish for Canada.

The problem, as I said even on that visit there, is that they are doing too good of a job and the countries do not want to release them back to Canada. That is maybe part of the dilemma we are in.

I had the privilege with the hon. member for Don Valley East to establish the Canada-Cyprus parliamentary committee to look into the whole Cyprus situation because after 28 years Canadian taxpayers are saying that maybe it is time we brought our troops home. In that committee were members from the government side, the opposition side, my colleague for Kent joined me, the member for Outremont, the member for Don Valley East and a senator formed part of the fact-finding mission.

That committee made certain recommendations to the Secretary of State for External Affairs. If the Secretary of State for External Affairs and if the government will not listen to the Liberal recommendations, to the NDP recommendations, I thought that the Secretary of State for External Affairs would at least listen to her own members.

The committee made excellent recommendations. One was that the Government of Canada not withdraw from participation in the United Nations peacekeeping force in Cyprus until a replacement is found or a just and viable solution to the problem has been reached. I thought that was an excellent recommendation that the committee made to the government and had the government implemented it, I think everyone in Canada, in Cyprus, in Greece and in Turkey would have been happy.

Another recommendation made was that the Government of Canada seek additional funding to offset the costs of our peacekeeping force in Cyprus from those countries with a direct interest, including the Republic of Cyprus, Greece, the U.K. and the United States of America.

We heard from President Vassiliou himself that the Republic of Cyprus would be willing to increase its share of the peacekeeping cost. However, did the secretary of state negotiate that before making her decision? No. Did the secretary of state bring the issue to this House of Commons so that we could debate it as our party has been demanding for the last month? No.

Has the secretary of state gone to the Standing Committee on External Affairs and International Trade and said to the committee that this is a very important issue for Canada and for peacekeeping around the world, please investigate and make recommendations to the government? No. The minister made her decision and then notified the standing committee and then notified us without consulting Canadians through this Chamber.

Another excellent recommendation was that the Government of Canada should do its utmost through the UN to bring about a just and viable solution to the Cyprus problem as quickly as possible. We were also pushing for the solution to be brought about as quickly as possible.

However, the secretary of state, as usual, went on her own way without any diplomacy, without any consultation of the Canadian people, without bringing it to debate in this House.

I do not think the secretary of state is fair to Canadians. In the statement read by the Associate Minister of National Defence she did not point out the serious situation that exists in Cyprus today. On the northern side, Turkey has 35,000 troops, and that is in addition to the Turkish Cypriot army.

The Greek Cypriot side is spending $1 million a day on purchasing military equipment. If the UN peacekeeping forces pull out of the buffer zone, what is going to happen? I am quite sure that some of the 35,000 Turkish troops will start occupying the buffer zone.

Is the Greek Cypriot side going to stand for that? No. It is going to make sure that there are some forces brought to the green line, to the buffer zone to counter that move. Without the UN forces to negotiate disputes—it is not going to be a full-fledged war from day one—there will be little incidents between the Greek Cypriots and the Turkish Cypriots or between the Greek Cypriots and the Turkish army which will fester like a wound and then blow up into a full-scale war.

There is a lot of cost on the part of Canadian taxpayers and those of other countries. However, which is cheaper? A full-fledged war between Turkey and Greece, or keeping our peacekeepers there until such time—and

that is all the opposition is asking—that a just and viable solution is found.

I mentioned in my question in Question Period today that President Vassiliou and Mr. Denktash had negotiations all summer. The talks did not break down completely. The talks were suspended because there is a presidential election in February. Both sides agreed, together with the Secretary-General Boutros Boutros-Ghali, that these talks will resume in March under the careful guidance of the Secretary-General himself.

Why not wait to withdraw until a solution is found? A solution is around the corner. Why not wait until such time that another country will help us and send some peacekeeping troops in there? Unfortunately our secretary of state blew it again. I wish I could have congratulated her in the spirit of Christmas, but no, our image in the international community is suffering. The secretary of state does not bring such important issues, where our military is involved, to be debated in this House first.

Mr. John Brewin (Victoria): Mr. Speaker, I rise to put the position of the New Democratic Party on the government's announcement on the record.

I can actually find reason to congratulate the minister. We on this side, certainly our party, do appreciate that the minister has chosen to make this announcement in the House of Commons. It demonstrates that the government or at least the minister can learn rapidly. A week ago the Secretary of State for External Affairs chose to make the announcement on Somalia downstairs in a press conference while the House was in session. I want to say that we appreciate that the minister has made the announcement here in the House today.

• (1220)

The next step for the government is to decide that important decisions of this kind will actually be brought to the House with a resolution in order that the House can pass judgment and can debate the issue before the government simply announces it. However, we appreciate the rate of learning demonstrated by this minister in the last week.

Canada has contributed to UN peacekeeping in Cyprus since 1974. Thousands of Canadian service personnel have served in Cyprus since that time. Thousands of families have made the sacrifice of separation in order that Canadians can participate in keeping the peace in Cyprus. Twenty-one Canadian Forces personnel died in Cyprus in the service of their country and in the service of the United Nations and we honour their sacrifice and their commitment.

I should take this opportunity to note the fact that many Canadian veterans of UN peacekeeping operations are disappointed that the Canadian government has so far failed to strike a Canadian service medal for peacekeeping under the United Nations in recognition of that service. The Canadian Peacekeepers Veterans Association, headed by James MacMillan-Murphy in my riding, has taken up this issue and I hope the government will respond to it.

The minister has today announced that Canada is withdrawing its forces from the United Nations peacekeeping force in Cyprus. It has done so with no replacement indicated. It has done so with no resolution of the dispute that took Canada and the United nations into Cyprus and it has done so with no assurance that this withdrawal will not make the situation worse. The government has said that UN peacekeeping is part of the problem. I submit that is simply wrong and that there is no evidence for that statement. UN peacekeeping is what is maintaining peace and security for the people of Cyprus.

The parliamentary committee to which my friend from Parkdale—High Park referred gave that evidence this week to the House of Commons, an all-party committee. It spoke to Cypriots from all sides and said that the UN peacekeeping force is vital for peace and security in Cyprus. In the minister's announcement there was no item of evidence against that proposition.

I submit that what the government is doing here is pandering to a natural war weariness by Canadians of the contribution that has been made over these many years. I submit that it is incumbent upon the government to show leadership to Canadians on this difficult issue and to say that we are performing a vital role and we must keep it up until either our forces are replaced with others or until there is a just and honourable solution to the dispute. As long as we are providing a useful service, we should stay in Cyprus.

We oppose this resolution because all parties say our contribution is vital to peace. We say that this announcement comes at a particularly delicate time while there are initiatives to try to resolve this dispute. There will be an election in Cyprus in February. The peace discussions

have been adjourned until March and I think the government has a duty to those from Canada who have sacrificed over the years in service in Cyprus not to come to this House until it can give assurance to the House and to the country that what we are doing is part of a solution and not simply an abandonment of responsibilities.

If we leave now or in 1993, as the government has announced, there is a real risk that the situation will blow up again and that all we are doing is saying, particularly to the Turkish side, wait long enough and our arms will again be able to impose our solution in Cyprus. That is wrong and it is a position that this government should have rejected.

It is said that this costs too much. It is said the government trots out the $14 million a year that this costs. As the member for Parkdale—High Park said, this is modest compared to the costs that may occur as a result of this decision.

It is modest to the billions of dollars that this government wastes in the Department of National Defence, including the latest outrage on helicopters.

I regret this decision. Our party regrets this decision and we hope the government will use the Christmas season to reconsider.

[*Translation*]

Mr. Prud'homme: Mr. Speaker, a point of order.

Mr. Speaker: The hon. member for Saint-Denis, on a point of order.

Mr. Prud'homme: Mr. Speaker, thank you for allowing this point of order. I am well acquainted with the Standing Orders, and I know that unfortunately, there can no further speeches by members.

[*English*]

I was elected in 1964 and we have had Canadians in Cyprus since 1964 and it so happens that I have been following the issue since 1964. Therefore, I very much regret that the rules of the House do not allow more participation because the rule is very clear: only the minister's statement plus two members, one from each party, can speak. I am unable to participate, but I shall at the first opportunity since I sit on the committee on management of the House.

The very able chairman from Edmonton Southwest is here and I will certainly raise the issue at the first opportunity at the committee of management of the House that we may see the time has now come to change the rule which deprives a full debate, maybe at least an hour debate of some kind, with more participation from the House on very specific and important issues of international importance. I have a great deal of interest and Canada has a great deal of interest for its reputation.

Unfortunately, such is the rule, such is life. I want strongly to be on record that I very much regret that we are withdrawing at this time. We should have waited until at least March to know what would have taken place.

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BILL C-98

PRESENTATION OF REPORT OF THE LEGISLATIVE COMMITTEE

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr.Speaker, I have the honour to present, in both official languages, the report of the legislative committee on Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning April 1, 1992, without amendment.

* * *

ELECTORAL REFORM

THIRD REPORT OF THE SPECIAL COMMITTEE

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Special Committee on Electoral Reform.

I would point out to the House that it contains close to 100 pages of amendments. It is an interim report and deals with the issue of who shall vote and how they shall vote. There are a few other items but that is the primary thrust of it.

The committee has engaged itself in close to 31 separate long meetings on the draft report alone because the work is so detailed in trying to provide for Canadians a better system of voting and protection against fraud at some kind of reasonable price.

The big change to enable Canadians who are away from their normal home to vote more easily under those conditions. That will include Canadians who are in some

other location temporarily within the country as well as Canadians who reside abroad.

Previous to this report, Canadians have had the opportunity, if they were in an embassy or the military, to vote. That is extended to others who have engagements outside the country for some limited period of time but still have their connection to Canada.

The report is far-reaching.

We are also anticipating as committee members that the government will produce a bill for us to consider immediately upon return in the new year so that these changes can be implemented in time for the next election. That is why we have done a report that contains what we believe to be the appropriate legal language to implement all of these provisions. That is the way we have done it. The drafting hopefully is done and will be checked by justice to make sure that we are all protected. We look forward to that.

• (1230)

I would like to pay a compliment to all members of the committee and the staff who have served us so well in difficult circumstances, and also to Elections Canada which have been so diligent in being of assistance to us in this very very detailed examination. It has been difficult, but we hope it was very worth while for Canadians and for our democracy. I commend it to all members, to read it in all its glory during the break.

We will also be sending it out to the 295 returning officers in Canada, and asking them to examine this detailed drafting and feed information back to us if they think we have gone astray.

They are very knowledgeable human beings. They have just been through the referendum and should be in a position to give us some good advice if they think we have done something, and recommended to this House something, that will not work.

This was a little longer than a normal introduction but I think the subject matter is of considerable importance and difficulty. Thank you again to all committee members and our staff.

[*Translation*]

BILL C-88

REPORT OF LEGISLATIVE COMMITTEE

Mrs. Nicole Roy-Arcelin (Parliamentary Secretary to Minister of Communications): Mr. Speaker, on behalf of the hon. member for Welland—St. Catharines—Thorold, I have the honour to present, in both official languages, the report of the legislative committee on Bill C-88, an act to amend the Copyright Act, with amendments.

I would like to take advantage of this opportunity to thank my committee colleagues and the Minister of Communications for the efforts and co-operation that made it possible to table this report today.

* * *

BILL C-227

REPORT OF LEGISLATIVE COMMITTEE

Mrs. Nicole Roy-Arcelin (Parliamentary Secretary to Minister of Communications): Mr. Speaker, on behalf of the hon. member for Welland—St. Catharines—Thorold, I have the honour to present, in both official languages, the report of the legislative committee on Bill C-227, an act to amend the Criminal Code (desecration of the flag).

[*English*]

Mr. Hawkes: Mr. Speaker, on a point of order. I forgot to mention that the committee intends to report in another couple of phases and will be meeting in January on all the other issues. This issue was the dominant one but the other issues have to be dealt with and quickly, and the committee intends to do so. I want the House to know that as well.

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ABORIGINAL AFFAIRS

FOURTH REPORT OF STANDING COMMITTEE

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I have the honour to present in both official languages the fourth report of the Standing Committee on Aboriginal Affairs.

In so doing I would like to comment that this report has given members of the committee an unparalleled opportunity to visit places and people of Canada that we otherwise would not have had the opportunity to experi-

provided mixed emotions for us. We experienced moments of pride and we experienced moments of sorrow in what we saw. We felt compassion and some helplessness during our visit. Perhaps this report will in some way help.

There are those whose housing was quite comparable to what we might consider to be an average southern community. They had an established economic base, a form of self-government, a relatively stable social environment and a good climate. We learned about them.

There were those settlements that had little of what I have just referred to. Yet despite it all they seemed to be determined to make their plight a better one despite the adversities confronting them. We learned about these people as well.

It is our sincere wish that this report accurately reflects what we heard, what we saw and what we felt. Our recommendations are intended to provide a path to resolve the housing problems that exist for our native Canadians in order that they may achieve suitable, adequate and affordable housing.

The committee and the chair, in particular, are greatly indebted to the clerk of the committee, whose camera seemed to appear everywhere and the results of her photographs will appear in the report, our Library of Parliament researcher, and the members of our own staff for their work and efforts in the research and writing of this report.

Most of all, I would like to extend the committee's most sincere and heartfelt thanks to those communities that opened their hearts and their homes to us. Their hospitality was beyond reproach and served as an example to the rest of Canada.

I want to thank the members of the committee whose dedication to this cause was beyond reproach. There were times when details seemed to attract the attention of some of the frustration of others. When all is said and done our report is better for their participation, and I want to thank them for their determination.

EXTERNAL AFFAIRS AND INTERNATIONAL TRADE

SEVENTH REPORT OF STANDING COMMITTEE

Mr. Girve Fretz (Erie): Mr. Speaker, I have the honour to present in both official languages the seventh report of the Standing Committee on External Affairs and International Trade. In accordance with Standing Order 108(2), the subcommittee on Development and Human Rights has examined the subject of human rights.

* * *

HOUSE MANAGEMENT

59TH REPORT OF STANDING COMMITTEE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I have the honour to present the 59th report of the Standing Committee on House Management. Pursuant to Standing Order 113(1), this report is deemed adopted when laid on the table.

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

* * *

CRIMINAL CODE

MEASURE TO AMEND

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved for leave to introduce Bill C-109, an act to amend the Criminal Code, the Crown Liability and Proceedings Act and the Radiocommunication Act.

Mr. 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.

NORTHUMBERLAND STRAIT CROSSING ACT

MEASURE TO ENACT

Hon. Elmer M. MacKay (Minister of Public Works) moved for leave to introduce Bill C-110, an act respecting the Northumberland Strait Crossing.

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. MacKay 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.

* * *

CRIMINAL CODE

MEASURE TO AMEND

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap) moved for leave to introduce Bill C-394, an act to amend the Criminal Code (firearms).

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. MacWilliam: Mr. Speaker, four out of five Canadians want stiffer legislation preventing criminals from using firearms in acts of violence or in the perpetration of a crime.

The government responded to this public pressure by passing the current gun control legislation. However, this legislation does not get to the root of the problem, which is the criminal misuse of deadly weapons. Instead the government's legislation restricted the legitimate recreational use of firearms without really tackling the need for stronger enforcement of regulatory control.

Since I could not support the government's legislation, I prepared this private member's bill to increase the penalties for those convicted of a firearm related offence. My private member's bill would ensure that the recommendations of the Special Committee on Gun Control are enacted with specific reference to increased penalties for the misuse of firearms and that plea bargaining could not be used as a means to reduce a sentence without the Attorney General's permission.

The bill is a major step toward keeping deadly weapons out of the hands of criminals.

Mr. 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.

* * *

CANADIAN BILL OF RIGHTS

MEASURE TO AMEND

Mr. John E. Cole (York—Simcoe) moved for leave to introduce Bill C-395, an act to amend the Canadian Bill of Rights (right to property).

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Cole: Mr. Speaker, every citizen of Canada must be guaranteed that their right to own, use and enjoy property is recognized and respected by all levels of government in Canada.

The right to enjoy property is a fundamental right existing long before the constitutions that protect it. When, for example, a garbage dump is imposed upon a community against its wishes, it is extremely difficult and costly for individual Canadians to protect their rights even though they would be directly and obviously affected negatively.

The amendments I propose to the Canadian Bill of Rights will strengthen Canada's commitment for individual Canadians to protect their right to use and enjoy their property.

Mr. Speaker: Mr. Cole 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.

• (1240)

HOUSE MANAGEMENT

CONCURRENCE IN 57TH REPORT OF STANDING COMMITTEE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): I move:

That the 57th report of the House management committee, presented to the House on Friday, December 4, 1992, be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

An hon. member: Nay.

Mr. Speaker: In my opinion the yeas have it. I declare the motion carried.

Motion agreed to.

* * *

PETITIONS

NORTH THOMPSON RIVER

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is an honour and a privilege to present petitions on behalf of literally thousands of British Columbians from the communities of Little Fort, Darfield, Barriére, Clear Water, Vavenby, Blue River, Birch Island, Bridge Lake, Louis Creek, East Barriére Lake, Blackpool, Avola, McLure, Valemount, Jasper, McBride, Skwaam Bay, Heffley Creek, Chu Chua, Whispering Pines, Wells Gray and Vinsulla.

I will summarize their lengthy petition, but basically they indicate their opposition to diverting the North Thompson River, a tributary of the Fraser River. The plan is to divert the water into the San Diego, California area. It is an extension of the North America Water and Power Alliance Program.

These petitioners are asking that the Government of Canada introduce legislation that would prohibit the sale of Canadian river water or lake water to the United States or northern Mexico.

HOUSING

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have a number of petitions. The first ones urge the government to reinstate the federal co-operative housing program and commit $6.1 million to the program which has been planned for 1992 to permit approximately 2,000 co-operative units to be sponsored. That comes from people in Coquitlam, British Columbia.

PHARMACEUTICALS

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, the second group of petitions is a little late but is important. The petitions urge the government not to proceed with Bill C-91 on the drug matter.

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Ian Waddell (Port Moody—Coquitlam): Finally, the last one is from the Council of Senior Citizens' Organizations of B.C. The petitioners urge the government not to proceed with the free trade agreement with the United States and Mexico.

CHILD POVERTY

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I rise today pursuant to the provisions of Standing Order 36 to present a petition signed by numerous citizens from Regina, Saskatchewan.

They remind the House of their express concern for the more than one million Canadian children currently living in poverty. They seek to achieve the goal of eliminating poverty among Canadian children by the year 2000.

The petitioners humbly pray and call upon Parliament to take the action 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.

YOUNG OFFENDERS ACT

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, I have the honour to present a petition signed by several thousand Albertans.

It is particularly appropriate that I rise today to present this petition. As you know, Mr. Speaker, just yesterday the Hon. Ken Rostad, Attorney General for the province

of Alberta, and the Hon. Stephen West, Solicitor General for the province of Alberta, met with their federal counterparts and Alberta members of Parliament to press for further amendments to the Young Offenders Act.

This petition indicates the support of my constituents for the revision of the laws of Canada to respond to the sense of concern that many Canadians are feeling in the face of rising levels of violent crime committed by young people.

I thank my Alberta colleagues for their support and commend those who have circulated this petition in the memory of Ryan Garrioch.

CAPITAL PUNISHMENT

Mr. Walter Van De Walle (St. Albert): Mr. Speaker, I have the honour to present a petition duly authorized, pursuant to Standing Order 36. The petitioners are concerned about the increasing incidence of rape and murder.

They call upon the Parliament of Canada to reinstate the death penalty.

[*Translation*]

OLD AGE SECURITY

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure to table a petition from many of our seniors.

[*English*]

They are asking the government to re-evaluate Canadian old age security pensions so that they can truly reflect the needs of our Canadian seniors.

"SERIAL KILLER" GAME

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, there are several hundred signatures petitioning the House of Commons to prohibit by law the importation, distribution, sales or manufacture of a game called "Serial Killer" and to advise producers of "Serial Killer" that their product, if destined for Canada, will be seized and destroyed.

Mr. Speaker, we abhor crimes of violence against persons. We believe that "Serial Killer" offers nothing positive for children or adults to admire or emulate but rather it contributes to violence.

YOUNG OFFENDERS ACT

Mr. Al Johnson (Calgary North): Mr. Speaker, I am pleased to present two petitions today each of which relates to a tragic murder of a child in Calgary.

The first petition is in the memory of Ryan Garrioch and 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.

CAPITAL PUNISHMENT

Mr. Al Johnson (Calgary North): The second petition, Mr. Speaker, is in the memory of Shannon Dawn Morrisette Bird in which your petitioners strongly request that the penalty for child murderers be increased to capital punishment.

KILLER CARDS

Mrs. Christine Stewart (Northumberland): Mr. Speaker, pursuant to Standing Order 36 I wish to present a petition on behalf of constituents in my riding who also represent many others.

• (1250)

They petition this government to amend the laws of Canada to prohibit the importation, distribution, sale and manufacturing of the so-called killer cards in law and to advise producers of killer cards that their product, if destined for Canada, will be seized and destroyed.

HUMAN RIGHTS

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I am pleased to present a petition on behalf of constituents and others from the Scarborough and Markham area.

The petitioners indicate their concerns for human rights accordance in India and in other countries. They have noted the continued detention of Mr. Justice Ajit Singh Bains who has now been released from custody.

The petitioners wish the Canadian government to communicate their concerns on the issue of human rights accordance to the Government of India.

GOODS AND SERVICES TAX

Mrs. Ethel Blondin-Andrew (Western Arctic): Mr. Speaker, I am honoured to rise before the House with two petitions on behalf of the First Nations of Canada.

The first petition pursuant to Standing Order 36 is a petition about the goods and services tax. Whereas the First Nations of Canada are immune from such taxation by virtue of their aboriginal and treaty rights, the

petitioners call upon Parliament to fulfil its responsibilities to the citizens of First Nations in Canada.

They ask that the government take immediate steps to rectify the deficiency of the policy guidelines, including changes which will protect the taxation immunity of First Nations citizens both on and off reserve lands, including those citizens who do not yet have recognized reserve lands.

ABORIGINAL LANGUAGES

Mrs. Ethel Blondin-Andrew (Western Arctic): Mr. Speaker, the second petition has to do with aboriginal languages.

This is on behalf of over 100 aboriginal First Nations people who have given their names to express concern about the erosion of their languages. They speak about the 53 aboriginal languages and are ever committed to the preservation, development and enhancement of aboriginal languages.

CHILD POVERTY

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, in accordance with Standing Order 36, it is my honour and pleasure to present a petition from a number of residents of Toronto.

The petitioners point to the resolution passed on November 24, 1989 in the House of Commons unanimously that this House express its concern for the more than one million Canadian children currently living in poverty. They seek to achieve the goal of eliminating poverty among Canadian children by the year 2000.

They point also to the fact that Canada ratified the United Nations Convention on the Rights of the Child and its moral obligation to seek the elimination of child poverty in Canada.

They point to the fact that on May 7, 1992 the Minister of National Health and Welfare said that there is no plan to cope with the problem of poverty exclusively for children.

Therefore, the petitioners humbly pray and call 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.

LOW LEVEL FLIGHT TRAINING

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I have a petition also from a number of residents of Toronto who urge the Parliament of Canada to join with the Assembly of First Nations, the Innu of Labrador and other aboriginal peoples of northern Canada in opposing the use of their lands for NATO-NORAD attack training.

The petitioners demand that the Canadian government end all NATO-NORAD low level flight training in Canada and to redirect Canada's NATO and NORAD funding toward enabling Canada's aboriginal peoples to regain control of their lands and their livelihood and promoting sustainable development for all Canadians.

STONEY POINT RESERVE

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I have a number of petitions to present today.

The first is from 475 people in the Stoney Point area near Sarnia. The petitioners note that in 1942 the Canadian government confiscated their reserve number 43 under the War Measures Act. In spite of a government promise to return the land after the war, the land is still in the possession of the Canadian Armed Forces in breach of the proclamation of 1763.

The petitioners therefore call upon Parliament to fulfil its responsibilities to the Stoney Point First Nation by returning the land at Stoney Point to its aboriginal inhabitants and their descendants.

SOFTWOOD LUMBER INDUSTRY

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I would also like to present a petition indicating that the United States has unfairly imposed a duty on our softwood lumber exports and has engaged in numerous other harassment practices against Canadian producers.

The petitioners note that the free trade agreement has caused serious job loss and devastation in the Canadian economy without the promised benefits.

They therefore ask Parliament and the Government of Canada to take any action necessary to defend the interests of the Canadian softwood lumber industry and to effect the cancellation of the free trade agreement.

NORTH THOMPSON RIVER

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I have the honour to present 27 more petitions in the long line of petitions regarding water exports.

These petitions come from people in Armstrong, Anglemont, Celista, Chase, Sorrento, Tappen, Salmon Arm, Sicamous, Mara, Endorby, Vernon, Lumby, and Falkland. They are all towns and communities within the riding of Okanagan—Shuswap.

The people that have signed the petition are very concerned about the proposal to divert a portion of the flow of the North Thompson River, and divert the water to the California market.

They have asked that the Government of Canada state categorically that it will not permit Canada's fresh waters to be dammed and diverted to the U.S.A. or to Mexico, and to state categorically that our Canadian rivers are not for sale.

CHILD POVERTY

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I am privileged, on behalf of approximately 200 citizens of Windsor and Essex county, pursuant to Standing Order 36, to submit this petition pointing out that the House of Commons unanimously passed a motion to the effect that this House expressed its concern for the more than one million Canadian children currently living in poverty and that it would seek to achieve the goal of eliminating poverty among Canadian children by the year 2000.

The petition goes on to describe the tragic jeopardy in which this nation's future social and economic stability will be placed if this problem is not addressed.

Therefore they humbly pray and call upon Parliament to take the necessary actions 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 that commitment.

PHARMACEUTICALS

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I am privileged to present a petition signed by a number of people from Esquimalt—Juan de Fuca. The petitioners express concern about the rate at which drug prices have gone up, and about the cost of these drugs to provincial and private drug plans as well as to individuals.

The petitioners urge that Bill C-91 not be finalized. Further, they ask that Parliament repeal Bill C-22, passed in 1987, so that Canadians can have the full benefit from lower priced generic drugs.

* * *

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. 398, 401, 407 and 442.

[*Text*]

Question No. 398—**Mr. Gardiner:**

With regard to the Voyageur 92 program, (*a*) how many television programs have been prepared by or for the government or its agencies (*b*) what persons or companies were hired to make these programs (*c*) how much was paid for the production of each program (*d*) how much was to be paid for the placement of each program (*e*) how many television stations ran the programs and which stations were they?

Hon. Robert de Cotret (Secretary of State of Canada): In so far as the Department of the Secretary of State is concerned, the answer is as follows: (a) two half-hour programs, one English language and one French language; (b) 1st Satellite Communications Ltd; (c) $43,280.49; (d) no charges for the placement of the programs; (e) 121 cable community channels and 33 commercial stations indicated that they were going to broadcast the programs at a later date. A detailed listing of the specific stations has not been developed.

Question No. 401—**Mr. Gardiner:**

Regarding the North American free trade agreement, (*a*) what is the total actual and estimated cost of the public information campaign (*b*) what companies have received contracts for services under this program (*c*) what is the value of each of these contracts (*d*) how much is to be spent on television, radio, newspaper and other forms of publicity?

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): a) There has not been a specific public information campaign on the North American free trade agreement. There has been a public information campaign on how Canada trades with the rest of the world and how Canada can compete in the international market. The trade public information campaign dealt with general trade issues, the FTA, the NAFTA and the GATT. The total cost for the trade radio campaign and trade tabloid was $3,304,156.38.

(b) (i) Genesis Media Inc., (ii) The McLaughlin Group, and (iii) Canada Post Corporation were the companies that received contracts under the trade public information campaign.

(c) The value of each of these contracts were:

(i) One contract with Genesis Media for $1,880,000

(ii) Two contracts with McLaughlin Group for $842,000.76

(iii) One contract with Canada Post for $582,155.62

d) At present, there is no allocation of funding for television, radio, newspaper or other forms of publicity on the North American free trade agreement.

Question No. 407—**Mr. Boudria:**

Since September 17, 1984, how many Secure Telephone Unit (STU) telephones has the Government of Canada acquired and what was the cost of their acquisition for each fiscal year?

Hon. Paul Dick (Minister of Supply and Services): The Government of Canada has acquired a total of 3,816 Secure Telephone Units (STU) to date.

The following is a per fiscal year (FY) expenditure breakdown (estimated) of the cost of aquiring the STU's:

Fiscal Year	($) Amount
FY 1984/85	0
FY 1985/86	0
FY 1986/87	116,000
FY 1987/88	2,200,000
FY 1988/89	3,015,000
FY 1989/90	938,000
FY 1990/91	6,096,000
FY 1991/92	776,000
FY 1992/93	322,600

It is to be noted that prior to fiscal year 1986/87, there was no record of any expenditures for Secure Telephone units. Any units that were in Canada prior to fiscal year 1986/87 were either on loan from vendors or given by the U.S. government for Canadian use.

Question No. 442—**Mr. Thacker:**

In regard to cost to the government for answering Questions placed on the Order Paper for the period of June 13, 1992 to December 10, 1992, (*a*) what has been the total cost (*b*) cost per question (*c*) cost for this question?

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): (*a*) & (*b*) Questions answered during the period of June 13, 1992 to December 10, 1992:

Question No.	Approximate Cost $	Question No.	Approximate Cost $
218	1,075	352	961
247	286	354	158
248	115	355	85
251	469	356	87
282	700	357	41
284	244	358	92
285	367	359	41
289	969	360	57
291	525	361	480
294	682	362	189
295	312	363	189
296	76	364	82
297	210	365	480
298	128	366	245
300	145	368	140
304	3,211	369	2,868
310	385	370	598
311	62	371	428
312	135	372	130
314	95	373	420
315	77	374	101
319	59	375	859
322	164	376	138
323	120	377	41
327	82	378	92
329	1,534	379	72
330	1,130	380	138
331	128	382	102
332	87	383	164
333	93	384	228
334	77	388	58
335	205	390	475
336	281	391	314
339	311	392	106
340	56	393	361
341	232	394	112
342	61	397	56
343	118	399	109
344	189	400	109
345	276	403	445
347	2,173	409	85
348	169	410	85
349	117	411	845
350	30	412	90
351	41		

Total Cost : $30,957

(c) $35.

[*English*]

Mr. Speaker: The questions as enumerated by the parliamentary secretary have been answered.

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

Mr. Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, if Question No. 385 could be made an Order for Return, the return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that Question No. 385 be deemed to have been made an Order for Return?

Some hon. Members: Agreed.

[*Text*]

Question No. 385—**Mr. Karpoff:**

For each year since November 1988, have any departments or agencies spent money or provided grants in the constituency of Surrey North 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.

GOVERNMENT ORDERS

[*English*]

GWICH'IN LAND CLAIM SETTLEMENT ACT

MEASURE TO ENACT

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development) moved that 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, be read the second time and referred to a legislative committee in the Human Resources envelope.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

• (1300)

Mr. Dingwall: Mr. Speaker, I think there would be disposition in the House that the subject matter be referred to Committee of the Whole for further debate.

Mr. Speaker: Is there agreement?

Some hon. members: Agreed.

Motion agreed to, bill read the second time and the House went into committee thereon, Mrs. Champagne in the chair.

Madam Chairman: House in Committee of the Whole on 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.

Shall clause 2 carry?

On Clause 2—*Definition of "Agreement"*

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Chairman, I believe there is disposition on the part of the parties to make a short statement at the committee stage. Then if there are questions I would be prepared to take them.

I would like to very briefly outline the provisions of the Gwich'in Land Claim Settlement Act, Bill C-94. I will, in the interest of time, keep this very short.

This bill will give the force of law of the Gwich'in comprehensive land claim agreement, of which I have a copy and which was tabled in this House on November 26. It is a historic agreement formally signed by the Governments of Canada, the Northwest Territories and the Gwich'in Tribal, council on April 22 of this year.

Under the terms of this accord the 2,200 Gwich'in people living in the Mackenzie River area, largely in the communities of Aklavik, Inuvik, Arctic Red River, and Fort McPherson, will receive title to more than 22,000 square kilometres of land in the Northwest Territories, and title to more than 1,550 square kilometres of their ancestral homelands in the Yukon Territory.

Bill C-94 also allows the Gwich'in to play a major role in managing the renewal resources of the area. It provides sub-surface rights to 6,100 kilometres of land in the Northwest Territories, and exclusive rights to certain commercial wildlife harvesting activities.

The financial benefits include a tax-free payment of $75 million in 1990 dollars to be paid out over the 15-year period following adoption of this bill. It also gives them an annual share of resource royalties at the level of 7.5 per cent on the first $2 million of resource earnings and 1.5 per cent on sums beyond that level of earnings as resources are extracted from the Gwich'in lands within the Mackenzie River Valley, and also a 15-year subsidy of property taxes on the undeveloped lands known as Gwich'in lands within municipal boundaries.

Under the terms of this bill federal, territorial, and municipal laws will continue to apply to the Gwich'in and their land until a self-government agreement has been successfully negotiated and brought forward to this House.

Those terms form the backbone of the land claim settlement, the backbone of Bill C-94, a bill whose merit all parties will acknowledge.

In every respect, this bill represents a great and historic step of progress. Bill C-94 provides the Gwich'in with a role in the development of the north. It does this through the creation of a number of specific management boards. It provides economic opportunities beyond their traditional vocations, a voice in the ongoing management of those resources, and provides for a dispute settlement mechanism to resolve disagreements which may arise with governments.

Let me just add that while the Gwich'in are exchanging certain undefined hunting, fishing and trapping rights contained in the existing Treaty 11 for the more clearly defined benefits of Bill C-94, all other treaty rights contained in Treaty 11, which was signed in 1921, will continue in place. These other treaty rights include the provision for annual treaty payments, education rights and other social treaty benefits.

The settlement of aboriginal land claims has been a major priority of this government. In recognition of the vital necessity to settle these land claim issues, necessary for the future of aboriginal peoples and the economic development of Canada, this government made the resolution of comprehensive claims the first pillar of the agenda of native initiatives which the Prime Minister presented in this House in September 1990.

Therefore, this legislation represents the first regional land claim settlement resulting from the prolonged negotiations with the Dene and Métis people of the western Arctic. In that regard the Gwich'in are truly pioneers. They have broken the ice and set an example for others in the western Arctic to follow.

In conclusion, I would like to personally compliment President Willard Hagen of the Gwich'in Tribal Council, Chief James Ross of the Fort McPherson Band and other members of their negotiating team and board for their very positive, optimistic, and confident approach to concluding this agreement.

Hon. colleagues, Madam Chairman, I would ask you to lend your support to the legislation before us today, which received a 94 per cent ratification vote from the eligible voting members of the Gwich'in nation last year. I call on members to facilitate quick passage. I do so especially because of the economic and human importance of this agreement to the Gwich'in people. I note that the Gwich'in elders will receive benefits before the Christmas period if this legislation is passed today.

I trust that hon. members will be prepared to give their consent to completing the passage of the bill through all stages today, including the final passage and referral to the other place. I encourage hon. members to give their complete co-operation to this important initiative.

Mrs. Ethel Blondin-Andrew (Western Arctic): Madam Chairman, I am honoured to rise to speak to the second reading and passage of Bill C-94, which deals with the Gwich'in land claim. I am honoured to have the opportunity to speak on this comprehensive land claim legislation. As the minister has mentioned, the Gwich'in people are the first to reach a regional land claim agreement in the Northwest Territories since the failure of the comprehensive Dene—Métis final agreement.

There are now two other native organizations in my riding of the Western Arctic, the Sahtu Tribal Council and the Dogrib Tribal Council, that have also initiated land claims negotiations based on the former comprehensive claim final agreement.

The Gwich'in people are very proud of their agreement, which is the final product of many years of very hard work and their tireless efforts to seek and achieve an agreement that would give them an immense opportunity for a financially secure future. The Gwich'in people are looking forward to using this agreement to better their lives.

As parliamentarians we can and are obligated to assist the Gwich'in people in obtaining this goal.

• (1310)

Negotiations have spanned seven generations of the Gwich'in people. Their struggle began in 1921 under Chief Julius Salu of the Tetlit Gwich'in and Paul Niditchi of the Gwich'a Gwich'in who were signatories to Treaty 11 on July 26 and July 28, 1921, respectively, in the communities of Arctic Red River and Fort McPherson.

The Gwich'in people had believed Treaty 11 could be a peace and friendship treaty until it was discovered that there was a misunderstanding in the translating of the treaty from the spoken word to the written page, with Ottawa interpreting the treaty as a surrender by the Gwich'in people of their lands and their cultural identity. Their language, religion and traditional values which had survived for thousands of years were almost lost.

A strong and proud people, the Gwich'in have stood peacefully against those outside forces which sought economic wealth in taking their non-renewable resources and using their water and lands, some of which have sustained damage. They have survived against the wealthy and misguided anti-fur lobby groups which callously and dishonestly oppose the harvesting of fur and animal hides with precious little regard for the impact such deceitful and disrespectful campaigns have had upon the the Gwich'in, their values, traditions and their economic way of life.

It has been Gwich'in determination which has carried the Gwich'in people to this moment of the second reading of their legislation today. Theirs is an agreement which is the product of extensive negotiations conducted since the Government of Canada first accepted claims from the Dene and Métis in 1976 and 1977.

Using the 1990 agreement in principle as the basis for continuing negotiations, the Gwich'in of the Mackenzie Delta region and Canada began negotiations in December, 1990 and initialled a comprehensive agreement on July 13, 1991.

Special thanks and congratulations should be made to the people of the Gwich'in Nation who turned out to vote, as the minister mentioned, and to the support of the Gwich'in Clan between September 16 to 20, 1991. Of the 1,122 eligible voters, 1,021 cast a ballot and 960 voted in favour of the agreement; a very impressive 91 per cent turnout and a 94 per cent vote in favour of the agreement.

Appropriately, the historic signing of the Gwich'in comprehensive land claim agreement took place on April 22, 1992 at the Chief Julius School in the community of Fort McPherson. It should be noted that at that time there were many officials there, including territorial officials, the leader, the hon. Minister of Indian Affairs and Northern Development as well as the member of Parliament for Western Arctic. Many respected elders who played an important role in the negotiation process were present and participated in the actual signing of the final agreement.

The agreement is a celebration of the Gwich'in's culture and identity. After the signing, drum dances and fiddling dances and feasts were held in each of the communities of Fort McPherson, Aklavik, Inuvik and Arctic Red River, with the celebrations lasting for days. This agreement may not be the end of almost 20 years of negotiations or 70 years of struggle, but it is definitely a major step forward. The Gwich'in have negotiated a modern day treaty with more economic benefits, sub-surface and surface ownership, regional powers in some cases, exclusive rights to hunting, trapping and fishing and clearly defined aboriginal rights. These provisions have been accepted and ratified by the majority of the Gwich'ins.

On the gains and provisions, the Gwich'in agreement represents significant gains for the Gwich'in people. They have within that particular agreement a flow-through provision in section 3.1.5.

A general provision within the Gwich'in agreement protects the aboriginal identity of the Gwich'in people and within their legislation they are protected and included in the opportunity to benefit from or participate in any existing or future constitutional rights for aboriginal people which may also be applicable to them.

There is also the self-government framework in appendix B. The self-government framework agreement provides a broad range of affairs*jurisdictions over which the Gwich'in may enter negotiation with the Government of Canada.*

The framework agreement will allow the Gwich'in to discuss the transfer and delivery of programs, services such as education, training, language, revenue and taxation, health and social services and the administration of justice through a Gwich'in tribal justice system based upon traditional values. In years to come this aboriginal group will be recognized, its rights entrenched in the Constitution of Canada. There have been gains made from Treaty 11. Most Gwich'in Treaty 11 rights remain unaffected by the agreement.

On the question of land, the Gwich'in will receive title to 8,622 square miles of land in the Northwest Territories, including increased sub-surface rights and sub-surface resources, and an additional 600 square miles of land in the Yukon, which do not include sub-surface resources. They will receive $75 million over 15 years.

I urge the members of this House for speedy passage of this legislation in that there are specific provisions for the elders to be affected immediately upon the passage of this legislation.

It also touches on the harvesting rights; many detailed rights in Gwich'in settlement area, including exclusive trapping of fur bearers, harvesting preferences on all species, exclusive harvesting on Gwich'in titled lands.

There is also the issue of expropriation. The quantum of land that was agreed upon in this land claims agreement is guaranteed to the Gwich'in forever. Even in the unlikely event that the government should need to expropriate a portion of land within the settlement area, this guarantee will stand.

Management rights and economic opportunities also exist. Gwich'in are guaranteed 50 per cent on management boards, including renewable resources, land use planning, environmental assessment, land and water regulation. The Gwich'in see this as a very positive gain which now gives the Gwich'in an equal say and a voice.

First time economic opportunities will now exist in a number of areas. They will have a role in development resolving disputes between government and Gwich'in and the amendments of the treaty. The Gwich'in believe that where no provisions existed before, now the Gwich'in have guaranteed consultation by developers on a variety of matters. There is an arbitration panel should there be a difference in interpretation of the agreement, and amendments may be made by agreement between the Government of Canada and the Gwich'in.

On the subject of future concerns and the implementation process, I would like to raise a concern which has been expressed to me by the Gwich'in. The Gwich'in are concerned over the lack of a benefits package for the Gwich'in when developers wish to explore for oil and gas on Gwich'in lands. In the Gwich'in settlement area this is an essential requirement for any First Nation that wants to promote and establish some form of self-government.

Another pressing concern is the existence of outstanding loans against the financial compensation package. The Gwich'in have taken responsibility for 15 per cent of the $40 million loan to the Dene Métis acquired when attempting to obtain a comprehensive land claims agreement. The Gwich'in believe that the Government of Canada has a fundamental obligation to provide claimant groups with the necessary funds to procure a comprehensive land claim agreement.

In the best interests of both parties and in good faith of the negotiation process, I hope and trust that the Government of Canada will respect the reasonable timeframe allotted to the establishment and commencement of the implementation plan and the implementation committee as well as provide the adequate necessary funding to put the structure of the agreement into place.

As the Liberal critic of aboriginal affairs and as a member of Parliament responsible for the constituents' concerns in Western Arctic, I will monitor the progress made with respect to the process put into place within a reasonable length of time of the settlement legislation passage.

I would like to take a brief moment to describe for the members of the House today the four communities of the Mackenzie Delta, Aklavik, Inivuk, Fort MacPherson and Arctic Red. Aklavik, meaning place of the barren land grizzly in Inuktitut, is a community of 760. These are the communities that have worked closely together to achieve this land claim legislation.

The community of Aklavik, which grew out of a small trading post established by the Hudson Bay Company, quickly became the chief trapping, trading and transportation centre of the muskrat-rich Mackenzie Delta. Aklavik is probably known by many of its inhabitants as the town that would not die. If you are from Aklavik you commonly use the phrase in a situation that is tough, "never say die". As the town was relocated by the federal government to Inuvik due to the serious flooding and erosion, despite these problems many residents remain in Aklavik today. Inuvik is the largest Canadian community north of the Arctic Circle. With a population of 3,200, it was the Northwest Territories' first modern planned town.

• (1320)

Fort McPherson is located on the edge of the Gwich'in Dene territory on the Dempster highway and was named after Hudson's Bay trader Murdoch McPherson. With a population of 729, it remains to be one of the north's most important economic areas for hunting and trapping.

The small community of Arctic Red River, with 125 residents, is located where the Arctic Red River meets the Mackenzie and has been a seasonal fishing camp for the Dene for centuries.

I would like to take the opportunity in closing to pay tribute to the people who have worked on this particular land claims legislation. Do I have time? I do not. I will save the tributes and the closing comments for the next part of my speech.

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I would like to thank my colleagues who made the initial presentations from the Conservative and Liberal parties. I want the House to know that our party is prepared to support this legislation through third reading.

We recognize that the Gwich'in claim was overwhelmingly ratified by the Gwich'in people. As mentioned by the member for Western Arctic, on September 21, 1991 when the ratification vote was taken, 94 per cent of the Gwich'in people supported this claim and therefore I think the House has to recognize that the choice has been made by the Gwich'in people and that they overwhelmingly support the agreement with the national government. Only 5 per cent opposed. I wish we had achieved something like that in our own referendum.

Our party has always supported the idea of aboriginal land claims, not only because they resolve some outstanding social problems and problems of injustice that Canada has experienced with its aboriginal people, but also they are capable of bringing a substantial boost to economic development. Our party supports the settlement of claims because we know that through the settlement of lands and resources and also the financial compensation and royalties along the lines that the minister mentioned, a great deal of capital and the opportunity for economic development will be returned to the north.

The past northern policies of Liberal and Conservative governments have resulted in a decapitalization of the north where non-northern companies go into the north—mine, log, fish, hunt, whatever they do—and take the resources out of the north. They take the capital out of the north, they take the income out of the north and leave people in a relatively poor situation, with aboriginal people being the poorest among the poor.

This agreement has an opportunity to reverse that kind of decapitalization process. The people who live in the Arctic have been living there for approximately 9,000 years. It was their home in the past. It is going to be their home in the future. Any kind of capital or income that returns to their investments on their own lands is going to be reinvested in the north and we are going to see the kind of economic growth that we have not seen in those areas for a long time.

Land claim settlements should be a key part of the economic strategy of Canada. They certainly can reverse the decapitalization trend that has taken place in the past.

I want to let members know that we do have some concerns about the federal government's involvement in the negotiation process. As my colleague the member for Western Arctic pointed out, in the past the federal government insisted that the Dene Métis groups in the western Arctic get together and negotiate a comprehensive land claim that would cover the whole area. After the expenditure of a great deal of money, time, research and negotiations, they came to an agreement. When that agreement was presented at Dettah in July 1990 it was rejected by the vast majority of the Dene Métis people. At that point the Gwich'in people walked out of the meeting and indicated that they were prepared to make their own settlement.

One of the reasons they did that, as the minister of Indian affairs will know, was because they said that their people had been suffering long enough. The land claim was going to bring about compensation, it was going to give them a land base, it was going to give them certain administrative and government powers which they felt they needed in order to get their people on the process of development. They were able to get into separate negotiations with the federal government with that as their priority.

Unfortunately it is a bit of a form of blackmail that the federal government is able to use when dealing with aboriginal people. On the one hand, aboriginal policy of the national government keeps native people in a state of perpetual poverty; it deprives them of the resources they need in order to pursue their economic development; but, on the other hand, they may be forced to accept land claim agreements in which they are required to extinguish their existing aboriginal rights. That creates a serious problem, a serious dilemma, for aboriginal people.

The Gwich'in felt they could negotiate a claim which would help them with their economic and social programs, which would move them ahead as a people, and yet they were anticipating in the future that there would be some change on the part of the government, some change which would eliminate the blanket extinguishment provision or the right to extinguish aboriginal rights. They were taking a chance on the future in order to assist their people.

It is unfortunate that we still have, not necessarily the blanket extinguishment provision but the cede, lease and surrender kind of provision which still reduces aboriginal rights of people and requires them to surrender aboriginal rights when they enter into land claims.

Aboriginal people are the only people in this country who, in settling an outstanding grievance with the national government, are required to give up rights that have been assured to them under our Constitution. As far as I am concerned, it is unfair, it is a form of blackmail, and it should not be done.

I am pleased to see that there is another party in the House which has followed the lead of the New Democratic Party back in 1985 when we passed a resolution saying there should not be an extinguishment clause. Certainty it can be obtained by setting up forums through which native people can negotiate with the governments of Canada and the provinces, in order to make sure their rights are respected and their land and resource requirements are respected, given the changing circumstances.

We were also concerned, Madam Chairman, about the way third parties were consulted in the advancement of the Gwich'in land claim. We were concerned that, for example, 600 square miles of land became a part of the Gwich'in settlement in Yukon. The consultations that took place between the Government of Yukon and the federal government were not what we would call free and open and the parties were not considered equal in the process.

In fact, the federal government simply told the Government of Yukon that 600 square miles of the Yukon would become part of the Gwich'in settlement. In some cases that is more land than was received by groups of the Council of Yukon Indians during their settlement. They felt they were not being treated fairly and equitably in relation to the 600 square miles which was allocated as

part of the Gwich'in settlement. The minister may be able to respond to that.

With those concerns stated, we would like to pay tribute to all of those who were involved in the negotiating process. We think the result will be satisfactory to the Gwich'in people and will help them with their economic and social programs. It will make sure they can develop along the lines that they as a people in the Northwest Territories would like to develop. We wish them all the very best as a result of the outcome of this settlement.

• (1330)

Mr. Alex Kindy (Calgary Northeast): Madam Chairman, I would like to make some comments about this bill.

Bill C-94 is a very important bill because it deals with aboriginal people. They have been neglected for so long that they merit more attention than we are giving them. This bill is presented here the same day as the House adjourns, and it has to pass through all stages.

I find it somewhat strange that the Department of Indian Affairs could not have introduced this bill a long time ago so that it would be debated on its merit. This leaves us very little time to do so.

As the Gwich'in people seem to be happy with this agreement, I am certainly supportive of this legislation. It is extremely important that the Gwich'in people be in accord with this legislation and as the minister and other members said, the people are in agreement.

However, I would like to mention something here. I have been to the north and I have seen the aboriginal people living in conditions that are so bad that the Third World countries would be ashamed of those conditions. Canada should put a priority on treating her own aboriginal people fairly. I do not think the federal government has done it in a proper way.

We have a huge Ministry of Indian Affairs consisting of almost 3,000 employees dealing day to day with this problem. They should have projects and situations that would improve the lives of the aboriginal people. If you go to the north, you see how appalling the situation is. The aboriginal people cannot continue to live in such a way. It is late in the day and the minister brought this legislation in only half an hour ago but I would like to commend him for doing it. It is better late than never. I hope that he will take a lesson and deal with aboriginal affairs seriously and have other treaties signed to the satisfaction of the aboriginal people.

Therefore, I support the agreement and I congratulate the minister for bringing it in, even if it is late.

Clause agreed to.

On Clause 3—*Binding on Her Majesty*

Mrs. Blondin-Andrew: Madam Chairman, in speaking before to Bill C-94, I did not get an opportunity to pay tribute to the people who were involved. I think this is very important.

The minister had the opportunity to do that, and I appreciate it, but a double tribute is not going to hurt in this case since the treaty was so much work.

The prominent Gwich'in have worked for the Gwich'in cause over the last 71 years. Chief Julius Salu of the Tetlit Gwich'in and Paul Niditchi of the Gwich'in were signatories to Treaty 11 in 1921.

The late Chief John Tetlitchi of the Tetlit Gwich'in represented the Tetlit Gwich'in for many years as chief and as a member of the legislative council of the Northwest Territories.

These individuals are outstanding leaders in their communities and basically drove the process at a time when it was not deemed to be either fashionable or the thing to do. Chief Johnny Charlie of the Tetlit Gwich'in represented the Tetlit Gwich'in for 10 years as chief and still plays an active role within the Gwich'in nation. He is also a very active member of the community as well as of the region. He is respected by many Dene people throughout the Northwest Territories and many aboriginal and non-aboriginal people.

Willard Hagen, president of the Gwich'in Tribal Council has led the Gwich'in since they decided to proceed with a comprehensive land claims agreement with the Government of Canada.

James Ross, Chief of the Tetlit Gwich'in, was instrumental in obtaining a Dene Métis Comprehensive Land Claim Agreement on April 9, 1992, and later the Gwich'in Comprehensive Land Claim Agreement. Chief Ross has served his community and his people in various capacities over the last 10 years. He has been very active within the region and within the Northwest Territories, and is recognized for his work. He is fiercely determined, a very proud man, very intelligent and very eloquent on issues that affect his people, as well as his region and the north in general.

The former leaders of the Gwich'in who deserve special recognition and praise are: Chief Hyacinthe Andre of Arctic Red River, the late Chief Johnny Kaye of Fort McPherson, Chief Andrew Stewart of Aklavik, Chief Grace Blake of Arctic Red River, David Krutko, a former negotiator of the Gwich'in claim and former vice-president of the Métis Nation of the Northwest Territories, Margaret Donovan, former vice-president of the Gwich'in Tribal Council, Fred Koe, former negotiator of the Gwich'in claim and currently the MLA for Inuvik in the Northwest Territories Legislative Assembly, Richard Nerysoo, the MLA for the Mackenzie Delta in the Northwest Territories Legislative Assembly, and newly appointed cabinet minister for the Government of the Northwest Territories, as well as having been a former Minister of Justice and a government leader of the Northwest Territories.

As well, I would like to commend and congratulate the current leadership of the Gwich'in Nation, without whose efforts the Gwich'in Comprehensive Land Claim Agreement might not have been realized:

Willard Hagen; James Firth, Chief of Inuvik and vice-president of the Gwich'in Tribal Council; Robert Alexie Jr., vice-president of the Gwich'in Tribal Council and former negotiator of the Gwich'in claim; Chief James Ross; Chief Eugene Pascal; Chief Peter Ross, Charlie Furlong, president of the Métis Local of Aklavik and former president of the Gwich'in Tribal Council; Morris Blake, president, Métis Local of Arctic Red River; Ernest Firth, president of the Métis Local, Fort McPherson; Tommy Wright, president, Métis Local, Inuvik.

In closing, I would like to say that we support the passage of Bill C-94. It is what the Gwich'in people want. There is a saying within that community and it reflects the history of the Gwich'in people.

During the celebrations and during the finalization of the comprehensive claim they passed out stickers, posters and sweat shirts, and on them it said something that speaks loudly for these people. All it says, as we have said many times about being Canadian, "Proud to be Canadian", many of those Gwich'in say "Proud to be Gwich'in".

Clause agreed to.

Clause 4 agreed to.

On clause 5—*Renewable Resources Board*

Mr. Alex Kindy (Calgary Northeast): Madam Chairman, I would like to ask the minister a question concerning the Renewable Resources Board. Who is going to be sitting on that board and how are the members going to be elected or appointed to that board? Also, what are the powers of that board?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Chairman, the Renewable Resources Board will comprise members chosen half from the governments, principally the federal government, but with the devolution of authority to the Government of the Northwest Territories, the GNWT will have a role, and half from the Gwich'in Nation people.

It will have authority to review the proposals for the harvesting of renewable resources on the Gwich'in territory. It should be remembered that the harvesting of renewable resources will be enabled with the first right of use to be granted to the Gwich'in people within their own territory. The board will adjudicate and consider the larger interests of the surrounding people, and within the context of the laws of Canada and the Government of the Northwest Territories, the implementation of those rights of the Gwich'in people.

• (1340)

Mr. Jim Fulton (Skeena): Madam Chairman, I wonder if the minister could indicate whether this concept of a renewable board is something that is being considered in relation to the other claims such as those in British Columbia.

As the minister knows very well, one of the more pressing considerations in the B.C. claims is obviously the fishery. There has been a considerable amount of discussion about impact evaluation, particularly independent impact evaluation in relation to the fishery. Certainly, part of that has been dealt with in this most recent negotiating process between the Government of Canada, the Northwest Territories, the Yukon and the Gwich'in.

I wonder if the minister could give us some idea how that concept is evolving or devolving toward the settlement of comprehensive claims in B.C.

Mr. Siddon: Madam Chairman, the concept of a Renewable Resource Management Board is an element of our approach to negotiations of a land claims settlement with any First Nations group. However, we do not want to pre-empt the latitude which is taken by the parties to the table in seeking a flexible arrangement.

I would not necessarily undertake that in the case of British Columbia land claims we would create an entity to be called a renewable resource board. There will be in the context of British Columbia land claims, provision for a process of negotiating self-government which is provided for in the Gwich'in land claim agreement as a subsequent step but in the context of British Columbia First Nations may be part and parcel on a parallel track with the settlement of the land based issues. It would be premature to anticipate how those arrangements would work.

In the case of the Gwich'in agreement, the provision for a Renewable Resource Management Board is something that will take place immediately, subject to establishing the membership of that board. It will have immediate effect upon the adoption of this legislation and it will deal with all matters of administering wildlife within the settlement area.

Mr. Robert E. Skelly (Comox—Alberni): Madam Chairman, I wonder if the minister can explain this. Within the 600 square miles, or whatever the area is, within the boundaries of the Yukon territory, will there be representatives from the Yukon government with respect to renewable resources in that area? Or does it even come under the jurisdiction of this renewable resources board?

Mr. Siddon: Madam Chairman, we should understand that the 600 square miles was provided in recognition of the fact that part of the traditional territory of the Gwich'in people was in an area known as the Upper Peel River Valley on the eastern side of the watershed.

However, due to an anomaly in the maps, when the boundary was drawn between Yukon and Northwest Territories, that area which was part of their traditional hunting and trapping area was caught on the western side of the boundary.

The 600 square miles are not to be administered in the same way as those within the primary Gwich'in settlement area within the Northwest Territories. The wildlife or renewable resource management would be administered in a co-operative way with the surrounding First Nations in the Yukon and subject to arrangements that will be worked out with the government of the Yukon territory as well.

In particular, the interests and concerns of the people of NaCho Nyak Dun will be taken into account and there will be no question of the management boards provided for in this agreement having effect in that other 600 square mile territory, which I think if I am correct, falls under what we describe as a fee-simple type of arrangement subject to management structures being worked out with the existing public government, the government of the Yukon territory and in collaboration with the surrounding First Nations.

Mr. Alex Kindy (Calgary Northeast): Madam Chairman, my understanding is, if I am correct, that half of the board is appointed by the federal government and the other half is appointed or elected by the Gwich'in people. If there is a tie vote, what happens?

Is there a veto by the Gwich'in people if they really disagree on a given subject or is it carried simply by a majority vote?

Mr. Siddon: Madam Chairman, the board will have responsibility to administer renewable resources under provisions of the existing laws of general application that apply in that region of the Northwest Territories, unless and until a self-government agreement gives it expanded powers over the management of wildlife in that area. It does recognize its pre-eminent right to the harvesting of wildlife resources.

There are to be six members of the board, as I understand it: three from the government, non-aboriginal, and three from the Gwich'in nation, plus a chairman for a total of seven. The chairman is to be a resident in the settlement area, is to be nominated by members of the board and appointed jointly by the Governor in Council and executive council of the two governments.

Therefore, the presumption would be that if the chairperson is drawn from within the settlement area it would be a Gwich'in person. Then the Gwich'in would have the ultimate say in decisions taken by the management board but they would not be binding on the public government in terms of existing laws, unless those laws are changed through the negotiation of the self-government agreement which is provided for in this settlement act.

The Chairman: Shall Clause 5 carry?

Some hon. members: Agreed.

Clause agreed to.

On Clause 6—*Orders and Regulations*

Mr. Alex Kindy (Calgary Northeast): Madam Chairman, I imagine the orders and regulations are coming from the Order in Council so it is really the federal government that makes all those regulations.

Are the Gwich'in people really happy with this type of situation? Naturally, if we make the regulations, we control more or less everything as well as orders and there is no input from the aboriginal people at all. If everything is Order in Council it is done by the federal government and its ministry.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Chairman, that is not the case, although in law I believe the hon. member makes a valid point. If we had constitutionally recognized inherent right of self-government with clear designated authorities residing with First Nation governments, as had been envisaged in the Charlottetown accord, there would be no question of the powers of those First Nation governments being in any way fettered by the powers of Parliament.

However, under our present system of law and given the supremacy of Parliament, this is the body which must implement laws with respect to the administration of all territories within Canada unless those laws fall within provincial constitutional jurisdiction or by delegation are exercised by territories or other levels of government.

Under the present system of law within Canada if the orders and regulations to give effect to this agreement are to be changed they must be changed by Governor in Council.

The question the hon. member asked was: Do the Gwich'in people consent to this arrangement? Yes, they do, and I am advised that clause 3.127 of the agreement provides that the agreement may be amended—this is why we would use Orders in Council—with the consent of Canada, the Gwich'in as represented by the Gwich'in Tribal Council and where the territorial government is affected, the Government of the Northwest Territories.

In other words, there is no question here of the Parliament of Canada usurping the authority and the recognition of Gwich'in prerogatives with respect to their territory. Their consent would be required.

Mr. Kindy: Madam Chairman, is the consent binding on the government? Does it mean that if they do not give consent there can be no change to the agreement, or is it correct?

• (1350)

Mr. Siddon: Madam Chairman, as we have passed clause 3 we will not return to debate on it. Clause 3 says:

> This act is binding on Her Majesty in right of Canada or a province.

The section of the Gwich'in settlement agreement which I referred to, clause 3.127, is a section of the agreement which is being approved by way of this legislation today. Therefore, if it is binding upon Her Majesty in the right of Canada and provides for the consent of the Gwich'in Tribal Council I believe that should answer the hon. member's question.

Clause agreed to.

Clause 7 agreed to.

On Clause 8—*Inconsistency or conflict*

Mr. Alex Kindy (Calgary Northeast): Madam Chairman, in case of environmental damage, pollution or whatever might happen to the environment, is there any provision that any construction in that area would go to a review board so that there would be no things done to the environment that would be inconsistent with the new concept on the environment?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Chairman, as with the Renewable Resource Board we spent some time discussing a few moments ago, there is also provision for an Environment Impact Review Board. In all there are some five boards which will deal with the administration of water rights, for example, environmental impact and the governance arrangements.

The Environmental Impact Review Board will be structured in a parallel way to the Renewable Resource Management Board. It would have the responsibility of assuring that the necessary environmental standards by which we are all constrained would be carefully considered before any regulations were adopted which might affect either the interest of the Gwich'in people or others residing within their territory or surrounding the perimeter of their territory.

Furthermore, where there is a dispute as to decisions arising from the advice of that Environmental Impact Review Board there is also provision for an arbitration process within the legislation.

Clause agreed to.

On Clause 9—*Payments out of C.R.F.*

Mr. Alex Kindy (Calgary Northeast): Madam Chairman, as far as appropriation is concerned, the funding of all this agreement, does the minister have any numbers to show how it is budgeted, how much it is going to cost to implement that agreement, and whether it is going to pay for itself or the federal government will have to disburse moneys?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Chairman, subsequent to the initialling and signing of the settlement agreement there was a negotiation of something called an implementation agreement. This is an important aspect of our policy on land claims. It is not good enough to make promises. We must have a system for carrying out those promises and providing the mechanisms and funding to do so.

In this implementation agreement there has been negotiated a one-time payment of $8.4 million to establish the management boards that were referred to earlier and the mechanisms so that the provisions of the agreement can be carried out. Then there will be an annual budget of $2.4 million thereafter to provide for the financing of the year-to-year provisions of the agreement.

Clause agreed to.

Clauses 10 and 11 agreed to.

Clause 1 agreed to.

Preamble agreed to.

Mr. Siddon: Madam Chairman, at this stage I would like to compliment all members of the House who have taken such an interest in his important and historic achievement. Particularly I compliment the member for the Western Arctic whose constituency encompasses the Gwich'in settlement area.

I have been involved with this process over some three years. I have met the leadership and representatives of the Gwich'in nation on many occasions. I would like to say how impressed I have been with their commitment to securing the conclusion of this important agreement.

I want to reflect for a moment on the mood in the hall at Fort McPherson on April 22 when this agreement was signed. There was a huge map behind the stage of the territory, as well as the assets and amenities of that territory. On all the walls of the gymnasium were extracts from the text of the agreement. Every member of those communities who came to witness the signing of the agreement on April 22 had a full, complete, and, for the younger members of those communities, impressive knowledge and understanding of the matters we are debating in the House this afternoon.

I commend the Gwich'in people on their study and preparation for this important matter which we hopefully will approve today. It bodes very well for their future.

Mr. Kindy: Madam Chairman, I would like to add that the minister certainly deserves the praise of this House for having done that. I am sure he will continue to serve the aboriginal people well.

Title agreed to.

Bill reported, concurred in, read the third time and passed.

Mr. Jelinek: Madam Speaker, I rise on a point of order. Pursuant to Standing Order 53, I move that the notice provisions of Standing Order 54 be suspended for the following government motion:

• (1400)

That, notwithstanding Standing Order 45(6), the deferred division on government business No. 15 be taken immediately upon adoption of this order,

That the said government motion stand on this day's Order Paper in the name of Mr. Valcourt and;

That Standing Order 24(3) regarding the daily adjournment of the House be suspended for this day's sitting.

Madam Deputy Speaker: I will put the motion to the House and then hear argument on whether the motion is acceptable. The motion can be debated, so we will debate it after.

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

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: There is a one-hour debate.

Mr. Pat Nowlan (Annapolis Valley—Hants): Madam Speaker, procedure is almost becoming more important than the substance of where we are today. This is fundamental and I cannot believe the advice of the Table to the Chair would allow this motion to be put.

Section 53(2) it says, if one takes the time to read it, that the minister in proposing the motion has to state reasons for the urgency of such a motion and then the Speaker shall propose the question to the House. There was not a reason mentioned in the minister's motion about why this is an urgent motion.

My point goes much further to say that the motion is also fundamentally defective because this talks about notice and/or days and sittings. There was a notice about where we are in this procedural problem. The point is that this is a national urgent matter that I think has only been used once before and ironically I think it was in the peacekeeping of Cyprus 20 some years ago. The fact of the matter is that this motion is for matters to be handled, not to try to remedy a problem the government finds itself in now by not observing the rules. This is for future events. My position is that this matter has been defined and it is no question of notice. It is no question of hours and days of sitting. It is a question that in effect we had a motion of the minister, as Your Honour says. That motion was put and the question was put. You were in the chair this morning, Madam Speaker, when the question was put. Five members rose to force a vote.

I want to see the "blues". I am sure Your Honour has seen the "blues" and the question was called. Five members rose and Your Honour said something. Most of the words I heard. Then there was a little confusion: "That pursuant to Standing Order so and so, the order to defer the vote until another time".

There were some of us in this House who appreciated the problem the government might be in if the motion was put to a vote, we had a deferral, and in view of the Christmas recess this would give time for this motion to sit out there.

It is an amendment to the Constitution. Even yesterday the opposition House leader was talking to the government House leader in terms of the order of business and talking about notice.

We got on to something about other matters to be discussed. If this matter is so urgent how come there was not any previous notice? Even yesterday, in effect talking about what might come up, the opposition House leader at page 15049 said:

I thought that perhaps it was an innocent mistake—

Referring to the government House leader's outline of business.

—with regard to other business that may be raised tomorrow, particularly in view of what has transpired in other jurisdictions.

The inference was very clear of what happened in the legislature of New Brunswick.

There is no person here, and certainly not myself, who is reflecting on what happened in the province of New Brunswick. New Brunswick can look after itself and decide to pass its own laws as it already has.

What some members have forgotten is that this is the Parliament of Canada, not the legislature of New Brunswick. This motion has very serious implications. It certainly is a very important motion. It is an amendment to the Constitution.

There were many of us who were thinking of speaking this morning. However, knowing the rules and knowing you cannot roll back the clock, even if this is Friday and knowing we cannot have another Black Friday in this House, we knew that if the vote was put the matter would be deferred. Let it be deferred if it is an important matter so that there can be reflection across the country. Some of us by this procedure of trying to get back into it, having had the vote, in effect are precluded from now

debating the issue, even though we can debate on a procedural point.

How can the Chair accept the motion when the minister did not even give the request for urgency?

Madam Deputy Speaker: If the hon. member would remain in his seat for a minute, I think I may be able to settle that right away and to his satisfaction.

While re-reading article 53, I have to admit that the hon. member for Annapolis Valley—Hants is right in saying that when presenting his motion, the hon. minister did not as per Standing Order 53(2) state reasons for the urgency of such a motion. At this time I must decide that the motion is not receivable by the Chair.

I wish to inform the House that pursuant to Standing Order 33(2)(b) because of a ministerial statement, Government Orders will be extended by 21 minutes.

GOVERNMENT ORDERS

[*English*]

NOVA SCOTIA COURTS AMENDMENT ACT, 1992

MEASURE TO ENACT

Hon. Charles Mayer (for the Minister of Justice and Attorney General of Canada) moved that 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, be read the second time and referred to a legislative committee in the Departmental envelope.

Mr. Dingwall: Madam Speaker, I think there is a disposition that the subject matter not be referred to a legislative committee but in fact referred to Committee of the Whole.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Madam Deputy Speaker: It is so ordered.

• (1410)

Motion agreed to, bill read the second time and the House went into committee thereon, Mrs. Champagne in the chair.

[*Translation*]

The Chairman: House in Committee of the Whole on 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.

[*English*]

On Clause 2—

Mr. David Dingwall (Cape Breton—East Richmond): Madam Chairman, I have just a brief question for the parliamentary secretary.

This particular statute, cited as the Nova Scotia Courts Amendments Act, will do away, as I understand it, with all county and district courts in Nova Scotia, which is the same as a provincial statute which has been passed in the legislature in Nova Scotia. Can the parliamentary secretary indicate how many Superior Court judges will now be in place in Nova Scotia as a result of this.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Madam Chairman, I frankly do not know. If I can just have a minute, I can look it up. If you want to go on to something else. It is not something I have readily available. Thirty-three.

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Chairman, may I just ask a question or can I make a comment?

The Chairman: The hon. member has up to 20 minutes.

Mr. Waddell: Let me begin by saying a few things about the bill and perhaps the parliamentary secretary can respond. I know the position he is in.

As the Chair knows, this legislation enables Nova Scotia to proceed with reorganizing and streamlining the court system, merging the County Court and the Supreme Court trial division into one court, the Supreme Court of Nova Scotia. That has been done in most parts of the country, so we will support the bill.

The Supreme Court appeal division will now be constituted as a separate court, the Nova Scotia Court of Appeal. That is like in British Columbia, where we have the Supreme Court of British Columbia and then the Court of Appeal for British Columbia. It is a housekeeping bill, removing references to the County Court and the judges' salaries associated with that institution.

I just want to point out to the parliamentary secretary that the drafters of this legislation took the time to include clauses which remove sexist language from the drafting, I think for the first time. For example, subclause 33(1) reads "of the province concerned of the judge's election as provided" where the original read "of the province concerned of his election as provided". Of course, we have a lot more women judges.

That is one of the matters I wanted to ask about. In the Nova Scotia legislature there was a bill, Bill 241, the Court Reform Act, which was passed this spring in the Nova Scotia legislature. Speaking for the New Democrats, John Holm, called the bill "by and large a tremendous move forward". He noted that "certainly we will be supporting it". Therefore, if it is good enough for Mr. Holm, it is good enough for me in this instance.

I read the Nova Scotia debates with care. Miss Sandra Jolly, who is the member from Dartmouth, raised a number of interesting matters.

She raised the matter of other recommendations that were being put forward with the Nova Scotia bill, a recommendation that judges, lawyers, police, prosecutors and court staff should receive regular supervised training to ensure that they understand the unique nature of domestic violence and to assure that they are kept abreast of developments in this area. In other words, so the court and the court officials know about domestic violence and what that means because so many of these cases are coming before the courts.

Another recommendation that was made in Nova Scotia was that the Government of Nova Scotia should, in relation to family violence, promote and encourage more effective needs, assessments and planning, better service co-ordination, stronger client advocacy, public and professional education, preventive strategies in the development of a treatment program for batterers, mainly wife batterers.

A third recommendation that was mentioned by the hon. member in Nova Scotia was mandatory gender sensitive training for judges.

Does this bill deal with any of these matters and if not, why not? Is the government doing to deal with these very legitimate questions that were raised in the Nova Scotia legislature?

Mr. Richardson: Madam Chairman, this specific bill simply deals with the changing of the courts in Nova Scotia. I do want to thank the hon. member for raising the point that he did. Of course the government does take cognizance of all these reports.

In relation to the gender of language raised by the member this government has now appointed over 100 women to the bench in Canada. We were proud in Alberta that the new Chief Justice of Alberta, Catherine Fraser, was the 100th appointed by this government.

Mr. Waddell: Madam Chairman, the parliamentary secretary did not answer my question about the gender-sensitive training of the judges.

On the matter of gender sensitivity training for judges, there was a Liberal bill or motion in this House but it was pulled at the last minute. I do not know why but it was just pulled. It seemed to me that was too bad because it was a motion that this House could have debated.

I take it then that the parliamentary secretary does not have anything new to add to the matter of training for gender sensitivity.

Mr. Richardson: Madam Chairman, I am sorry if the hon. member missed it, but I did in fact note that the government takes cognizance of all of these such reports. However, it has been brought to my attention that the federally appointed judges take quite an active role in pursuing judicial education and this is only one area in which they are further enlightening themselves.

Mr. Alex Kindy (Calgary Northeast): Madam Chairman, I see that Bill C-96 deals as well with the retirement age of judges. There are a couple of examples of judges retiring at the age of 70.

Could the parliamentary secretary tell us what criteria was used to come to this particular age? Some judges in the United States are 80 and they still have not retired from the Supreme Court of the United States. Some judges might be incompetent at the age of 50.

Is there any provision in the bill to retire judges forcefully before they reach that age?

• (1420)

Mr. Richardson: Madam Chairman, I believe there is reference to a joint resolution of both Houses of Parliament to take such an action.

Mr. Pat Nowlan (Annapolis Valley—Hants): Madam Chairman, having practised in Nova Scotia in my early days, I am obviously interested in any act that reforms.

I know what has been going on there in terms of the merger of the county court system with the Supreme Court system following the precedence in other jurisdictions. Frankly, there are so many questions one could raise on this whole matter.

I did not fully appreciate that it was going to be on the floor of the House today, although I must say that I now see it is on the Notice Paper for today.

I was interested in the questions put by the hon. member for Port Moody—Coquitlam who is the NDP justice critic. He has certainly maintained a consistent interest in this field. I was also interested in the parliamentary secretary's answer. I certainly agree with the parliamentary secretary that the government has moved eons in appointing women to the judicial role.

Just recently, one of the last appointments—and it was not the person the parliamentary secretary mentioned—but it was certainly a former friend of mine in the sense that she was a resident of the Annapolis Valley. She was a county court judge and family court judge and has become one of the more recent Supreme Court judges in Nova Scotia.

Mr. Kindy: He is an independent and got some appointments. That is good.

Mr. Nowlan: I had nothing to do with this. It is not the gender question, *per se*. It is a question of the single parents. Of course, in most cases it is usually the woman looking for support from the absconding male. This is very serious.

I can think of many situations but obviously I am not going to mention names. There are a number of single parents who have gone through the family court process involving the county court judge. They have gone through long hearings and often, the male does not show up. The legal bills have been astronomical. I can think of one person in the heart of my riding who for a total of about $800 in family support payments has run up a legal bill of over $26,000 with a firm that I know very well.

After having heard all these facts for and unfortunately knowing some of the players, I seriously considered writing or taking some action to ask the judicial system of Nova Scotia why this was happening. Why did the judge in charge render decisions and keep delaying and let the defaulter continue to default?

I tried to quickly look through the bill when it first hit the floor. Is there anything in this bill whereby the parent can write to a judicial committee of the court setting out the facts that they think they have not been treated fairly. Maybe they could also complain about legal bills and perhaps have some redress. Is that redress separate and apart from the judicial system?

Mr. Richardson: Madam Chairman, I appreciate the question from the member and his concern for those circumstances in his riding.

The requirements he was asking about are really beyond the scope of this bill. This bill is neither major nor complex. Its provisions are essentially technical.

What we are doing here is to substantially affect the functioning of the legal system in Nova Scotia by making necessary amendments to federal law to permit the court restructuring in the province of Nova Scotia. That is essentially what we are doing with this bill. It is essentially a technical bill to allow the province of Nova Scotia to restructure its court.

Mr David Dingwall (Cape Breton—East Richmond): Madam Chairman, very briefly to the parliamentary secretary. I must say he is doing an admirable job in responding to the many and varied concerns on the subject matter before us.

We understand there are now 33 Superior Court judges in the province of Nova Scotia. Perhaps he might want to indicate the annual salary range for those judges.

We note that retirement is at age 70. Is that a reduction from the previous high of 75 down to 70? I presume that corresponds to the provincial legislation in Nova Scotia.

Regarding the sensitivity that judges display in their respective courts, my colleague from the New Democratic Party raised a number of concerns which had been placed on the floor of the Nova Scotia House of Assembly by the Liberal critic from Dartmouth.

One was with regard to sensitivity that judges have or should have in their courtrooms. I wonder whether it is the desire of the Government of Canada to come forward with subsequent legislation in terms of mandatory training for judges on gender sensitivity as well as the whole issue of family violence, which is becoming more prevalent as time goes on.

That concludes all of the questions I have regarding this particular bill. Perhaps I may put in a supplementary for my dear friend and colleague from Annapolis Valley—Hants. The parliamentary secretary could indicate to our colleague, who is a distinguished member of the bar of the province of Nova Scotia, whether or not there are any vacancies available at the present time.

Mr. Richardson: I am sure the hon. member for Annapolis Valley—Hants is not holding his breath for a moment, or really even wondering if the reason for the question is to find an answer for him rather than for other members in the House.

First let me deal with the question on the training of judges. Yes, obviously we are very concerned about the reasons for the question and the discussion in the country today. The government, as I said, takes cognizance of all such reports.

If I could just get the attention of the member for Annapolis Valley—Hants, an ordinary judge would make $155,800. The retirement age is set for the Superior Court at age 75 and County Court judges 70 until it is raised by this legislation.

Just to clarify this, apparently in 1975 the retirement age of judges was raised from 70 to 75. This bill will take it back to 70 but it simply grandfathers those who were on the bench subsequent to 1975.

Mr. Kindy: A supplementary, Madam Speaker. The parliamentary secretary forgot to answer part of my question. It was whether judges who are appointed are being screened. Is there any process to appoint judges not just by the whim of the Prime Minister or Order in Council? Those judges should be screened and have some training as well.

What bothers me as well as the very high salaries is it is also my understanding that some judges have limousines given to them. Maybe not in Nova Scotia, but in certain provinces they have limousines given to them. Could he inform us on that?

• (1430)

What happens to the judge who is 69 or 70 and just marries? I know of one case in which a young lady married a judge because his wife died, and she was about 22. The judge died a year later and my understanding is that there is no provision, so that she would not receive a pension. Is there any consideration given to this matter?

Mr. Richardson: Madam Chairman, these are matters entirely beyond the scope of this act.

For the member's information, it might be useful for the House to know that there are advisory committees of the bar and others who advise the minister and the department, on recommendation to the Prime Minister. I would take exception to his point that judges are being selected on a whim.

With regard to any perks that the judges might have, I think service would be provided by the provinces and not by the federal government, if in fact such services existed.

Mr. Waddell: Madam Chairman, the hon. parliamentary secretary is right.

This is dealt with in another act, the Judges Act, which is being considered by this House. However, members have just made a good point. This is a huge salary increase, is it not?

An hon. member: No.

Mr. Waddell: It is not? Perhaps I had better ask that. It looks to me that if we take county court judges who were making $70,000 and make them Supreme Court judges who are making $155,000—

An hon. member: That is wrong.

Mr. Waddell: Maybe I heard the wrong figures. I thought the parliamentary secretary said that in Nova Scotia they were making $70,000, and now they are going to be Supreme Court judges making $155,000.

Perhaps he could clarify that. Could the parliamentary secretary clarify that?

Mr. Richardson: Madam Chairman, that is a misunderstanding. I am sorry. I am not quite sure, it is a misunderstanding.

As a matter of fact, for the county judges I think it is about a $5,000 increase. I am sorry if there was some confusion.

Mr. Waddell: Madam Chairman, perhaps the last point I would raise is one that the parliamentary secretary discussed.

First, I should tell the member that the Minister of Justice actually rejected gender sensitivity training. The government rejected that because the minister considers it to be interfering with the judiciary. Other people have different views on that question.

However, I raised the matter of getting more women on the bench and he responded. He said a lot of women were appointed. He is from Alberta. The last appointment to the Supreme Court of Canada was Mr. Justice William Stevenson, who has written about four judgments and who is a man. I am sorry, he was second last. There was William Stevenson and then John Major, who is another man.

The Minister of Justice said that they had approached and offered the job to several outstanding female judges, but they turned it down. There is a problem in getting women judges.

The Vancouver Sun wrote an editorial on November 26 saying:

> If the federal government recognizes there is a problem—and there is one when only two of the court's nine judges are women—

That is, in the Supreme Court of Canada. Often women come up through the courts from Nova Scotia or British Columbia, for example, to the Supreme Court of Canada.

The editorial continued:

> —it should be working to find a solution. There is no simple answer, but one thing it might consider is the requirement that Supreme Court judges live in Ottawa.
>
> And what about job sharing in the top court? It's a radical idea, but smaller case loads and the ability to remain based in their home provinces might make more judges—male and female—consider a Supreme Court appointment.

In other words, it would not be a full-time job so that a woman could feel, if she has to spend time with her family, that the family will not be destroyed. More important, women will not feel that by taking one of these jobs they will put their family in jeopardy. That is a barrier that stands in the way of women being appointed to the court.

My friend from Annapolis Valley thinks—ladies and women is what he calls them. Both ladies and judges are women.

An hon. member: He is discovering both categories.

Mr. Waddell: Has the government considered new ways or new ideas to get more women on the bench to occupy some of these jobs?

I wonder if you could tell me when you are answering that, of the 33 Supreme Court judges in Nova Scotia how many will be women?

Mr. Richardson: Madam Chairman, I again want to thank the hon. member for this interesting interjection which has no relevance to this particular bill. He has laid some very important points on the table that we can think about in anticipation of a review of the Judges Act.

I am sorry that I do not have that information here. It is not part of the act. I do not have that information.

Mr. Kindy: Madam Chairman, I am wondering about presiding judges. The official languages bill, the last one we passed in the last Parliament, stated that presiding judges would have to be perfectly bilingual, as would presiding chairmen of commissions.

This regulation probably comes into effect very soon. Is the justice department studying this question? Is it making provisions so that anglophone judges would study the French language and francophone judges would study the English language in order to be appointed presiding judges? I would like to know whether this question is being addressed by the department.

Mr. Richardson: Madam Chairman, this particular bill, and the amendments contained therein, will give effect a decision by the province of Nova Scotia to restructure its courts by merging the county court into the Supreme Court in Nova Scotia and by establishing the current Supreme Court Appeal Division as a separate court called the Nova Scotia Court of Appeal.

That is the nature and intent of this bill. Although there is some interest in the questions raised they have no relevance to what we are discussing here today.

Mr. Dingwall: Madam Chairman, further to a question that has been raised by my colleague, the hon. member for Calgary Northeast, I was wondering if the parliamentary secretary, whose knowledge of the subject matter which we are debating is extensive, could perhaps secure

from the officials and perhaps give us a date when he could do the following.

It is my understanding that with respect to jurisdictions, particularly with respect to federal appointments, an arrangement has been concluded with the Minister of Justice and the Canadian Bar Association, as well as the provincial attorneys general. There is now a new system in place with regard to how justices are appointed to Superior Court, some of them accept applications, with respect to the screening process et cetera.

I am led to believe that there is a manual which is readily available. I wonder if the parliamentary secretary could secure from the officials an undertaking to table the procedures that are used for the appointment of justices in this country, and which take into consideration a variety of different characteristics?

I am sure that it is readily available. I would hope that the parliamentary secretary could provide that information to the House.

Mr. Richardson: Madam Chairman, the question is again entirely beyond the scope of this bill. However, as a courtesy to the hon. member I will be pleased to make the Attorney General aware of his interest.

Mr. Kindy: Madam Chairman, what really interests me is the fact that the parliamentary secretary does not seem to answer the questions that are being posed. I thought that he was very much enlightened and very competent in this domain.

I sat on the justice committee in the last Parliament. We did some re-writing on the Criminal Code. At that time a question was posed as to whether judges who refuse policemen the order to have a search warrant should be questioned. Is anything in the department being looked at if a judge refuses a request by a policeman for a search warrant, whether this can be appealed in some manner?

• (1440)

Mr. Richardson: I know it is in the hon. member's interest today to delay proceedings in the House, but this is outrageous. What possible relevance has this question to this bill, a simple technical bill to restructure the courts in Nova Scotia?

I am sorry, but it is so far beyond the scope of this bill, there will be no answer forthcoming to that particular question.

Mr. Nowlan: Madam Chairman, before the parliamentary secretary leaps to too many conclusions and imputes too many motives, for his assertion about delaying here, no one over here caused the procedural problem that presently faces the House.

We have sat here all day and have already passed a very important bill. With all respect to the junior inexperienced parliamentary secretary, for that parliamentary secretary to think that delay tactics have been used here to the extreme, he is, with all respect to the opposition House leader, more often in bed with the government on many things than on his own. He in effect does not understand what parliamentary opposition let alone obstruction is.

There has not been one tittle of obstruction on the very important bill of the Minister of Indian Affairs and Northern Development which went through this House and Committee of the Whole. That in itself opened up the whole question of self-government for aboriginals and the Charlottetown accord and we could have talked quite relevantly until the cows came home on that. There was circumspection and in effect relevance to the questions put and that bill got through.

The parliamentary secretary can say that in effect this is just a reorganization of the courts of Nova Scotia and the fact of the matter is it has something to do with the judicial system in Nova Scotia. That in itself opens up the whole question of the judicial system in Nova Scotia on which any member from Nova Scotia or any member from across the country could have an awful lot to say.

Let us not have disparaging remarks on legitimate questions that perhaps the parliamentary secretary may not agree with, but it is certainly nothing in terms of the rules of obstruction and parliamentary debate that prevents us moving ahead.

While I am still on my feet, I must say I do have more questions that I hope the parliamentary secretary will not take umbrage with. I frankly was absolutely amazed. I have not practised law for years and I know what the members of Parliament get. We get frozen and everyone gets frozen. I was on the phone in the lobby talking to some good people from Nova Scotia about what they thought about this bill. I hope to hear from them in the next two or three minutes so that I will have perhaps some more relevant questions that will ease the ear of the parliamentary secretary, rather than what I am going to say now.

I was very surprised. I heard the parliamentary secretary answer when I was on the phone. Did he say the judges as defined in this bill get $155,000? I point out to him a study that I have done. We in Canada in many areas are paid quite a bit and sometimes too much. I understand it from work done in my office, that compares with the Chief Justice of the United States of $166,200 U.S, but that is more than this judge. Supreme Court justices under the Supreme Court get $159,000 U.S; again that is the very top court.

Circuit court judges in the United States receive $137,300 U.S. District judges, which would be I guess like our former county court judges, get $129,500 U.S.

I do think if the answer of my friend the parliamentary secretary of $155,000, albeit Canadian, is correct for the judges created by this bill in the reorganized court, although some of my judge friends may not agree with this, they are very well paid.

Back to the question that even though the parliamentary secretary says this is a technical reconstruction of a court, I find it very difficult when you eliminate the county court and put them all into one court that you consider this just a technical change. Even with a technical change, does the parliamentary secretary to the government not think there is any merit in having some type of judicial committee that the citizen can write to, complaining about problems, somewhat like an ombudsman, for a citizen in the courts who feels that perhaps he has not been served properly or do they just have to come to members of Parliament or do they write to the Chief Justice?

Mr. Richardson: Madam Chairman, here we go again. It is a novel and interesting idea and I am sure that if constituents came to the hon. member for Annapolis Valley—Hants they would be well served.

With reference to the salaries, this bill does not deal with the salaries *per se*. It is simply levels the field across Canada and moves the county court. That is a figure that has been established across Canada for ordinary judges across the country. For the member's information, that amount has been frozen for the next two years. There will be no increases.

Mr. Kindy: Madam Chairman, I see that Bill C-96 deals as well with additional judges. I would like to have the parliamentary secretary, who is very knowledgeable in these matters, explain—

Mr. Nowlan: He is parliamentary secretary for transport, not justice.

Mr. Kindy: I am sorry, transport. Perhaps he is more knowledgeable about the question of the Canadian airlines and Air Canada and maybe he knows about debts and liabilities and assets.

Could he tell this House what are the criteria to appoint additional judges? Who makes the appointments? Who makes the recommendations? The public should really know how our additional judges are appointed. What is the procedure for anybody to become a judge? I think there were questions here and discussion that we should have more female judges. I agree with that. There should be judges who are sensitive in certain areas much more than some of them are today.

Maybe the parliamentary secretary could tell us what the criteria are for the appointment of additional judges and how many additional judges this bill provides for.

Mr. Richardson: I thank the hon. member again for his question. It was a question raised just moments ago by the hon. member from Cape Breton. He may want to refer to *Hansard* for my reply to that question.

Mr. Kindy: I do not think this answer is satisfactory. He did not answer how many additional judges would be appointed, what the criteria were to appoint those judges. How do you proceed? Maybe the parliamentary secretary does not understand my question.

Hon. Paul Dick (Minister of Supply and Services): Mr. Chairman, we in this House as members of Parliament, and I happen to be a lawyer as well, have all received from the Minister of Justice information on how judges can be appointed in this country.

Any person who wants to be a judge has to fill out an application and it has to go to the judicial council and is reviewed by the Canadian Bar Association and with the office of the Minister of Justice. Any person can put in their name, any member of Parliament, any one from the public can recommend a person as long as that person will also file an application that they want to be a judge.

We have all known that procedure has been in place for at least four or five years. I would be very surprised if the hon. member has not known that as well for four or five years. Other than that he should read his mail.

• (1450)

Mr. Kindy: Mr. Chairman, I appreciate the comment of the minister. At least he has informed us how judges are appointed or how they apply.

I know that he knows and probably most members know as well but the question was put to the parliamentary secretary so that he could inform the public. The public wants to know why certain people are being appointed and others are not being appointed. Some very superior lawyers are being by-passed, not just making an application.

Another factor that the minister did not mention is that lawyers have to be a member of the bar for 10 years before they can apply to be appointed a judge.

Mr. Dick: So you have read it. You know all about it. Why ask the questions?

Mr. Kindy: So the public knows how the judges are being appointed.

I wish there were more female judges on the Supreme Court of Canada. The ratio of judges, men to women, is very low. I hope that the government will continue to do the proper thing and appoint not only people that may be friendly to the government as judges but judges should be screened on the basis of their competence.

Clause agreed to.

Mr. Edwards: Mr. Chairman, on a point of order. I would move:

> That notwithstanding Standing Order 28(2), at any time during the adjournment of the House between December 14, 1992 and February 1, 1993, the Speaker may, after consultation with the government, cause the House to sit for the sole purpose of giving Royal Assent to a bill or bills; and following each Royal Assent the Speaker shall each time further adjourn the House forthwith until February 1, 1993, and that the provisions of Standing Order 28(3) respecting the recall of the House for urgent and pressing matters not be superseded by the provisions of this order.

The Deputy Chairman: I have to say to the hon. member that we are in committee of the whole and I cannot take the motion until I am in the Chair.

Clauses 3 to 11 inclusive agreed to.

On clause 12—*Superior and Tax Courts*

Mr. Alex Kindy (Calgary Northeast): Mr. Chairman, I would like an explanation of clause 12. I see in the bill that clause 12 deals with superior and tax courts. I have a question on that.

I know that most tax judges travel across the country and naturally they are under a lot of pressure. They are being paid certain allowances for when they stay in hotels and they have to pay for their meals. Does this bill provide for any additional tax judges because as far as I know they are overworked? Does this bill provide for that?

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): No, it does not.

Clause agreed to.

Clause 13 agreed to.

On Clause 14—

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Chairman, clause 14 refers in the amendment to "the judge attending the judicial centre at which or in the immediate vicinity of which the judge maintains his or her principal office". Would the parliamentary secretary please explain to me what is the purport of that amendment?

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Chairman, I am advised that the purpose is simply to prohibit the claiming of an additional travel expense.

Mr. Alex Kindy (Calgary Northeast): Mr. Chairman, as I understand it, this is so he should not claim another expense for his travels or hotels. Who is checking on that? How is it verified?

Mr. Richardson: Again, Mr. Chairman, this is beyond the scope of this bill.

Clause agreed to.

On Clause 15—*Judges of Supreme Court of Nova Scotia*

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Chairman, again I am a little surprised at the parliamentary secretary saying, when a question is put, that it is beyond the scope of the bill. Clause 15 sets out in great detail "of judges, judicial centres and expense claims, travel allowances, moving or transportation expenses and reasonable travel and other expenses incurred by the judge in attending" a judicial centre.

Members may not have to like it, and perhaps he is supposed to know this from reading all the paper that we get across our desks, but what is the system? I think it is a legitimate question. What is the system for?

Mr. Kindy: Absolutely.

Mr. Nowlan: As members of Parliament we have the unfortunate situation of today—a point of privilege which I thought was not in good taste about one of our colleagues who has just got himself into real problems, I gather—and we are subject to expense claims or some review and accountability. It is a proper question for a member to ask and the public has a right to know what is the system for judges to show their accountability of their expenses in their various forms.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Chairman, that is a somewhat different question. I appreciate the member's reference to the section. The question referred to who was responsible for it and that is not part of the bill. I am sorry if there was confusion in my original answer.

For the record, Mr. Chairman, if it is in the interests of the House and now that the member has raised the question, I can tell him that the Commissioners for Federal Judicial Affairs administers this and all judicial expenses across the country.

Mr. Alex Kindy (Calgary Northeast): Mr. Chairman, I like this answer a little bit better because at least it deals with the subject matter.

Could the parliamentary secretary explain to us how this commission works? Who are those people who are on the commission; who appoints them; are they bureaucrats or are they appointed people; are they independent of the judiciary? How does it work? Is it a self-governing body? These are very important questions for everybody. We need accountability of everybody, not just parliamentarians and other bureaucrats, but judges as well.

I would like him to answer that question straightforwardly.

Mr. Richardson: Mr. Chairman, although this question is not particularly related to the change of the courts of Nova Scotia, I may in the interests of providing information to the House—and I am sure this is the member's reason for seeking this sort of information—refer him to Chapter J-1, the Judges Act, in section 73 where it refers to the Commissioner for Federal Judicial Affairs.

• (1500)

I will quote in the interest of the member if he wants to persist in this line of questioning: "There shall be an officer called the commissioner for federal judicial affairs who shall have the rank and status of a deputy head of a department who shall be appointed by the Governor in Council after consultation with the minister with the council or such committee thereof as named for the purpose by the council".

Clause agreed to.

Clauses 16 and 17 agreed to.

On clause 18—*Definition of "judicial office"*

The Deputy Chairman: Shall clause 18 carry?

Mr. Alex Kindy (Calgary Northeast): No, no.

The Deputy Chairman: No, no, what?

Mr. Kindy: You are going very fast, and I did not have the time to look at it.

Mr. Nowlan: What clause?

Mr. Kindy: It is clause 16.

The Deputy Chairman: We have already gone past clause 16. We have passed clause 17. We are on clause 18 right now.

Mr. Kindy: We are on clause 18. This is what happens, Mr. Chairman.

It is the definition of a judicial office:

> "judicial office" means the office of a judge of a superior court or of the Tax Court of Canada.

Is that the office that is located in the court itself or is it a different office? What happens to judges who travel? What offices do they use?

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Chairman, the answer to that question is totally irrelevant to this particular bill.

We will give the member a minute to find a reasonable question to ask.

Clause agreed to.

Clause 19, 20 and 21 agreed to.

On clause 22—*Annuity to surviving children*

Mr. Alex Kindy (Calgary Northeast): Mr. Chairman, I have a question. Clause 22 deals with the death of a judge. If I remember right, I had asked the parliamentary secretary what happens to the widow or the children.

He did not answer. He said that it was an irrelevant question because it did not deal with the subject matter. I see that clause 22 specifically deals with that. Maybe he could revert to the first question and I will ask him: If a judge marries at age 69 because his wife died and he is a widower, and he marries just three months before dying, at that point, is the widow entitled to three-quarters of his pension?

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Chairman, I am just conferring with officials here to get a specific answer to that question.

In such a case, I am advised that the second widow in this case would receive one-third.

Clause agreed to.

Clause 23 agreed to.

On clause 24—*Chief justice or chief judge to report.*

Mr. Alex Kindy (Calgary Northeast): Mr. Chairman, this clause talks about the chief justice reporting. To whom does he report in his duties? I would like to have precision on that clause. How does he report? Why this clause?

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Chairman, he reports to the Minister of Justice.

Clause agreed to.

Clauses 25 to 28 inclusive agreed to.

On Clause 29—

Mr. Alex Kindy (Calgary Northeast): Clause 29 is entitled Bank Act. Subclause 29(c) states: "Section 2 of the Bank Act is repealed and the following substituted". Could the parliamentary secretary explain why it is being repealed and the following is substituted in the provinces of Nova Scotia, British Columbia in the Supreme Court of the provinces. Could he explain the reasoning behind this repeal.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): It is simply to take out the reference in the act to the trial division of the Supreme Court, Mr. Chairman.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Chairman, I asked the parliamentary secretary earlier about a judicial committee where citizens would be able to register complaints about the improper attention they thought they might have received from court procedures. Initially I did understand the parliamentary secretary to say that really was not in this bill and it was beyond the scope of this bill.

You are moving very quickly, Mr. Chairman. After all this is Committee of the Whole where we go through clause by clause. We went by clause 26 which talks about a council. It states: "The objects of the council are to promote efficiency and uniformity and to improve the quality of judicial service in Superior Courts and in the Tax Court of Canada".

I am just trying to balance that amendment that we sped through as I was reading the bill with the parliamentary secretary's answer earlier. As I read this amendment, that is perhaps the vehicle whereby a citizen can in effect register some question about the quality of the judicial service that that citizen received or was exposed to.

I would like to have a chance to put that question. I always thought, before we got into this bill, as I understand some other aspects of law, that there was some judicial committee. It may be composed of the Chief Justice. I think it may be an in-house committee with other judges. That is what I would like to ask about and to have it explained in view of the earlier answers.

The Assistant Deputy Chairman (Mr. Paproski): Can we revert to clause 26?

Some hon. members: Agreed.

Mr. Richardson: Mr. Chairman, I am sorry if there was again confusion. My reference was not that we were amending any committee or council. This bill is simply deleting the reference to county courts. With respect to the Canadian Judicial Council, yes, clearly the hon. member, who is a lawyer, is correct. There is of course the Canadian Judicial Council that any citizen can complain to. I thank the member for clarifying that point.

Mr. Kindy: Mr. Chairman, referring to that council, can the parliamentary secretary inform the House of the procedure of this council so that the public at least can become cognizant of how it works and how they may complain if they feel that something was not done properly.

Mr. Richardson: Yes. It is a pretty straightforward procedure. They simply write to the Canadian Judicial Council in Ottawa.

Clause agreed to.

Clause 30 agreed to

On clause 31—

Mr. Alex Kindy (Calgary Northeast): Clause 31 states the Co-operative Credit Association Act is repealed and the following substituted. Can the parliamentary secretary explain to the House why this is being repealed and something else being substituted. What was the reasoning behind this? The parliamentary secretary is very astute. He knows this bill very well.

• (1510)

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Chairman, I thank the hon. member for the compliment. Despite my astuteness I obviously do not explain it very well. I have answered this question three times.

The reference in clause 31 is the same as the similar references. It is simply because there will no longer be a trial division. That is the reason for this amendment.

Clause agreed to.

Clauses 32 to 43 inclusive agreed to.

On clause 44—

Mr. Alex Kindy (Calgary Northeast): Mr. Chairman, this clause deals with the Customs Act. It is the same type of repealing and substituting. We have added the Yukon Territory, the Northwest Territories and the Supreme Court in subclause (c). Could the parliamentary secretary explain the substitution itself?

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Chairman, I am not clear on exactly what the question asked for.

Mr. Kindy: Mr. Chairman, clause 44 (1)(c) reads:

—in the Provinces of Nova Scotia and British Columbia, the Yukon Territory and the Northwest Territories, the Supreme Court,

Why the Supreme Court?

Mr. Richardson: Mr. Chairman, again the previous reference was to county courts. This legislation is very simple legislation. It removes that level from the Nova Scotia court system. There is no longer a country court and that is why we have these technical amendments simply removing the name county court from the legislation.

Clause agreed to.

Clauses 45 to 56 inclusive agreed to.

On clause 57—*Order enforced as judgment of court*

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Chairman, on the clauses that you quite properly went through with no debate, I guess the same answer would be applied. I understand that, but because all these different statutes are mentioned I again point out to those who have not seen how a bill can sometimes be dragged out that it really opens up all those acts to say something if we really wanted to. We have not been doing what some people may think we are doing, although I must say the clock is an interesting feature of a debate.

I am very interested in the Merchant Seamen Compensation Act in several ways. This is not just amending the terminology of the judges to conform to the different acts that have already been named. This sets out an order of the board. As the parliamentary secretary may or may not remember, it was members when some of us were in government and in opposition. Certainly the member for Regina—Lumsden as a member of the transport committee spoke in the House on the Merchant Seamen Compensation Act. I do not know if that is the act because I do not have it before me. I think it is the act whereby merchant seamen finally got compensation after a long fight to be recognized. I would like to know that first.

It may be the Veterans Merchants Compensation Act. I am not sure, but I would like to know the reason for the amendment whereby it speaks of an order of the board for payment of compensation. What is the composition of that board, which seems to be a new feature, although it may not be? I just cannot understand why it is within the reorganization of the court system in Nova Scotia.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Chairman, I would be very surprised if the eminent barrister and solicitor from Annapolis Valley—Hants really did not know the answer to that question.

However, in the interest of providing responses, I can tell him again that this bill does nothing but remove from in this case the Merchant Seamen Compensation Act the words "county court". It is the same answer as we have given for the last seven.

Mr. Nowlan: Mr. Chairman, with respect to the parliamentary secretary, it is a little different and is sort of highlighted in the side note. Rather than a court it is going to be an order of the board that will have the same power as a judgment of the court. Is that a correct interpretation?

Mr. Richardson: No, it is not. It is simply deleting a reference to country court which this bill does. It is simply a technical bill to remove the county court in Nova Scotia.

Mr. Nowlan: I am getting surprised now because the word court does not even appear in this amendment. Right on the side note of the section it does say "Order in force as judgment of court".

Mr. Kindy: It is the board.

Mr. Nowlan: It is the board and there is no court around. Therefore it is a little different from just renaming one court for the new restructured court. In his answer I thought the parliamentary secretary would have just read off the side note on the clause itself.

In view of his answer I really am confused as to what is going on with this amendment. I would like some clarification and this is the proper place to do it.

Mr. Richardson: Mr. Chairman, I just hope that everyone is quite clear. There is no confusion. It is just simply dragging out debate in the House.

The hon. member knows full well the previous order had to be filed with a county court. There no longer will be a county court as I have said several times here. That reference is simply removed from the act.

I am sure the member is fully aware of this procedure. It is just a game they are playing here. We are prepared to play if that is how they want to waste the time of the House of Commons and the people of Canada. They want to continue to drag this out with these repetitive questions. They know the answers to these questions. It is a simple technical bill that we should pass to allow the province of Nova Scotia to get on with the restructuring of its courts to bring it in line with all of the courts in Canada.

For the people of Nova Scotia whom he represents this will now not happen. The province of Nova Scotia has come to Parliament and asked: "Would you please make these minor technical amendments to federal law so we can get on with the revision of our courts in Nova Scotia?"

I would like to say to the people of Nova Scotia today that there is one reason and perhaps two sitting across the floor as to why this bill has not passed. It could simply have passed in 15 minutes this afternoon. They are simple technical amendments that the people of Nova Scotia will be denied because of the delaying tactics of the hon. member opposite.

Mr. Nowlan: Mr. Chairman, I have no hesitation in the questions we have asked in the different bills that have come before the House. I must say it is really quite interesting how the parliamentary secretary considers the whole institution of Parliament, let alone Committee of the Whole. With some other examples he can find out that the sections of this bill, most of which we have not even asked questions on, have flown right by. We have already passed one bill this afternoon.

• (1520)

I will take my chances with my electors from Nova Scotia as much as any of my friends are taking their chances with their constituents too. Our duty is to ask questions. The government brought the bill into committee of the whole. It wanted to get something through the House quickly. If it had any procedural experience, it would have never have opened up Committee of the Whole.

We could have held the bill up if we had wanted to obstruct. If we wanted to delay, we could have held up a section, which I told you about before on the debate on the aboriginals. It would have been legitimate debate, opening up that whole area of concern of Canadians, let alone aboriginals.

However, because it was a very important bill, and the minister of Indian affairs controlled his exasperation, although he obviously was a little exasperated by questions from time to time, that bill got through.

We are now in a massive reconstruction, for the first time, of the court systems in Nova Scotia and we are sailing along. The parliamentary secretary of transport—not even the parliamentary secretary of justice or the justice minister—is answering the questions. That shows how much this government feels about the court administration in Nova Scotia. It has a junior parliamentary secretary here and it is not even his jurisdiction.

I do not have to take second place to the parliamentary secretary who is a fine person, an astute individual and is an experienced politician belying his youthful looks. The fact of the matter is that he is not the parliamentary secretary for justice and we have found out that in questions, he could not give simple answers. Quite frankly in this last one, where he did get a little exasperated, he by his second answer—

The Deputy Chairman: Order, please. It being 3.21 o'clock p.m., it is my duty to rise, report progress and request leave to consider the bill again at the next sitting of the House.

Progress reported.

* * *

BUSINESS OF THE HOUSE

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, pursuant to Standing Order 26(1), I move that we sit beyond the normal time of adjournment for the purpose of continuing consideration of Bill C-96.

Madam Deputy Speaker: Will those members who object to the motion please rise in their place.

No members having risen, pursuant to Standing Order 26(2), the motion is adopted.

Motion agreed to.

[*Translation*]

Mr. Plamondon: On a point of order, Madam Speaker.

Madam Deputy Speaker: If 15 members or more rise, the motion is deemed to have been withdrawn. I did not see any member rise. Less than 15 members having risen, the motion is adopted according to Standing Order 26(2).

[*English*]

Mr. Riis: Madam Speaker, on a point of order, since we decided as a result of this motion to continue to sit for the consideration of Bill C-96, there has been a great deal of discussion among all the parties and all the representatives in the House regarding Bill C-42.

This is a very important environment bill. If we are going to sit, I wonder if I could have unanimous consent to consider Bill C-42 in the last stage as well.

[*Translation*]

Mr. Plamondon: Madam Speaker, further to the private discussion I had earlier with the minister, I am happy to say that I too will support this motion.

[*English*]

Mr. Breaugh: I may be mistaken on this, but I thought the Chair put the question for continued study of Bill C-96 in committee to the next sitting of the House. Is that not correct?

Madam Deputy Speaker: That was what I did say when the report from committee of the whole was received. Then the hon. government House leader brought in a motion which I put to the House and which was accepted, which means that we would continue studying Bill C-96 after the period for Private Members' Business.

Now a motion has been put by the hon. member for Kamloops asking the House to agree to study another bill as well. Is there unanimous consent?

Some hon. members: Agreed.

Mr. Arseneault: Point of order, Madam Speaker. As you know, today the New Brunswick resolution came up for debate. I attempted to get in on that debate but because of different reasons, I guess regulations or whatever, I could not participate directly in the debate and I had a prepared text. I was wondering if, in keeping with the spirit of the holiday season and the co-operation here in the House, my colleagues would permit me to table my speech for the record to be published in *Hansard*. I would so request.

Mr. Andre: Madam Speaker, I would be delighted to agree to that, and indeed it might be worth examining as a hopeful precedent.

Mr. Nowlan: Madam Speaker, in keeping with the Christmas season and the importance of the subject, I am totally in agreement with this particular notion, and let us hope we can get it as a precedent for other events.

Mr. Kindy: I would add the same thoughts. The hon. member is certainly very much entitled to do that. I hope that other members in future are going to grasp the same opportunity and that this would be accepted as well.

Miss Grey (Beaver River): Of course, I have a problem with what has gone on in the House procedurally today. However, if the member from New Brunswick has been allowed to table his speech, I would like to submit my prepared remarks as well. We know the House turned into an absolute zoo on the other side this morning, and the government is preparing now, of course, through Standing Order 53 to force something through.

I would just say in closing before I table my written remarks that I was prepared to make today, that this government seems to feel that it can start putting through bits and pieces of the Charlottetown accord on Fridays by using these procedural agreements. It is just putting things through when people aren't paying attention on the last day before Christmas holidays. It is attempting to use Standing Order 53 right now. It thinks it will be able to put Charlottetown accord through bit by bit. If the government learned nothing on October 26, it should be that it cannot do that. If it does it by using these standing orders, putting it through bit by bit, this place will just be a very sad place and this will be a very, very sad day. The hon. member for Annapolis Valley—Hants earlier talked about a black Friday, it certainly is one now.

I will table my remarks.

Mr. Andre: I am not sure what brought that on. Frankly, I had always thought the Reform Party's position was that the questions of language should be totally provincial. What this does is establish for the province of New Brunswick the constitutional right to be officially bilingual.

The Constitution Act of Canada requires the approval of this body and of the other place, and we were simply complying with what was a request from the province of New Brunswick that they be officially bilingual. I had always assumed, indeed I think I read it in the little blue book, that the policy of the Reform Party is that language should be up to the provinces. So I am not sure why the agitation.

But that being said, I would respect the decision of the House in respect of her request to have her speech tabled.

Mr. Fulton: Just for the record, I would like it to be recorded that I do not think it would be wise for this House to start accepting simply submitted speeches to be attached to *Hansard*.

• (1530)

I have been here almost 14 years and it is always better to not see the clock for awhile. I am prepared to sit here and finish Bill C-96 and finish Bill C-42. I think that the practice of attaching speeches that were not given on the floor of this Chamber would end the necessity and value of this place.

Miss Grey (Beaver River): Madam Speaker, I was certainly surprised at the generosity of the other side to just willy-nilly accept a speech on behalf of that member.

Now of course if that is going to be done then there would be every reason for it to be—as the member here says, it is a bit ridiculous—but if it is going to be good for that, then certainly.

My point of order earlier and what I request of the government House leader right now is one question. We went through the motions today, there were five people who rose in their places, a vote was deferred by yourself, Madam Speaker, until February 1. That is all we were asking for on this side of the House.

I would like to know why we are still here at 3.30 p.m., with the government having struck out twice on trying to bring in Standing Order 53? I want to know what it is going to do for strike three and if it is not such a crisis why may we not defer the vote, as was decided this morning, until February 1?

Madam Deputy Speaker: At this time there is no request to adopt Standing Order 53. What I have put to the House and what the House has adopted is Standing Order 26. It will allow the House to conclude study of Bill C-96 and Bill C-42.

We did ask for unanimous consent. I was to ask for unanimous consent on the request of the member for Restigouche—Chaleur and the member for Beaver River. One hon. member refused that unanimous consent so I cannot do this. Now we will proceed with Private Members' Hour, as it is 3.31 p.m.

Mr. Fulton: Madam Speaker, a point of order. My saying no to the attachment of the member for Restigouche—Chaleur's speech and the member for Beaver River's speech was not intended to stop us from finishing Bill C-96 and Bill C-42.

I believe there is goodwill and unanimous consent in the House to do that.

[*Translation*]

Madam Deputy Speaker: No. I understood that perfectly. I was simply repeating, in connection with what was said by the hon. member for Beaver River about the possibility that the government House leader or another minister might move a motion under Standing Order 53, that this was not the case. I simply repeated what I said before, that Standing Order 26 had been used and the motion was carried.

We will now continue consideration of Bill C-96 and Bill C-42, but I was simply reminding the House that there was no unanimous consent for allowing speeches prepared by members who did not have a chance to speak in the House this morning, to be part of the record. I was just summarizing the situation for the benefit of members who just came in and perhaps this will also be helpful to our listeners who have been bearing with us for part of the day.

It being 3.34 p.m., the House will now proceed to consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CONVERSION OF NUCLEAR WEAPONS INDUSTRY

MEASURE TO ENACT

Mr. Dan Heap (Trinity—Spadina) moved that Bill C-274, an act to provide for the conversion to civilian uses of technologies and skills used in the nuclear weapons industry, be read the second time and referred to a legislative committee in the Natural Resources envelope.

He said: Madam Speaker, I am very happy to have this opportunity to begin the debate on Bill C-274, which I tabled in the House in 1989.

It is an act to provide for the conversion to civilian uses of technologies and skills used in the nuclear weapons industry. Bill C-274 is to prepare for the ending of contracts for producing or handling nuclear weapons. It encourages the conversion of technologies of nuclear weapons work into the manufacturing of civilian goods. It helps workers who lose their jobs as a result of the change to find new jobs or it provides benefits to those who become jobless.

The bill requires a company with a nuclear weapons contract to set up a committee to help in changing the plant to civilian production and in retraining the workers. The committee will have equal numbers of representatives from the company and the workers and non-voting community members.

The nuclear weapons company must set up a fund to do all this, and must deposit in it 2.5 per cent of its gross revenues each year. The company and the committee are also to seek funds from other sources.

The bill gives the minister discretion to help the committees and the companies carry out this conversion and provides fines for those who contravene this act.

This bill is supported by two recommendations of a report made to Parliament in October 1992 by the Subcommittee on Arms Export of the Standing Committee on External Affairs and International Trade. That report recommended that Canada prohibit the export of components for nuclear weapons, and also that the government should help to establish a Canadian diversification and resource centre.

My colleague, the New Democrat member for Victoria, will further explain these recommendations later in this hour, as he was a member of that committee. However, I would like to present two strong reasons for converting from the making of nuclear weapons to the making of civilian goods.

First, nuclear weapons use up huge amounts of money, labour, scientific training and research. This is a terrible waste. Instead of these bombs and the missiles to deliver

them, we should be making such things as mass transit systems for our cities and instruments for detecting and cleaning up pollution, or we could be developing renewable energy resources that our country and the world badly need. With so much poverty in Canada and in the world we cannot afford to squander our best skills and our best materials.

Second, we already have tens of thousands of these mass killing machines stored in many places around the world, and under many governments. They terrify us, and with good reason. They have killed people already, not only in the bombing of Hiroshima and Nagasaki but in other ways since then, more accidentally, and they have been used to threaten people.

If they are used again they might end all human life. Enough. Let us learn to work to get rid of them, not to make more. We cannot rely on the arms manufacturers by themselves to switch from making killing machines to making things useful for life because arms manufacturing is very profitable.

The arms makers' association that used to mount an annual sales blitz in March in Ottawa called ARMX is now advertising the same weapons to the same international buyers under the slick title of Peacekeeping '93.

Most people do not know to what extent Canada is engaged in producing nuclear weapons systems—vehicles, planes, ships or missiles that are designed primarily to carry nuclear weapons.

Canadians do not make a whole nuclear weapon or a whole nuclear weapons system but we do make many parts of them, mainly to sell to the United States or Britain. I have a list published in the *Ploughshares Monitor* in March 1990 of the companies that have made these parts since 1986. We have made parts for the following systems: the B-10 bomber, the B-52 stratofortress bomber, the tomahawk sea-launched cruise missile, the MX (peacekeeper) missile, the midgetman missile, the Trident submarine, the F-111 aircraft, Lynn HAS 2/3 helicopter, Nimrod MR2 aircraft, P-3 Orton aircraft, P-7A aircraft, S-3 Viking aircraft, SH-60 Seahawk helicopter and Tornado aircraft.

• (1540)

We make them in Waterloo, Ottawa, Rexdale, London, Kitchener, Montreal, Mississauga, Fort Erie, Haley, Carleton Place, Scarborough, Oakville, Cambridge, Stratford, Winnipeg, Ajax and Peterborough.

The companies that made them are Fusion Penn Inc., Canadian Commercial Corporation, Garrett Canada, Litton Systems Canada, General Motors of Canada, A.T.C. Automation Tooling, Canadian Marconi Company, MIL Vickers, Vadoko International, Cercast Inc., Fleet Industries, General Electric Canada, Haley Industries Ltd., Leigh Instruments Ltd., McDonnell Douglas Canada Ltd., Magna Electronics Corporation, Vac-Aero International, Via-U-Ray Testing, Bristol Aerospace, Menesco Aerospace, West Heights Manufacturing, C.A.E. Electronics, Computing Devices, Canadair Ltd., Dowty Canada, Dowty Electronics Ltd., Unisys Canada, Spar Aerospace Ltd., Leigh Instruments and Walbar of Canada Inc.

The people who made these instruments for nuclear warfare are not bad people. They are good people who are trying to do as we all try to do, put bread on the table. These companies are engaged in legal work. Many of them are subsidized by a government program that uses $500 million per year.

The purpose of this bill is not to blame them but to declare that the people of Canada wish us now to follow a different course of action. We wish to convert war industries to peace industries so that workers like these can put bread on the table doing work that helps people live rather than work that helps people die. I ask members of this House to support this bill.

Since I will be leaving half of my time for other colleagues to give their support to this bill, I wish to close simply with a verse written 25 centuries ago by the prophet Isaiah:

> The work of justice shall be peace
>
> And the effect of justice quietness
>
> and confidence forever
>
> Keep judgement and do justice
>
> For my salvation is to come
>
> and my justice be revealed.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I am delighted to speak on Bill C-274.

I would like to make a few points. First of all, for the member opposite, there are no nuclear weapons in Canada. We do not have a nuclear weapons industry in Canada.

Second, Canada is committed to the peaceful use of nuclear technology.

Third, the nuclear industry is very important to Canada and nuclear technology plays a very vital role in power generation and in the medical and food industries.

I want to reiterate that Canada does not have a nuclear weapons industry. We removed all our nuclear weapons many years ago and we maintain a defensive policy today that does not include nuclear weapons. However, Canada is recognized internationally for its peacekeeping activities, for its stringent nuclear non-proliferation policy and its full-scope nuclear safeguards, for its arms control and disarmament activities and for its commitment to the elimination of weapons of mass destruction. There is no nuclear weapons industry in Canada.

It is interesting to note that among the six nations of the world that have complete scientific and industrial military capability to support nuclear weapons—Canada, the U.S., United Kingdom, France, Russia and China—Canada is the only one that chooses to apply its nuclear knowledge solely for peaceful purposes, not for the production of nuclear weapons.

Canada's nuclear technology has from its very inception been under civil control. Scientists, physicists and engineers from the National Research Council established Chalk River, the birth place of Canada's nuclear technology, during the Second World War.

The Atomic Energy Control Board was established by an act of Parliament in 1946. Under civilian control AECB is responsible for ensuring that the use of nuclear technology does not pose undue risk to health, safety, security or the environment. Atomic Energy of Canada was formed as a Crown corporation in 1952 and it too is committed to the peaceful development of Canada's unique nuclear option, the Candu reactor, and to the achievement of excellence in related science and technology for the benefit not just of the present but of future Canadians.

In addition to its international obligations under the treaty on non-proliferation of nuclear weapons, Canada has it own stringent nuclear non-proliferation policy and full scope safeguards.

Canada's nuclear industry contributes to quality employment for many sectors of the economy, including the mining of uranium in Saskatchewan, the production of reactor fuel in Ontario, the manufacturing of equipment, the construction and operation of electrical power plants and the production of medical equipment and radio isotopes for use in medicine, cancer treatment and food processing.

Over 30,000 people are employed directly in over 100 companies. They include scientists, engineers, miners, technicians and support staff. The industry provides over 70,000 indirect jobs as well in related supplies and services.

It is also noteworthy that many aboriginal people are employed in the mining of uranium in northern Saskatchewan. Recently, Chief Harry Cook of the La Ronge Indian Band was appointed to the Cameco board of directors.

The nuclear industry in Canada contributes over $4.5 billion to Canada's economy annually, primarily to Ontario and Quebec, but to Saskatchewan, Manitoba, New Brunswick and British Columbia as well. Ontario, for example, has already saved over $17 billion in foreign exchange by using uranium rather than coal for its power.

Nuclear technology is important to our exports. Prospects and orders on hand for Canadian exports of nuclear technology are considerable. They include over $1 billion of Candu technology, annual exports of $1 billion worth of uranium, heavy water supplies estimated at $.5 billion and related engineered products such as radio isotopes, cancer treatment equipment, food irradiators, training simulators and engineering services valued at $250 million.

I would like to quote Mr. David R. Anderson, the vice-president and manager of Canatom Inc., Ontario operations and chairman and CEO of the Canadian Nuclear Association. On the subject of our Candu exports to Korea, he said:

> For the Candu unit ordered in 1990 for the Wolsong nuclear power plant, AECL, the prime contractor to Korea Electric Power Corporation, will generate approximately 500 engineering quotation requests to be sent out from the Mississauga offices of AECL-CANDU to selected suppliers in Canadian industry for the components of the Nuclear Steam Supply System.

In addition, CANATOM Inc., acting as the architect-engineer to KEPCO through the AECL main contract, will issue from its offices in Toronto and Montreal, another 75 requisitions for purchase of equipment in Canada for the Balance of Plant, which comes under the direct control of KEPCO. Korea Heavy Industries Corporation will also place orders on Canadian suppliers.

The Wolsong 2 project will inject some $400 million into the Canadian economy, providing some 7,000 jobs over a four year period.

This is important at a time when jobs are scarce:

The breakdown is 2,000 direct and 5,000 indirect jobs. In addition, some 75 Canadian technical experts will be needed in Korea, many of whom are already living in Seoul.

Two more CANDU units for the Wolsong plant were ordered by KEPCO in September 1992. For the three units, Wolsong 2, 3 & 4, a total of 1030 orders will be placed in Canada by all parties concerned. The value to the Canadian nuclear industry is $915 million.

• (1550)

There are virtually no importations of nuclear equipment into Canada, however. Candu technology is developed, researched, engineered and manufactured right here in Canada. Canada has a positive balance of trade as well in two high technology sectors, aerospace and nuclear reactors, and Canada is not dependent on any country for the supply of key technologies, equipment, services or uranium supplies for its nuclear industry.

The September 1992 report in *Business Magazine* ranked Canada's top 100 research and development spenders. Atomic Energy of Canada Limited ranked second with 1991 expenditures of $293 million, a 13.2 per cent increase over 1990.

Uranium, I would submit, is a clean source of energy. Nuclear power plants do not produce greenhouse gases. France, for example, generates 75 per cent of its electricity from nuclear reactors and has one of the lowest carbon dioxide emission levels per capita.

Canada, fortunately, is in the forefront of nuclear technology and nowhere is this more evident than in nuclear medicine and radiotherapy. Nuclear medicine provides a reliable and non-intrusive way to diagnose and treat various diseases.

For example, Nordion International Inc., a Canadian company with over 500 employees and annual sales of over $100 million, is a leading international producer, marketer and supplier of radioisotopes for nuclear medicine and research laboratories. Nordion is best known as the world's largest supplier of cobalt-60, a radioisotope used for sterilization of surgical instruments and cancer therapy.

Nordion also manufactures radiation processing equipment and supplies approximately 85 per cent of the world's requirements for molybdenum 99, moly-99, an essential radioisotope used in many medical procedures.

Theratronics International Limited is another Canadian nuclear technology company with 200 people and annual sales, mostly exports, of over $40 million. Theratronics is a pioneer in the field of radiation therapy and developed the world's first cobalt-60 cancer treatment machine in 1951. Since then the company has installed over 1,800 units in 70 countries. Over a million cancer patients a year are treated using Theratronics' products.

Canada's nuclear medicine community is highly regarded world-wide. Each year vast quantities of the world's food production are spoiled due to food borne bacteria, insect infestations and parasites. Food irradiation solves the problem.

I will not go into details, but I will say that it is because of nuclear technology that people have clean, safe food to eat.

Let me just summarize very briefly. Canada does not have a nuclear weapons industry. Canada has maintained the steadfast commitment to the peaceful use of nuclear technology and the Canadian nuclear industry is making a remarkable contribution to Canada's economy in terms of quality employment, significant export performance, providing a clean, efficient reliable source of energy, providing for our energy security and the development of human, intellectual and natural resources.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, as I looked at this private members' bill I would have to say that it does not apply to Canada and certainly, since we cannot pass laws in this House of Commons for other countries, I am really wondering about the purpose of this bill to begin with.

If the hon. member was looking at that poor, forlorn new chairman of Ontario Hydro, appointed by the Ontario NDP government, he is receiving only $425,000 a year, I understand, and I do not know how the poor fellow is going to exist on that.

I think the NDP government in Ontario would be better off putting some money into road maintenance budgets to make the highways safe for people in this country so we would have some safety on the roads.

First, all Canadian governments since that of Lester Pearson in the 1960s have been in support of non-proliferation of nuclear weapons. Regardless of political party, all governments have agreed on this point and have actually sought ways to strengthen the nuclear non-proliferation treaty. This is one of the fundamental values that Canadian governments and indeed the Canadian public have in common.

Second, in looking at the bill of the hon. member for Trinity—Spadina, one reads that Canada should convert to civilian uses technologies and skills that are used in the manufacture of nuclear weapons.

Under Canada's policy of non-proliferation, Canada does not export uranium to the United States because that country has a nuclear weapons program. Canada does not have a nuclear weapons program and we have never had one. However, we sell steel to the United States. We sell plastics to the United States and several other non-nuclear materials to the United States and these materials could be used in the manufacture of nuclear weapons with no relationship whatsoever to the actual terminology of nuclear.

Is the NDP in sponsoring this bill today asking us to sever all trade with the United States in all materials that are used in the manufacture of nuclear weapons? Is it asking us not to send steel to the United States? Is it asking us not to sell our plastic products to the United States, or a host of other products we sell to them that may be used in the actual product that is produced in the nuclear weapons industry? They are certainly using it in the manufacture of cars, for example, the steel industry.

As a supporter of the non-proliferation treaty, Canada supports the right of developing countries to develop nuclear technology for peaceful means only. Many poorer countries are interested in nuclear energy because huge amounts of energy can be supplied. You cannot improve the way of life of people unless they have an energy source to modernize their production in their every day life, even the decencies of electric lights and fridges for the saving of food.

Canadian policy is that Canada will not give nuclear technology to a country unless that country agrees to International safeguards by the International Atomic Energy Agency. It is interesting to note that the Candu reactor is the most useless of reactors for those countries wanting to use the uranium in missile warheads. Heavy water is used as a coolant in the Candu reactor. This means that it uses natural uranium. As such, there is no need for a reprocessing facility in the Candu reactor system. The proportion of fissionable uranium, U-235, that is produced from the Candu is only 0.7 per cent.

If a country wanted to acquire a nuclear energy facility with the underlying intention of obtaining weapons-grade uranium for warheads, it would need a reprocessing facility to make this kind of uranium.

As indicated, the Candu is useless in this regard as it does not come equipped with a reprocessing facility and that is one of the safeguards of the Canadian Candu reactor. Canada is a major supporter of the non-proliferation treaty and has been since day one as one of the founders of it.

Of all the countries in the world, Canada is the leader in the promoting of the non-proliferation treaty dealing with nuclear weapons. There are only six that independently have the nuclear technology to develop nuclear weapons programs. These are the United States, the United Kingdom, France, Russia, the Peoples' Republic of China and Canada.

• (1600)

Other countries suspected of having nuclear weapons got the technology from other sources and did not develop it domestically.

Of the six countries I listed that have innovative nuclear technology, Canada is the only one with the capability to develop nuclear weapons but did not do so. We have never done so. This certainly says something about the kind of people Canadians are.

From the days of Lester B. Pearson it has been a policy of Canada not to develop an independent nuclear weapons system. Every government to date has stuck with that.

Canada has a nuclear program dedicated to peaceful purposes only. It has developed the Candu nuclear power reactor, a wide variety of medical and industrial radiochemical products, and a uranium industry that is the largest exporter in the world.

I just wish we could see the day when the critics of Canada's peaceful nuclear industry would begin to realize and talk about the tremendous strides that have been made in medicine in the nuclear field. Chalk River is a perfect example of what has been done in the field of medicine.

To ensure that these industries are not jeopardized by links to nuclear weapons, great care has been taken to develop international agreements with our trading partners. The important segments of Canada's nuclear non-proliferation policy are the bilateral agreements signed with all trading partners and the nuclear weapons non-proliferation treaty, which I have mentioned.

That is administered by the International Atomic Energy Agency. We have about 20 people working at the International Atomic Energy Agency in Vienna.

From the very beginning of international trade in nuclear products and technologies, Canada has required assurances from trading partners that Canadian-supplied items would not be used in any nuclear weapons programs. This policy has been strengthened, starting in 1974, requiring all trading partners to make the following basic commitments in bilateral nuclear co-operation agreements:

Canadian-supplied items will not be associated with nuclear explosive devices.

A provision for fall-back safeguards must be made if the International Atomic Energy Agency is unable to continue with its inspections and safeguard functions.

No transfer of Canadian-supplied items can be made without prior consent by Canada. They cannot be transferred from one country to another without Canadian consent. It is part of the agreement.

Enrichment of Canadian-supplied uranium beyond 20 per cent is prohibited; and adequate physical protection will be applied to ensure compliance with the previous conditions.

I see you are giving me the high sign, Mr. Speaker. I just want to say that Canada has been one of the leaders in the nuclear industry for peaceful purposes. Yes, we have a lot of expertise and good technology in this field, but it should be supported by the public at large for the good work that it has done in medicine and in biology and many other fields.

It is a great science. I do not know why we are debating this bill today because it really does not apply to Canada.

Mr. John Brewin (Victoria): I thought, Mr. Speaker, you said the hon. member for Christmas. I know that he is a very avuncular fellow. I do appreciate your recognizing me and the opportunity to participate in this debate.

I am sure that the thousands, if not millions, of people across this country who believe very strongly, now that the cold war is over, in a peace dividend will be very disappointed that the speaker for the Liberal Party when speaking on this bill not only completely misconceived it but essentially spoke against it.

It is very revealing that the only person the Liberal Party puts up is someone who would go on about the Candu reactor which has absolutely nothing to do with the resolution before this House.

This resolution calls for conversion from a nuclear military weapons industry, not civilian industry, but nuclear military industry. It is a very critical and important issue to millions of people across this country.

We are not surprised that the member for Winnipeg South would oppose this resolution, although she too also misconceived the point of the resolution.

I want to congratulate the member for Trinity—Spadina who has pursued this issue diligently for many years and has finally seen this bill come before the House. It is a great tribute to him.

He has served this House very well. He has indicated he will not be running in the next election and this House will miss him. He has been a conscience of the House on this and many other issues. I want to assure him that if I and others are back, we will carry on the fight for the important concept he has embodied in this resolution.

Under the rules of the House, if we cannot get agreement and the matter dies on the Order Paper, I would ask all members to agree that this be referred to the Standing Committee on National Defence and Veterans Affairs for consideration.

This bill calls for conversion of the nuclear weapons industry in Canada. It should not be misunderstood. This country is completely committed to the manufacture of components of nuclear weapons systems and the export of those components particularly to the United States of America. This bill by establishing the national policy of conversion is a very important bill for our country to accept.

I want to use the few minutes I have to draw the attention of House and of the country to an important companion study done by the Standing Committee on External Affairs and International Trade.

Last year and leading into early this year, a sub-committee on arms exports undertook a very comprehensive study of the future of Canadian military goods production and export. In the course of that study, it made a series of important recommendations, two of which bear directly on this resolution.

The first is recommendation 12. It recommends that an export control list be established which would include the components of nuclear weapons. This recommendation was unanimously accepted by the committee and recommended to this House by the members, including representatives from the government side and from the Liberal side. Where are they today? Why are they not standing up in support of this bill which would embody at least in part that unanimous recommendation?

The committee also recommended a number of other steps which would be in the spirit of this bill. It recommended that the government act upon the 1982 request of the United Nations General Assembly to prepare a national assessment of the relationship between disarmament and development in Canada.

The committee recommended that the Canadian defence procurement policy be changed to foster a leading edge in innovative industrial capability in civilian as well as military high technology products in areas of surveillance and monitoring, verification, sovereignty protection and peacekeeping.

The committee also recommended that the mandate of the Defence Industry Production Program be changed to encourage conversion and diversification and that it primarily focus on technologies with significant civilian spin-off potential.

It also called on DIPP funds to be available to assist when a defence industry had been closed. I want to conclude with drawing the attention of the House to this most important recommendation which is at the heart of this important bill brought before the House by the member for Trinity—Spadina.

I will read recommendation 20 it in its entirety.

> The Committee recommends that the government support the establishment of a Canadian Diversification and Conversion Resource Centre. The Centre should gather and disseminate data on diversification and conversion efforts in Canada and overseas, on federal, provincial and municipal programs which might assist diversification and conversion efforts, and on new products and markets. The Centre should also monitor Canadian and international defence production, defence industry support and military goods export control policies, and encourage the establishment of conversion committees.

• (1610)

This bill calls upon the nuclear weapons industry to establish conversion committees and the recommendation would broaden that to cover all military production in this country.

I commend this bill to the House and urge all members to support it.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I am pleased to speak to the bill introduced by my colleague from Spadina.

The bill is to provide for the conversion to civilian uses of technologies and skills used in the nuclear weapons industry. In prefacing my remarks, I should point out that my own constituency, particularly the community of Trail, produced the heavy water for the Manhattan project. The Cominco Special Metals and Electronics Division produced a lot of the sophisticated technology used in President Reagan's ill-fated Star Wars program.

Therefore, to say that we have never had an industry in Canada that has contributed to the nuclear weapons industry and delivery system is quite wrong.

The main purpose of my remarks is to point out, in supporting the principle of this bill, that there are opportunities that I and many others feel are being missed for Canada to get aboard, gear up for and contribute in a major way to what should be and will be a major nuclear clean-up industry on a world-wide scale.

The delegation of my colleagues and I, headed by my friend, the member for Okanagan—Shuswap and three other New Democratic members were the first Canadian parliamentary delegation to visit the Hanford Nuclear Reservation in Washington State at Richland, Washington last March to investigate what is going on at that facility. It is a major clean-up.

I will read very briefly what they are doing to clean up the mess left over from the Manhattan project, the number of plutonium development facilities and about nine reactors that used to exist on that site. It is setting the pace and is a laboratory for the world in terms of the nuclear clean-up industry. I just want to point out what is happening in the local area. I will quote from *The Economist* of August 15, 1992:

> Doing something about this problem is revitalising the local economy. More than 16,000 technicians, engineers and scientists are now beavering away on the site. During the past year the population of Richland grew by 10%. Home prices have risen 30% in three years—unusual in an environmental disaster-area. As Ralph DeSibio of Westinghouse Hanford, an erstwhile plutonium producer and now the prime contractor for the clean-up, puts it, "We're sitting on a waste mine."

It may be a waste mine but it is a gold mine for many of the people there. It can be a major contributor to more and sophisticated jobs in Canada, if we accept our responsibilities to help lead the way.

The federal government should be co-ordinating and communicating with American Westinghouse officials and attempting to get a piece of the action or at least be in an observer capacity at that site in Washington. In that way, we would be in a better position to clean up our own matters, whether they stem from military nuclear hardware or the clean-up of civilian nuclear problems. That is another major problem that we have not dealt with either. It would also allow us to contribute, in a more meaningful way, and we should be beginning to do that as well, in the major problems in the nuclear industry in what used to be the Soviet Union.

For a number of reasons, including demand reasons and the state of public opinion, the nuclear industry in Canada, and I am mainly talking about the peaceful nuclear industry, is gearing down in many ways. We can create employment, create technology, be on the leading edge in the so-called global marketplace that the government likes to talk to us about, if we are in a position to understand the clean-up technologies that are taking place. We could lend a helping hand to what otherwise will be a major disaster for the whole world and help to clean up some of the problems left over by the change of regimes and the inappropriate and old fashioned nuclear technology that existed in the Soviet Union.

That is a disaster waiting to happen. We have potential disasters from the peacetime nuclear industry in Canada unless we are in a position to get on board and help to clean up this major waste disposal problem on a world-wide basis. There are opportunities there, let us grab them.

The intent of the bill before us is to begin to move us in that direction and I hope the government does.

[*Translation*]

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I just learned that the hon. member for Trinity—Spadina will not run in the next election, and since I may not have the opportunity to do so later on, I should like to congratulate him for his hard work on behalf of his constituents.

Canadians can be proud of their country's record on arms control and nuclear non-proliferation. Traditionally, these issues have been among the priorities of Canadian foreign policy since the Second World War.

In the late 1940s Canada rejected the development of nuclear weapons. Instead, Canadian efforts in this area have targeted the peaceful uses of nuclear energy. Electrical power generation, medical applications of radioisotopes, are among the contributions that Canadian nuclear science has made to human betterment. A corollary of this policy of focusing on the peaceful uses of nuclear energy was the decision to pursue in a consequent and unremitting manner initiatives towards nuclear arms control and non-proliferation. Canada has always stood on the side of peace and opposed war.

Canada was among the first nations to ratify the non-proliferation treaty in 1969. The treaty continues as the essential cornerstone of the global non-proliferation system. Canada's unwavering support for the NPT rests on its indispensable character in stemming the spread of nuclear weapons. At the same time, the NPT also permits the dissemination of the peaceful uses of nuclear energy. Canada, through the International Atomic Energy Agency and other channels, has played a strong role in this area.

The essential character of the NPT has prompted Canada to promote actively universal adoption of the treaty. Such a stance supports Canada's ultimate objective: the total elimination of nuclear weapons.

Canada has always been in the forefront of multilateral efforts to reduce conventional weapons, stem nuclear proliferation, and otherwise work for peace. The end of the cold war greatly reduced the threat of nuclear war, but this most welcome development also brought to the fore new and pressing challenges.

For that reason, the Prime Minister, in a seminal speech last year at Johns Hopkins University, set out an agenda for action on non-proliferation.

First, the NPT must be strengthened by its indefinite extension and by universal accession to it. These objectives were reflected in the political declaration issued by summit leaders meeting in Munich last year. Since then, Canada has participated in multilateral and bilateral initiatives to urge acceptance of the NPT. These efforts have met with considerable success and, to date, 155 countries have acceded to the NPT.

Nonetheless, a number of key countries remain outside the treaty. Further efforts are needed to persuade states like India, Pakistan, Algeria, Israel, Chile, Argentina, and Brazil. This is particularly important as we move to prepare for the NPT Extension Conference in 1995.

Second, nuclear cheating must be stopped by strengthening the mandate of the International Atomic Energy Agency and increasing its resources. Canada will support giving the IAEA the teeth—the authority and the resources—to inspect any time anywhere. To this end, a Canadian expert is participating in a high-level group to develop strengthened and streamlined safeguards.

• (1620)

Third, controls on the export of nuclear technologies, materials and equipment must be tightened. With strong pressure from Canada and others the Nuclear Suppliers Group has agreed to require the acceptance of full-scope safeguards by recipient countries as a condition of supply.

Fourth, the migration of nuclear brainpower must be stopped. To that end, Canada has contributed generously to the establishment of International Science and Technology Centres in Kiev and Moscow so that scientists of Russia and Ukraine apply their knowledge and expertise to peaceful endeavours and not add to the world's stock of nuclear weapons and delivery systems.

Fifth, security co-operation must be strengthened regionally to reduce underlying causes of tensions, particularly in such chronic hot spots as the Korean Peninsula, the Middle East and the sub-continent. Canada is bringing its experience and expertise in verification to the arms control working group of the Middle East peace talks and we have been instrumental in encouraging the countries of the north Pacific to consider ways to enhance their security through cooperation and dialogue.

How much time do I have left, Mr. Speaker?

[*English*]

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired.

Mr. Brewin: Point of order, Mr. Speaker. It is evident from the speeches in the House that there is not likely to be unanimous consent to adopt the motion, but I wonder if you could test the House on the following motion:

> That the motion be amended by deleting all the words after the word "that" and substituting the following therefor:
>
> Bill C-274, an act to provide for the conversion to civilian uses of technologies and skills used in the nuclear weapons industry, be not now read a second time but that the order be discharged, the bill withdrawn, and the subject matter thereof referred to the Standing Committee on External Affairs and International Trade.

The Acting Speaker (Mr. Paproski): Members have heard the terms of the motion. Is it agreed?

Some hon. members: Agreed.

Some hon. members: No.

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.

Government Orders

JUDGES ACT

MEASURE TO AMEND

The House resumed consideration in committee of 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—Mr. Paproski in the chair.

The Deputy Chairman: Order. House in Committee of the Whole on 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.

We have finished clauses 55 and 56. We will now go to clause 57.

On Clause 57—*Order enforced as judgment of court*

Mr. Alex Kindy (Calgary Northeast): I have an initial question. The Parliamentary Secretary to the Minister of Transport did not seem to have answered properly. When they talk about the board, what board is it? What constitutes that board?

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Chairman, the board is constituted under the Merchant Seamen Compensation Act. It is set out in that particular statute. This particular clause now makes reference to the Supreme Court of Nova Scotia.

Clause agreed to.

Clauses 58 to 69 inclusive agreed to.

Clause 1 agreed to.

Title agreed to.

Bill reported and concurred in.

Hon. Harvie Andre (for the Minister of Justice) moved that the bill be read the third time and passed.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I was literally out on the phone regarding this bill. I just have one question for the Parliamentary Secretary to the Minister of Justice. I am glad he is here.

Do these judges in this reconstituted court have to again take the oath? I understand this is a concern of judges in view of what it might do to the judicial seniority pecking order within the court. I would like to have an answer. I know this is not a formal third reading. Obviously, I do not want to impede the thing any more, but that is a very legitimate concern.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, in answer to the hon. member's questions, it is my understanding that judges would be resworn in the new Supreme Court of Nova Scotia.

In terms of the precedence, I do not have the Nova Scotia enabling legislation. My understanding in terms of seniority, which I think was another part of his question, is that is set out in the legislation itself.

I know there was one question, and I can get back to the hon. member, as to one judge who I believe is now on the Court of Appeal. There was some question about seniority. I do not have the answer to that, but in direct answer to him yes, they will be resworn and their seniority is established under the enabling legislation passed by the province of Nova Scotia.

• (1630)

Mr. Waddell: Mr. Speaker, I rise on a point of order. I would like to know what is the government's intention with respect to this constitutional amendment. Personally speaking I think it would be very unwise to proceed with it at this time. We should wait to do it property in the new year. I wonder if the government could give us some indication of what will happen.

The Acting Speaker (Mr. Paproski): Before dealing with that perhaps we could finish with third reading of Bill C-96.

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

Some hon. members: Agreed.

Motion agreed to, bill read the third time and passed.

Mr. Waddell: As I was saying, I wondered what the government's intention was with respect to this constitutional amendment. I personally think it would be unwise to proceed with it now. I hope the government would reconsider and when the House returns we could have proper consideration of it. I know my constituents would be very interested in seeing it happen.

Mr. Andre: The constitutional amendment with respect of New Brunswick has been debated, put to a voice vote, and five members stood to call for a standing vote. Therefore there is no further debate to be held on it.

According to our Standing Orders, on a Friday there is an automatic deferral of the vote. We had sought, since the intent of the House was clear, unanimous consent to have the vote now to allow those who want to vote against it to do so and allow those who want to vote for it to do so. That was denied.

We had looked at the possibility under the Standing Orders. The means exist for those who would deny this coming to a vote to do so and they did so. Certainly the position of the government remains the same. We are ready to vote. It is one of those factors in our Standing Orders for our own protection. It says on Friday all standing votes are automatically deferred. If at any time we could get unanimous consent we could have the vote, but that is all that is left to be done.

Mr. Nowlan: Mr. Speaker, I rise on the same point of order. I think the government House leader did recite the situation evenly. There had been some discussions. As far as I am concerned, without replaying the whole issue, I did not get to speak in the early stages because we did have the voice vote.

However, I just hope the government has learned the importance of proper notice and discussion with all members on something so fundamental as the Constitution of Canada. Albeit a special section that applies to one province, this is the Parliament of Canada. There is very real concern on any matter affecting the amendment of the Constitution of Canada, be it Bill 101 in Quebec, be it founding races, be it the fact that we are replaying the Constitution. Having had the referendum debate and vote on October 16, we will go about it a different way if we are going to try to amend parts of the Constitution piecemeal.

I am glad it is going to sit there until February 1 when we come back. Goodness knows what may happen between now and then.

Mr. Kindy: Mr. Speaker, I rise on the same point of order. I would like to add to what my neighbour here has said. As far as I am concerned the constitutional amendment that was brought in today with just yesterday's notice did not give enough time for members to be here. It is just before Christmas. It is a very important amendment. I think the House of Commons should have the opportunity to vote one way or the other. I hope the government is not going to try to ram it through with some tactic like the Standing Order 53, without giving proper reasons why the Standing Order should be put aside.

There is probably some agreement here on having other bills passed between today and December 31, so the House might be sitting. I hope it has learned a lesson from the vote on the Charlottetown agreement and today's experience and that it will respect the Parliament of Canada.

* * *

[*Translation*]

WILD ANIMAL AND PLANT PROTECTION ACT

MEASURE TO ENACT

The House proceeded to consideration of Bill C-42, an act respecting the protection of certain species of wild animals and plants and the regulation of international and interprovincial trade in those species, as reported, with amendments, by a legislative committee.

Hon. Jean J. Charest (Minister of the Environment) moved that the bill be concurred in.

Motion agreed to.

Mr. Charest moved that the bill be read the third time and passed.

He said: Mr. Speaker, I would like to start by taking a few moments to thank hon. members for their unanimous consent, considering the fact that we had to extend our sitting hours today in order to pass this legislation. I appreciate the fact that the hon. member from Sorel supported the request for unanimous consent, as did hon. members sitting as Independents and our Liberal and NDP colleagues.

I am pleased to say that the bill before the House today, now at third reading, has met with a very broad consensus. The bill itself and the proposed amendments were given thorough consideration by a legislative committee. There was also a detailed study by various environmental groups. This legislation is the culmination of many years' work, as a result of which we were able to table this bill in the House.

[*English*]

An act respecting the protection of certain species of animals and plants was presented for second reading on March 17 and reported back by the legislative committee on June 18.

There are some changes proposed to the bill and I am happy to report that the changes, as far as I know, are the object of a wide consensus on behalf of all members of this House. There has been a very inclusive process of study of this bill in the legislative committee.

May I also add that the parliamentary secretary for the Department of the Environment, the member for Brandon—Souris, played a key role, as he did on other pieces of legislation, in facilitating the work before the legislative committee on this matter. I thank him today on the record, given the fact that as usual he will have done most of the work in the parliamentary process in advancing this bill.

This bill is about the important stress that is now on the world's wildlife populations. We know there is considerable stress on our ecosystems, on the species themselves, and within the species in certain cases. In the case of Canada this is especially significant given the richness of our geography and the fact that we have very key species that are threatened and measures are required to protect them.

The act is new federal legislation. It will protect wild animals and plants by regulating international and interprovincial trade in them and their parts and products.

There are three objectives: first, to help protect wild animal and plant species in foreign countries from poaching and smuggling; second, to protect Canada's wild animal and plant species from illegal trade; and, third, to protect Canada's ecosystems from the introduction of designated harmful species or so-called biological pollutants. It will replace the 1941 Game Export Act and regulations first made in 1975 under the Export and Import Permits Act through which the Convention on International Trade in Endangered Species is implemented in Canada, otherwise known as CITES.

• (1640)

As mentioned a few seconds ago, this piece of legislation has gone under some very thorough and very extensive debate within committee itself and some amendments address the concerns that were expressed in the committee.

For example, this new act will allow Canada to support the efforts of other countries to conserve and protect species, especially endangered ones. It will also prohibit wild animals and plants from being brought into Canada if they have been obtained or otherwise dealt with in violation of foreign conservation laws.

There is a very legitimate trade in certain species or threatened wild animals or plants going on now. That being the case, I should point out that this bill is something that will not impede that trade but will rather create a context in which it can happen with the safeguards we are all seeking.

[*Translation*]

I do not want to go into details because we have agreed and it is already late; this is the last day of the session. I could talk about this bill at length, but I do not intend to do so. I know that my colleague and friend, the member for Davenport, also wants to give us his comments and I will be very pleased to hear them. My friend and colleague, the member for Skeena, also wants to add some comments and I will be very happy to hear them too. I just want to tell members one thing in closing: the bill will help Canada meet its obligations under the biodiversity convention which the Prime Minister ratified recently.

Two conventions which bind Canada internationally came out of the conference called the earth summit held in Rio de Janeiro, as you will recall. One is a convention on climate change and the other is on biodiversity or, if you prefer, the preservation of biological diversity. Canada is the first industrialized country in the world to sign and ratify both conventions. We did so with the unanimous support of the provinces and territories and I must tell you that we are very proud of it. Today's bill will help us meet this commitment.

So, without further ado, knowing that it is already late and recognizing that the ultimate goal is to pass this bill, I want to thank you, Mr. Speaker, for your patience and take the opportunity, since this may be the last time that I speak to you, to wish you and all those who work in this House, and especially those who contribute to its work, wonderful holidays. Mr. Speaker, I also hope that you will be able to enjoy this ecosystem which—

[*English*]

Mr. Edwards: Mr. Speaker, on a point of order. There have been thorough consultations and I think you would find consent for the following. I would move:

> That, notwithstanding Standing Order 28(2), at any time during the adjournment of the House between December 14, 1992 and December 31, 1992 the Speaker may after consultation with the government cause the House to sit for the sole purpose of giving Royal Assent to any of the following bill or bills: Bill C-26; Bill C-42; Bill C-63; Bill C-86; Bill C-94; Bill C-96; Bill C-100; Bill S-13; Bill S-14; Bill S-15; Bill S-16; Bill S-17 and Bill S-18.
>
> And, following each Royal Assent, the Speaker shall, each time, further adjourn the House forthwith until February 1, 1993; and
>
> That the provisions of Standing Order 28(3), respecting the recall of the House for urgent and pressing matters, not be superseded by the provisions of this order.

The Acting Speaker (Mr. Paproski): Is there consent to introduce this motion?

Mr. Kindy: Mr. Speaker, on a point of order. I do agree with this motion.

I understand there will be no attempt by the government to bring in an amendment to the Constitution concerning New Brunswick. I give my consent for that reason.

Mr. Riis: I want to say to my friend, the government House leader, that I appreciate the motion that is before us and I certainly will support it. I simply want to acknowledge the fact that we requested that Bill C-91 not be made a part of this list and that he has agreed to that and I want to extend my appreciation.

Motion agreed to.

Mr. Andre: I want to respond to my friend from Kamloops. This particular motion is the usual one when we adjourn. We have what basically I think most people would agree is an anachronistic procedure of Royal Assent. There is a bill somewhere in the Senate to do away with that step which is really not necessary. Since Bill C-91, it is my understanding, will not be completed by the Senate prior to Christmas, it is not necessary for us to have it included in this Royal Assent.

I wanted to make sure that the public understands that we are committed to Bill C-91. There are hundreds if not thousands of scientists out there waiting for this bill and we are going to meet their concerns.

Mr. Riis: Mr. Speaker, I want to respond to my hon. friend, the government House leader. While I appreciate his interest, I do want to acknowledge—this is a strange acknowledgement—that perhaps the democratic approach to the consideration of Bill C-91 will be conducted by the appointed Senate. It certainly was not conducted by this government in terms of allowing adequate public input and reaction to the contents of Bill C-91.

Mr. Dingwall: Mr. Speaker, since we are in the Christmas mood, perhaps the government House leader could indicate to the House, as I am sure he has had extensive consultations with those in the other chamber, when the government intends to have Royal Assent of Bill C-91 should it pass in the Senate. What is the time frame?

Mr. Andre: The one thing about the other house is it actually does have I think proportionately more people than we have who understand the import of the bill. I am thinking of people like Dr. David Keon, the famous surgeon from Ottawa, who is enthusiastically supporting the bill and who recognizes the importance to medical science.

It will be trying to deal with it as expeditiously as possible and certainly as soon as it is able to deal with it. I am sure that the wisdom of that body of sober second thought will prevail. It will reach the right decision, provided it does not for Christmas get a whole new allotment of cow bells and kazoos.

As soon as it is passed, we will be very anxious to bring this House back to give Royal Assent to that bill.

Mr. Nowlan: On the Christmas spirit and the fragility over the difference of opinion on Bill C-91, perhaps the government House leader, even though it affects the other place, since he is sort of in a position to know, can he tell us if the Senate is going to be refurbished with new senators before it starts Bill C-91?

Mr. Andre: All I can say is I hope it is refurbished as soon as possible.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, as you know, we are conducting a debate on this bill, an act respecting the protection of certain species of wild animals and plants.

We welcome on our side of the House the return of this bill roughly 13 months after it was introduced the first time.

• (1650)

We think that this legislation is long overdue. We want to report that a considerable amount of work was done in committee with a very strong and vigorous input on the part of the member for Skeena, who I am sure is very anxious to speak in a few moments on the strength of the bill, both in terms of international and interprovincial trade of endangered species.

In essence, the purpose of the bill is to protect certain species of animals and plants when it comes to international and interprovincial trade. The prohibition, and this is important for the Canadian travelling public, is to the effect that a person should not import into Canada any animals or plants in contravention of any law of any foreign state, meaning any law that is endorsed and subscribed to in connection with foreign trade by nations which adhere to the convention on international trade in endangered species.

This bill brings Canada in line with other international accords such as the convention on biodiversity and especially with the convention on international trade in endangered species.

It intends to protect biological diversity globally. It intends to band illegal trade of endangered species, fauna and flora.

Last year a convention on international trade in endangered species was strengthened and a list of protected species was extended to include over 1,000 species.

These international actions are no reason for complacency. The House may have heard about research reports that through poaching, the African rhino is on the verge of extinction in southern Africa. The African elephant is still in a precarious state because of the slaughter for the purpose of providing tusks and profit making.

A report issued only this week by the United Nations Environment Program warns that between 100 and 300 species a day, flora and fauna combined, become extinct through habitat destruction, especially through the destruction of tropical rainforests, coral reefs, wetlands and other biologically diverse and rich ecosystems.

Therefore, extinction is not someone else's problem. In the remote areas in Canada, for instance, there are at least 25 endangered species.

My next point is that while we support the passage of this bill because it is important, we would like it to go further. We would like to have fines increased to ensure that they are in line with other international penalties for illegal trade, and possibly the member for Skeena will address this subject more effectively based on his wide-ranging experience.

The fines as far as we are concerned could be brought to $100,000 for individuals and it would not be too little. The fines and criminal charges must be strict enough to ensure that Canada does not become a haven for smugglers.

Aside from the offences, this bill is about international trade, and yet we need parallel legislation which takes an ecosystem management and conservation approach to the protection of species. That is what some of us have proposed by way of private members' bills, including a private members' bill by the member for Davenport, Bill C-209, which I would like to bring to the attention of the minister in the House. I am sure that he already knows about it. This bill intends to provide protection for Canada's own biological diversity. It is intended to identify, protect, if you like rehabilitate, flora and fauna threatened or endangered by human activities in our nation.

Finally, once this bill is given third reading, we on this side of the House urge the government to move swiftly with its promulgation and to make good on the government's commitment contained in the green plan to increase public awareness through environmental education, environmental communications, the schools, through all means that are available. We will build on the urgent need to strengthen wildlife protection for the enrichment and enjoyment of present and, first and foremost because of the pressures to which the minister himself alluded earlier, for future generations.

We are glad to give support to this bill and to take this opportunity to urge the minister to also take an initiative for the protection of Canada's own biological diversity. I know that it is close to his heart and that he will move swiftly with the determination which characterizes him, for which he is well known, to fill this gap for which this measure is badly needed.

Mr. Jim Fulton (Skeena): Madam Speaker, I am pleased to have an opportunity to speak in support of Bill C-42, and that good will actually got it to the point of being able to pass today. I was worried earlier today as I sat and the hours went by that perhaps those which we are here speaking on behalf of, which are the wild plants and animals of this planet, might not have any voices speaking on their behalf as this year rings its way out.

This has been a profound act of political will. It is a kind of consultation that I do not think very many pieces of legislation have ever been through. A national-inter-provincial-territorial consultation process began in 1982. The legislation itself actually started to formulate back in 1987. It has been a very long and tedious process to get it to where it is today.

Frankly, it is now a pretty good piece of legislation and the minister should be complimented for having ridden herd as he has and provided the necessary political will to actually get it to the floor of the House. I know, with the legislative agenda that there has been in the last little while, getting a piece of legislation about wild plants and animals to the floor of this Chamber with all of the other competing interests has not been an easy task.

I also think that the minister and those on the government side listened at least with due diligence to the concerns raised from this side about the issues of fines. They were substantially altered. They are considerable. It is in that area to which I direct my remarks for a moment, because I think there is a responsibility not so much now of the Minister of the Environment but of his colleagues in the field of justice and in law enforcement to make sure that law enforcement personnel generally in this country are aware of what this bill is all about.

As my friend from Davenport pointed out, this is more about plants and animal species that are being trafficked internationally and in some cases interprovincially than it is to protect the biological nature of this country. We do not have a lot of endangered species, in fact we have very few that are listed under CITES. We have 195 endangered species at the moment that are listed by COSEWIC, Canada's committee in this field on endangered plants and animals. There is a great deal of work to be done in that area.

On the education of the enforcement personnel, the minister is committed to $12.3 million under the green plan—I spoke to him earlier today. I am quite confident that the funds are there and are going to be delivered—and for the 29 new person years. I know that excellent public servants such as Mr. McLean in the minister's department will be eagerly anticipating learning later today that the 29 person years will in fact still be delivered by the Minister of the Environment, perhaps over the next five years instead of over the next six, to get it jump-started and going.

So there is that one big job on educating enforcers of the law.

• (1700)

The other much bigger one is to educate the bench. In my own experience, it follows the issue of the exportation of things like bear gall bladders and paws and various "exotic parts" of Canadian wildlife internationally.

Regrettably when offenders are finally caught, charged, and brought before the courts such as some of my own constituents, the sentences are inappropriate. One fellow in particular was before the courts after having been convicted more than 100 times already and came back before the bench and was not given what I consider to be an appropriate sentence.

I am hoping that all members of this House will take some interest in this issue, in particular the Minister of Justice, and those who have some direct access to educational materials for the bench. Make sure that the judges and the courts in this country understand the seriousness with which this bill was taken by the members who worked on it.

The fines are not inconsiderable. They go up into the hundreds of thousands of dollars for corporations that are involved. There are extensive periods of incarceration, and it is certainly something that I as a member of this House, and I know the Minister of the Environment is hoping that these kinds of sentences will be handed down.

I know that when a corporate entity appears before a court in any area of this country with an orchid in hand and the lawyer gets up and extols the virtue of the corporation and the client and says: "Oh, my Lord, you are not possibly going to put my client away for six months or a year and fine him or her $300,000 over this one measley orchid?" I hope the bench will come to understand that this legislation, at least in the foreseeable future is going to become more, not less, important.

According to Edward Wilson, the global authority at the moment on the loss of biodiversity, we are losing at least 10 entire species an hour on this planet. It is mind boggling. That is an entire species of parrots, entire species of orchids, entire species of other forms of plants and animals. In Somalia there is not one elephant left. At the turn of the century we were losing maybe a specie a month but the time clock is accelerating so fast that legislation like this has become mandatory.

Even though the fines and degree of incarceration were not brought to the levels that I think were necessary, meaning there is a possibility of Canada continuing to be a conduit for smuggling, and a conduit for poaching, I would hope through stringent and rigid enforcement, there would be zero tolerance for the smuggling of endangered plants and animals at the border.

I do not care what excuses some people have when they have a little snake hidden inside their cowboy boots, that they are taking and saying they did not know it was worth $100,000. I just do not buy it any more.

The amount of money being made, as we heard from witnesses in terms of the traffic in endangered plants and animals is comparable to the drug trade. We are talking hundreds of millions being exchanged for things like bear gall bladders for people who think it is some kind of erotic medicine. It is a very serious state of affairs and I am pleased this bill is being passed.

I know I told the minister and my friend from Davenport I was not going to talk very long, but I can get wound up into these things quite quickly.

We want to pass this, Madam Speaker, and I do have a few other things I need to say.

The minister pointed out the bill does three things. Canadians should not be fooled by the brand name. It is called the Wild Plant and Animal Protection Act. It does not protect those endangered species and biosystems inside Canada. This brings us into compliance with CITES, the Convention on International Trade in Endangered Species. There is about 50,000 species now listed in the appendices of CITES. Most of them are plants like orchids but there are many mammals listed in it and Canada's own COSEWIC listings should be included.

It does protect some of Canada's wild plant and animal species from illegal trade. It protects some Canadian ecosystems from the introduction of designated harmful species and it helps to protect wild animal and plant species in foreign countries from poaching and smuggling. The initiatives of the legislation are good.

As I said earlier, the kind of consultations the Minister of the Environment conducted are first class where there are consultations with the provinces and the territories and we get them all on board.

Now the job is getting the enforcers on board, the 29 professionals who can identify the particular endangered species that are often smuggled in, particularly at our airports but also at our ports and in vehicles coming into Canada. It is a big, big job and the public needs to be educated about the severity of it.

I do hope the minister will soon take the next step. That is to move on the kind of endangered species legislation there is at least in the United States. I would not take it as a specific model, but clearly there needs to be a legislative move in this country to protect endangered spaces and endangered species. I know the minister is committed to doing that.

I will end by saying it is a bill that Canadians should not be tricked by. It does not do a whole lot for plants and animals inside Canada, but it is a very useful weapon in the arsenal of dealing with international crime, even those international petty criminals who think that just smuggling a few orchids is not that bad. There is big money in it and has to be stopped.

I am pleased this is the last debate to take place before Christmas because it is a bill well worthy of singing a few tunes to. I congratulate the Minister of the Environment for getting it through.

Motion agreed to, bill read the third time and passed.

[*Translation*]

Madam Deputy Speaker: Before adjourning, I would like to take a few moments to extend to all hon. members and all employees of the House, to the clerks and to our pages, my best wishes for a merry Christmas and a happy new year.

[*English*]

Mr. Riis: Madam Speaker, I want to join with you in your goodwill. On behalf of the New Democratic Party caucus I want to extend to you, Madam Speaker, to the table officers, to the members of the House, to the pages and the House staff, to the security staff and to all who work on Parliament Hill a very Merry Christmas and a Happy New Year.

Mr. Dingwall: Madam Speaker, in the spirit of the intervention by my colleague if it could be made a motion, I would like to second that motion.

Mr. Edwards: Madam Speaker, we are all indebted to you for your patience during this long day. We all appreciate the hard work the table officers and all the staff of the House have done over the last few days. We had some late nights. We had some nights without sleep, I know, on the part of a number of the staff in preparing for certain stages of certain bills.

In particular we ought to recognize the pages who have endured this with good cheer in the throes of their examinations.

To you, Madam Speaker, and to all present and their families, on behalf of the government, may we wish you a safe and joyous holiday and a prosperous New Year.

[*Translation*]

Mr. Plamondon: Madam Speaker, I have a point of order on the same subject. I would like to join New Democratic, Liberal and Conservative members in wishing you a merry Christmas and thanking the staff of the House. I assure all parties and the staff that the Bloc Quebecois will continue to co-operate, as it has done this past year.

Mr. Kindy: Madam Speaker, I would like to wish the Chair, the pages and all other members Merry Christmas.

Madam Deputy Speaker: It being 5.10 p.m., pursuant to Standing Order 28(2), the House stands adjourned until Monday, February 1, 1993 at 11 a.m., pursuant to Standing Order 24(1).

The House adjourned at 5.10 p.m.

HOUSE OF COMMONS

Thursday, December 17, 1992

The House met at 1.55 p.m.

Prayers

[*English*]

Madam Deputy Speaker: I wish to inform the House that in accordance with the order made Friday, December 11, 1992, I have recalled the House this day for the sole purpose of granting royal assent to certain bills.

* * *

MESSAGE FROM THE SENATE

Madam Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following bills without amendment: Bill C-86, an act to amend the Immigration Act and other acts in consequence thereof; 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 the March 31, 1993; 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; Bill C-42, an act respecting the protection of certain species of wild animals and plants and the regulation of international and interprovincial trade in those species; 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; and 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.

THE ROYAL ASSENT

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

Government House
Ottawa

December 17, 1992

Mr. Speaker,

I have the honour to inform you that the Honourable John Sopinka, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 17th day of December, 1992, at two o'clock p.m., for the purpose of giving royal assent to certain bills.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General

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

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

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

[*Translation*]

And being returned:

Madam Deputy Speaker: I have the honour to inform the House that when the House went up to the Senate chamber the Deputy Governor General was pleased to give, in Her Majesty's name, royal assent to the following bills:

Bill C-86, an act to amend the Immigration Act and other acts in consequence thereof—Chapter 49

Bill C-100, an act granting to Her Majesty certain sums of money for the Public Service of Canada for the financial year ending the 31st March, 1993—Chapter 50.

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—Chapter 51.

Royal Assent

Bill C-42, an act respecting the protection of certain species of wild animals and plants and the regulation of international and interprovincial trade in those species—Chapter 52.

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—Chapter 53.

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—Chapter 54.

Bill S-16, an act to restructure United Grain Growers Limited.

It being 2.16 p.m., pursuant to order made Friday, December 11, 1992, this House stands adjourned until Monday, February 1, 1993, at 11 a.m. pursuant to Standing Order 24(1).

I wish everyone a Merry Christmas.

The House adjourned at 2.16 p.m.

HOUSE OF COMMONS

Monday, February 1, 1993

The House met at 11 a.m.

Prayers

[*English*]

VACANCY

ELECTORAL DISTRICT OF MALPEQUE

Mr. Speaker: It is my duty to inform the House that a vacancy has occurred in the representation, namely Ms. Callbeck, member for the electoral district of Malpeque, by resignation, effective Monday, January 25, 1993.

Pursuant to paragraph 25(1)(b) of the Parliament of Canada Act, I have addressed on Monday, January 28, 1993 by warrant to the Chief Electoral Officer, the issue of a writ for the election of a member to fill the vacancy.

Mr. Prud'homme: A sad departure.

The Acting Speaker (Mr. DeBlois): I realize that the hon. member for Beaches—Woodbine is not in the House.

[*Translation*]

The hon. member for Beaches—Woodbine is not in the House to move his motion as published in today's Notice Paper. Consequently, the motion will be dropped from the Order Paper, pursuant to Standing Order 42(1).

[*English*]

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, since the hon. member for Beaches—Woodbine is not here, I wonder if I could seek the unanimous consent of the House to proceed at this time to Government Orders.

The Acting Speaker (Mr. DeBlois): The hon. members have heard the suggestion. Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

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

SUSPENSION OF SITTING

The Acting Speaker (Mr. DeBlois): Is it agreed the sitting will be suspended until twelve o'clock noon?

Some hon. members: Agreed.

The sitting of the House was suspended at 11.06 p.m.

SITTING RESUMED

The House resumed at 12 p.m.

GOVERNMENT ORDERS

[*Translation*]

BUDGET IMPLEMENTATION (GOVERNMENT ORGANIZATIONS) ACT 1992

MEASURE TO ENACT

The House resumed from Friday, December 4, 1992, 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; and the amendment of Mrs. Finestone.

The Acting Speaker (Mr. DeBlois): When the debate was suspended, the hon. member for Kingston and the Islands still had 11 minutes left.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, it is a pleasure to be the first speaker for the first sitting of the House in 1993, and I hope all members on the other side spent a pleasant holiday in their constituencies.

My own constituents were asking me when there would be an election, because nearly everyone I met during the holidays wanted at least to be able to vote against this government and have an opportunity to do so very shortly.

We now see a government here in the House introducing bills that are unacceptable to most Canadians. Canadians would like to have a chance to say no to this government now. And I hope that when the Prime Minister considers the matter this week, he will consider the interests of Canadians.

[*English*]

I have to return to the bill before us. As I was saying at the time of the adjournment on this debate on December 4, the bill is unacceptable to this party, primarily because of the change relating to the Canada Council and SSHRC, the Social Sciences and Humanities Research Council.

I note also in the bill that it is stated that part of the purpose of this bill is to transfer certain functions and staff of the Department of External Affairs concerned with the promotion of Canadian culture abroad to the Canada Council. The Canada Council would be renamed the Canada Council for the Arts and for Research in the Social Sciences and Humanities to reflect this expanded function.

I have grave concerns about that latter transfer as well. The Canada Council has never been involved in foreign cultural work on behalf of Canada. It has no personnel who are trained in that particular kind of work. The Department of External Affairs has people posted abroad doing work already. Surely the cultural part of that work has been relatively minor to date. It is surely not taking up a lot of full-time positions in the Department of External Affairs. Yet, the government in its wisdom has decided as an apparent cost saving measure—although it is hard to imagine how this is going to save any money; I expect it will cost more—that it is going to take this jurisdiction away from the Department of External Affairs and create a new international arm, if you like, at the Canada Council. One wonders how many more employees will be required to administer this program now at the Canada Council than are currently engaged in external affairs, where surely it is a very part-time function of most of the officers involved in it.

I am very concerned about this not being a cost-saving measure at all, but in fact one that will cost Canadians more. This whole scheme was very ill-conceived. The government did not apply its mind to the problem before it brought this bill before the House or before it introduced the budget. I am sure it was a last minute thing in an effort to get an impressive list of government agencies that could be folded up. It stuck this particular one on the list because it had nothing else to do and it had to make the list look impressive and long.

We know from the savings that have been announced on the total list that the savings on this particular aspect of it must really be peanuts. If the government were saving money there, it has been spending it elsewhere.

We had a spectacle recently in Kingston. The new minister of state for science came to Kingston on January 22. If he would have told me he was coming, I would have gone to the airport to meet him but he did not let me know. He came to Kingston and announced the Prime Minister's awards for teaching excellence in Kingston. He issued a lot of fancy, very colourful and beautifully printed brochures and $585,000 worth of prizes. They are not actually scholarships, just prizes. They are to be given to deserving teachers across Canada who assist their students with quality education in science and mathematics.

It is a fine program, but you have to wonder. The government is saying we have to save money by bunching these agencies together and forcing them to do things together when in fact they should be separately represented and are doing a perfectly adequate job at a relatively modest cost now. How did it find the money in the year of an election to come up with $585,000 worth of prizes?

An hon. member: Election is the operative word.

Mr. Milliken: Of course the figures that I do not have and which were not in the minister's press release—surprise, surprise—are the administrative costs of this program. How much did it cost to produce the glossy brochures and the fancy application forms? How many people are going to be employed to review the awards that are being handed out and decide who is entitled to them? It is a phenomenal program, a very good idea, but it is of no coincidence I suggest that April 30 is the deadline for applications. I will bet you the Prime Minister in giving out his awards will be jetting across the country during the campaign, calling teachers in to receive their awards from him when he visits the communities across Canada.

I suspect we might find in next year's budget, if this group is re-elected, this program cut as a cost saving measure because they could not afford it any more. Yet in an election year they can afford it, a year when they are closing down the Social Sciences and Humanities Research Council and disbanding some of its activities by forcing it in with the Canada Council and similarly putting works of the Canada Council at risk. It is a not a satisfactory way to run a government. This is most unsatisfactory and the government must know it.

I also note that this particular $585,000 prize program, the Prime Minister's teachers' awards for excellence, comes at a time when the department of science as I understand it has recently had cuts. The hon. member for Glengarry—Prescott—Russell no doubt is aware of this. I read in the paper recently that 180 jobs were cut in that department the other day. Why was that? A shortage of money. Yet the government managed to find $500,000 for this program, plus the unaccounted for costs of administration. We have not heard about those.

At a time when the government is preaching restraint to its employees, firing off right, left and centre saying it has too many employees, their jobs are redundant and it does not need them any longer, it is embarking on new prize givings for Canadians all in the name of the Prime Minister and clearly designed to be handed out in the course of an election campaign.

These changes in this law are opposed by the scientific community in Canada. I have a letter from the Social Science Federation of Canada signed by their executive director. I would like to read a paragraph from the letter. The letter states: "As you know the Social Science Federation of Canada, which represents some 15,000 social scientists in 24 learned societies and 68 universities, has grave concerns about the ability of the new agency to protect the gains made by the Social Science and Humanities Research Council over the past 14 years. We are particularly concerned with maintaining separate funding for the research segment of the new agency and further encouraging the collaborative efforts of the other two granting councils which have been introduced by SSHRC".

He indicates that SSHRC expects to appear before the legislative committee when it holds hearings on Bill C-93. I can only hope that the members on the government side will listen very attentively to what these people say.

I have received numerous letters from constituents of my own involved in the university community in Kingston who are opposed to this bill. They believe it is a bad bill. The minister of state for privatization I know knows something about the evils of this bill. He must have spent some time studying it because he knows about privatization and what damage it has done to the fabric of the Government of Canada. I would welcome his remarks in the course of the debate on this bill.

He must have concerns about this bill and the fact that these agencies which have functioned perfectly well before are being lumped together. Given the government's record of funding cuts, of failure to support the scientific community in Canada, which we have seen repeatedly in the reductions that the government has introduced in this budget particularly, one can only worry about the future of the social sciences in this country.

• (1210)

I am proud to say that I was a graduate in the social sciences. I studied political science and economics. I enjoyed the experience very much. I do not say that it was great preparation for being a member of this House but it certainly did me no harm and brought me into contact with this institution.

Mr. McDermid: Some members have done well.

Mr. Milliken: I cannot hear the hon. member's remarks. I am sure they are erudite as usual. It brought me into contact with this institution at an early age, a contact which I have enjoyed repeatedly and continuously over the years.

I see you are indicating my time is almost up, Mr. Speaker. This bill is one that needs revision. As I indicated in my earlier remarks, parts of it are acceptable to the opposition. Part III, which changes the role of the Canada Council and the Social Sciences and Humanities Research Council, is quite unacceptable. I urge the government to consider deleting this section from the bill.

Some government members have indicated they object to the changes in the Unemployment Insurance Act. I can only urge them and others who have put on their thinking caps to look at this bill and see if they do not agree we should make significant changes in this bill along the lines that have been suggested we make in the Unemployment Insurance Act.

If they stand up and object, we can get the government to change its mind on this bill and get rid of this obnoxious part of it. This will allow the bill to go through in a way that is acceptable to the vast majority of Canadians.

This way is not reasonable. It is not a money saving measure. It is a political game. It is one the government ought to be ashamed it even embarked on. I hope the government will see fit to withdraw Part III.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I listened to my hon. friend as I did in the earlier part of the session when he began his speech.

I must say his logic fails me in these times when the public and even his own leader is calling for more efficient use of taxpayer resources. It is not just a matter of cost cutting, though cost cutting is extremely important. The issue involved here is service to the public. The world changes and as the world changes, institutions of government must change in order to respond.

I quote from his leader's speech the other day when at the University of Ottawa he said: "Our challenge today is to adapt the role of government to a new world". That is what this government has been doing in a variety of ways. I am pleased to see that the Liberal Party is starting to discover some of the wisdom of the policies of this government by following suit in a number of the policy pronoucements they have been taking.

However, that is not the purpose of this discussion. My hon. friend speaks with specific reference to the Social Sciences and Humanities Research Council and the other funding agencies. I have been a great supporter of the work of these agencies. The Social Sciences and Humanities Research Council had the good wisdom some years ago to award me a doctoral fellowship. Naturally I have a great appreciation for its judgment and the quality of its work.

It is important this work continue. It is important that the support of research both at the graduate level and at the post-doctoral level be carried out and be supported. Whether that necessitates the maintenance of three separate bureaucracies is a different question.

What is before this House is not the value and the importance of that work. It is not the rigor with which those applications are screened by experts in the field on the basis of peer review as they are. That is the basis upon which those decisions are made.

My hon. friend knows perfectly well that people sometimes make mischief with decisions made by granting agencies by pointing out that a grant was made to this person to study this or that. They try to tag the government when in fact, peer review is the only proper basis. That is the basis upon which it will be done in the future.

What is being done here is an improvement of the system. It makes the process work more efficiently for the benefit both of the clients of the system but also for the modest benefit of the taxpayer as well.

Perhaps my friend would like to reflect upon those no doubt profound remarks and offer his observations.

Mr. Milliken: Mr. Speaker, I would be delighted to reflect on what the hon. member said. I would love to believe what he said but he has not cited a tittle of evidence in support of the fact that this is going to save the Canadian taxpayers a single cent.

I would like to know who is going to be displaced. Who and what jobs are going to be eliminated as a result of this change? There is no evidence that there will be. The Social Science and Humanities Research Council functions very well. It is one of three granting councils in Canada. The three granting councils act in a similar fashion. It is not a merger of the three granting councils that is being proposed in this bill. It is moving one of them into the Canada Council which does a different kind of function, albeit similar, but is not the same. It grants exclusively to the arts.

The Social Sciences and Humanities Research Council, NSERC and the MRC are the granting councils for three academic disciplines. They normally act in roughly the same way in terms of peer review and so on.

That is not what is proposed to be changed in this bill. What the government is doing is taking one of those three academic granting councils and putting it in with an arts granting council and saying that the two can work together now. It does not make sense. If there were some move to put the three granting councils under one roof, there might be some justification for it and there might be some saving to taxpayers. I do not know.

There certainly is not a saving by merging these functions and by transferring the external affairs functions, which I noticed my hon. friend blithely skipped over. He knows that is going to cost Canadian taxpayers. He knows it is going to drive up the cost. He knows that the money the government is saving from this scheme is being spent away on the Prime Minister's awards for teaching excellence, and he did not answer that.

If he is so concerned about the Canadian taxpayer, why is he not objecting to the extra half million dollars being handed out this year on these awards, plus the administrative cost which will probably bring it up to about one million dollars? I did not hear a peep from him on that score.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am rather shocked that the government member would not understand the implications of this particular piece of legislation. Frankly what was said is not accurate.

My colleague should know we have received hundreds of petitions and letters objecting not only to the substance of the bill but in fact to the process that was undertaken.

I would like to ask my colleague who has just spoken on behalf of my party how he feels about the process itself. There was no consultation. Is that an appropriate way to proceed?

I would like him to comment, as I believe he mentioned it, on whether I am correct that organizations involved both directly and on the periphery are not happy with this piece of legislation. They are the people who are most affected. They are saying that it is inappropriate, that it will not do those things that the government is saying it should do and that in fact it will be dysfunctional.

Finally, I have received comments to this effect and would be interested in knowing how the people in the hon. member's riding have reacted to the research and development funds that have been made available in his particular area. In mine, they have been shocked, they have been angered and they feel that it is contrary to what the government has said it ought to be doing in this area.

Mr. Milliken: Certainly, Mr. Speaker, I agree with the hon. member that the lack of consultation was a serious blow in this case. Surely if a government agency is going to be amalgamated with another one of the two it at least ought to be consulted, but apparently this was a decision made the morning of the budget and stuck in at the last minute. There was no apparent communication from all the indications that we have.

Mr. McDermid: How do you know that?

Mr. Milliken: If the hon. member has evidence to the contrary he can present it. I would be glad to hear from him, but our understanding is that there was no consultation.

Mr. McDermid: You are just making that up.

Mr. Milliken: No, we are not. It was reported in the press at the time. The hon. member can check the news stories, very reliable sources.

Second, the opposition in my community is widespread to these changes. Many of the social scientists at Queen's University and the Royal Military College have written to me expressing their concern, particularly those at Queen's. They and many of the students are very concerned that this change is not for the better.

I am surprised that the hon. member for South Shore having received a grant once would treat this in such a cavalier way. He should be out supporting these councils and helping them as the people in my riding are.

Finally, in respect of the government's cuts in funding for research, I have a letter to the Prime Minister. A copy was sent to me from the vice-principal of health services at Queen's University, Dr. Duncan Sinclair. I would like to read part of the letter just to indicate the degree of dissatisfaction with the government's policy. It states:

Hidden away in Mr. Mazankowski's economic statement of December 4 was announcement of your government's decision to renege on your previous very far-sighted commitment to provide increases to the federal granting councils of 4 per cent in funding for each of the next four years. When this commitment was made, many of us commended you and your colleagues for having the foresight to invest in the nation's future even at a time of severe financial constraint. We were all aware that increases of 4% would not go far to undo the many years of relative neglect of investment in research and development in Canada but we agreed then it was a start, and a good one given the state of our economy.

• (1220)

That this decision has been reversed is dismaying at the least and unconscionable at the worst. That it is unknown to most Canadians that you have reversed your course and reneged on your commitment is shameful. I was present at a consultation on a new strategic plan for the Medical Research Council that you addressed, the first such direct comment, to my knowledge, by a Prime Minister to a granting Council on government's recognition that investment in inquiry is the only way to future health in our economy and nation. It was brave speech now made hollow by the actions taken on December 4.

My colleagues and students deserve better, Mr. Prime Minister, as does the country. Like it or not, the future will soon be upon us and our inheritors will not be able to do much with it without the knowledge, derived from research, that will make it possible for us to compete in a world made small by modern communication. I urge you to reverse this decision and give them and us a fighting chance.

That is the kind of letter I have received. That is the kind of disappointment that is felt in this country because of the government's two-faced approach to research funding. This bill is further exemplification of that two-faced approach. It is cutting one of the councils and merging it with the Canada Council. It need not do it. It is pulling out of external affairs cultural responsibilities which are well looked after there and need not be transferred. It will not save the taxpayers of Canada money. It is embarking on a Prime Minister's prize program for teachers and spending additional taxpayers' dollars at the very time it is preaching restraint to all these people. This is wrong-headed policy and it cries out for amendment.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I am pleased to have an opportunity to participate in this debate. I am going to refresh the House's memory as to why this legislation has been brought forward and place it in context as well.

It is interesting to note that today we have well over 400 separate organizations and advisory bodies that comprise the Government of Canada. There are 26 statutory departments, 80 departmental agencies, 56 Crown corporations and over 200 boards, tribunals, councils and other advisory bodies. There are times when one wonders how decisions ever get made in the government with so many agencies, bodies and individuals involved in the making of them.

If the government is going to meet the needs of the people it has to move with the times. Sometimes there is a sentiment, and I sense this sentiment as prevailing on the other side of the House, that once something is created it is created in perpetuity whether it has a purpose to exist or not. That is not the philosophy which prevails on this side of the House. We see the government's role as providing service to Canadians in response to needs which have been identified. Some of those needs last for many years and others are short in their duration.

The purpose of this bill as a budgetary measure is part of the process of streamlining government. It is not just for the cost savings although obviously they are a very important factor. It is important to note that this streamlining exercise which has been going on and was manifested in Bill C-63 and indicated in the budget of the Minister of Finance in March 1992 when he announced the winding down or closure of 47 agencies, still leaves over 400 of these agencies.

This streamlining process is to take place not only for the purpose of saving money, although that is important. Saving money and efficiently using tax dollars is of importance to taxpayers. It is important to me as a taxpayer because I do not want to see the government waste my tax dollars. I want to see the most effective and efficient use made of them. There is also the matter of service to the public. How can government best provide the services? How can government best respond to the individual needs of the taxpayers and the citizens of the country? That is what this exercise is all about as well.

It is interesting to note that we have had such a proliferation of government in this country that we now have to have meetings of interdepartmental groups to decide things simply because so many different departments are involved in the same decision. I understand for example that 11 federal government agencies or departments were involved in a simple exercise like planning the Canada Day celebrations last year.

Today there are four different federal government departments involved in the inspection of food: National Health and Welfare; Agriculture Canada; Fisheries and Oceans; and Consumer and Corporate Affairs. Does this sort of duplication and overlap make sense?

I guess from time to time it is incumbent upon the government as part of the process of serving the Canadian people to take a look at the machinery and structure of government that exists and see if there are ways to reconstitute things so it can more effectively serve the Canadian people. That is really what it is all about.

It is reasonable to ask the question from time to time: Does the purpose for which this agency or board was established still exist? If it does not then obviously it is time to get rid of it. Or the question could be as to whether there is a better way to do it. Or if other agencies and departments have been developed meaning there is some sort of overlap, then by collapsing them together the service could more efficiently be provided.

We are talking about service to Canadians along with decision making and cutting down on the red tape and bureaucracy by which things happen. That is really what this exercise of which Bill C–93 is a part is very important.

Reference has been made in this debate to the privatization program of this government. Indeed, this bill is sponsored by the Minister of State for Finance and Privatization. Privatization is a process by which the taxpayers are relieved of costs with which they are burdened.

I am pleased to say that this government during eight and a half years in office has removed 90,000 people from its payroll. I hasten to add that most of those people are still employed but they are employed in the private sector. They are no longer the burden of the taxpayer and so it should be. The people of Canada are looking to government to streamline itself to provide services in a most efficient way and with whatever possible benefits there can be for the taxpayer.

It is appropriate to look at each agency and ask the question: Does the need still exist? Is there a public policy objective and can that public policy objective be more effectively served through the private sector? If it can be provided through the private sector then clearly there is no reason for the government to be involved. That is the philosophy on this side of the House. I suspect that does not necessarily apply to my colleagues opposite who seem to think the government should have its nose in everybody's business from time to time.

Our view is that the government should be motivated by the question of how best it can serve the public and how best it can provide a good deal for the taxpayer. That really is what part of the present bill is all about.

On the subject of cost savings it is important to make a point and I have heard some members in this debate discuss how much money would be saved. I think the amount of money to be saved in this bill is relatively modest. However, over time if we improve the efficiency of the government and services to the Canadian people, that in itself is an important thing. Clearly, there will be some modest savings effected as a result of this piece of legislation and that obviously is very important.

I think we should be looking even further. Take for example the matter of decentralization of government. Perhaps my perspective is somewhat impacted by the fact that I live in Nova Scotia and not in central Canada or in Ottawa.

Why is it that the Government of Canada is so centralized in Ottawa? What is more ridiculous than the idea of the Department of Fisheries and Oceans being headquartered here in Ottawa? Why do we have a massive bureaucracy of people, working very hard granted, involved in fisheries right here in Ottawa where the only fish in town are at the Dominion stores? Why is the department of fisheries not operated out of the regions, out of Nova Scotia or Atlantic Canada with another segment of the department in British Columbia where people really have a sense of what the fishery is all about? These are questions that need to be asked. Do we need these great bureaucracies?

I strongly and openly recommend to the Minister of Finance in his review of government boards, agencies and departments that he take a serious look at the whole business of whether the entire Government of Canada has to be in Ottawa.

• (1230)

After all, not all Canadians are in Ottawa. What is wrong with the Government of Canada performing some of its central decision making services in Nova Scotia, Saskatchewan, Newfoundland or British Columbia? Is there anything wrong with that?

I certainly do not think so. I do not think so at all. I think we need to do more reviewing of these agencies of government and the tremendous bureaucracies that seem to have developed. They take on an existence of their own which may or may not have anything to do with why they were established in the first place.

This is important. I would ask all members of this House to recognize in this bill a very important step forward in looking at government and at how government can best serve the people of Canada. That is what this streamlining process is all about. It is about service to Canadians and it is about decision making.

I am sure hon. members like myself frequently get calls from constituents about granting processes or decisions. When you go to get copies of the forms that are there for approving things, it is amazing. Some require seven, eight and nine signatures before a decision can be made. I wonder why that is so. Why not hire a competent person who knows what they are doing and let them make the decision?

Again, I use the example of the fisheries. Why are individual licensing decisions made here in Ottawa? Why are they not made by the very excellent fisheries and oceans staff in Nova Scotia, Newfoundland, in the gulf and so on? The point I am making is that we need more streamlining of government and this bill represents a very important step in the right direction.

Any suggestion that my remarks are critical of any individuals who work for the Government of Canada would not be appropriate. My experience is that Canada benefits from an extremely dedicated Public Service. We have a competent Public Service with people who do what we in this House try to do, namely serve the Canadian people as well as they can.

The question is how can we do it in order to provide the best service? All of these various structures of government exist for one purpose only, to serve the Canadian people. That applies to us and to all departments and agencies. Therefore, the reviewing of these structures of government, the decision that was taken and the thrust implied in the budget of the minister last year, is an extremely important one. It is beneficial for Canadians.

I might say, unlike my hon. friend who spoke just prior to me and who has a large university in his constituency, that I have not had a lot of people phoning me and saying that they disagree with this legislation. It is quite the contrary. I remember when the budget came down that I received a number of comments from people saying: Delighted to see that you are thinning government a little bit. Some have even gone so far as to suggest to me that I should thin down myself a little bit, and I must say that is certainly an aspiration that I have. The process of thinning and streamlining government is one that is indeed supported by the public.

Most people wonder why we are debating this at all. After all, this is a budget implementation measure. The principle of doing what this bill is here to do has already been approved by this House and, I might say, has been significantly endorsed by people from coast to coast.

This debate in a way, while it is legally necessary, is really an after the fact debate. This House and the Canadian people spoke on this measure when they passed the budget. Nevertheless, the bill is before us. I think it is very consistent with where the Canadian public wants to see government restructure in this country. I heartily commend the government for bringing forth this measure and encourage all members to give it their support.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, I would like to comment on what was said by the Conservative member for South Shore, in Nova Scotia. I saw him make a big song and dance about the need for further decentralizing the Public Service so that people in his riding would have a place to find work besides the Dominion stores. I do not know exactly how long he has been a member of the House, but I do know he has been here for at least four and a half years.

The hon. member may have been here since 1984 but, if he has, he certainly is not doing his homework because he ought to know that decentralization of the Public Service has been taking place since 1972. If he bothered to make inquiries he would receive a little brochure from the Public Service explaining that there is a quota system for public servants across Canada.

For instance, the province of Ontario represents 30 per cent of the population so Ontario has about 30 per cent of the number of public servants. If his province represents 8 per cent of the population, if he had bothered to do his homework, he would know that his province has about that proportion of public servants. As for ensuring that public servants are in the right place, I am sure the various fisheries services in Canada are located in Nova Scotia, Newfoundland and British Columbia, not in the middle of Saskatchewan.

Conversely, when certain activities focus on agriculture our public servants are in Saskatchewan and Alberta where the farmers are, not on the coast of Nova Scotia or Labrador.

When a member wants to defend the interests of his constituency, his region and his government, he should at least check his statistics before making all kinds of statements.

[*English*]

Mr. McCreath: Mr. Speaker, I certainly commend and understand my hon. friend's interest in speaking on behalf of public servants as he has probably as large a percentage of public servants in his constituency as anybody in this House and I commend him for taking that position.

My remarks of course were not addressed to the subject of public servants. My remarks were addressed, and I am sure on reflection he will realize that, to services to Canadian people that government, government agencies and departments provide, asking the question how well and how best they can be provided.

It would not make a lot of sense to me to have all the Coast Guard stations spread equally across the country, not that he advocated that. What is important is that the question be asked whether government ought to be involved in providing the service that is required. If the answer is yes, the next question is how best can government provide that service.

The Atlantic Canada Opportunities Agency, for example, is based in Moncton. It is operated from the maritimes where it should be because it is Atlantic Canada that it serves. I do not understand why they have an office with 75 to 100 people here in Ottawa. I do not understand why that is necessary. That is not in any way to disparage any of the individuals who work there. That is not the point I am making.

The point I am making is whether or not that is what is required to provide the services of that agency, the same point I made when I spoke about fisheries and oceans. Why is fisheries and oceans headquartered here in Ottawa with a large bureaucracy and staff of people when what they are dealing with is an industry and the support and direction of an industry that is located on the coast?

That is the point I was making.

In looking at government and in streamlining government the fact is no matter how many people we have in fisheries and oceans here in Ottawa we still require them in Newfoundland, Nova Scotia, Quebec, the gulf and British Columbia because that is where the fisheries are.

I again commend my hon. friend for doing what he felt was appropriate. I certainly hope he was not suggesting I was in any way attacking public servants, which I do not think he was. He was taking advantage of this debate to make a point on behalf of his constituents. The point that I was making and that I would invite the House to address is the issue before us, which is how best government serves Canadians from coast to coast.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, in response to what my hon. colleague was mentioning, particularly about geography being one of the important features of making a government more streamlined, I was reflecting on that. It does not seem to me that moving certain aspects of the ministry of immigration to Vegreville, Alberta, is really going to make the government that much more streamlined. It is a problem that we have with waste in government right now. It is a question of competence and mind-set, the attitude of this government.

• (1240)

I paid particular attention to my colleague when he spoke about how we have a certain amount of duplication between federal and provincial government activities. Working on the Beaudoin–Dobbie committee, we found from Quebec studies that that sometimes goes up to about $15 billion a year. I am not quite sure whether that figure is correct or not, but we do know that there is a great deal of money wasted by this government. It is not a question of geography. I am sure if you had these people moving from Ottawa into the different provinces or regions, you would still have people doing jobs that other people are already doing.

I am concerned about this question of whether maybe it should be more regionalized. I think it is a far deeper problem than that. I think the problem is one of the government, whether it is well intentioned or not. I am not here to castigate the motives of the government necessarily, but it seems that every time it says it wants to help the population in general and respond to needs that arise, as my hon. colleague mentioned, needs which the government is sensitive to, it shoots itself and fellow Canadians in the foot.

If you take a look at the so–called UIC reform for unemployment insurance, there was an obvious remark made by the minister of manpower and immigration who said essentially that there is this duplication.

I would like to ask the hon. member how he sees this duplication ending, not just moving the people from Ottawa to the other regions, but really ending this duplication.

Mr. McCreath: Mr. Speaker, I am a little taken aback. What is wrong with Vegreville? What is wrong with locating a centre that could be put anywhere in Canada in Vegreville? Is there any reason that the people of Vegreville, who pay their taxes, should not experience some of the economic benefits that accrue from having a government agency located in their community? Is there anything different about that than locating the Department of Veterans Affairs in Charlottetown or locating the Canadian Philatelic Museum in Antigonish, which the Deputy Prime Minister of the last government did, which just happened to be in his constituency? What is wrong with locating the GST centre, which is a brand new facility that is necessary, in Summerside, Prince Edward Island?

My remarks earlier were directed to the notion that things that occur in the region logically necessitate that the government should be centred there to ensure the delivery of those services.

An hon. member: To streamline services.

Mr. McCreath: That is right, to streamline those services. Absolutely, as my hon. friend points out.

There are other things that do not necessarily have to be done in Ottawa. This government is here for the benefit of the people. Why should this government not be located where the people are, which is in different parts of the country, so that there is no duplication involved in having certain government departments or agencies headquartered elsewhere than in Ottawa? I see nothing wrong with that.

I look forward to the day when some Canadian public servants, a greater number than the handful that are there now, have the honour and privilege of having their particular agency located in western Nova Scotia. I think that Lunenburg, for example, would be a marvellous spot to locate the Department of Fisheries and Oceans. I think the Department of Forestry would do marvellously if it were located in Liverpool, Nova Scotia.

My friend raised the question of duplication. I listened with great care, although I am not sure I really understand what he was saying. One of the things that was discussed in the constitutional discussions last year was streamlining government by getting rid of overlap between federal and provincial responsibilities. I think that is a very worthy goal. It was one that was pursued in Charlottetown to a degree that was not, as it turned out, acceptable to the public as a whole but it is certainly an aspiration that should be continued. Perhaps on another occasion, I will speak at greater length on that subject.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I listened very attentively to what the hon. member opposite said and I wonder how he can say one thing and change his opinion nearly 180 degrees in a few seconds when he is questioned about what he said.

[*English*]

The issue is not whether the immigration service should be located in Vegreville, although a whole argument could certainly be made about that. According to the member's own arguments the issue is that fisheries and oceans should not be located in Ottawa because that is not where the majority of the people using it happen to be located.

An hon. member: Right.

Mr. Boudria: My colleague and I have used the member's own argument, not ours, to show the duplicity in the government's ways.

An hon. member: In Vegreville it is a computer centre.

Mr. Boudria: Oh no.

Then I hear the hon. member saying that they are going to merge these two councils, the Social Sciences and Humanities Research Council and the Canada Council, to save money.

To start with, as the very distinguished and learned member for Kingston and the Islands has said, the member has not made a case that it will save any money. Even if the hon. member had made that case that is not the sole criteria. It is perhaps a criteria but certainly not the only one.

This government then says that it really wants to save money because it is the government and it wants to do that. I have spoken on occasion in this House about Tory government waste and I just happen to have a few examples of how the government wasted the money of the taxpayers of Canada.

An hon. member: Let us hear it.

Mr. Boudria: I was not going to but at the insistence of the hon. member for Kingston and the Islands I am going to have to do so.

For instance, the government decided to use a private courier, Interpost Systems of Canada, instead of Canada Post because it wanted to have reliable service. This is what it said. One department alone has spent $301,237 in hiring Interpost courier instead of Canada Post. Another department has spent $26,000. It goes on and on. Millions of dollars have been spent because the government did not trust the agency run by the government House leader to deliver the mail. I am putting it kindly because of my usual non-partisan style.

The government tells us again that it wants to save money. Well, well, well. I have news for the government. First, according to media reports in recent weeks the government has resumed the initiative of having not one but two jets fly the Prime Minister around. One of them carries the Prime Minister and out its window can be seen the other jet flying beside it. I suppose that in case the first jet is defective there is a second jet to carry the Prime Minister.

I am not an expert in aviation but something tells me that if the jet ever conked out, especially in the air, there would be some difficulty in transferring this very precious passenger to another jet. However I shall not comment on that any further at this moment.

I have examples of the constituency householder of the hon. member for Charlevoix. All the members and all Canadians who might be listening must know that we cannot address members directly, so let me put it this way. These are the grants that the Prime Minister announced in his riding, as he is the member for Charlevoix.

For instance, the sum of $500,000 has been given to an outfit in his constituency. It is going to find a system to remove the smell from pig manure in a piggery located in his constituency. This is from the same government that tells us it has no money. I am not saying we should not invest in agriculture, but this money goes to one farm in his constituency.

• (1250)

There are other grants of $81,000 and $155,000 to tourism establishments in his constituency. I could go on and on and list all kinds of grants that he has given all over the place in his riding. Maybe some of these agencies, maybe all of them for all I know, deserve them. However, the issue is that there seems to be one rule for the Prime Minister and his constituency and one rule for the rest of us.

For instance, last week there was a demonstration in Ottawa against the closure of rural post offices in Canada. The government has closed down many post offices in my riding and that is shameful. It has closed down the post office in Saint-Clément de Rivière-du-Loup. The government says that this is the new way and we have to cut down.

Last week I brought to the attention of the media the situation of five post offices in the riding of Charlevoix. In the five cases the postmasters retired but new ones were hired. Therefore, there is one rule for the Prime Minister and one rule for the rest of us.

It is that kind of policy that is again represented in this bill.

[*Translation*]

I have in front of me a letter that was published in the daily newspaper *La Presse* on December 18, 1992. In this letter the president of the Canadian Federation for the Humanities, a professor in the Department of Philosophy at the Université du Québec à Montréal, Dr. Robert Nadeau, said this about the federal government's policy: "While it is certainly legitimate for a responsible government to want to reduce as much as possible the administrative costs of the many programs and organizations that it supports, it is not legitimate to do so in an authoritarian way and without any explanation, as if the measure were self-explanatory and those affected had no say in the matter. It is unacceptable that this bill dissolves the SSHRC and creates something as an appendix to the existing Canada Council by in a sense adding the SSHRC, as well as international cultural promotion programs, on to it. In proceeding this way, Ottawa is clearly giving the impression that it confuses research in the humanities with the business of promoting culture. Furthermore, it clearly suggests that the federal government is not very serious about its commitment to maintain and even develop research in the humanities".

Dr. Nadeau is telling us that the decision is first of all wrong and second, arbitrary. More and more we see governments announcing all kinds of policies by putting them in a so-called economic statement or budget, things that may have nothing to do with the budget, because in this case no one has proven that we were saving or spending a penny more or less. Is it a budget measure? That is certainly debatable, but the point is that because it is in the budget and the budget is considered a matter of confidence in the government, government backbenchers are forced by the way things work to support it even if they are opposed.

That is what the government does to pass such measures. That is why it is arbitrary and that is why Dr. Nadeau is right. We can go further and wonder why the Social Science Federation of Canada and the whole humanities sector were never contacted and consulted by the government. For example, if we agree that this organization should be merged with another one—and I am not saying that they should be merged, but supposing they should—is it not possible that it is being merged with the wrong organization, with one that is unrelated to it, instead of being merged with another organization that might be a more logical choice? The government has not even shown that it is necessary to combine it with another agency, much less that it is being merged with the right one.

[*English*]

That is just one example of the arbitrariness of this bill. There are other things in the bill that I have no great objection to. From what my colleagues tell me with regard to the Agriculture Products Marketing Board there is not much that is of controversy in terms of what the government wants to do with Bill C-93.

We in my party are definitely opposed to what the government is doing to the Atlantic Canada Opportunities Agency. The government says it is no longer needed. My distinguished colleague and House leader, the member for Cape Breton—East Richmond, certainly thinks there are still a lot of opportunities that remain unfulfilled in Cape Breton. There is still plenty of need for an organization such as this. Who has been consulted? Were the three members from Cape Breton who are caucus colleagues of mine consulted? Was anyone consulted? The government has not made a case that it has asked anybody. It has just inserted that to show the Reform Party or whoever that it is going to collapse a certain number of government agencies in order to pretend that this will somehow be better and that this government is really tough.

I have already spoken about the Canada Council and the Social Sciences and Humanities Research Council and mentioned that my colleagues and I disagree with that particular merger.

As for the independent review commission for the Royal Canadian Mounted Police, we certainly hope it will improve efficiency and the operation of the complaints process. However, we are concerned that this might lead to reduced service.

We have looked at the International Trade and Procurement Tribunal which is also in there. As for the Petroleum Monitoring Agency, for instance, we feel as a caucus that there is still a need for independent advice to the government in this sector. Right now we perhaps do not have some of the concerns we had a few years ago. Today there is no shortage or no crisis.

The good way of planning for a crisis is to organize things when there is no crisis. Then it is not necessary to buy a fire truck when the place is on fire because one does not usually make good purchases or good decisions in that kind of situation.

We certainly have a number of reservations. It is not that we are against everything in the bill but we are against the process that was used, the lack of consultation and the quality of some of the decisions that were taken. In some cases they were just bad. At the very least, in the case of the merger of the two councils the government has not given us one iota of evidence that it will be better, other than the platitudes we heard from the hon. member who spoke earlier this day representing the government. He constructed an argument that basically said the opposite of what he had said only moments before. If that has convinced anyone in this room, it certainly has not convinced me. The parallels he drew in his argument, and I do not want to be rude, frankly did not make sense.

• (1300)

When we speak of the councils, I want to say to the House that this is not something that I, my colleagues or anyone else has concocted. The university academic community is certainly not in agreement at all with it. I have received letter after letter. I have one here from Professor Judith Herz of Concordia University in which she indicates her disappointment with this.

I also have a letter from the Social Science Federation of Canada which was sent to the Minister of Communications in which Professor Louise Quesnel, president of that organization expresses her objections.

[*Translation*]

I have a press release sent to us by the Association of Universities and Colleges of Canada. In this communiqué, the association tells us that it is unhappy with the government's policy.

[*English*]

I have another letter, signed by Professor Claude Lajeunesse, president of the Association of Universities and Colleges of Canada, in which he explains to us everything that is wrong with the bill.

Another letter is from the University of Guelph. I should bring this one to the attention of hon. members because it comes from the Department of English at the University of Guelph. One member of this House is very familiar with that university. He is the former Minister of Science who recently has taken retirement from cabinet. He has not retired from the House yet although I understand he is not running again. However he has resigned from cabinet. As I understand it he was president of that university. He certainly knows that community. He knows how the academic community feels. He knows how much it is against this bill.

I want to close by saying that even if the savings of funds were the sole criteria, which they are not, the government has not made a case. It is not the sole criteria. The government has not consulted anyone.

Finally, in terms of the merging of the two councils, it has not tried to convince anyone that what it is proposing is even appropriate, that is if merging was the appropriate decision to start with. The government has not convinced us of that.

Why does the government not remove that section from the bill, along with the Atlantic Canada Opportunities Agency section? We could then proceed with the rest of it, send it to committee and hopefully assist the government in trying to find an expeditious way to deal with the proposed legislation but not with those two particular sections in it.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I want to pose one question to the spokesperson from the Liberal Party.

I listened to him quite intently and I appreciated many of the remarks he made, particularly regarding bringing SSHRC, the Social Sciences and Humanities Research Council and folding that in with the Canada Council as well as that part of external affairs which deals with cultural and academic matters.

I share many of his concerns and concerns expressed by other members of the Liberal Party.

We will be having an election this year and the probability is quite high there will be a change in government. I wonder if the hon. member can give us the assurance that within one year, if his party gets elected as the government, it will trigger an automatic review of this new arrangement. If the review proves that amalgamating these groups was useless to begin with, as we now maintain, will it take the appropriate steps to restore what now exists?

Mr. Boudria: Mr. Speaker, that is an excellent question. I have just conferred with my colleague who is the critic in this area and obtained his assurance that would be the policy.

However it goes beyond that. It is not just a matter of whether we can unmake the omelettes this government is making right now. It is a matter of all of us in this House indicating to the government some of its shortcomings and telling it to hold off. This government is in the fifth year of its four-year mandate. What kind of moral authority does it have to govern right now?

Some hon. members: None.

Mr. Boudria: There you go. This government is around 17 per cent or 18 per cent in the polls right now. What kind of moral authority does it have to govern?

Some hon. members: None.

Mr. Boudria: There you go, Mr. Speaker.

Mr. McDermid: Do you govern by polls?

Mr. Boudria: I am asked that question by the organization which gave $1 million worth of polling during the referendum period. I am asked by the minister who was probably at the cabinet table when the decision was made. Do I govern by polls?.

Listen to this. This is absolutely interesting. I think the minister has forgotten about the polling contracts which he and his colleagues gave before he uttered that one liner. He is probably sorry that he even brought it up because he has brought that topic to the forefront again. Maybe we should all forget that the minister uttered those words. Maybe this government should start thinking about the fact it has so little authority to govern that it certainly has no right to take these kinds of decisions.

This business of whether we have a four or five year mandate, the member for Charlevoix said that we have to have elections every four years. I know the member for Charlevoix would always tell us the truth.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I wanted to ask my colleague a fairly simple question.

[*English*]

We have been told by one of our colleagues from the government side that very little money will be saved by this particular action. In fact he said modest. I wonder if my colleague has heard any figures or whether the government is prepared to put forward those actual numbers. It would be interesting to investigate.

The second point that was made, and an important one, is that apparently this will increase effectiveness. I have not had any evidence which indicates that except for a few philosophical statements that there are many out there, there will be fewer and therefore it will be better. I wonder if the member would care to comment on that.

A final third point. It is my contention that this government wanted to get closer to its kissing cousins the reformers and tried to respond to the Reform Party agenda. It was not a question of saving money although the government would like Canadians to believe that. It was not a question of increasing government effectiveness although it would like Canadians to believe that. It tried to give the semblance of reform, to pretend that something important was being done, to somehow try to regain the support of many of its former supporters who are now clearly supporting the Reform Party. I wonder if the member would care to comment on this.

Mr. Boudria: Mr. Speaker, in terms of effectiveness, whether or not money is saved, as I said earlier, is not the sole criteria. It is one of the tests but not the sole one. However the government has not made a case for that. I say to the government across the way: Show me, I am from Glengarry. I would like to know where we are supposed to save money with this scheme. At least then the government would have one leg to stand on. We need more than that to satisfy us and it has not even done that very basic element in any case, that which it alleges is the important one.

• (1310)

The member for St. Boniface is quite right when he talks about the bosom buddies of the government across the way, the Reform Party supporters. The government wanted to pretend to collapse a group of agencies which would get them rave reviews in the media. Of course it did nothing of the sort, the government's popularity has been sinking since then. Having done that, it said it would pretend to save all of this money.

Let me give you an example of the money it was going to save. It is abolishing the Veterans Land Act. This is a section of the bill. The last time the Veterans Land Act board sat was 16 years ago. The only thing that remains is the name. The government is not going to save anything. It is just window dressing. It is just trying to please a particular constituency it is trying to cater to right now. The Tories are going after the "Presto Moaning Deformed Party" vote but it is not going to work. Frankly I do not care whether it does or not because between the two of them there is still not enough there to make a political party worth supporting.

In any case, Canadians know better than that. They know the truth. They know if you do not make a case that you are going to save any money at all, they are not going to believe it. To start with, even if that were the test, as I indicated initially, it would still have to be proven that it is the correct decision as opposed to a bad one.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I rise in opposition to the bill before us today, Bill C–93, in particular that section pertaining to the abolition of the Social Sciences and Humanities Research Council and the international cultural programs.

As the House knows, Bill C–93 has various sections in it. It rises from the budget of February of last year and my colleagues from my party will have some things to say on some of the changes. We have no trouble at all with some parts. My comments will be restricted mainly to the part that sees the Canada Council taking over the Social Sciences and Humanities Research Council and the international cultural programs.

I have listened to government members try to justify this. They spoke in large generalities of abolishing and therefore came to the conclusion that this would save money. They said by bringing the function of the Canada Council with the functions of SSHRC and the international cultural programs together, this was automatically going to save money. One hon. government member did admit that the money to be saved was quite insignificant.

We really do not know if money is going to be saved. You can come to that type of conclusion by bringing something together so therefore you are going to save money but that is not necessarily the case.

I have heard other hon. government members make these great statements on how they have reduced the Public Service and how much money they have saved. Of course they never mention the increase in the number of consultants they have had to hire. They never mention the increased costs of going through consulting companies. When you balance the two together you come to the conclusion that not much money has been saved.

What happens of course is that ordinary workers in the Public Service have less protection because now many of them are working as employees in private consulting companies quite often doing the same job they were doing before but they do not have the type of protection and the type of social benefits they would formerly have.

The government is still paying the same amount of money but it is now paying that amount of money to the heads of some of the private firms who are now collecting some of that money as profits. It is not really much of a cost saving. What is the cost saving on this measure that is part of Bill C–93?

We have to examine how much money is to be saved in dollars and cents. We must compare the effectiveness of this new organization to the effectiveness of the existing arrangement and then determine the cost.

I am suggesting that what we must do is examine whatever potential savings there might be and examine the effectiveness of the delivery of programs to determine whether any of these possible savings are made at the expense of lower delivery of service to the clientele. Then we can see what the bottom line is and determine whether money will indeed be saved and whether the effectiveness of the programs will be reduced.

One of the things that is really discouraging is the method by which the government undertook to implement these changes. There was no consultation. I understand that even the minister responsible was totally unprepared for this change. It was a change that was thrown in at the very last minute.

I understand that one of the ministers was going to address some of the social scientists. When he heard the budget it was the first time that he was aware that SSHRC was to be abolished. Of course, the minister cancelled his appointment to talk to the social scientists because he did not want to meet with them and have to justify what the government had done. Despite the fact that he was the minister in charge of SSHRC he did not even know about the changes that were coming.

So much for consultation, even within the government. It is no wonder that we have a very inefficient and ineffective government because even among the cabinet level they do not communicate with each other, let alone between departments.

We are also quite unhappy with things in the act itself. We do not accept that SSHRC should be folded into the Canada Council. We are also unhappy with what happens after that. We are not happy at all with the board and the way in which this new organization is to be governed.

We are not happy with the lack of assurance in the bill itself that the money that will go for research for the social sciences and humanities will come out of a research envelope. Verbal assurances have been given to SSHRC that for the next number of years its funding will come from the research envelope. They will not be in competition with the Canada Council for money that will go to culture in this country. However, there is no assurance or backup in the bill itself.

I have spoken to social scientists. They are quite concerned and I do not blame them. This government has said many things. The Prime Minister has said many things. He has made many promises and statements. However when the actual reality comes into play, when we actually see what the government does, it is quite the opposite.

• (1320)

I would not want to go so far in this House as to suggest that the government lies but I would not trust it. I do not blame the members of the social sciences community for not trusting this government when it comes to any verbal commitment as to what the sources of funding would be.

Why is it important to the social sciences that they not be forgotten and confused with the Canada Council? It is not that they have any objection or fights with the Canada Council. There are some similarities, particularly when we deal with the humanities and the Canada Council. That is the reason that originally the Canada Council and the Social Sciences and Humanities Research Council were one. A decision was made in 1978 to separate the two after a long time of consultation and discussion within the academic and cultural communities. There were some very valid reasons for that decision.

One of the major reasons, which I hope this government might understand, is that the social sciences and the humanities conduct research into some extremely important elements of our society. That role is different from what the Canada Council does and funds.

We are living in a day and age of very rapid social change. Never in the history of the human race has there been such a rate of change. It is a rate of change that continues to accelerate. Think of the difference between now, in 1993, and 1983 or 1973, only 10, 20 years ago. The social changes and the economic changes have been horrendous, and not just in our North American and Canadian society but on a global level. We know that these changes are going to continue to accelerate.

The question that we have to ask as a society is: Do we continually react to these changes or do we try to anticipate, try to understand, try to predict and try to do things so that we can go through these changes with the least amount of human harm? An intelligent society wants to understand the forces that are changing it. It wants to understand them so that it can take measures that will allow it to survive those changes with the least amount of human hardship and harm, so that it can go through those changes and be better able to profit from the positive side of those changes.

Just in terms of economics the social sciences are involved in research on physical problems, monetary policy, urban development, productivity, economic and strategic planning, managing for global competitiveness, and science and technological innovation policy. They are also doing research on family violence, an aging population, racism, sexism, youth and unemployment. They are doing important research that affects our native people and aboriginal people. It is important research and essential research.

If we are going to go through the end of this century and into the next century and the next millennium we need this research.

I know that the minister in charge of privatization and his colleagues in the Conservative government consider themselves to be tough macho characters. They consider all this social science research stuff to be woolly, soft, marshmallow type stuff. They feel that we really do not need it and that it is a waste of government money. Quite often the research that is done contradicts the government's policies. The government members are tough macho people and they figure that people will be able to toughen things out and toughen out the economic and social changes in our world. I believe many of them secretly believe that all this social science stuff is pinko stuff that is not really needed. I suspect that many government members in their hearts would like to see all of the social sciences and humanities abolished.

An hon. member: That is not true.

Mr. de Jong: I know there are some exceptions and I suspect the hon. member who interjected would be an exception but I am thinking of some of the other Conservative members, particularly the minister in charge of privatization. I become scared when a member like that is in charge of the social sciences and humanities. His concern about the social sciences and humanities could be put on the head of a pin, and maybe even the head of the pin might be a little too big for it.

What this government is doing is not just totally insensitive but it is dumb and stupid. I suspect it is going to be wasteful as well. Now SSHRC is being merged with the Canada Council. That organization is still going to need its own internal bureaucracy to deal with the humanities and the social sciences and to deal with the universities. One would wonder what the savings will be in the end and how many other types of duplication will be needed. For example, when the International Cultural Program is moved out of external affairs and into this new Canada Council this new council will need some ability to deal with our embassies and some people who know what our foreign policy is. It will need people who are in touch with the cultural and academic pursuits in other countries. It will need to duplicate what should already be known within external affairs.

We wonder how much new duplication will be created as the government tries to wipe out possible existing duplications, then we wonder how smart this move is.

Certainly this bill will be examined very closely when it reaches the legislative stage. We hope to be able to hear from the government members and the officials of the Department of Finance their justification for this move. We hope to hear their justification both in terms of the concept and of dollars and cents. I want to see in black and white how much this is really going to save the government. They should be prepared to show us that.

We will also be interested in seeing some amendments to the bill so that if this bill is to proceed it will at least proceed in the best possible form. It is a dumb, stupid, and useless move. I hope that this time next year I will be back here and many of the members sitting opposite will not be back. I hope that we will have a new government which will look at what this present government is doing now in its dying moments. Hopefully this time next year we will see a reversal of the stupidity of the existing government.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I was wondering if the member would advise us whether his party only objects to the amalgamation of the Canada Council into a new council, the Canada Council for the Arts and for Research in the Social Sciences and Humanities. Is that his only objection? He did not speak on the other parts of the bill at all. They all seem to be housekeeping measures designed to more effectively, as far as the government is concerned, operate these various agencies and activities of the government. If his only concern is with respect to Part III of the bill why would he not just move this bill forward to committee so that evidence could be heard to fortify some of the things he said? It seems to me that while there may not be huge

savings in grants, it certainly would be more efficient to have one group of people responsible for the grants and allocations of funds rather than two. After all, there is an overlap of the kind of thing that is involved. The Canada Council does research in the social science field. Indeed, some of the complaints we as members of Parliament get are often in connection with Canada Council grants of a social science research type. The existing body on the Social Sciences and Research Council does research. It seems to me that to have it all under one head would be an efficient move.

• (1330)

The members of the New Democratic Party are perhaps not trusting of the government, but that is another matter. I was wondering if he had any other objection other than the objection to this one amalgamation set out in part III of the bill.

Mr. de Jong: Mr. Speaker, as I mentioned at the beginning of my remarks, other colleagues will be dealing with other parts of the bill. I understand there is some objection to some aspects and no objection to other aspects of Bill C-93. Some we recognize are just housekeeping measures and some my colleagues disagree with. I do not think they feel very strongly about it, but they will be putting some of their concerns on the record as well.

As I stated at the beginning of my remarks, I was going to focus on that part of the bill that brings in under the Canada Council the Social Sciences and Humanities Research Council and the international cultural programs.

I want to answer the other part of the question that was put to me by my friend and colleague from Mississauga and that is all the different organizations that are opposed to this aspect of Bill C-93. We have the Canadian Conference of the Arts, the Association of Universities and Colleges of Canada as well as different groupings of people involved in the social sciences themselves. The point is that the arts community, the humanities and the researchers and people involved in the social sciences are almost overwhelmingly opposed to this move. Yet the government continues to push it through. As well, the government admits it is not going to save much money. It claims it is going to be more efficient and yet all the people involved in the field, the so-called clientele, are telling the government it is not so. It is not going to be more efficient. It is going to be more inefficient. Why is the government proceeding with this part of Bill C-93?

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, Bill C-93 is not at all what the government pretends it is. If it is about saving money, let us see the figures. Put them on the table so that we can examine them. Stop trying to pretend to Canadians that there are going to be millions of dollars that will be saved. Put the figures on the table. I shall be insisting as will other colleagues that that be done.

I just remembered the Auditor General's report. For example, on tax loopholes for foreign affiliates the Auditor General had some statements to make which could have saved millions if not billions of dollars: the implementation of the GST, up to $1.7 million according to that report: 4,000 new people administering that particular tax; untendered contracts, 22 contracts for the prosperity secretariat worth $3.3 million. I could go on and on.

By the fiscal year 2000-01, $1.2 billion will be lost in pension overpayments to ineligible recipients. Those are but a few examples of some of the programs that are not working, some of the over-expenditures, some of the problems that are being experienced by government that are in fact costing Canadian taxpayers not millions but billions of dollars. If the government truly wanted to save money, it could have attacked that.

There are other areas as well it might have addressed. Let me give a few examples. It could have in fact reduced the size of cabinet. It could have reduced the number of parliamentary secretaries. It could have reduced some of the travel and other advantages that we have and there are many others. Talk about saving money.

[*Translation*]

Let's be serious. I see an hon. member laughing over there. Do not laugh, it is serious. If he wants to save money I gave him some very good examples that could save lots of money.

Mr. Hudon: Look at the list.

Mr. Duhamel: When I touch some sensitive points they start to shout. They begin to speak up because I hit a nerve I will continue.

[*English*]

As I was saying, if we wanted to save money the Auditor General's report is a good place to start. Look at the size of cabinet and the size of government and do something meaningful there.

They talk about increased efficiency. They want to increase efficiency.

[*English*]

They have just thought about that, eight years after they have been in government. They said we had better do something because it is starting to fall through the cracks. More than eight years after they came to government they finally woke up. Somebody said: "Hey, we had better do something here to give the impression that we are going to have a more effective government. What is it we could do?" I am sure somebody has said it does not really matter whether or not it does it but it must give the impression.

[*Translation*]

The impression is what counts. That is what they want, to give the impression that they have cut, that they are suddenly becoming efficient, that now they have seen the light and with this bill government will be more efficient.

[*English*]

Canadians are not going to be fooled. Unless the government can put specific proposals on the table and demonstrate absolutely clearly there is going to be increased effectiveness, Canadians will not believe the government. They will simply not believe what it says.

I see one of my colleagues. I think he is probably nodding in agreement or if not he is miffed, but it comes out to the same thing. I can conclude the same. He agrees with me that unless Canadians are shown absolutely crystal clear that there will be additional effectiveness, they will not buy this.

Canadians know this government. They know it is a master at smoke and mirrors, of changing attitudes or attempting to do so, creating new perceptions, trying to forge an agenda that will in fact be used to try to persuade Canadians to give it a third mandate. This is part of the plan.

[*Translation*]

Of course it is part of the plan. Why pretend to save money by exaggerating the amount saved? Why pretend that the government will be more efficient when there is no evidence of it?

[*English*]

Because there is an election coming, it wants to forge the agenda, try to give the impression through the smoke and mirrors and glitz it can do a fine job for Canadians.

An hon. member: That is right.

Mr. Duhamel: My friend said that is right. I am glad that he agrees with me. I know he was not saying what I was saying was correct. That is what he was agreeing to. Absolutely. I know that. He knows it will not save any real money. He knows it will not increase effectiveness but he knows what it is trying to do.

He was probably at that strategy table trying to determine what it was going to do to persuade Canadians to say yes, it is okay. Canadians are not going to say yes, it is okay. It wants to try to persuade Canadians that something is in fact being done when it is not being done.

• (1340)

Let us look at the bill. A number of colleagues have talked about the Social Sciences and Humanities Research Council. It is an important part. I shall stress that part, but at the same time I will say that it deals with a number of other features.

It is called the budget implementation, the Government Organization Act, 1992. That is rather impressive, is it not, Government Organization. It talks about the Agricultural Products Board. Some of my colleagues have addressed that, so I will not go into any detail.

There is the Atlantic Canada Opportunities Agency, the Canada Council for the Arts and for Research being blended into the Social Sciences and Humanities Research Council. It talks about the Canadian Commercial Corporation, Emergency Preparedness Canada, the Independent Review Commission for the Royal Canadian Mounted Police, the Intellectual Property Tribunal, the International Trade and Procurement Tribunal and the Petroleum Monitoring Agency.

Therein lies one of the traps. Canadians have never heard about those things before. As one of my colleagues pointed out, one of them has not been sitting for 16 years. Probably a few others have been dead for some time too.

My colleagues want to abolish something that is already dead. What a functional piece of legislation this is. Therein lies one of the traps that they are trying to set. They come out with these rather impressive titles and Canadians, they hope, will be persuaded that something meaningful is being done. Somehow they hope that they can change those opinion polls around.

Let me deal with perhaps the most significant part of the bill for many, many Canadians. It is the clauses that would wind up the Social Sciences and Humanities Research Council and transfer its functions and staff to the Canada Council. That is bothering most Canadians and is one of the aspects of this bill that this government will live to regret.

There is another feature that I think the government has forgotten. It has forgotten that this particular council is a grant-giving body which administers funds for research and scholarship. It was created in 1977 and it has worked well ever since.

The second part troubling Canadians is that the Department of External Affairs has a staff of approximately 25 people working for the International Cultural and Academic Relations Program. It forecasts a budget for this program of $27 million. The Canada Council, which was created in 1957, offers grants and services to artists and art organizations. It has a staff of 248.

The governement is going to put all that together. It has not shown us at all where money will be saved, whether or not there will be jobs lost and I hope that there are not, or whether or not there will be money saved. It has not done anything. It takes these organizations which many people know little about and tries to suggest that something meaningful will be done. All it is, in the final analysis, is the creation of perception.

Let us look at what the academic community has said about these.

[*Translation*]

I have in front of me a press release dated November 30, 1992, just a few months ago. It says: "Funding of social science research threatened".

[*English*]

Funding for the social sciences research is threatened. That is what these people think about it.

"Merger legislation threatens eclipse of humanities research". That is what is being said. There is a lot more. Funding for social sciences research is threatened and may not be able to be continued, which is the gist of this argument, at the level or quality that has been so in the past.

I have another communique from the Association of Universities and Colleges of Canada. I will read the headline: "Abolition of the Social Sciences and Humanities Research Council is turning back the clock". It goes on to say that this particular association has concerns about this council's programs being taken over by the Canada Council. It makes several important points.

This same organization says that the transfer of the International Academic Relations Program from External Affairs to Canada Council could also be problematic. It goes on to point out that the importance of the Social Sciences and Humanities Research Council to Canada's over-all research effort is one of paramount importance. It describes the history of the Social Sciences and Humanities Research Council in Canada. I would urge colleagues to read this because it has some excellent notes with which they may not be familiar.

In another communiqué from the Association of Universities and Colleges of Canada it says that the merger of these academic relations and cultural programs is neither necessary nor desirable. It proposes a series of amendments that would shift the emphasis in an appropriate direction.

However I am sure the government has not taken the time to look at this. It does not want to listen to Canadians. We know that because if it had been listening to Canadians it would have put a halt to this. It would have consulted the people of Canada who are those most directly affected.

[*Translation*]

Mr. Speaker, you know very well that these people have a better idea of the impact of this bill on their organizations and on what these organizations do for Canadians.

[*English*]

Here is another communiqué from the Association of Universities and Colleges of Canada with respect to the mini budget.

[*Translation*]

This mini budget has left a bitter taste with the universities. Why? Because the universities have been betrayed. That is why. They have been betrayed.

Here is another communiqué, this time from the Social Science Federation of Canada: "The government is defying its commitments to fund social sciences". In what way is the government defying its commitments?

[*English*]

The government, subsequent to or roughly at the same time as part of its strategy, decided to merge those.

[*Translation*]

Mr. Speaker, you know that as well as I do.

[*English*]

It knew there would be a problem because it did not consult, it did not make sense and it had not thought it out. The government said: "Aha". It held out a carrot. "There will be a 4 per cent increase in research and development funding". However, a few months later, after a great announcement about that 4 per cent increase over four years, what did the government do? It reneged on that.

If one can renege on that—supposedly you are in a worse financial position than you thought you were when you made the announcement—then one admits two things. First, one did not do one's financial predictions particularly well. It was not done well at all.

[*Translation*]

Most people would agree with me that when I promise something publicly and then come back later saying "Well, listen, I did not fully realize the budget constraints, et cetera", that does not look good and that is not right at all. Something comes to mind, which I think would be almost too awful to say.

[*English*]

The people will not forget that a promise was made and that the promise was not carried out. It would not be so bad if it was the first time but it is not the first time.

I have another communiqué from the Canadian Federation for the Humanities: "A promise is a promise or is it?" I have another communiqué: "Bitter surprises for universities in mini budget".

Let us remember this. It is so critically important. I know that my colleagues will agree with me on this point even if they might disagree or question the others. Our greatest challenges in this country are really the social problems of the nation. In fact they may be the greatest challenges of this planet.

Say one stops to think for a moment to say: "What are the difficulties that this country is experiencing?" One would talk about our poor. There are different statistics but many people would agree that there are almost five million. It depends upon how one defines poverty and I understand that. However the majority of them are women and one million are children.

One would also recognize that there are more than 1.6 million unemployed Canadians in this country today. Most of them want a job and want to work but there are no jobs. This is the latest figure I have been using. I am told it is too low and I am sorry that it is too low, but there are over 2.2 million Canadians who are receiving social assistance. Apparently that is crowding 3 million people. The food banks at one time were using the figure of 2 million people to feed. It is now in excess of that.

Those are the challenges that are facing Canadians and those are the challenges that are facing this government as it enters this new session. The government is now trying to give the impression of doing something by taking some organizations that never meet and suggesting that if it takes them out it is going to save money and it is going to bring greater government effectiveness.

Let me go on to some additional social challenges.

[*Translation*]

Almost every day we talk about the problems of abuse. Whether it is abuse of the elderly, children, people one is living with, too often of wives, these are challenges for our society. We talk about this abuse because we recognize that it must not be tolerated in this society.

• (1350)

When I talk about the unemployment rate, about people receiving welfare, about men, women and children who will be fed by food banks, about abuse, be it abuse of seniors, women or children, who are the people who could enlighten us and possibly provide solutions?

[*English*]

Of course, it is the people who are called social scientists, broadly defined, who could bring us some answers to those questions. They are the people who could somehow give us a new sense of direction and possible new solutions so that all of us who are committed to ridding society of those ills could make some progress toward that.

It is important to look at this action on the part of government, which I said was for purely political reasons. One has to understand what has been happening to the total culture of education.

There will be $10 billion less transferred for education from 1986 to 1995 in about a decade. There will be fewer dollars if one adjusts for inflation, and the need out there for training and retraining is increasing.

With respect to research and development, the government made a promise to double its investments and match Japan, U.S., Germany, France and other countries. What has happened? We have slipped even further.

I have not even talked about student debt or the astronomical increases in tuition fees and incidental fees in universities. I could go on but we have to look at the merger in this context. The educational community has once again been attacked without consultation. It made recommendations. It denounced this. It said: "At the very least, stop this. Hold consultations subsequent to having studied the implications of this. Then and only then if one feels it is appropriate should one proceed".

[*Translation*]

I conclude by asking the government to consider this proposal, to stop proceeding with this bill and consult. When it has consulted and if it firmly believes that it is the best decision for our academic community, our students and other Canadians, it can go ahead, but not without consulting and thinking it over.

[*English*]

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization): Mr. Speaker, I must say that the rhetoric of my hon. friend far exceeds his logic.

I was trying to understand the thrust of what he was saying other than in a general and sweeping way suggesting that whatever this government did he was against it.

He says that Canadians have never heard of most of these agencies that are being dissolved. Remember when he said that? Then moments later he said that the government is not listening to Canadians about how they want all these institutions to remain. They have never heard of them, yet they want them.

I suspect that I mixed his metaphors a little bit and that he was really saying that Canadians want to keep the Social Sciences and Humanities Research Council. He talks about the assault on the academic community employed in this.

It seems to me that if the grants and fellowships of these agencies, particularly by the Social Sciences and Humanities Research Council, were discontinued then I would have to stand in my place and totally agree with him because I think those are very important.

What is significant is that the funding of research and graduate studies takes place in this country. That will continue.

He said in his remarks that the SSHRC was established in 1977. I wonder if he recalls that prior to 1977 those same grants were delivered by, guess what, the Canada Council. The Canada Council has already performed this function. Is that not interesting?

The government that preceded this one believed in the proliferation of government and agencies. This government believes in cost effectiveness, efficiency and keeping up with the times. Even his own leader in a recent speech at the University of Ottawa said that our challenge today is to adapt the role of government to a new world. That is precisely what this government is doing. I assume that is where the Leader of the Opposition got that rather excellent idea. I would say to my hon. friend and put a question to him: "Does he not agree that government must be slim? Does he not agree that

government must respond to the needs of the people? Does he not agree that it is appropriate from time to time for government to take a look at its own structure to provide a streamlined presentation of services that better serves the Canadian people than a plethora of agencies—over 400—that exist today? Does he not agree that streamlining is most appropriate and that is the thrust of this legislation and that is supported by the Canadian people?"

Mr. Duhamel: Yes, I do agree the government ought to take a look at streamlining, but it has to have an honourable purpose. This is a dishonourable purpose.

I am shocked. My colleague who calls himself a Progressive Conservative ought to really be standing up in the House today to suggest a change of name to regressive conservatives because that is exactly what this is all about.

If my rhetoric exceeds my logic, since he did not understand my message, I wonder what that says about his intellect, but I will not answer that question. I will simply leave it in suspension.

My colleague should understand something about this country of 27 million Canadians. There is an academic community with students and supporters that understands the implications of what it means to do what this government intends to do to the Social Sciences and Humanities Research Council. My colleague should understand that.

Then there are a number of other Canadians, perhaps my colleague does not understand that, who do not have the time to delve into fancy names of organizations that have been around for a while. If the government was intending to save money, if the government was intending to try to introduce effectiveness into government, if the government was being honourable as opposed to dishonourable, if the government was not trying to fool the people of Canada, if this had been thought out, if the people had been consulted, then I would be delighted to support this kind of legislation.

We know that was not the reason. Therefore, my colleague should consider my recommendations. They are not suggestions but recommendations. He should stand in this House and rename his party the regressive conservatives as opposed to the Progressive Conservatives and reconsider the comment he made about rhetoric and logic. Perhaps he can tell me confidentially—I would not want it to be a public statement—what it says about his intellect when he did not understand what I said. It was crystal clear: "You are shafting the Canadian people". That is what I said. Maybe he understands that language better.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I am pleased to rise and speak on this bill and particularly to address the future of research in this country. One of the important issues dealt with in this bill is the folding of science, humanities, education and social studies into the Canada Council. This is not a partnership. It truly is merging one existing organization into another.

There is a great deal of concern about that. The Canada Council already has its own act and mandate. One of the major areas of concern is that the social and humanitarian sciences are going to be lost in the shuffle and given less importance at a time when the council has been funding, promoting and causing to be done some extremely important work.

The government talks frequently about the process of change, adapting to change, a new competitive environment and a new global environment. We talk about a future economy based on information and service industries. There is no doubt we are going through a major transformation in society, not only in Canada, but around the world. A lot of that transformation is based on scientific and technological advances.

However, along with the scientific and technological advance in the narrow sense of the physical sciences, another major revolution is taking place in how people live, how we learn and all the social dynamics that keep our societies and human beings functioning.

There is growing appreciation that physical sciences and technology do not develop in a vacuum, that they have significant repercussions for individuals and for society. More and more the need to look beyond the technical improvements we may be making to see the repercussions throughout society is being appreciated and understood.

I will turn to the area of social sciences and humanities.

[*Translation*]

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

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

COMMUNICATION-QUÉBEC

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, for several months now, the Communication Canada group, through its chief executive officer, has been striving to eliminate an excellent service provided by Communication-Québec for the federal government regarding its programs and services.

The people of Abitibi—Témiscamingue are happy with the services provided by the Communication-Québec personnel who have answered thousands of inquiries since this service was established.

The Government of Canada has been using Communication-Québec's structures and informational support free of charge since 1986.

Quebecers tell us every day how happy they are to have access all in one place to information services from both levels of government. This has been the case since 1986.

The Communication Canada group must consult with the federal members of Parliament from Quebec before eliminating this service provided by Communication-Québec for the Government of Canada.

* * *

[*English*]

THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, every day 1,500 kilograms of 18 persistent toxins enter Lake Ontario waters. These include more than a tonne of lead, 424 kilograms of arsenic, one kilogram of PCBs and several kilograms of pesticides.

These persistent toxins endanger the ecosystem and the health of over 8 million people who live on the shores of Lake Ontario basin and those living downstream along the St. Lawrence River.

With the green plan the government promised to eliminate persistent toxins. Today the government still does not have specific targets and a timetable to reduce toxins entering Lake Ontario.

In the Niagara River there is a 50 per cent reduction target for the 18 persistent toxins by the year 1996, but it is not clear whether it will be achieved.

We urge the government to regulate eight of the still unregulated persistent toxins, to introduce targets and timetables for—

The Acting Speaker (Mr. DeBlois): Order, please. The member's time has expired.

* * *

TRADE BARRIERS

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, the Department of Supply and Services office in Moncton, New Brunswick, has a policy of buying smaller purchases only from New Brunswick and Prince Edward Island and not allowing businesses in Nova Scotia the opportunity to supply the government at this office.

This means that businesses as far away as Edmonston, New Brunswick, 300 or 400 kilometres away, have opportunities to provide this government office with goods and services. This means that businesses on Prince Edward Island, over 200 kilometres away, have access to this business; but businesses in Nova Scotia only 50 kilometres away are restricted by this federal government interprovincial trade barrier.

Provincial and federal governments in Atlantic Canada are urging all parties to remove trade barriers. This

position was a key part of the Charlottetown accord and is now an important recommendation outlined in the prosperity initiative. As well, the Council of Maritime Premiers has identified the removal of interprovincial trade barriers as one of its most important goals.

Considering these federal and provincial government policies, I urge the Minister of Supply and Services to drop this trade barrier and open federal purchases in Moncton to Nova Scotia businesses, some of which are only 50 kilometres away.

* * *

INNU

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, the government must deal immediately with the tragic mass suicide attempts of the young Innu children in Davis Inlet, Labrador.

The pain and grief suffered by this community have been ignored for too long. Government promises of facilities and services made 26 years ago remain unfulfilled. The Innu request to be moved to the mainland has not been acted upon and their land claim is not settled.

Too many have died. Too many are trying to die.

The government must act urgently in consultation with the Innu leadership to relocate the people to their chosen site on the mainland and to provide full community infrastructure. Health, treatment and healing services of the kinds requested by the Innu must also be provided.

I urge the government to give real meaning to the UN Convention on the Rights of the Child and to 1993 as the International Year of the World's Indigenous Peoples by acting to give hope to the despairing children and families of Davis Inlet.

* * *

TRANSPORTATION

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, one of the important instruments for economic development in the Atlantic region has historically been the federal transportation policy. Both highways and railways have long been critical considerations, particularly so for freight traffic purposes.

In the situation pertaining to freight which exists today, however, there is a serious and costly aberration: Increasing volumes go by truck on highways which are already overloaded beyond safe use. Meanwhile rail freight is diminishing and main rail lines are being considered for abandonment.

It is also significant to remember that highways are built and maintained at public expense, while rail infrastructure has generally been the result of corporate investment. Surely there is potential to balance freight traffic more efficiently over both systems. For example, can the long distance heavy trucking burden on our highways not be relieved by such concepts as piggyback services over corridor rail lines? Are there not economic incentives or disincentives that can be designed to redirect freight traffic from the roads to the rails?

These are important questions for Atlantic transportation policy, and in view of current circumstances they deserve serious consideration now.

* * *

INTERNATIONAL DEVELOPMENT WEEK

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, today marks the beginning of International Development Week in Canada. International Development Week provides Parliament, the government and Canadians with an opportunity to reflect on Canada's long-standing commitment to Third World development.

Development week is a time for all of us to congratulate development NGOs and their thousands of volunteers for their vital and tireless efforts. Non-governmental organizations work as partners with local groups in developing countries. Together they work to improve basic health care, education and training, farming techniques, small business enterprise, and a host of similar projects. NGOs are experienced, efficient and accountable.

The government has indicated that it intends to cut aid to Third World countries in favour of eastern Europe. We agree that eastern Europe needs help, but such help should not come instead of or at the expense of Third World countries or the funding of NGO work in those countries.

[*Translation*]

UNEMPLOYMENT INSURANCE

Mrs. Gabrielle Bertrand (Brome—Missisquoi): Mr. Speaker, I would like to clarify several misconceptions going around in the media about the proposed changes to unemployment insurance. There were references to a confrontation between the minister and the Quebec caucus, even a revolt. Such allegations are unfounded.

Of course it is only normal that we question the minister on behalf of our constituents, which we did and continue to do in a spirit of close collaboration and mutual understanding.

We are all in agreement on the principle of the measures announced by the Minister of Finance in his economic statement of December 2, 1992 and reports are to the effect that the vast majority of Canadians and Quebecers are also in agreement.

However, my colleagues and I want to make sure that these measures will not be unfairly implemented. The members on this side of the House are faithful to the same basic principles of fairness, economy and, above all, justice.

* * *

[*English*]

VIOLENCE

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, during the last two months Montrealers have been victims of right wing violence and vandalism.

In December a church used by Haitian Quebecers and a mosque were set on fire, and youths attacked and killed a man they believed to be gay. On January 2 seven synagogues were desecrated with swastikas and hate slogans. On January 27 anti-Semitic symbols were spray-painted on a synagogue, a community centre, four cars and two homes. Just yesterday two school buses were spray-painted with anti-Jewish slogans and swastikas.

There is troubling evidence that these are not isolated incidents. New groups are emerging in Canada. Students are being recruited in our schools and modern technologies are being used to propagate hatred. For these reasons B'Nai Brith has called for a royal commission on racism.

I urge the Minister of Justice to meet with B'Nai Brith, to review its recommendations, and to take action to demonstrate that racism will not be tolerated in Canada.

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• (1410)

EXTERNAL AFFAIRS

Ms. Barbara Greene (Don Valley North): Mr. Speaker, citizens in my riding and across Canada are deeply horrified at the Nazi-like atrocities occurring in Bosnia-Hercegovina and other parts of the former Yugoslavia. The United Nations is condoning ethnic cleansing by its proposals which allow territory seized by force to be retained.

I urge the Secretary of State for External Affairs to demand that the United Nations impose a peace plan which respects the territory of Bosnia-Hercegovina and the property rights of former residents, and which imposes a war crimes tribunal that will punish these barbaric acts.

The world should not stand by and watch.

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GROUNDFISHERY

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, the government's cancelling of the inactive groundfish licensing is a reversal of a 10-year old policy known as the bona fide licensing policy.

This licensing policy gave priority to full-time fishermen to hold multiple licences and retain them even if they were not used. This multiple licensing policy allowed fishermen to play a direct role in resource conservation.

The fact that fishermen have not used these licences for two years means that they have helped to conserve the stocks. Yet the administration in Ottawa has chosen to penalize them.

I believe that the Maritime Fishermen's Union, the Prince Edward Island Fishermen's Association and the Eastern Fishermen's Federation are correct in challenging the minister and his groundfish management plan for 1993.

The onus of proof should be on the Government of Canada, not on inshore fishermen, as to whether the new policy of eliminating licences will conserve stocks. The Government of Canada must be condemned for the abrupt and arbitrary fashion in which the long-standing policy was reversed thereby hurting inshore fishermen.

JUSTICE

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, citizens living in a village within my constituency are gathering today in a place they would much rather not be. The people of St. Eustache, Manitoba, are burying their dead.

Maurice and Sherri-Lee Paul were stalked and murdered last week while in the confines of their own home. St. Eustache is a quiet small village. Maurice and Sherri-Lee were active, community minded parents of three children. They were well known and liked in St. Eustache. Like so many others they did not deserve to die.

It is time we put some teeth in the laws of this land. The killer of Sherri-Lee and Maurice had a restraining order prohibiting contact with the family. The Pauls sought refuge in the law, in the system. The system let them down.

This House must enact legislation now so that other communities will not be put through what St. Eustache is suffering today.

* * *

TRADE

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, the Prime Minister said in 1987:

> Our highest priority is to have a trade agreement that ends the threat to Canadian industry from U.S. protectionists who harass and restrict our exports through the misuse of trade remedy laws.

The Prime Minister failed in achieving this highest priority and trade harassment continues in steel, pork and softwood lumber.

With the failure of free trade and the rejection of a sectoral trade agreement by the United States, where does that leave Canadian steelworkers whose work force has been decimated with 12,000 lay-offs in four years?

The trade minister is now suggesting, believe it or not, a blue ribbon commission to study the industry and make recommendations to both governments, but as of this morning there has been no formal proposal to the U.S. government.

As to the dispute panel and its decisions, it would appear that if the U.S.A. wins a ruling it is commonplace and quite acceptable, whereas if Canada wins there has been an extraordinary mistake and the ruling is challenged.

May I suggest to the Prime Minister that the steel trade be upper—

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

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CAPE ASPY

Mr. Peter L. McCreath (South Shore): Mr. Speaker, this past weekend the town of Lunenburg, Nova Scotia, was struck with yet another sea disaster with the loss of the *Cape Aspy*, some 67 miles off Cape Sable Island. Although we are grateful that 11 crew members survived, Captain Albert Eisner and 4 others perished.

I wish to commend the efforts of the crews of the vessels and aircraft that came to the rescue, together with those involved in the search and rescue effort.

On the best of summer days the North Atlantic can be a killer. During a winter storm with high seas and ice build-up it is positively terrifying. Any way we cut it, fishing is a tough and at times perilous way to make a living.

I wish to pay tribute to the men and families who generation after generation have prosecuted Canada's oldest industry. I am sure all members join with me in expressing our sympathy to the families and friends of the men lost at sea this weekend.

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GENERAL ELECTION

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the Conservative government is now clinging desperately to power, afraid to give the public the opportunity to throw them from office.

In 1984 a colleague of hon. members opposite made the following speech: "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 the government's term has come to an end. Only political cowardice or contempt for the democratic process could explain why after four years in power the government refuses to announce a general election. It has to if it has any respect for democracy".

Those words came from none other than Senator Lowell Murray, the Prime Minister's confidant and government leader in the other place. The Prime Minister should heed the advice of his friend given so freely and forcefully in 1984.

I hope all hon. members opposite, unless of course they have no respect for democracy, will convey their feelings to their leader and convince him to go to the people now. Goodness knows the people are waiting.

ORAL QUESTION PERIOD

[*English*]

THE PRIME MINISTER

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I have a question for the right hon. Prime Minister. The Prime Minister might feel that he is not obliged to give a straight answer to his caucus, to his cabinet colleagues or to the press, but he has an obligation to tell the truth to the Canadian people and clear the air. We would like to have a straight answer. Is the Prime Minister quitting? Yes or no.

Mr. Speaker: I have some difficulty finding that question in order. Perhaps the hon. Leader of the Opposition might try to put his question in another way.

Mr. Chrétien: Mr. Speaker, I do not know why the Prime Minister is refusing to reply to this question.

Mr. Speaker: I probably should point out that I did not agree the question was in order.

Mr. Chrétien: Mr. Speaker, it is a very serious question because ministers are campaigning instead of working and the bureaucrats do not know where they are going. I would like to know if there will be a change in the role of the Prime Minister in the next few weeks?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, given the fact that my hon. friend has been saying for weeks that he could hardly wait to get back to the House to lay out his program for job creation and social advancement in Canada, I find it somewhat interesting he would waste questions. He indicated that he could hardly wait to get to the House to ask questions and advance his alternatives on GST, free trade and all those other matters.

Inasmuch as he is asking this question and he persists in it, perhaps I could just tell him this. In the 10 years as leader of my party, I had the privilege of doing pretty well against a Liberal leader in 1984. Then in 1988 we did pretty well again. With a leader like this, my expectation is that the triple crown is just around the corner.

* * *

TRADE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, it is very easy. If we really want the country to feel good then do not chicken out. Call the election right away. Again the government has proposed we should have a free trade agreement with the United States.

In spite of the free trade agreement this government has not been able to convince the American administration to establish dumping and tariff rules that will work. So last week the United States treated Canada exactly the same way it treats any other country.

• (1420)

Will the Prime Minister or the minister explain to the nation why the Americans do not want to respect the so-called free trade agreement with Canada?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have to conclude that my hon. friend is suggesting we ought not to have a free trade agreement with the United States in which case we would not have available to us the appeal procedure to a binational—

An hon. member: What a joke.

Mr. Mulroney: My hon. friends say what a joke. There have been eight such instances under the free trade agreement and we have won eight out of eight. That is not a joke. That is a reality.

Canada has increased its exports to the United States in steel. Steel exports are up by 41 per cent. Even though we are going through difficult times, of the 19 countries hit by this tariff Canada is the only one capable of appealing to a binational panel composed of an equal number of Canadians and Americans. We have won those cases in the past and we are going to win again. If the Leader of the Opposition had his way there would be no such panel and Canadians would be the losers.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, let the Prime Minister explain that to the workers at Sidbec in Quebec and the workers in Sault Ste Marie and Hamilton, hundreds of whom are losing their jobs each month.

Why does the Prime Minister not admit that they made a mistake by failing to negotiate subsidy rules that would be binding on both countries? That is the problem we have today. The Americans apply their own laws, but we should have rules that are binding on both countries.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition will have to make up his mind. Does he or does he not support the free trade agreement? Does he or does he not support the GST? Does he or does he not support this government's policies?

As far as free trade is concerned, I may point out that compared with 1988—before the free trade agreement came into force—our annual exports of goods to the United States have increased by $17 billion. In November the value of our exports of machinery and equipment rose 24 per cent over the previous year. The value of our exports of consumer goods has increased 24.8 per cent and, listen to this, the value of exports of automobile products increased 11.4 per cent over the previous year.

The free trade agreement is a great success and without it Canada would now be at a distinct disadvantage. At a time when every single country in the world would like to have this kind of agreement with the United States, we have one.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the fact is that during the three years since this so-called free trade agreement came along, the Canadian steel industry has lost $1 billion in investment. In my own riding and the Hamilton area alone more than 10,000 workers are unemployed.

How can the Prime Minister praise the benefits of this agreement, when last week's steel decision was a travesty of the spirit of free trade?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the hon. member said that problems in the steel industry are all the result of problems with the free trade agreement with the United States. There are many problems throughout the world in this industry. The problems experienced by the Canadian industry with its cost reduction of $100 per tonne are not due to the free trade agreement. The problem lies with the industry in Canada. It is both a management and a labour problem.

That is the problem we have to deal with and my department has already started discussions with the unions and management. It is not a problem with the free trade agreement.

[*English*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, that answer is an absolute disgrace for the minister.

When he suggested there is not a problem with free trade, can he explain why last week despite his claims five years ago that the free trade agreement was going to be great for steel the Americans slapped unfair tariffs against Stelco and Algoma and other Canadian companies? That is not a problem of Canadian management. It is not a problem of Canadian workers. It is a problem of the failure of this government to define what constitutes an unfair subsidy.

Why is the minister blaming Canadian workers and the Canadian steel industry for his own failures and the failure of his government in the free trade negotiations?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, what is a disgrace is the way that my hon. friend twists the facts and says that the problem is with the free trade agreement with the United States. She knows full well that this is a world-wide problem.

The Canadian industry had not been affected prior to last week by the anti-dumping duties by the Americans. For her to suggest that the problems the industry has suffered over the last three years are the result of the free trade agreement is a total distortion of the facts.

I did say there was a margin of cost advantage between the Canadian and U.S. industry of $100 a tonne 10 years ago. That has dissipated, not by the free trade agreement but by problems within the industry, some of which can be laid at the doorstep of the companies themselves. That is the problem we are trying to address now.

* * *

EMPLOYMENT

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, while the Leader of the Opposition and the Prime Minister wish to debate the employment of one person, I would like to talk about the unemployment of millions in this country.

When the Prime Minister was first elected and was responding to results of the Liberal recession he said: "Unemployment is morally offensive and there is a moral imperative to bring unemployment down".

Since this House rose in December we have seen 400 high-tech jobs lost in Ottawa, 1,450 jobs lost in Oshawa, 10,000 in Canadian railways, 1,200 at Woodward stores, and so on.

We hear that things are improving, but we have to ask one question and one question only. Where are the jobs? How can the Prime Minister justify his policies which have led to what he has said is morally wrong and that is higher unemployment in this country?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend asks where the jobs are.

She indeed raises a serious matter, unlike the Leader of the Opposition. The matter of Canadian employment is a high priority. Canadian unemployment is unfortunately too high.

There has been employment growth in seven of the last eight months with 57,000 new jobs created in December alone. This was the most—

An hon. member: Where?

Mr. Mulroney: Where? In Canada. Across Canada there were 57,000 new jobs. My hon. friend should be encouraged as well by the fact that I take the time to answer seriously because it is an important question.

Inflation is down and was annualized at its lowest rate in 30 years. Interest rates in 1992 were annualized at their lowest in 20 years in Canada. The Conference Board indicated this morning that Canada will lead the G-7 countries in economic growth this year. This combination will allow us to lower the unemployment rate in a durable and ongoing way, not with fly-by-night job creation projects, but in an important, thoughtful and durable way.

• (1430)

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the problem is that this government is not launching an attack on unemployment but on the unemployed. The proposed changes to the unemployment insurance system are so abusive and so cruel, especially for women, non-union workers and people who work under hazardous conditions, that the government does not even have the support of all its members.

Will the Prime Minister withdraw his policy on changes to the unemployment insurance system?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we are of course prepared to listen to what all members of this House, including the Leader of the New Democratic Party have to say about any bill.

With respect to unemployment insurance, if she has any suggestions for saving the $600 million we need to reduce the deficit while being fair to workers, I would be delighted to hear them.

However, we are talking about a proposal which—

An hon. member: It's a cruel measure.

Mr. Mulroney: The member of the New Democratic Party says it is cruel. In France, the socialist government went ahead with a measure that is practically identical. It cannot be all that cruel in the eyes of international socialism. Of course we will listen carefully to any interesting ideas coming from the opposition.

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, we have a very simple suggestion. The government should attack unemployment and not the unemployed. The changes it proposes attack the unemployed.

Given the lay-offs we have seen just since December 12 when this House rose, the proposed lay-offs in the railway industry, the devastation across this country in every sector, the large farm rally we saw in Saskatchewan where people were protesting the devastation of rural communities and farms in this country, every policy the government has brought forward has been a failure.

I say to the Prime Minister: Do not proceed with changes to UI, do not proceed with the Canada–U.S.–Mexico trade deal, do not bring in another budget, do not do anything except call a federal election. Will the Prime Minister do that?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I considered calling an election, but out of affection for the leader of the NDP I did not.

Some hon. members: Oh, oh.

An hon. member: A kinder, gentler Brian Mulroney.

Mr. Mulroney: I indicated to my hon. friend that employment rose by 57,000 in December. Employment has risen in seven of the last eight months, a net gain of 134,000 jobs in Canada. Full–time employment increased for a fourth consecutive month, recording a gain of 35,000. Merchandise exports are up. Unit costs are down 5.2 per cent. Productivity is up by 2.6 per cent and exports are climbing dramatically. That means jobs at home.

I must say this. My hon. friend says cancel the free trade agreement, cancel the GST, cancel our deficit reduction plans, cancel everything. I may disagree with that. I disagree with every single policy she puts forward, but at least she has policies, which is infinitely more than we can say about this bunch.

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, my question is for the minister of employment. His proposed amendments to UI are nothing more than a failed attempt by the minister and his government to distract Parliament and Canadians from the real issues.

The problem is unemployment, not the unemployed. The problem is harassment and arbitrary management, not laziness. The problem is lay–offs and termination, not voluntary quits. Canadians are hard working people. They want to work.

When will this government stop attacking the victims of its economic mismanagement and provide immediate relief and opportunity?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, as the hon. member knows the December statement was very broad. It encompassed the fiscal deficit and outlined plans to contain it because of the dramatic decline in revenues.

In the course of containing that slippage, we also provided expenditures toward investing in people, in infrastructure, in training and skills upgrading and particularly in the field of small business. I am encouraged by the response of small business and by the comments of the president of the Canadian Federation of Independent Business who indicated that the December statement was clearly a win–win situation for small business.

The hon. member knows that 80 per cent of new jobs in Canada are created by the small business sector. We believe that the initiatives prescribed in the December statement will go a long way in assisting in the creation of jobs in the small business sector.

I remind the hon. member that the manufacturing sector has grown by 3.5 per cent in the first 11 months of last year thanks to our policies.

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, thanks to your policies we have 1.6 million Canadians unemployed and 2.2 million Canadians on welfare. The minister is going to stay the course which is absolutely unacceptable.

Canadians need a sound economic plan. Instead of attacking the unemployed, will he attack unemployment by immediately establishing a national apprenticeship training program and a national youth service program to give our young people the skills and opportunities required to get them working again?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I know the hon. member is making a pitch for the re–establishment of Katimavik which was not a very successful program.

If the hon. member wants to use statistics, I will certainly use statistics. Total employment in Canada today is 12.24 million and there are 1.8 million who are self–employed. That means there has been an increase in employment of 12 per cent since we have been in office.

Employment has grown, the labour force has grown and continues to grow. The participation rate is higher than that in most G–7 countries. As the labour force grows, job creation becomes that much more of a challenge. The hon. member would be the first to agree, I am sure, that we are going through a period of adjustment and restructuring in order to meet the challenges of a newly emerging economy.

The economic statement I outlined in December speaks to that. I ask the hon. member to re-read it. I am sure he will find there are positive measures in it that will bolster growth and create jobs for the future.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is directed to the Prime Minister. According to the *Conseil régional intersyndical de Montréal*, the changes in the unemployment insurance program proposed by the government are like a sledge-hammer being used to crack a nut. It is overkill. How can the Prime Minister justify this excessive and inordinate attack on the Canadian unemployed? Why is it always the unemployed and the needy who are penalized by the administrative incompetence of this government?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we would be delighted if the hon. member would make some concrete suggestions.

Does he think it is unfair and morally indefensible for a government, especially a government that has fiscal problems, like all governments in this country, to decide that if a worker leaves his job voluntarily, without provocation, he should be deprived of the chance to receive unemployment insurance benefits that are paid for by all other workers in Canada?

All legitimate cases are covered: sexual harassment, and so forth. All that is covered by unemployment insurance, as it should be. The fundamental question is this: Does he think it is morally indefensible, in the circumstances, for a government or a Parliament to vote in favour of this kind of legislation? I would like to hear what he has to say about this, as well as any alternatives he has to suggest for streamlining our unemployment insurance system in this country.

• (1440)

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I am very glad to hear the Prime Minister. If anyone in this government knows the construction industry in Quebec, he should, since he was on the Cliche commission and knows very well that Quebec is the only place in the country where the construction industry is governed by a decree. He is very well aware of the problems. Now I will ask him a very specific question.

With these new changes to unemployment insurance, what happens when an employee working at James Bay has to quit his job because he must go home to deal with family problems? Does the Prime Minister not think that these new measures will penalize the worker, who will not be entitled to unemployment insurance benefits if the employer says he quit his job voluntarily?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, it is covered by just cause in section 28.

Now as for sexual harassment—

Some hon. members: Answer.

Mr. Mulroney: I am answering a question, and the Liberals will not even let me finish my answer. I gave the right answer because it agrees with the facts and reality. But you see, the opposition party did not answer my question. Do they find it morally unacceptable for a government to deprive an employee of unemployment insurance benefits if that person quits his or her job voluntarily, without provocation, for no reason? That is a basic question.

* * *

[*English*]

AGRICULTURE

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, my question is for the Prime Minister.

I am sure the Prime Minister is already aware of the fact that the 13,000 people who attended the farm rally in Saskatoon last Tuesday represented the biggest outpouring of support for the farm community in prairie history.

I would also like to remind the Prime Minister that the projected net income for Saskatchewan farmers next year is $4,000, which is less than they would receive on welfare. Many of them are in the hopeless situation of not having enough money to put in next year's crop.

Since the Prime Minister was unable to attend the rally in person, I would like to ask him to tell us today what words of support and encouragement he is prepared to give the farm families of Saskatchewan.

Hon. Charles Mayer (Minister of Agriculture): Mr. Speaker, as the hon. member knows, I attended that meeting and we had a chance to visit at its end. I will say the same thing to the hon. member that I said to him in Saskatoon, we know these are difficult times and we think we understand how difficult it is. At the same time the federal government is providing record amounts of support to producers, not only in Saskatchewan but elsewhere, that have been affected.

If you add up all of the support the federal government has provided over the last six or seven years it has amounted to almost $21,000 per farm in Saskatchewan, which is well above the national average.

We also worked out an agreement a week ago with the province of Saskatchewan to see an additional $170 million go into that province in this calendar year. We have a proposal on the table with Saskatchewan to see an additional $63 million go into that province if we can cost share with the province.

While we recognize the problem and have tried to deal with it, we also know that no matter how much money any government provides, it is not the real answer. The real answer is to get better prices for our product when we sell internationally and the government is very committed to that.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, the Prime Minister refused to come to the rally last Tuesday in Saskatoon. He is refusing to answer to the people of Saskatchewan right now.

I want to remind the Prime Minister that last fall he told Premier Romanow and all the people of Saskatchewan that once the results of the harvest were in he would look at providing help if needed. Those 13,000 people last week provided an answer and revealed just how bad things are.

Will the Prime Minister tell the farmers of Saskatchewan and all Canadians exactly how he plans to fulfil the commitment he made to them last fall? The crisis farmers are facing extends far beyond Saskatchewan's borders. If the federal government refuses to take its responsibility seriously, thousands of farmers from across this country will be joining the ranks of the unemployed.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend is quite wrong. I did not refuse to attend anything. I had the opportunity to delegate the Minister of Agriculture who himself is a prairie farmer and who is committed perhaps as least as much if not more than any member of this House to the well-being of the family farm.

This government brought in—the NDP is asking the question Mr. Speaker. Now they apparently do not want to hear the answer.

This government brought in the GRIP program. This government brought in the NISA program. Both programs are greatly admired by Saskatchewan farmers. The government brought in a program of $170 million, announced by the Minister of Agriculture a few days ago. He just referred to another $65 million that the Government of Canada is working on with respect to farmers.

I would tell my hon. friend this. This government increased aid to agriculture, including western agriculture, over the eight year period by 650 per cent. It has provided more aid to agriculture than any government in the history of Canada and we are working with farmers to do more.

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EMPLOYMENT

Mr. Jim Peterson (Willowdale): Mr. Speaker, 1.6 million Canadians are out of work. Given this and given our very limited financial resources, I would like to ask the minister of defence why this government is spending $4.3 billion on helicopters instead of programs that would get Canadians back to work right now. Where are this government's priorities?

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, some years ago the party of which the hon. member is now a member of Parliament had a defence policy that called for the building and the deployment of frigates by the Canadian navy.

The purchase of the EH-101 helicopters is an essential part of that program because to deploy those frigates without helicopters is like building aircraft carriers without airplanes.

What I would like to know from the hon. member is whether the Liberal Party has a defence policy or if it has abandoned the policy that it initiated when it was government and which was carried on by this party when it became government to deploy the properly equipped frigates with the helicopters which are their essential eyes and ears.

I would point out that as a result of the very good industrial benefits negotiated by this government in the course of developing this particular defence procurement, there is very significant employment for Canadians in fulfilling this important defence priority. It will have long term industrial benefits for Canada.

Mr. Jim Peterson (Willowdale): Mr. Speaker, we do have priorities such as the 1.6 million Canadians who do not have jobs today.

This is why I want to ask again: Why does this minister have funds to enter into partnerships with foreign governments when it does not have the funds to enter into programs to renew our municipalities and reconstruct our devastated manufacturing sector?

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, the hon. member and his party are very quick to stand up in this House and urge the Government of Canada to participate in international operations for peacekeeping and peacemaking. They appear to want to have our men and women in the Canadian Armed Forces fulfil that obligation without being properly equipped.

I would suggest that the 45,000 person-years of employment that result from this contract are not insignificant. The bottom line of this is the well-being and safety of Canadians in terms of the search and rescue capabilities of these helicopters and in terms of their ability to protect the people who serve in the Canadian Armed Forces.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, the last minister of defence to stand in this House and defend with such enthusiasm an absolutely essential defence priority was the minister of communications who in 1987 announced the $10 billion nuclear submarine program.

Of course that was followed quickly by the Prime Minister who announced the $l billion *Polar 8* ice-breaker, followed again by the program for a northern terrain vehicle, nearly $1 billion, announced in Alberta just before the last election. All three have vanished into thin air.

I say with great respect to the Minister of Finance, cut out the bluster and simply tell 1.6 million unemployed Canadians why they must stay grounded while this minister builds a Cadillac helicopter fleet.

• (1450)

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Perhaps the hon. member could explain to this House why his party thinks it is appropriate to send Canadian men and women aloft in 30-year old aircraft.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, this party does not think it appropriate to send men and women in any field of endeavour without appropriate equipment, but we think it inappropriate to purchase a Cadillac system at a time when the Prime Minister says the deficit is so high he cannot put $1 into job creation.

I want to ask this Minister of National Defence and this government to recognize that the cold war in 1993 is being fought on the streets of Canada by Canada's unemployed and will it get its priorities straight once and for all in advance of an election?

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, perhaps that hon. member will explain to the fishermen of Newfoundland who may have their lives saved by helicopters that are able to stay airborne for five hours instead of two hours, that are able to fly in weather conditions we now do not have the capability to fly in, and perhaps he will tell the families of the people who are saved by those helicopters when they perform their search and rescue functions that he regrets that we had a Cadillac helicopter to save their lives.

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VETERANS AFFAIRS

Mr. Bill Kempling (Burlington): Mr. Speaker, I have a question for the Minister of National Defence and Veterans Affairs.

On the weekend a report was released in Britain that is critical of the Canadian forces who served in Hong Kong in World War II. They were men of the Royal Rifles of Canada and the Winnipeg Grenadiers and a contingent of Canadian Army nurses. I have been to Hong Kong and viewed the battleground with the survivors of that conflict. I have visited the cemeteries and read the headstones of the young men and women who gave their lives. None of the headstones read coward or drunkard or any of the derogatory comments that appear in the report.

Would the minister care to comment on this secret report attributed to the late Major General Maltby?

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, I know that in responding to this question I speak not just for the government but for all members of this House.

I have seen the responses of a number of distinguished Canadian historians to the comments of Major General Maltby and I think all agree that there is no historical basis for his comments.

I do not think it is necessary to speculate on why he made those comments, but simply to remind all Canadians, as all members of this House are aware, that the battle of Hong Kong was a terrible one, that there were grievous losses and in fact the survivors of that battle are among the most important clients of the Department of Veterans Affairs and receive the most comprehensive health benefits and that there was in that terrible battle one Victoria Cross awarded and that Victoria Cross was awarded to Major John Osborn of the Winnipeg Grenadiers.

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EMPLOYMENT

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, my question is for the Minister of Finance.

Attack, attack, attack. I wonder if this government does not have anything better to do than to attack the unemployed in this country.

I would like to know from the minister just how reducing the benefits from 60 per cent to 57 per cent will help the unemployed in this country. It does not leave them enough money to take a bus to go look for jobs that do not even exist.

When is this government going to stop attacking the unemployed, do something realistic and create some jobs for these people? They are getting sick and tired of this nonsense.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member knows what the reduction from 60 per cent to 57 per cent effectively does. It freezes the UI benefits. Those who are currently receiving UI at current levels will continue. That is grandfathered.

The hon. member knows that because of the maximum insurable earnings adjusted upward there would in effect be an increase of 3 per cent to 4 per cent. At a time when many employees across the country are having their salaries frozen and indeed having their salaries reduced, it was certainly appropriate to take this initiative.

The alternative is to increase UI premiums, which is another form of tax upon the working men and women of this country, the small businesses and all the employers of this country. It is a time when everyone has to tighten up to meet the difficult deficit challenges that we face. I hoped the hon. member would understand it in that light.

* * *

RAIL INDUSTRY

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, my question is for the Minister of Transport. It has to do with a recommendation by a group of consultants hired by the National Transportation Review Commission that would lead to further unemployment in this country in the tens of thousands. That has to do with the recommendation that 23,000 jobs be cut from Canada's rail industry.

I want to ask the Minister of Transport when this government will realize that the answer to what is wrong with the transportation system is not in getting rid of more and more jobs in that very industry, but in admitting that deregulation and free trade are killing the transportation industry in this country and setting about re-regulating the transportation industry.

If the minister is not willing to do that, will he agree, because he has that report now, to release it and to convene a meeting of all the stakeholders in our transportation industry, not just the companies, but unions and communities and everyone else concerned, so that we can finally do what is right by Canada's transportation industry.

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, if the hon. member wants to quote some excerpts from that report he should also refer to the contents of that report which say that deregulation has been of great benefit to all stakeholders in the transportation industry in Canada, especially the clients and the shippers.

The report he is referring to is one of the reports requested by the National Transportation Review Committee. It is part of the report. We will table our response to this report as soon as we have had a chance to go through this report that was tabled last Friday.

* * *

TRADE

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is for the Minister of Supply and Services.

The federal and provincial governments in the maritimes are working really hard to eliminate interprovincial trade barriers but the Department of Supply and Services in Moncton has its own little interprovincial trade barrier. The Moncton office will go west 300 or 400 kilometres to buy from businesses, they will go north to P.E.I. to buy from businesses, but they will not go 50 kilometres east into Nova Scotia to buy from Nova Scotia businesses.

Will the minister open this trade barrier up to Nova Scotia businesses and do the right thing?

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, I thank the hon. member for his question. The answer does not change a great deal from the letter I sent to him on December 29. As a result of his representations, we are taking a look to see if we can change the delineation between the New Brunswick region and the Nova Scotia region.

* * *

YOUNG OFFENDERS ACT

Mr. Russell MacLellan (Cape Breton—The Sydneys): My question is to the Minister of Justice. Canadians are becoming increasingly alarmed about the rising incidence of crime and violence in their communities. In particular, violent youth crime has more than doubled in the past five years.

The government promised changes to the Young Offenders Act by the fall. The fall has come and gone and we still do not have these changes. Canadians are becoming alarmed.

Why is the government refusing to make these much needed changes to the Young Offenders Act?

Hon. Pierre Blais (Minister of Justice and Attorney General of Canada and Minister of State (Agriculture)): Mr. Speaker, my hon. friend knows that we made some changes in May with Bill C-12 addressing some issues that Canadians were concerned with.

My hon. colleague, the Solicitor General, and myself are contemplating other amendments to this legislation and we will talk with Canadians in the weeks to come as well. We have a symposium, and I think my hon. friend will be there, in Toronto with all stakeholders—police officers, all groups and provinces—to get together to decide what is best to ensure that people will feel more secure in this country.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, Bill C-12 was passed over a year and a half ago. Even before it was passed his predecessor said that more changes were needed to the Young Offenders Act. We still do not have those changes.

Does this government need a symposium to tell it that the Young Offenders Act is flawed? Does the government need a three-day symposium to tell it what to do? Is this government so out of control on the question of law and order that it cannot make up its own mind, or is it just stalling?

[*Translation*]

Hon. Pierre Blais (Minister of Justice, Attorney General of Canada and Minister of State (Agriculture)): Mr. Speaker, I must remind my colleague that the Young Offenders Act was passed in April 1984. I think that his party was in power then, but our government has already brought in a first round of changes.

• (1500)

I told the hon. member that I was very open and that we would work together. My colleague must know that responsibility for law enforcement in Canada is shared with the provinces and that it would be inappropriate for us to go ahead with reform on our own. I think we must bring everyone together in order to find the best possible approaches.

I already said that my predecessor had already spoken about our intention to go ahead and we will do that.

* * *

MANPOWER

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, my question is for the Prime Minister.

The government seems to have adopted the policy of doing the opposite of everything Quebec wants, be they business executives, workers, the Liberal Government of Quebec—its ally—or the Official Opposition of Quebec. This is especially true of the federal government's refusal to withdraw from the manpower field, a field that we know is essential for economic recovery.

I therefore ask the government and the Prime Minister why they stubbornly insist on maintaining the present imbroglio, which is paralyzing the efforts of all governments, and why they refuse to withdraw from a field where efficiency requires that there be only one authority, namely Quebec.

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, it is well known that a national referendum was held, with a certain result. Therefore we cannot proceed with the constitutional changes as such, but it would be quite possible for us to have discussions with the provinces, Quebec as well as the others, on arrangements that could change the *status quo* here in Canada.

We want a country that works; we are not trying to have an Italian-style country and Parliament.

Hon. Lucien Bouchard (Lac-Saint-Jean): That kind of answer is avoiding the issue! Mr. Speaker, I think that we can say that that is the classic answer of all successive governments that have refused to comply with Quebec's most legitimate demands.

The saddest part is to see that there are always members from Quebec, be they New Democrats, Liberals or Conservatives, to support these unfair measures against Quebec.

I ask the Prime Minister whether he realizes that he is burning his last bridges with Quebec.

Tributes

Hon. Brian Mulroney (Prime Minister): Mr. Speaker, what is unfair to Quebec, an unemployment insurance program or a job creation program?

Some hon. members: We are talking about the manpower field.

Mr. Mulroney: Oh, manpower. It would be important to point out that we Liberals, Conservatives and New Democrats wanted to offer that to Quebec in the referendum but the Bloc Quebecois said no.

[*English*]

Mr. Speaker: It is my duty to remind the House that as a consequence of discussions the House will now hear tributes to the Right Hon. Jeanne Sauvé.

* * *

[*Translation*]

THE LATE RIGHT HONOURABLE JEANNE SAUVÉ

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, it was in this House that from the beginning of her political career Jeanne Sauvé was to radiate her remarkable personal qualities and her profound love of this country.

She was a member of Parliament for 10 years, most of which were spent as a minister of the government of that time. Subsequently, from 1980 to 1983, she presided over the proceedings of this House. I am sure you, Mr. Speaker, will appreciate that this responsibility may at times be a very heavy burden for the Speaker of a democratic House such as this one.

Those among us who sat in the Commons at the same time as Madam Sauvé will remember above all that she drew strength and serenity from an optimistic and generous vision of Canada's future.

Although she was an eager and able participant in the partisan give and take that is an entirely natural expression of one's political commitment, she never forgot that our first duty as a member is to serve our fellow citizens and our country.

As parliamentarians, while we mourn the passing of an esteemed and respected colleague, we also admire a career that was outstanding in every respect.

May her memory always be an inspiration to us and to those who some day will be our successors.

As Governor General she represented our country with a natural dignity and generosity that was appreciated by all, from the average citizen to the leaders of this world. Since we first met more than 25 years ago, I have appreciated the warmth of her personality and the strength of her convictions.

Since I was first elected as Prime Minister of Canada and until the end of her mandate as Governor General in 1990, her advice, encouragement and of course her friendship were much appreciated. I will always consider it a rare privilege, in the course of my public career, to have served my country in the company of this great lady.

Jeanne Sauvé was sincere in her conviction that Canada is more than the sum of its parts, that British Columbia, the west, Ontario, Quebec and the Atlantic provinces, with all their differences and similarities, together form the most splendid country on earth. She always showed as much confidence in our future as she did pride in our past.

Her most precious legacy to us and to future generations is her exemplary dignity, lucidity and unshakable confidence, especially when coping with the illness she was to experience during the last 10 years of her life.

[*English*]

Jeanne Sauvé possessed many remarkable qualities. A person of deep religious faith she was also acutely aware of and sensitive to the realities that exist in a great pluralistic society. She was a committed foe of intolerance and racism in all of their forms. She was equally blessed with a sharp and inquisitive mind and an exuberant sense of humour. She expected others to meet the same high standards that she always demanded of herself. Yet she abounded in compassion for those who from time to time fell short through no fault of their own.

In her public life, as in private, I always thought that she was a supremely gracious person. She brought to every office and to every task a measure of quiet dignity and effortless appearance which enriched and impressed all with whom she dealt.

Above all, Jeanne Sauvé was a passionately committed Canadian. She loved Canada with every fibre of her being and she came to represent Canada. She was a French speaking young woman from Prud'homme, Saskatchewan, who became one of the builders of modern Quebec and yet felt so at home in English speaking Canada. She came to represent the very best values that all of Canada stands for, both here and around the world. She was keenly aware of the diversity of Canada and she applied that awareness in ways that always strengthened our citizenship.

With the support of her late husband, the hon. Maurice Sauvé who also served in this House with distinction and whom many of us remember very fondly as well, she became the first woman elected to this House from the province of Quebec. Obviously talented, she was soon appointed to cabinet where she successfully discharged many portfolios. As Speaker of this House she implemented significant administrative reforms which have greatly improved the efficiency of the institution.

Her years as Governor General were characterized by an admirable combination of verve and dignity, proof if ever it was needed that style and substance are not mutually exclusive. Her Majesty was extremely well served by Jeanne Sauvé's tenure at Rideau Hall.

• (1510)

After an exceptionally full life of service she continued to devote herself to noble causes, and in a very special way to the cause of the youth. She caused to be created the Jeanne Sauvé Youth Foundation to stimulate in our young people and the youth of other countries the creativity and initiative that she herself displayed throughout her entire life.

With other members of Parliament which I see here today, I was at the first Jeanne Sauvé Conference for Youth that took place in Montreal. The Secretary–General of the United Nations was the principal guest, and it then broke down into four days of seminars, discussions, and debate. It was an exhilarating and genuinely impressive experience.

At the end of the day the conference was all about tolerance and the fundamental values of citizenship, and about encouraging these young men and women from around the world to assume positions of leadership in their own countries when they returned to them.

Those who knew her well understood that nothing brought more joy to the lives of Jeanne and Maurice Sauvé than their son, Jean–François. He was truly the apple of her eye and no mother could have been prouder of a son.

I remember well that her smile was never brighter and her eyes never more expressive than when she talked about Jean-François, her family and those she held dear.

To Jean-François and his wife Diane I extend my very deep personal condolences.

[*Translation*]

Speaking on behalf of the Government of Canada, of all members of this House and of all Canadians, I wish to express to Jean-François and all members of his family our feelings of profound admiration for the historic endeavour of Jeanne Sauvé and to extend our sincere condolences.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, like the Prime Minister, I rise in turn to pay tribute to this great lady who was our colleague in the House of Commons.

The members of my party benefited from her company and her advice for 12 years when she was a member of this House.

She was a quite remarkable woman. She was very learned and had travelled around the world, but she still remained unpretentious. Everywhere she went, she loved to meet young people and we felt that Jeanne Sauvé represented the best of Canada. I think that she is the finest example we could give Canadian youth.

As the Prime Minister just said, she came from a small French speaking village in Saskatchewan and spent part of her youth in Ottawa. Later she was quite at home in Montreal's artistic and journalistic community. When she came to this House in 1972 she was already very well known, both in Canada and abroad.

She was always very diligent in the many cabinet positions she held. She was very interested not only in her own department but in what was happening throughout the government. She was always the first. In the tributes paid to her it was mentioned that she was first in school and she was also first here. She was the first French speaking woman from Quebec appointed to cabinet. She was the first woman Speaker of this House and, of course, to crown her career, she became Governor General of Canada. She filled that position with a style that had not previously been matched.

When she retired she wanted to go on. It was very much in the character of Jeanne Sauvé because when she was a young person she was involved with young people. She tried to organize them. She tried to make sure they would find a comfortable place in society in Canada as *La jeunesse étudiante catholique: comment se trouver une place dans la société canadienne.*

She decided to spend the last year of her life trying to get the young people of the world together because she fundamentally understood there was no difference among human beings. It did not matter what language they spoke, what religion they professed, what was the colour of their skin or what gender they belonged to; it made no difference to Jeanne Sauvé. What she always sought was to make invaluable what is the best in every human being. Until the last weeks of her life she worked at trying to bring the young people of the world together.

As was said by the Prime Minister, Jeanne Sauvé was probably the greatest lady we have known in public life in Canada in this century. I had the pleasure of serving with her and her husband. It is very rare to see a family so completely committed to public life. Both had the feeling that when you are in public life, you can make a difference if you work hard at it. We can say that this couple was a great asset to this House of Commons and to the country.

On behalf of the party that Jeanne Sauvé served in, I would like to express to her son and his wife our deepest regrets. He can be proud he is the son of two great Canadians. Jeanne Sauvé was, among all Canadians I have known, one of the greatest persons I have had the pleasure to spend time with and work with. God bless her soul.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I also rise to grieve the passing of Jeanne Sauvé, a Canadian whose work in public life was a model for all Canadians. Her accomplishments truly were remarkable, as the Prime Minister and the Leader of the Opposition have noted.

Jeanne Sauvé began at a very young age, at 20, as national president of the *Jeunesse étudiante catholique*. Later she became head of *la Fédération des mouvements de jeunesse du Québec*, an employee of UNESCO in Paris, a mother, a wife, a prominent Quebec journalist, a member of Parliament, a member of cabinet, Speaker of this House, Governor General, and most recently head of a scholarship fund which had as its goal bringing together world youth.

While remarkable achievements in themselves, they were more significant because Jeanne Sauvé was often a trail blazer and her efforts made it easier for others who followed.

[*Translation*]

She was the first woman from Quebec to be appointed minister. She was the first woman Minister of the Environment, the first woman Speaker of this House, the first woman Governor General.

Madam Sauvé belonged to this very special breed of people who give dignity to their tasks without ever shying away from a challenge.

[*English*]

I have been personally inspired by Madam Sauvé's steadfast conviction to change, her conviction in spite of obstacles that were often in her way. Of special importance was Madam Sauvé's drive to create space and funds for on site day care for children of the House of Commons' employees. She was not a woman to shy away from controversy when it came to principle.

[*Translation*]

As Governor General she made a number of people jump with the stand she took on the Meech Lake accord, when she argued passionately that Quebec had always been a distinct society, and she said so because she was convinced it was her duty to promote national unity.

[*English*]

Madam Sauvé once said that the role of the Governor General was to meet people, make them conscious of the presence of the Crown and the importance of the Constitution to their country, comfort them, manifest enthusiasm over what they were doing because it is an encouragement trying to foster national unity. It is fitting that in her last years she would again focus on the issue of youth in Canada and around the globe.

Madam Sauvé will be fondly remembered by many. While there is great sadness in her passing, there is also great respect for what she has done for the people of Canada.

On behalf of my party, I would like to express our condolences to her son Jean-François, his wife and family and simply to say that thanks to his mother and father, Maurice Sauvé, Canada is a better place. They will both be missed.

• (1520)

[*Translation*]

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, I knew Madam Sauvé and had the opportunity to see her at work both on the home front and abroad. Whatever she did, she did with distinction, intelligence and passion.

Her view of her role as Governor General was more Canadian and activist than that of most of her predecessors. She travelled more extensively abroad in her official capacity and never hesitated to carry out, to the fullest, the role of head of state for Canada.

She was also the first Governor General whose status of head of state was recognized in France during an official visit to that country. In addition, she did not hesitate to call upon the open-mindedness of her fellows citizens to urge them to ratify the Meech Lake accord. Not one of those who have had the honour to be in contact with her will forget the pleasantness of her conversation and the nobility of her views.

I wish to pay the last honours to this great lady on behalf of the members from the Bloc Quebecois and to reiterate all the respect and admiration I had for her. To her son and daughter-in-law, I offer my deepest sympathy.

[*English*]

Mr. Speaker: I would like to remind all members that they have until six o'clock this evening to go to the Rotunda to sign the register in memory of the late Right honourable Jeanne Sauvé.

There is another tribute this afternoon for a former colleague of many of us in this House, Charles Turner.

THE LATE HON. CHARLES TURNER

Mr. Joe Fontana (London East): Mr. Speaker, I am honoured to pay tribute to a former member of this House and of the Senate, the Hon. Charles Turner, who on January 10, 1993 at the age of 76 passed away in London, Ontario.

He served the constituents of London East and Canadians very well between 1968 and 1984 in this House. He was appointed to the Senate by the Right Hon. Pierre Trudeau in 1984 where he served until 1991 at his retirement.

He was known to most who served with him as Choo-Choo Charlie because of his locomotive engineering background. Most will recall that he was an officer of this House, being Whip of the government of the day. I suppose some will fondly remember the great bell escapade in March 1982 when for 15 days the bells rang. As a faithful servant of this House, Charlie brought his bed into the lobby and stayed there for a number of days protecting the government of the day.

In London East Charlie was known for his big heart. He was a big man with a very big heart. He was a man with a common touch who at no hour of the day hesitated to serve his constituents by delivering a passport or an unemployment insurance form. You name it and Charlie did it.

Charlie loved serving the people. He loved his job here and he loved the Senate. His contributions were many. While he was here he spoke frequently about transportation and safety, unemployment insurance, portable pensions and pensions for veterans, workers' rights, and an end to pollution in Lake Erie.

This is a trademark of the quality of this man. He said that it was the little guy that makes the world go around. The big guy is nobody if he does not have the little guy to do the work. That is what Charlie was all about.

To his wife, Marjorie and his daughters, Charmaine and Gloria, and his three grandsons, we on this side of the House pay our deep respect and convey our deep condolences to the family. He was a great man who will never be forgotten, not in London East and not in this House or in the Senate.

Hon. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I too want to say a few words on behalf of my party about Charlie Turner.

I was first elected in 1968 and Charlie Turner was one of the class of 68. He was successfully re-elected in 1972, 1974, 1979 and 1980. When Mr. Trudeau ceased to be Prime Minister, Mr. Turner was appointed to the Senate. He was a Senator from 1984 until his retirement. For awhile our responsibilities in the House overlapped. He was the chief government Whip and I was the Whip of the New Democratic Party for part of that time.

Charlie was very well liked as a member of Parliament. For those who did not know him, he was one of those members who was liked on all sides of the House. He was one of the so-called ordinary people elected to this place who never lost the common touch with the ordinary person in his riding or elsewhere in the country.

If you wanted to know what was happening and wanted to get the pulse of ordinary Canadians, Charlie Turner was one of the members of Parliament you could count on to have that knowledge at his fingertips. I can remember the Prime Minister of the day, Pierre Trudeau, saying that he often consulted Charlie Turner when he wanted to know what was going on among ordinary people across the country.

On behalf of my party, I want to express to his wife, his daughters and his grandchildren our deepest condolences and sympathy. We will miss Charlie Turner. This House is a much better place because of Charlie Turner and we will miss him.

Hon. Tom Hockin (Minister for Science and Minister of State (Small Businesses and Tourism)): Mr. Speaker, I am pleased to rise on behalf of the people of the city of London, and particularly London West which I represent, and on behalf of our party to add my words of condolence to Marjorie, her two daughters and grandchildren on the passing of Charlie Turner.

We have just paid tribute to Jeanne Sauvé and we are now paying tribute to Charlie Turner. It shows the glory of this institution. Madam Sauvé was the Speaker and later the Governor General. Mr. Turner had the common touch and everybody who served with him in this House remembers him with tremendous affection. Charlie Turner, as my hon. friend just said, liked to articulate the needs of the ordinary person, the small guy.

I remember very well having lunch with him the first week I was elected in 1984. He told me that one of the secrets to getting re-elected was to deliver the passport personally to the front door, because you have to find ways to make contact with the constituent. "Don't send it through the mail, Tom. Take it yourself". He was searching for ways to reach out to the average person. Nobody was more successful in the history of London's political life than Charlie Turner at doing that.

He was named Choo-Choo and he had the image of the average guy's politician. Wherever you were with Charlie Turner, people would approach him and treat him as if he was their uncle or older brother. He had an accessibility which all of us admired enormously.

Charlie's greatest concern was when organizations got big: big business, big unions, big institutions. He was afraid they would lose touch with what ordinary people were saying. He used to talk about that. He always tried to make a connection to the average person in order to make sure these big institutions, be it government, Parliament, a union, a company or an institution, did not get out of touch with whom they represented?

The people of London were proud to have him as one of their members of Parliament. They were proud they had somebody whom the Prime Minister of the day trusted so fully, as Prime Minister Trudeau did. They were proud to have somebody who was from their part of the world and who had gone through the economic growth of southern Ontario in a way that would make an ordinary person proud.

As a member of Parliament from London, I have always looked at Charlie Turner as a model of how to be a constituency MP and colleague. I know this House will join with me in saluting his memory.

• (1530)

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, as one who knew Charlie Turner from the day he came into the House, I want to say today to Marjorie, his two girls and the rest of the family that they have every right to be very proud of Charlie Turner.

He was indeed a grassroots representative of his riding. He was a grassroots representative of the people in London, simply because he came from the average walk of life? He came into this House having spent many years as a railroad engineer.

When he was Whip of the Liberal Party Charlie faced some tough days and some tough issues. We would tease him because he ran the Whip's office just as he would a steam engine or locomotive on the railways. He had a heart. Deep down he was a very kind-hearted individual, but he was one who wanted to get the job done.

He had a very close liaison with the labour community, not only of the railroads but also other industrial bases across this country. He was respected by people right across Canada from coast to coast to coast.

Everybody in this House certainly knows there is not a much tougher job that a person can be given than to be Whip of a political party. The Whip has to deal with every single member. Charlie was able to do that on an individual basis. When he had a tough decision to make, he made it, but he made it with fairness.

I consider it to have been a great pleasure to have worked with Charlie Turner for several years. I consider it an act of respect that one of the other members in this House today said that he kept touch with the common individual because he came from the average walk of like.

He has given all of us a lesson. As we sit in this House today and in the days to come, if we use Charlie Turner's ideas and his empathy for people who are having difficult times, we will certainly be emulating the great example that Charlie Turner gave to this House and to the working people across this nation.

Today I want to say to Marjorie and to Charlie's and Marjorie's two daughters that we thank them for giving us Charlie Turner in this House for a long time. We respect the work he has done. We are with them today in telling them to keep their chins up. They have every right to be proud. We only hope that the people of

Canada will remember the Charlie Turners of this world. They too are outstanding representatives in this nation.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I got to know Charlie Turner between 1979 and 1984 in the transport committee on the opposition side and of course on the government side.

As my predecessors have already mentioned, he was a grassroots politician. He brought the concerns of the average worker, whether it was from CN or CP, to the transport committee. I remember how hard Charlie fought for better pensions for the retirees. Some had retired from CN with very inadequate pensions. They wanted to make representations to the transport committee and Charlie Turner made sure they were represented there.

When we were crossing Canada with the western transportation and grain handling act, known as the Crow bill, Charlie Turner fought for not cutting branch lines. People do not know this about Charlie. He had the foresight to know that if branch lines were cut it would be the end of many family farms in Saskatchewan and Manitoba. Charlie saw that and he fought to preserve the branch lines. Charlie has added a lot.

Yes, Marjorie, his two daughters and grandchildren can be very proud of another great Canadian who has made his niche in the history of Canada.

I got to know him as our party Whip. Charlie practised what I call the three Fs in life. He was firm. He was fair. He was friendly. I pay tribute to Charlie Turner, a great parliamentarian, a great Canadian.

Mr. Maurice Foster (Algoma): Mr. Speaker, I would like to extend my condolences to Charlie Turner's family. He and I were elected in 1968 along with almost 100 other new members.

He was an expert in the field of transportation having been an engineer on the railroad. He not only was an authority in caucus and in the House on railroad and transportation issues but he was also capable of regaling us with great stories about his years on the CNR.

He was a staunch supporter of Mr. Trudeau and ultimately was the chief government Whip during the difficult times of the bell ringing incident during the early 1980s.

His great supporter of course was Marjorie. She would often be on the Hill. He was dedicated to his riding. He drove home practically every weekend from Ottawa to London. He loved to attend all the public functions in his riding, to meet and greet and be well known by his constituents.

I simply want to join in the words of condolence that have been spoken in the House to Marjorie, their daughters, and their grandchildren. He really was a great constituency person, a great parliamentarian, and ultimately a great senator. He will be missed.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I too want to add some very personal words on the death of Charlie Turner. I frankly did not know he had passed away during the break until I heard the words expressed here today. I am not going to repeat everything that has been said.

I first got to know Charlie when he came here in 1968 on the transportation committee. I was in the opposition and he was a government man. Charlie was fair, civil and had that manner of respect for fellow colleagues regardless of what side of the fence they stood on, something that is getting to be a rare commodity around here. I agree with all those who have said he was the model of a constituency member. I do not know what he did in the Senate, but I know that in this House of Commons he added a note of civility and common sense that is much needed around here.

I got to know his wife Marjorie because, as the member for Algoma has just said, she was always around. I certainly want to extend to her and the family my sympathy for their loss.

In closing, everything has been said in a sense. I can see the common thoughts he gave as the member for London, as parliamentary secretary to the minister of science and technology. One of the things I am going to miss now that I have heard these eulogies today is his great sense of humour. Boy, you need a sense of humour around here too.

There was that belly laugh and a smile which really did captivate and came out at times when there was tension and strain. I think that helped all of us from time to time.

I am glad I was in the House to hear the statement earlier today and to acknowledge the many years I shared with Charlie, regardless of the fact we were on opposite sides of the fence. It did not make any difference in terms of respect for each other. We were each trying to do our thing in making this a better place, and he certainly tried to make this House and the country a better place.

Mr. Speaker: I want to thank all hon. members, the Prime Minister, the Leader of the Opposition, the Leader of the New Democratic Party, and others for the eloquent tributes they have paid this afternoon to the Right Hon. Jeanne Sauvé and to our former colleague, Charlie Turner.

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PRIVILEGE

HOCKEY CANADA

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I rise today on a question of privilege which arose on December 11, 1992, the last day the House sat before the Christmas break. During Question Period at that time I had asked the government if it would produce the full financial statements for Hockey Canada, a public agency. The member for Vancouver Centre responded on behalf of the government. I quote from *Hansard* of that day at page 15105:

• (1540)

> I will take that question on behalf of my colleague, the Solicitor General, who has indicated that this matter is currently being investigated by the RCMP. The Government of Canada will offer no further information until the RCMP has concluded its investigation.

This answer was interesting in itself, Mr. Speaker, since the Solicitor General has never indicated to this House or publicly, to my knowledge, that such an investigation was ongoing by the RCMP. More important, however, six days later the chairman of the board of Hockey Canada, Mr. Ian Macdonald, released a statement saying:

> The suggestion that the RCMP are investigating the financial records of Hockey Canada is simply not true. No one in Hockey Canada has had any conversations with the RCMP concerning such an investigation, nor have any of our records been examined by them. It is difficult to determine from where such reports emanated.

The question of privilege is simple. Either the member for Vancouver Centre misled the House or an Order in Council appointee to a government agency is refuting the words of a minister of the Crown and casting aspersions on the proceedings of this House.

I would like to quote from the 19th edition of Erskine May, chapter X, page 144 under the heading "Constructive Contempts", subheading "Speeches or Writings Reflecting On Either House":

> In 1701 the House of Commons resolved that to print or publish any books or libels reflecting on the proceedings of the House is a high violation of the rights and privileges of the House.

Also noted in this passage of Erskine May is:

> Reflections upon members, the particular individuals not being named or otherwise indicated, are equivalent to reflections on the House.

Although Mr. Macdonald did not publish a book, he did in fact cast aspersions on the proceedings of this House. In the 1990s the press release of a statement is equivalent to a published document. It is circulated instantly and widely to millions of Canadians across this country.

Mr. Macdonald's press release of December 17, of which I have a copy and will provide to the Chair at the completion of my remarks, was based on the proceedings in the House during Question Period. There is no doubt of the source in the minds of the public who watched Question Period on December 11, 1992 and the media who reported the exchange on national television and in daily newspapers across this country. Mr. Macdonald was clearly upset by the proceedings in the House when he admitted to *The Toronto Star* on December 18, 1992: "I cannot describe how frustrating it is to pick up the paper and be connected with something like that".

This is not the case of the opposition and the government disagreeing. We are not talking about a dispute over facts that the Official Opposition and the government engage in during our daily accountability sessions. We are talking about a government agency which spends taxpayers' money in its deliberate attempt to bring into disrepute the proceedings of this House.

We in this House, as I think you have evidenced on many occasions, take seriously the honour of taking a member at his or her word. A senior public servant has publicly refuted what a minister of the Crown placed on the record of this House. The question was a simple informative question and the answer was simple: There is an RCMP investigation.

What has transpired since the House adjourned has been confusing and contradictory. The taxpayers of Canada have a right to know how their taxes are being used. That is essentially why we are here. One of the

main roles of the Official Opposition is to hold the government accountable. I do not believe the opposition or the government are able to do their jobs and to do them well when the head of a public agency publicly disputes the proceedings of this House.

In Erskine May the definition of contempt is as follows, and I quote from page 143 of the 20th edition:

> It may be stated generally that any act or omission which obstructs or impedes either House of Parliament in the performance of its functions, or which obstructs or impedes any Member or officer of such House in the discharge of his duty, or which has a tendency, directly or indirectly, to produce such results may be treated as a contempt even though there is no precedent of the offence.

We asked a question in this House. We are told that we cannot have an answer because of an RCMP investigation pertaining to the question we have raised. Then the chairman of the board attempts to refute the minister's answer claiming that no such investigation exists and this happened six days later.

The truth is missing somewhere behind the words of two responsible parties. We in this House are being impeded in performing our constitutional role of holding the government to account for the disposing of taxpayers' money. Our job in Parliament is to subject all Crown agencies to public scrutiny to show the wise use of tax dollars. We must be objective and, I suggest, constructive.

Public agencies that comment on the proceedings in this House are not conducive to us fulfilling our responsibilities. Indeed we believe them to be breaches of our privileges. Mr. Macdonald's actions are more than a disagreement with something said in the House. He is a public official who is attempting to prevent the House, I suggest, from getting the facts. It may well be that the responsible ministers will agree with me on this point.

In conclusion, Mr. Speaker, if you find a prima facie case, I am prepared to move the appropriate motion. On the other hand, if somehow the minister has inadvertently misled the House with regard to the RCMP investigation, we will want to hear why such a thing was allowed to stay on the books and to stay in the minds of the public for such an indefinite period of time while her colleague, the Solicitor General, sat idly by and responding with nothing in the interim.

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I appreciate the opportunity to respond to my hon. colleague's allegations. There's a suggestion that the time of the House and of members of Parliament and of the committee on privileges and elections should be used to pursue this matter.

First, it would be helpful to review the actual question to see how loose and rambling the actual question was. I am sure, Mr. Speaker, that when you have the opportunity you will agree with me.

My hon. friend started out by talking about Florida, then discussed the future of the league. He went on to suggest that serious questions had been raised recently about the financial dealings of the non-profit federal agency Hockey Canada and certain individuals. Then there was the direct question after the rambling that asked the minister responsible whether the government will provide to this House a full financial disclosure other than the annual one-line item expenses and income report for Hockey Canada since Hockey Canada has been incorporated.

The hon. minister replied. Bear in mind that it is a fact of life that we are often out of the House on business and she was responding on my behalf. I know that in no way would the hon. minister have ever misled the House. On this very simple case she had no cause to mislead the House.

Her answer is: "I will take that question". I am sure, Mr. Speaker, that when you review the text you will see that the question is: "Will the government provide to the House?" She undertook to take that question "on behalf of my colleague, the Solicitor General, who has indicated that this matter is currently being investigated by the RCMP. The Government of Canada will offer no further information until the RCMP has concluded its investigation." That is what took place in the House.

My hon. friend has not told the House something. I do not suggest for a minute that this was in an effort to mislead the House, but my hon. friend did not go on. I would not suggest for a minute that my hon. friend would deliberately mislead the House. However, my hon. friend neglected to point out to the House that there were comments made outside the House. Those of course are not something that would go to a matter of privilege based on a question answered in the House.

• (1550)

It is quite fair to say that I am not briefed on behalf or acting on behalf of Hockey Canada, but I do have in my hands the same news release that my hon. friend referred to. In there Dr. Macdonald was quoted as saying: "The suggestion that the RCMP are investigating the financial records of Hockey Canada is simply not true. No one in Hockey Canada has had any conversation with the RCMP concerning such an investigation nor have any of our records been examined by them. It is difficult to determine from where such reports emanated".

There is no mention of the House of Commons in here. If one is going to be hauled before the bar of the House for defaming the House of Commons, one has to defame the House of Commons and the members in it.

I know my hon. friend is used to being referred to in the media in many places. Over the holidays, for example, he was in several newspaper accounts, that I believe I remember reading, with regard to certain difficulties he had in his party. I know he is used to being referred to in the media, but in this report there is no reference to the House of Commons. For one to defame the House of Commons one has to at least mention it.

I am sorry. I respect the desire for truth from members of Parliament. I have been on both sides of Question Period. I am sure that my hon. friend could pursue this matter under estimates. He made reference to the real question he is referring to, which is whether the government will provide to this House the full financial disclosure. That is the question my hon. friend asked.

The House knows there is a place to do this when the estimates of the government are considered. I think with all due respect to the time of the House and the items before the House that that is a matter to be dealt with at committee and I am sure we would be more than ready to entertain any questions on that line. I do not believe it is sufficient, but I am in your hands.

Mr. Dingwall: Mr. Speaker, the hon. minister opposite is trying to paint a picture that we in the opposition have somehow done something which ought not to have been done in our attempts to elicit information from the government and responsible ministers.

I did not ask in my question of the day about an RCMP investigation. I asked specifically and made a reference to financial information. It was the Minister of Justice—not a minister who is unfamiliar with the law and the workings of the law—who responded in kind. I wish to read this for the benefit of all members: "Madam Speaker, I will take the question on behalf of my colleague, the Solicitor General, who has indicated that this matter is currently being investigated by the RCMP. The Government of Canada will offer no further information until the RCMP has concluded its investigations".

What are we supposed to do in the opposition? If there is an RCMP investigation, that means we cannot get the information according to the Minister of Justice and not someone who is unfamiliar with the law.

My final point is that perhaps the Solicitor General would set the record straight. Is there an RCMP investigation of Hockey Canada or is there not?

Mr. Speaker: I am sure the Solicitor General will be heard in just a moment. I am concerned that this is moving away from the procedural issue I have to decide. However, if the hon. minister wishes to respond to the question just put by the hon. member for Cape Breton—East Richmond, he is entitled to do so.

Mr. Lewis: Mr. Speaker, if my hon. friend had made the question that direct and succinct when he asked it, he would have received this reply.

We are aware that the RCMP is reviewing the alleged wrongdoing pertaining to the National Hockey League Players' Association. Hockey Canada is co-operating with the RCMP in this review. Hockey Canada is not under investigation.

Mr. Speaker: The position of the Chair in a case like this is one sometimes of caution because something which is just a difference of opinion, or a difference of fact or a difference of fact as argued, does not necessarily amount to a question of privilege.

I have listened very carefully to both the hon. member for Cape Breton—East Richmond who raised the matter and to the Solicitor General who has responded. It may be that the response of the Solicitor General has done

something to clear the air, if I can put it that way. However I am going to look very carefully at the question that was asked, review the arguments that were given and return to the House as quickly as possible.

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 section 36(8) of the Standing Orders, I have the honour to table, in both official languages, the government's response to 246 petitions.

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

* * *

[*Translation*]

PUBLIC SERVICE STAFF RELATIONS BOARD

TABLING OF 6TH ANNUAL REPORT

Mr. Jean-Guy Hudon (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister responsible for Constitutional Affairs): Mr. Speaker, on behalf of the President of the Privy Council it is a pleasure to table in the House today the Sixth Annual Report of the Public Service Staff Relations Board for the year ending March 31, 1992.

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

* * *

• (1600)

[*English*]

AMERICAN MUSIC AWARDS

K.D. LANG

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I rise to take the admittedly unusual but certainly not unprecedented step of seeking the unanimous consent of the House at this time to move a motion to congratulate Consort, Alberta's own k.d. lang for being named the best new adult contemporary artist by the American Music Awards in Los Angeles on Monday, January 25, 1993.

I have taken the step of notifying all of the House leaders of the various parties in the House and believe that with unanimous consent we can deal with this matter expeditiously.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, the hon. member is quite right. There were consultations with our party. I wish to give the unanimous consent of our party to this particular motion.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I too want to acknowledge that there were consultations and on behalf of the New Democratic Party I give consent.

Mr. Speaker: Is there consent?

Some hon. members: Agreed.

Mr. Harvey (Edmonton East): Therefore, I move:

That this House congratulate Consort, Alberta's own k.d. lang for being named the best new adult contemporary artist by the American Music Awards in Los Angeles, California, on Monday, January 25, 1993.

Well done, k.d.

Motion agreed to

Some hon. members: Hear, hear.

* * *

POINT OF ORDER

STANDING JOINT COMMITTEE ON SCRUTINY OF REGULATIONS

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, a point of order on the matter of Motion No. 15 on our Order Paper.

On November 19, 1992 the Standing Joint Committee on Scrutiny of Regulations tabled its sixth report in this House recommending disallowance of certain provisions of the public works nuisance regulations. The committee believed that these regulations placed unlawful restrictions on freedom of expression and peaceful assembly.

Under the rules this disallowance will later today become an Order of the House of Commons. I am pleased to note that on December 10 last the government acted to comply with the disallowance resolution of the committee and we would like to thank the Minister of Public Works for having acted on this matter in advance of today's formal Order of this House.

PETITIONS

NORTH THOMPSON RIVER

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is an honour and a privilege to present a petition on behalf of the Coalition of People Against River Diversion which recently held a two-day conference in Barrière, British Columbia. It was hosted by the North Thompson Indian Band and attended by a large number of participants including delegations from a variety of First Nations.

They point out that a firm by the name of Multinational Resources plans to divert the North Thompson River in order to sell the diverted water in the San Diego, California area.

They point out that this is simply part of the thinking flowing out of the NAWAPA plan. They know that at present the federal government has no legislation prohibiting the diversion of Canadian waters to the United States and therefore they are simply asking the government to state categorically that it will not permit our fresh waters to be dammed and diverted into the United States. They want the government to state that Canadian rivers and lakes are not for sale.

JUSTICE

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I have a petition signed by 800 of my constituents in memory of Dawn Shaw, a little girl who was raped and murdered in the Comox Valley.

The petitioners have indicated their concern that children are increasingly becoming victims of sexual assault and they have proposed a number of measures to make our community safer for children. One measure is DNA testing of persons suspected of sexual assault.

HOUSING

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I rise today to present a petition from a number of constituents in my riding who are concerned about co-op housing in this country.

The petitioners say that many Canadians have experienced serious housing problems and that the government terminated the federal co-operative housing program on February 25, 1992. They state that this action eliminated 2,000 new co-op units for 1992 alone, along with 4,000 construction and manufacturing jobs for the same period.

They state that the indexed linked mortgage introduced in Canada by the co-op housing sector has substantially reduced the cost to the government of producing non-profit co-op housing. They state that there are approximately 164,000 renter households who want to move into co-op housing due to the success of the program in creating affordable and stable mixed income communities.

The petitioners therefore call upon Parliament to urge the government to immediately reinstate the federal co-operative housing program and to commit the $6.1 million to the program which had been planned for 1992 to permit approximately 2,000 co-operative housing units to be sponsored this year.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, my petition concerns the government cut in social housing by 34 per cent.

As a result of that cut many of the housing programs have been cancelled. There is a need for a strong federal presence in housing programs in order to ensure equal access to adequate and affordable housing, to which all Canadians have a right.

I join with my constituents who are calling on Parliament to urge the government to restore its planned commitment to social housing by reinstating many of the programs that it has cancelled.

GOODS AND SERVICES TAX

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, petitioners from across Canada are asking that the government remove the goods and services tax on books and other reading materials.

They point out that there has been a zero rate of tax since Confederation. They also emphasize that education is the cornerstone of increased productivity and increased competitiveness. They conclude by saying that the government ought to review its policies with regard to this tax.

[*Translation*]

LANGUAGE USED IN RADIO AND TELEVISION BROADCASTING

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have a second petition. The petitioners ask that Parlia-

ment regulate the language used in radio and television broadcasting.

They point out that often the crude language used in broadcasting conflicts with what parents are trying to teach in their homes. Finally, they state that it is not necessary to use such poor language to inform people.

[*English*]

SENIOR CITIZENS

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, pursuant to Standing Order 36 I have the honour and privilege to table petitions from Canadian senior citizens from across Ontario.

These petitioners complain that thousands of Canadian senior citizens live below the poverty line and that over 80 per cent of single women over the age of 65 live in poverty. They complain that the 37 cent increase in old age security pensions in April 1992 is inadequate to meet the many needs of Canadian seniors and say that the federal government has a primary responsibility to ensure the adequacy of seniors' pensions.

The petitioners call upon Parliament to urge the government to ensure that Canadian old age security pensions are sufficient to meet the basic needs of Canadian senior citizens.

This petition is presented in the two official languages.

* * *

• (1610)

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. 286, 396, 402, 408, 414, 419, 424, 429 and 431.

[*Text*]

Question No. 286—**Mr. Whittaker:**

Since January 1, 1989, with respect to the Immigrant Investor Program of the Department of Employment and Immigration (a) have any complaints been received by the department concerning possible illegal or improper activities by funds established under the program and, if so, (i) how many involved allegations of illegal activities or violations of the laws establishing and governing the program (ii) how many were referred to the RCMP or other enforcement bodies for action (b) have any of the funds approved for this program been deregistered by the department?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Since January 1, 1989, (a) yes; (i) approximately 22 complaints have been received by the department; (ii) of this number, 6 have been referred to the RCMP or another enforcement body for action; (b) yes.

Question No. 396—**Mr. Angus:**

With regard to the board of directors of CN Rail for the years 1988, 1989, 1990, 1991 and 1992 to date, (a) what were the names of the members of the board, and for each of them what were the total fees paid per year, what were the individual travel costs, and how many meetings did they attend; (b) what is the total annual cost for the office of the chairman of CN Rail, including salaries, travel expenses, entertainment, communications, personal accomodation, et cetera; (c) what did it cost to furnish and refurbish the office of the chairman and the chairman's staff; (d) what does it cost per year to provide a limo service including a driver for the chairman, and how many hours was the limo used by the chairman, and who else uses the limo?

Hon. Jean Corbeil (Minister of Transport): The management of the Canadian National Railway Company (CN) advises as follows:

(a) 1988
Brian O'N. Gallery
Ronald E. Lawless
Alfred J. Bentley
Jacob Brouwer
George T. Cooper
Guy Coulombe—appt. June 7, 1988
Eugene Demkiw
Janis Johnson
Marie Marchand—until June 7, 1988
Emerson Mascoll
Yvon R. Poitras—appt. May 26, 1988
Cheryl J. Stagg
George Urquhart—until May 26, 1988

1989
Brian O'N. Gallery
Brian R. D. Smith—appt. Nov. 15, 1989
Ronald E. Lawless
Alfred J. Bentley
Jacob Brouwer
George T. Cooper
Guy Coulombe
Eugene Demkiw
Janis Johnson
Emerson Mascoll
Yvon Poitras
Francis J. Ryan—appt. Oct. 15, 1989
Cheryl J. Stagg—until Oct. 12, 1989

1990
Brian O'N. Gallery—until Feb. 1, 1990
Brian R. D. Smith
Ronald E. Lawless
Alfred J. Bentley
Jacob Brouwer
George T. Cooper
Guy Coulombe
Eugene Demkiw
Janis Johnson—until Sept. 27, 1990
Emerson Mascoll
Maurice Mayer—appt. May 5, 1990
Yvon Poitras
Francis J. Ryan

1991
Brian R. D. Smith
Ronald E. Lawless
Alfred J. Bentley
Jacob Brouwer
George T. Cooper
Guy Coulombe
Eugene Demkiw
Emerson Mascoll
Maurice Mayer
Stuart A. Murray—appt. Jan. 9, 1991
Yvon Poitras
Francis J. Ryan

January 1, 1992—September 9, 1992

Brian R. D. Smith
Ronald E. Lawless—until July 1, 1992
Alfred J. Bentley
Jacob Brouwer
George T. Cooper
Guy Coulombe—until July 1, 1992
Eugene Demkiw
Emerson Mascoll
Maurice Mayer
Stuart A. Murray
Yvon Poitras
Bernard Roy—appt. July 1, 1992
Francis J. Ryan

With regard to the question of CN Rail board of directors expenses and remuneration, the following information is provided: There are 12 directors on the CN board.

In 1988 part-time directors were each paid a fee for services as a director at the rate of $5,000 per annum and additional fees of $250 per day for each day on which they respectively participated in one or more meetings of the board of directors or any committee thereof.

Between 1989 and September 1992 part-time directors were each paid a fee for services as a director at the rate within a range of $5,600 to $7,000 per annum and additional fees within a range of $450 to $600 per day for each day on which they respectively participated in one or more meetings of the board of directors or any committee thereof. The chairman of each of the five standing committees of the board of directors received an additional $3,000. In 1992 this fee was reduced to $2,000. Directors were also compensated for travel time relating to attendance at meetings.

Remuneration and expenses relating to the administration of the CN board are well within the levels found in the private sector.

(b), (c) and (d) with regard to administrative expenses, CN does not report this information as it is regarded as proprietary.

Question No. 402—**Mr. Axworthy:**

Were meetings convened at the Privy Council Offices between March 1 and May 31, 1989, at which were present, (a) Bruce Howe from the Department of Energy, Mines and Resources (b) Robert Blackburn from the Department of Energy, Mines and Resources (c) Harry Rogers from the Department of Industry, Science and Technology and, if so, what were the specific dates of the meetings at which any or all of these officials were in attendance?

Mr. Len Gustafson (Parliamentary Secretary to Prime Minister): In so far as can be determined, Messrs. Bruce Howe, Robert Blackburn and/or Harry Rogers attended meetings at the Privy Council Office between March 1 and May 31, 1989 as identified as follows:

PCO Meetings with Messrs. Blackburn, Howe and/or Rogers

A) & C) Deputy Ministers' Breakfast or Luncheon Meetings:

Wednesday, March 8, 1989
attended by Howe and Rogers

Wednesday, March 29, 1989
attended by Howe and Rogers

Wednesday, April 12, 1989
attended by Howe and Rogers

Wednesday, April 26, 1989
attended by Howe and Rogers

Wednesday, April 28, 1989
Probably attended by Howe and Rogers (no record of over-all meeting attendance)

Friday, May 4, 1989, Deputy Ministers' Luncheon Meeting
attended by Rogers

Wednesday, May 10, 1989
attended by Howe and Rogers

Wednesday, May 17, 1989
attended by Howe and Rogers

Note: Mr. Blackburn was not a deputy minister during the period specified.

B) Other meetings:

Thursday, March 16, 1989
attended by Robert Blackburn

Monday May 10, 1989
attended by Robert Blackburn

Question No. 408—**Mr. Harvard:**

Has the government undertaken a study on the impact of the proposed merger between Air Canada and Canadian Airlines and, if so, what did the study conclude in relation to a) the number of employees who will lose their jobs b) the level of services for the flying public c) the number of routes that will be dropped d) the level of air fares?

Hon. Jean Corbeil (Minister of Transport): The government was awaiting a final joint proposal from Air Canada and PWA including information on the impact on workers before undertaking any formal studies of the implications of a proposed merger. As the member is aware, the boards of directors of both companies in October rejected the draft merger proposal. Therefore no specific study on the impact on employees, level of service, reduction in number of routes or level or air fares has been conducted.

Question No. 414—**Mr. Simmons:**

Has any action been taken by the Department of Transport (Canadian Coast Guard) relating to the concern expressed by the Auditor General in his 1978, 1983, 1989, 1990 and 1991 reports to Parliament over "the need to define levels of service for the ice-breaking program and to determine the size of the fleet of ice capable vessels needed to provide these levels of service" and, if so, a) what was such action b) is a "needs and options analysis based on defined levels of service" now conducted prior to the approval and disbursement of "major capital expenditures" as recommended by the Auditor General?

Hon. Jean Corbeil (Minister of Transport): Yes.

(a) Initial work began on Canadian Cost Guard (CCG) levels of service in the late 1970s in response to concerns of the Auditor General, Treasury Board and Transport Canada internal audit. Several program evaluations and economic impact studies were initiated by CCG and carried out by groups such as the Bureau of Management Consulting, Sypher-Mueller Int. and Hickling Management Consultants. These studies confirmed the importance of the CCG's ice-breaking services to the marine community.

The Canadian Coast Guard issued an initial ice-breaking operations levels of service (LOS) document in October 1990, with instructions that the document was to be used for ice-breaking activity management and that it would be refined for continuing application thereafter. The LOS document provides clear definitions of ice-breaking services that clients can expect. In simple terms it describes the what, where, when, how much and how fast, as well as limitations on and priorities for the available services. The LOS document is supported by data obtained from the ice-breaking Operations Data Information System (IODIS) and was refined on the basis of experience gained during the 1990-91 ice-breaking seasons in the Arctic and eastern Canada. During the fall of 1992 consultations were undertaken to make clients aware of the levels of ice-breaking services provided by the CCG and to solicit their comments on the program. Initial feedback from clients has been positive.

In order to respond more effectively to broader responsibilities in the areas of safety, statutory requirements and environmental protection, the Coast Guard has implemented a five-phase fleet restructuring plan (FRP) spanning the 1991-1994 period. The Auditor

General's comments were carefully considered and incorporated in the development of the FRP. The major points of this plan involve the redeployment of 10 ships between regions and the removal of 10 ships from active service. The outcome of the FRP is to better match ship capability including ice-breaking capability to operational demands and geographic locations to meet the client needs.

(b) A needs and options analysis based on levels of service has not yet been conducted, as there have been no major capital expenditures in recent years. However, this analysis will be carried out on any future fleet capital projects such as new vessel construction or mid-life modernizations before these projects are submitted to Treasury Board for approval.

Question No. 419—**Mr. Duhamel:**

With respect to the proposed merger between Air Canada and Canadian Airlines International has the government undertaken a study on the impact upon workers and, if so, (*a*) what did the study conclude in relation to the number of Winnipeg based employees who may lose their jobs (*b*) were there any recommendations to protect the consumer from harmful monopolistic practices resulting from such a merger?

Hon. Jean Corbeil (Minister of Transport): The government was awaiting a final joint proposal from Air Canada and PWA including information on the impact on workers before undertaking any formal studies of the implications of a proposed merger. As the member is aware, the boards of directors of both companies in October rejected the draft merger proposal. Therefore no specific study on the impact on employees, level of service, reduction in number of routes or level of air fares has been conducted.

Question No. 424—**Mr. Comuzzi:**

With respect to the 1992 referendum, for the entire referendum period has the government given contracts to companies to supply paper and/or printing for all documents for the purpose of distribution to the electorate and, if so, which companies received the contracts?

Hon. Paul Dick (Minister of Supply and Services): With respect to the 1992 referendum, for the entire referendum period Canada Communication Group awarded contracts to the following companies to supply paper and/or printing for all documents for the purpose of distribution to the electorate:

Dartmouth Free Press	Bradda Printing	Lowe Martin Co. Inc.
Interglobe Inc.	The Runge Press	Yorkville Press Co. Ltd.
Translitho	Metropole Litho Inc.	Dollco Printing
Copieurs Rive Sud	Transcontinental Prestige	Capital Box of Ottawa Ltd.
St. Joseph Printing	Kromar Printing Inc.	Ronalds Printing Inc.
Love Printing Services Inc.	National Printer Inc.	

Also standing offers for the following companies were utilized: Noranda Forest Recycled Papers and Inter-City Papers Ltd.

For the purpose of this response "referendum" was presumed to mean the Charlottetown accord and the "entire period" was from October 1 to October 26, 1992.

Question No. 429—**Mr. Nowlan:**

With respect to the contract between Supply and Services and the Rider travel group for government travel (a) does the Rider travel group use the Sabre Reservation System and, if so, what is the charge for each reservation segment (b) what in total has been paid on a monthly basis to the Sabre Reservation System since the contract has been awarded?

Hon. Paul Dick (Minister of Supply and Services): With respect to the contract between Supply and Services and the Rider Travel Group for government travel. (a) the Rider Travel Group uses the Sabre reservation system to make reservations for government travel. There is no charge to the government for making these reservations. Both Sabre and Gemini receive their revenue from the supplier that is hosted (i.e. listed) in the system. In the case of airlines this would be on a segment basis while it would be based on the number of reservations made for hotel and car rental companies; (b) no money has been paid to Sabre for government travel by either Rider Travel or the government.

Question No. 431—**Mr. Nystrom:**

With respect to Canada Pension Plan survivor pensions and combined survivor retirement pensions, for the most recent period available what is (a) the number of recipients for each age group of (i) under 35 (ii) 35-39 (iii) 40-44 (iv) 45-49 (v) 50-54 (vi) 55-59 (vii) 60-64 (viii) 65 and older (b) distribution percentage for these age groups?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Distribution of survivors' pensions and combined retirement-survivors' pensions by age are as follows:

November 1992

Age	Survivors' pensions		Combined Survivors'—Retirement Pensions	
	Number	Per cent	Number	Per cent
-35	5,687	0.87%	n.a. *	n.a. *
35-39	9,105	1.39%	n.a.	n.a.
40-44	15,892	2.43%	n.a.	n.a.
45-49	24,164	3.70%	n.a.	n.a.
50-54	32,776	5.02%	n.a.	n.a.
55-59	47,346	7.25%	n.a.	n.a.

	Number	Per cent	Number	Per cent
60–64	73,366	11.24%	25,450	9.59%
65+	444,407	68.08%	239,818	90.41%
Total	652,743	100.00%	265,268	100.00%

Source: Income Security Programs Canada Pension Plan
Health and Welfare Canada

* n.a. — not applicable

[*English*]

Mr. Speaker: The questions as enumerated by the parliamentary secretary have been answered.

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

Mr. Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

Mr. Duhamel: Mr. Speaker, I am seeking some guidance from you.

I had submitted a question to the Order Paper on December 12, 1991 which read as follows:

> What is the total amount of revenue collected by the government from the goods and services tax since January 1, 1991 and what has been the total amount spent on (a) advertising (b) tax credits (c) GST rebates (d) set-up costs (e) other expenses associated with the implementation of this tax?

A second question reads as follows:

> What is the total of GST revenue placed in the debt service reduction account and what is the current balance of the account?

I have been rather patient with the government on this. I have raised it several times in this House. It seems to me that well more than a year later I should have received a response to those particular questions. They are not extremely complex. They only require numbers. I would like to know if this is ever going to happen. Why has it not happened? What is being hidden here?

Surely those answers are available to the Government of Canada so that I can share them with the people of Canada.

Mr. Edwards: Mr. Speaker, I think that my hon. friend and I have had an exchange about at least one of these questions before.

I have done some checking in anticipation of these questions, to be honest. The second question he refers to, concerning the debt reduction account, is one that I think was answered in the economic statement of the Minister of Finance. I do not say that in order to be provocative or flip. I more or less share my hon. friend's impatience because that is a fairly straightforward question to be answered. We will get after that one with all kinds of dispatch.

With regard to the first question to which my hon. friend refers, that is a much more complex question. There are many aspects to it. There is a lot of work involved in it and a lot of work has been done in preparing the response. I am told that work is almost complete. I hesitate to give a date but I can tell my friend that there are a lot of people working on preparing a response to his question.

Mr. Speaker: I am in receipt of a notice of motion under Standing Order 52 from the hon. member for Winnipeg—St. James. I also have a similar application under Standing Order 52 from the hon. member for Moose Jaw—Lake Centre.

In terms of time received the hon. member for Winnipeg—St. James was first. I will hear the hon. member.

* * *

MOTIONS TO ADJOURN UNDER S. O. 52

AGRICULTURE

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, pursuant to Standing Order 52, I wish to propose a motion to adjourn this House for the purpose of discussing an urgent and pressing matter, namely the severe income crisis which is devastating farmers and threatening their security and future on the land.

Income is expected to plummet nearly $1 billion this year. That is a drop of over 20 per cent. The average farm family in Saskatchewan can expect only $4,000 in net on-farm income this year. I believe this to be an urgent issue and I also believe that it is appropriate for this House to set aside time to discuss this pressing matter.

Point of Order

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I also wish to give notice of my intention to move the adjournment of the House pursuant to Standing Order 52 to discuss a specific matter requiring urgent consideration, namely the plight of agricultural producers not only in western Canada but right across this nation.

These individuals and families are in desperate need of funding to see them through the winter and to ensure that a crop is planted in the spring. Some 13,000 people recently gathered in Saskatoon to express the need for immediate action in agriculture. This was the largest rally in the history of Saskatchewan and quite possibly in the country. They expressed the desperation that many farm families feel with respect to their future. It is essential that this House enter into a discussion on this disastrous situation and that this government move to take some direct action.

The situation is deep. It is wide spread and it is certainly not limited to Saskatchewan. Because of the dimension and the depth of the agricultural crisis, leadership must be initiated by the federal government.

It is my belief that if we do not immediately deal with this issue, thousands of farm families will be forced from the land, creating social and economic hardships of extreme proportions.

SPEAKER'S RULING

Mr. Speaker: I thank both the hon. member for Winnipeg—St. James and the hon. member for Moose Jaw—Lake Centre for their succinct but nonetheless satisfactory notices because it puts the Speaker in the position where there is no question as to what is being raised.

The Chair is not unaware at all of the matters raised and of course from what proceeded in the House this afternoon during Question Period, it is clear that the House is cognizant of the difficulties.

That being so, however, I do not feel that it is appropriate today to move on an emergency debate which would set aside the business of the House.

I thank both hon. members for raising this matter which I am quite sure is deemed as serious by the House of Commons.

The hon. member for Sault Ste. Marie also has a matter to raise.

STEEL INDUSTRY

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I rise pursuant to Standing Order 52 as well to request that the House be adjourned to discuss the crisis in the steel industry in Canada. The reciprocal trade actions in the past several days initiated by the United States and Canada bring to the forefront once again the dire circumstances of our Canadian industry.

The loss of 12,000 steel jobs in Hamilton and Sault Ste. Marie alone over the past four years reflects the situation which will only be aggravated by these actions.

The Minister for International Trade has been rebuffed in his attempts to forge a new bilateral agreement, thus leaving the industry in uncertainty and under immediate risk.

I believe an emergency debate on the status of the steel industry in Canada is both timely and essential.

SPEAKER'S RULING

Mr. Speaker: I thank the hon. member for Sault Ste. Marie for giving the Chair notice of this matter. As I remarked with respect to the applications brought by the hon. member for Winnipeg—St. James and the hon. member for Moose Jaw—Lake Centre, I am sure that the House is aware of the matters raised by the hon. member and as hon. members will recall, the House exchanged both questions and answers on the matter today.

Under the circumstances, taking nothing away from the fact that it is of a serious matter, I do not believe it appropriate to adjourn the House for a special debate at this time.

* * *

[*Translation*]

POINT OF ORDER

MOTION OF MEMBER FOR EDMONTON EAST

Hon. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I rise on a point of order.

Earlier in our proceedings we agreed to a motion by the hon. member for Edmonton East congratulating Ms. lang. Obviously the entire House joined in these congratulations; however, if memory serves me well, I would like, for the future—

[*English*]

I look at my hon. friend ready maybe to answer, but I am talking about the future.

[*Translation*]

In the past we had motions under Standing Order 43. At any time members would rise at the beginning of our proceedings to ask for unanimous consent for all sorts of good causes, and it would be quite embarrassing and very difficult for members to object. Furthermore, that was potentially embarrassing for the government because of possible international implications or, if the cause were noble, consent might be refused because one or two members were not in a responsive mood that day. I thought that was unfortunate. Standing Order 43 made it possible for any member to rise on an urgent or important matter.

Members addressed the issue.

• (1620)

[*English*]

By the way, the new Whip of the government, like others before him, decided that maybe we should look into that rule that was abused by the House. That is where in protecting the right of backbenchers we came to the conclusion that we should have a new article 31 *Déclarations de députés*, known in English as Statements by Members, for 15 minutes. In this way a member did not have to beg his colleague to put something to the House, to congratulate or defend or attack. Mr. Speaker would be the master of the good taste of the statements raised by members.

Over the years we have ameliorated our practice in the House. I see it today and I have seen it earlier too. It has nothing to do with what we did a moment ago. I am thinking of the future. In the British law, precedent sometimes is so strong that it becomes the rule. If we allow too many precedents, that will become the new rule.

I do not know if it is the mood of the House not to have statements by members. As a matter of fact, there may be some reform where we may have more statements by members. I do not want a long debate, but I would like to submit to you, Mr. Speaker, for your reflection and maybe for later comments that it may not be appropriate for members.

I would have liked to know there was such a statement where I would be asked for my consent. It is difficult on a moment's notice to give consent. This may be acceptable to all members, but what if it were to be divisive? What if members are not present and they need not be present—they could be in their offices—because nobody gave them notice of a very important matter that could be raised at that time where it is not customary now? I do not need and you do not need to be there for statements by members. It is the members who choose what they want to raise in the House. I am a defendant of more rights for the member. But when I am asked for my consent I would like to know before I give it what is going on, what are the implications.

In this case, I repeat that we all agree that we were happy for Madam lang for the great honour she has given Canada. That has nothing to do with the question I am raising, but I am using this opportunity to bring it to your attention, Mr. Speaker.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): On the same point of order, Mr. Speaker. I agree with my hon. friend that what was accepted as a motion might better have been put under Standing Order 31.

I did not raise an objection on behalf of the government at the time that unanimous consent was sought, although to be strictly true about it and strictly accurate, there was not proper consultation on the matter. There was a letter circulated today by the hon. member, informing the government and others of the hon. member's intent and asking for co-operation. I do not think that constitutes consultation. However, consent was not withheld from this side because I think to have done so would have been small-minded.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, as House leader of the member who first initiated this particular request, I feel an obligation to reply. I do believe that my hon. friend has raised a very important point. Considering the nature of the request and the nature of the motion today, as he said, I do not think there is any difficulty. It is not something that we would find divisive in the House. Indeed, consultation perhaps left something to be desired. I asked the hon. member whose suggestion it was to ensure at least in writing that the appropriate House leaders would be apprised of this intent.

The case, however, still remains that there were many members presumably at the time who had not been informed, were not consulted, and consequently on another issue it could be very divisive and we find certain members not being able to respond with the enthusiasm that they would normally wish.

May I suggest that the point raised by my hon. friend be simply transferred to the House management committee and have it examine this. Again, I would not want to see this practice continued and made a routine during Routine Proceedings.

[*Translation*]

Mr. Speaker: I wish to thank the hon. member for Saint-Denis for raising a matter of the utmost importance for the procedure of this House.

I noticed that he mentioned the word precedent and the importance of precedents.

[*English*]

I know that members would allow me to share with all who are here this afternoon what Dean Swift, the famous English author, said of precedent over 200 years ago. He said this: "Lawyers are a race of men among us who believe that anything that has been done before may legally be done again". It seems to me that his comment is perhaps apposite for the discussion that is taking place.

On behalf of the hon. member for Edmonton East, I did receive a letter from him. He did circulate it to some people in the Chamber and I think his intention was to try to get the word around that he was going to move this motion. In the result the House acceded to it.

The difficulty comes when perhaps we might be on a much more divisive matter. That puts the Chair in a very difficult position. If the Chair allows members to use motions as they once used the old Order 43, as the hon. member for Saint-Denis has pointed out, I think we may be headed for some difficulty in the Chamber because some members might get up and say that given the fact that the orders were changed some years ago to deal with this very matter, it is not appropriate that the Chair allow motions to proceed as the motion did this afternoon.

I thank the hon. member for Kamloops for suggesting that the matter go to the House management committee. I certainly understand and thank the hon. member for Edmonton Southwest, the parliamentary secretary, for his comment and I think the House probably also appreciates it. I am sure the hon. member for Edmonton East appreciates the fact that the hon. member for Edmonton Southwest did not object to this particular motion this afternoon.

However, I would ask hon. members to keep in mind that on a more divisive matter, I think the Chair would be right in the middle of the crossfire. Therefore I accept the invitation of the hon. member for Kamloops. On behalf of hon. members who are here this afternoon I will write the appropriate letter to the House management committee referring this particular rule to the members of that committee.

I thank the hon. member for Saint-Denis.

* * *

[*Translation*]

AUDITOR GENERAL

TABLING OF REPORT

The Acting Speaker (Mr. DeBlois): I have the honour to lay upon the table the Auditor General's Report to the Senate and the House of Commons on Matters of Joint Interest.

GOVERNMENT ORDERS

[*Translation*]

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; and the amendment of Mrs. Finestone.

The Acting Speaker (Mr. DeBlois): When the debate was suspended the hon. member for Ottawa West had the floor.

[*English*]

You have 17 minutes left.

[*Translation*]

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I welcome this opportunity to resume my comments on Bill C-93 and more specifically its impact on the Social Sciences and Humanities Research Council.

• (1630)

[*English*]

We hear a great deal of rhetoric from the government concerning the management of change. I do not think anybody in the Chamber would dispute that the Social Sciences and Humanities Research Council is an important part of that approach to the future.

We know that the world of the future—Canada's future economically—will depend particularly on developing the service and information sectors of our economy. That depends on the expansion of knowledge in all fields. It depends on us having a commitment to the expansion of knowledge in science and research and in all fields.

It includes having a commitment to the development of expertise in a variety of fields as well as retaining the expertise that we have—our brain power—and developing international links to ensure that that can happen. Canadians must be able to learn in Canada and do research in Canada, but be well plugged in to the international scientific community and continue to practice in Canada as well.

We have been through a period in this country—I go back to the sixties for my first experience of it—when we did not have expertise in a variety of domains and continually had to import expertise and knowledge from other countries.

Now, 30 years later, we are looking at a situation where many of the people who came to this country at this time to contribute their knowledge and talents to Canada are saying to their children, who are now interested in various fields of science as well: "If you want a future as a scientist, do not stay in Canada. Go somewhere else".

We have seen what has happened to the National Research Council. We have seen the abandonment of the Science Council. I want to put this in a context because the Social Sciences and Humanities Research Council plays as important a role in the development of our future as the development of the physical sciences.

The move proposed by the government to put the Social Sciences and Humanities Research Council under the Council for the Arts in Canada shows a very limited view of the important role of this council. That is not in any way to denigrate the role of the Council for the Arts in Canada because it plays an important role, but it is a different role.

The science and humanities are linked in a very important way to the physical sciences. The important direction or trend in the development of human knowledge is the integration of different fields of science.

As I began to say before Question Period, the kinds of issues that we need to face increasingly mean that technical advancement does not come without repercussions throughout society. The management of technological change is more than a question of physical sciences. It is also a question of changes to the individual in society, changes fundamentally to our economy and changes to our society in a collective sense.

The importance we are giving now to the environment is a good example. Managing the problems of global destruction are more than a question of science in the traditional sense or the physical sense. It is very clear that if we are going to avoid the terrible damage that we have seen in our atmosphere, water and soils, we need to address the social dynamics as well as the physical dynamics.

In the field of biomedical science, it is not a question simply of technical advances, it is a question of how those technical advances are used. It is a question of what changes those bring to society as a whole. We only have to look at the question of reproductive technology to know that it is more than issue of developing the technology. It is also important to look at the social and personal implications of those developments.

When we talk about the development in the physical sciences of the ability to manipulate the very matter by which life is formed we know that it is not enough to deal with that knowledge as a physical science. The social implications of that science are equally important.

When we talk about a changing world in which lifelong training and education are going to be necessary, we know that more attention to society and humanity and how we adapt to change is vital if Canada is going to

profit from opportunities of the future without leaving our people behind. Adjustment brings with it more than dollar and business implications. It brings with it adjustment and turmoil.

We know we have a young generation that is facing more difficulty than previous generations in finding a place in that new economy. We know that we have a rising level of violence and racism. We know that whether we are going to be able to have the brains and talent we need to have in this country in the future depends on dealing with the issues of poverty. We know that we have an increasingly aging population that is going to require a different approach in many social policy areas.

We know that the future requires bringing many different fields of knowledge together and an increasing emphasis on the social and human implications of change. That is one of the important roles of the Social Sciences and Humanities Research Council. It is to ensure that we are understanding change, not just from the narrow physical science point of view, but from the broader implications for society as a whole. We are dealing with the disruption and the change to society that comes from progress in science.

We know it is important to set new economic directions. When change is occurring so rapidly, it is no longer enough to react to change. We know it is important to develop links both ways between the social sciences and the arts, as well as between the social sciences and the physical sciences.

Submerging one council in the other deprives both of the recognition of the important role they play in Canadian society. That certainly deprives the Social Sciences and Humanities Research Council of its ability to reach out to all fields of knowledge and to play the important role it should be playing as we plan our future.

Dealing with these issues requires leadership. It requires an understanding that the role of government is to provide that leadership. Instead we have seen the dismantling of the tools—in other bills that have come before us—by which that leadership has been provided. I have referred to the science council. I have referred to the economic council and the council for oceans development. We have lost a number of institutions that I believe are important for Canada to seize the opportunities the future offers.

Understanding government and knowing what government is doing is an important part of that. Regrettably, one of the members who spoke earlier displayed, I think, an abysmal lack of knowledge about how government works.

The member for South Shore said something like what is the point of "the entire Government of Canada being in Ottawa?" If members of the government do not know that over 70 per cent of government offices and employees are not in the national capital region, then I am not quite sure how they expect to govern the country. If these members do not know that over 70 per cent of the people who work for the Government of Canada are in centres throughout the country, then they clearly might have a little difficulty deciding how to govern better.

• (1640)

If the member does not know, for instance, that there are 18,000 employees in the Public Service in Halifax, 12,000 in Vancouver, 20,000 in the Montreal region and 9,000 in Edmonton, he obviously is clearly uninformed about how government is operating now. I would have trouble having confidence in his ability to improve it.

The second point I want to make is that in exercising leadership the government has talked a great deal about partnership and consultation. It is all rhetoric. We have not had, in this major reorganization, the means to develop the intellect of our country, which is certainly our most important capital for the new era.

There has been no consultation whatsoever with the scientific community on these changes. What does that say about the commitment to partnership and to consultation? It undermines totally everything the government has said it planned to do in its prosperity agenda that spoke a great deal about partnership and consultation. It spoke a great deal about the need for science, research and technology development, yet we see a major change in that field without any partnership and without any consultation.

We may or may not be seeing a cost savings in this. The government has admitted as much. I think it is rather arrogant for a government in the last few months—possibly even the last few weeks of a mandate—to reorganize the structures of government and the structures by which Canadians are served.

I want to take just a few minutes to speak about the Cape Breton Development Corporation, which is another of the bodies dealt with in this bill. As I see it, one of the key elements in our future is to develop the abilities of communities to meet their own future needs and to develop their own future certainly with the partnership and the support of their federal and provincial governments.

If we believe that communities know their own strengths, people and opportunities best, then to fold an important agency like the Cape Breton Development Corporation into a larger regional agency seems to me to be going in the wrong direction.

I wanted to particularly refer to a comment made by the Solicitor General in response to one of my colleagues speaking on this very issue. It was the member for Cape Breton Highlands—Canso who was talking about the rising unemployment and the serious economic situation in Cape Breton. I am sure that situation is even worse now with the problems in the steel industry. In response to that the Solicitor General said: "That is because they vote Liberal".

The idea that a region should be punished because of how it votes is something that goes back to the day after the 1988 election when a well-known member of this House chose to say that Ottawa was going to be punished for voting Liberal. This is a democracy. People have the right to vote how they want to vote and still be entitled to the support of their government. I found that comment so offensive that I did have to refer back to it.

We see a disregard for people in this bill. We have no idea. Some people are coming from the Public Service, some people are coming from one council and some people are staying with the new council to be formed. We have again the government operating a kind of shell game when it says it is getting rid of employees in the Public Service. It is not really. It is just moving them out of the Public Service and into another agency which will continue to be funded by public dollars. This kind of diversion and pretence really does not solve the problems of the country.

I also want to challenge the idea that bigger is necessarily better. Bigger agencies often just mean more levels of administration, reporting and accounting and not more productivity.

We have before us a poorly thought out bill. It was done with no consultation with those who are most directly affected and with the arrogance of a government that thinks it knows best for everybody and does not have to listen to anybody else.

We are abandoning a number of agencies that perform an increasingly important function as we face a changing future.

Hon. Tom Hockin (Minister for Science and Minister of State (Small Businesses and Tourism)): Mr. Speaker, I would like to make a few comments with regard to the remarks just made. It is important that we be practical about what is going to happen under the various headings that the hon. member covered.

First, in terms of the amalgamation of the Canada Council with the SSHRC it is important to remember that the new council that will be formed will remain at arm's length from the government. The council will have full latitude to plan and establish its priorities to fulfil its mandate. The merger will also not affect the amount of support delivered to the two client groups. There was some intimation that might happen. That will not happen.

Funding for each group remains clearly distinct and the peer-review system for each will be maintained. The mechanism to do all this is still under discussion, but it is important that I put those comments on the record.

There will be some savings. Clearly the council itself will be smaller and there will be some other savings which I hope the hon. member supports. Her leader speaks about decreasing the deficit but I still have not found out how they will do it. This is one action that helps in a small way.

More important, she gave the impression that the granting councils are somehow under special attack. The truth is that this government has probably spent more money on native issues and science and technology than almost any other category of the federal government jurisdiction. Even the 10 per cent cuts on grants and

contributions announced in the last statement will not affect the granting councils.

The granting councils are not being affected by that 10 per cent cut. They went from four to zero but they will not be cut the whole 10 per cent, as is the rest of the government. This was our way of saying that this is a very special category.

It is also important because people lose track of this historically. Since we became the government in 1984 the research budget for the granting councils has increased 60 per cent. That is a huge increase given the tremendous fiscal pressures on the government.

It is important too, and this was not mentioned, that we remember that the Canada Scholarship Program has awarded over 12,500 scholarships valued at over $30 million to encourage students to study science at university. More than half of these have gone to women. We are providing more funds to the Industrial Research Assistance Program. We are permanently extending the networks of centres of excellence program which everybody salutes as a very good way to focus research.

There is also the Canadian Space Agency, drug research and the green plan. It is important to know what we have done to stimulate R and D spending through tax incentives. We are approving R and D tax incentives which will provide further R and D support of $230 million over the next five years. We are making it easier for Canadians to use federal science programs. Finally we have set aside $400 million to correct areas in which the tax system may slow the adoption of new technologies.

Science and technology are very important to this government. It is important that these points be made during this debate.

Mrs. Catterall: Mr. Speaker, I think the minister gives credence to my comments with some of the figures he has provided. For example, there is the 60 per cent increase since 1984. That is over a period of eight years and is less than the rate of inflation. That is an effective drop in spending power.

• (1650)

Second, the government's total commitment to science and research has declined not increased. I would not want the minister to leave an untrue impression with anybody by suggesting that it has increased. It is also really important that the minister is now saying that they are consulting on mechanisms. The time to consult is before one makes a mistake and not after.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, does the hon. member know that the new minister of science and technology talked a great deal about his government's policies with respect to science and made claims about its scientific expenditure and so on?

I do not think that was really the issue raised by the hon. member. I thought the hon. member was trying to pursue the question that was not answered, which was: What is the logic, the justification for combining SSHRC with the Canada Council? Precisely, what will be the savings? Who asked for it? Whose idea was it? How do these justifications compare with the abundant arguments that were advanced in favour of the separation in the first place in 1978?

Answers to none of those questions were provided by the hon. minister. The reasons are likely clearly identified by the hon. member. The hon. minister does not know why.

Mrs. Catterall: Mr. Speaker, if I may quickly respond. I thank the member for putting very clearly the crux of the argument I made.

It is fine for the minister to stand up and say that this is going to save money. It would be rather interesting if any information might be presented to the House to demonstrate that. My experience is that when one reorganizes for the sake of reorganization one brings the work of an organization to a grinding halt and ends up spending a great deal of extra money, not saving money. If the minister or government has information to the contrary then it would be nice if it were tabled in the House.

There was a great deal of consultation in the mid to late 1970s which led to the establishment of a separate council responsible for social sciences and humanities research. That was done in broad consultation with all affected parties across this country. Now we have an arbitrary move by a government that wants to move for the sake of being seen to move. It has provided no justification whatsoever for this move.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, first of all I would like to thank the hon. member for a most interesting speech.

[*English*]

It would seem to me that we need to stress again, and I wonder if my colleague would like to comment, that there has not been any deep reflection on this bill. The government is trying to suggest to Canadians that eight years after taking power it has finally realized that there were a number of agencies that needed to be *sabrer*.

Where are the dollar savings? Put them on the table. Show us concretely where the effectiveness will be realized. Why did the government not consult? Surely it should ask the people who will be affected. There are at least 15,000 social scientists in Canada. Why would they not be consulted? Could my colleague please comment?

Mrs. Catterall: Mr. Speaker, I thank the member for the question.

I will repeat what I said when I spoke about the abandonment of the Economic Council of Canada, the Science Council of Canada, the International Centre for Ocean Development and a number of others. I repeat it for this council but in a slightly different way.

The government seems to have trouble with any body that provides impartial or objective assessment of priorities and spending in this country.

The Acting Speaker (Mr. DeBlois): The first five hours of debate on the bill have now expired.

[*Translation*]

As of now, there will be a 10-minute maximum for all speeches, without questions and comments.

[*English*]

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, thank you for this opportunity to speak on Bill C-93, which is the Budget Implementation (Government Organizations) Act, 1992. It gives force to a number of mergers and in some instances the elimination of various bodies, as announced in the February budget of last year.

Many of the windings up and mergers are unexceptionable. They include the winding up of the Agricultural Products Board, and the merging of Enterprise Cape Breton with ACOA. That is probably a reasonable thing to do, although we should be cognizant of the comments made earlier by another hon. member arguing that at least Enterprise Cape Breton had the merit of being local in its focus. There should be some effort even under ACOA and the other regional development agencies to ensure that there is local input and some degree of control over economic strategy in their regions.

It also merges the Canadian Commercial Corporation with the Department of Supply and Services. Emergency Preparedness Canada merges with the Department of National Defence. The Copyright Board, the Trademarks Opposition Board and the Patent Appeal Board are merged. The Procurement Review Board is merged with the Canadian International Trade Tribunal. The Petroleum Monitoring Agency's functions are taken over by the Department of Energy, Mines and Resources. The Veterans Land Administration's functions go to the Department of Veterans Affairs.

There are two changes which should raise some questions. The first is the merger of the Royal Canadian Mounted Police External Review Committee with the Royal Canadian Mounted Police Public Complaints Commission. The first of these two bodies deals with grievances and appeals by officers and the second deals with complaints by citizens about bad behaviour or other difficulties with the Royal Canadian Mounted Police.

It is obvious that there is a significant conflict of functions involved in merging these two bodies, which I do not see justified in the arguments of the government for bringing about this change. This issue was cited by my colleague from North Island—Powell River. He highlighted the importance of the Public Complaints Commission in dealing with situations which although not common are all too common for the victims of those occasional instances of inappropriate actions on the part of the members of the Royal Canadian Mounted Police.

Nevertheless, most of these changes are either provided with some justification in terms of functions or in terms of cost. One might find that almost all of these changes, with the exceptions I have noted, could be justified to reasonable people. However, that does not apply to Part III, which was described in the budget as a merger of the Social Sciences and Humanities Research Council with the Canada Council.

Nobody asked for it. There is no justification provided for it. No explanations have been presented to justify it. We heard the minister of science and technology dance all over a justification for it. He suggested that there might be some savings but provided no specifics of what the savings might be.

• (1700)

In fact just about everyone who has any interest in the issue at all very quickly indicated their opposition to this change. They expressed their shock that the government would initiate such a change without any consultation whatever and remain mystified to this day as to why the government would embark on this peculiar little exercise of merging a body that has to do with the support of research in academic institutions in the fields of social sciences and humanities with the Canada Council, which has to do with the support of creative and performing arts in this country.

It took a long time but culminating in 1978, after considerable evolution of the research enterprise in the social sciences and humanities in the universities, we arrived at the conclusion that the activities then included under the Canada Council should be separated to form the Social Sciences and Humanities Research Council. This took place at a time when the National Science and Engineering Research Council and the Medical Research Council were separated from the NRC. Everybody with an ounce of sense thought it was a reasonable change. It was a change that resulted in a development that has been successful ever since.

These folks in their reasoning, as usual shallow as a mud puddle, jumped up with an idea that they were going to save some change. It comes down very simply to a manifestation of the substantially anti-intellectual bent of this government in a time when knowledge has become more important than it ever has been in history. It must be opposed to knowledge because ignorance seems to motivate almost everything it has done in recent weeks and months.

We have opposition from the Canadian Association of University Teachers, the Association of Universities and Colleges of Canada, the Association of Canadian College and University Teachers of English, the National Consortium, the Canadian Federation for the Humanities and the Conference on the Arts. Everybody is opposed to this legislation.

Given that the government cannot in this instance, as in any other instance, be stopped in its momentum for stupidity, these various bodies have said we should try and make this legislation work somehow. One of things they noticed was that right off the bat, after reassuring the academic and arts community that the two separate identities of function would not be lost, that in fact the two would be merged, what we have in the title of the bill and the fact of the bill is in effect a subsuming of social sciences and humanities research under the Canada Council. Even the name of the new council suggests that. As you will note, the new name of this body would be the Canada council on the arts and so on, which means that just about anybody referring to it will be talking about the Canada Council as other activities will be lost in a name which will obscure this separate function.

The associations have suggested at the very least that this government rewrite the bill, not so that SSHRC is merged with the Canada Council, but the two bodies be merged together in a new unit that would not have reference to the Canada Council as the adopting agency. Rather it would give equal status to both in the name of a new agency which would not be shortened to obscure its functions.

The associations also raised the issue of the structure of the governing council.

The minister of science and technology said that the functions will continue and will be at arm's length, and all of that. First of all we have to look at who is going to go on the council of this new organization. Substantially all they have to do is have some familiarity or understanding of the activities in which the council is going to be engaged in order to be on the governing council.

There is no requirement that there be any specific number who understand research in the humanities and the social sciences, nor that they have specific experience or any reputation in the arts, or have any knowledge of the international activities of external affairs in any specific way. We suggest it should be necessary if it is going to be protected from government interference, because now we have a body that is just set up for government patronage. That is the way it is going to be.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I am happy to have an opportunity to speak on Bill C-93, legislation that was tabled in the House on February 25, 1992.

Quite frankly, the first day back after being away from the House of Commons for almost two months I find debating a bill which has to do with machinery of government so depressing. For me it does not have a heck of a lot to do with the real deep pain that is out there in the economy today.

As I was reviewing the bill I noticed in Part IV, which has to do with the Canadian Commercial Corporation, that we are moving it from the minister of industry and trade over to the Department of Supply and Services.

For those Canadians who are not aware of the Canadian Commercial Corporation, I would like to give a little bit of a backgrounder. This is a Crown corporation that assists Canadian companies in their efforts and in their ability to do medium and large international contracts. Most of them are defence related, but not exclusively. It helps small Canadian companies which do not have the ability to do some of these contracts on their own. The Canadian Commercial Corporation will come in and provide the stability and sometimes financial support, sometimes even management advice.

I am particularly interested in this agency of the government. I find it does not really matter where a piece of government machinery is located. What I mean by located is whether it is under the minister of industry or the Minister of Supply and Services, or if it is linked to the Minister of Energy, Mines and Resources, wherever it is. It does not really matter what its location, what really matters is the attitude of the public servants to their job functions, their attitude in terms of service to the public.

We on this side of the House are not really adverse to reviewing government operations to try and streamline them from time to time. It is a normal activity. However I do not understand moving them for the sake of moving them.

In the case of the Canadian Commercial Corporation, I am really concerned that by moving it from one minister to another we are creating a situation which I am not convinced is going to improve the efficiency. In fact I had a personal case where I found just the exact opposite.

• (1710)

I have in my riding a group of doctors who invested in a Canadian corporation based in Woodstock, Ontario. The name of the corporation is Amertek. This corporation won a military contract with the United States to produce military fire trucks. The contract was for close to 300 of them. Many of these fire trucks actually served in the Persian Gulf. They outbid the American firm Oshkosh which is an internationally recognized firm. Amertek is 100 per cent Canadian owned and 90 per cent of its product is exports, the kind of company that this government is always bragging about.

In the course of doing the contract the U.S. military came in and made close to 3,000 design changes. They went from a Chevrolet to a Cadillac in terms of military fire trucks. In fact these fire trucks are so good that there is one of them stationed at Camp David and another stationed at the White House in Washington.

This is what happened. These small entrepreneurs, because they had faith in the Canadian Commercial Corporation, did all of these extras and they have been waiting for two and a half years for the Canadian Commercial Corporation to process their extras.

Four years ago this company had close to $7 million in retained earnings. All of those retained earnings have been depleted. The investors put another $2.5 million to $3 million into the company. Now this company is having a very difficult time making it from payroll to payroll. Meanwhile there is close to $15 million worth of extras that are owed to them by the U.S. military.

My point is this. Here is an example where the will of the Public Service and the political will have really looked the other way when it comes to serving this small or medium sized enterprise. This is what bothers me about a debate like today's. It does not really matter where the Canadian Commercial Corporation is in terms of machinery of government. What we should be weaving into this debate and what we should be talking about is public service, the attitude of the public servants toward this small or medium sized company.

I am concerned about the fact that bureaucrats sometimes make these machinery of government changes and we as politicians are sold on them as being essential for efficiency, when in fact quite often they have nothing to do with efficiency.

Mr. Speaker, you are signalling that I only have a couple of minutes left. I think the biggest danger when we make these changes is that we get involved in a system which I call the MAD treatment, maximum administrative delay.

Entrepreneurs who want to deal with government, who want support of government and then get involved in a contract cannot figure out why it takes months and months in order to get the proper response.

I appeal to the government, to all members over there and the minister responsible for the Canadian Commercial Corporation. If they really do believe that this bill is going to make the Canadian Commercial Corporation a streamlined, more productive unit, one that is supposed to serve the public, then I challenge them to pick up the file on Amertek on certification which has been sitting for almost two years.

Mr. John Brewin (Victoria): Mr. Speaker, I was actually anticipating that one of my colleagues to my right might get up at this point in the proceedings. I hope you will forgive me if I am not as quick on my feet as you might have hoped.

I am pleased to participate in this debate and I want to deal with a very specific area in the act. As we have already heard the act deals with many different boards and tribunals in government.

The one I wish to address is Emergency Preparedness Canada which was established I believe in 1987 to deal with emergency preparedness.

On the surface the act is a very simple provision in respect of Emergency Preparedness Canada. It simply winds it up and turns over its functions directly to the Department of National Defence. At this point Emergency Preparedness Canada comes under the general responsibility of the Minister of National Defence. Therefore, the ultimate responsibility has not changed and does not change as a result of this act.

The act does end an experiment, if we can call it that, a decision made by this Parliament after very significant thought in the early 1980s. There was considerable review of emergency preparedness in this country and the legislation pertaining to it. As a result of that consideration Parliament passed the Emergency Preparedness Act and established Emergency Preparedness Canada.

That decision is effectively being wiped out by this legislation. As far as I can tell it has done so without any public discussion or debate, without any reasons being advanced by the government for this change other than a cosmetic one to help the government politically respond to what it sees as a challenge from the Reform Party. I think the government owes it to the people of Canada and to this Parliament to explain its decision in this area far more carefully than it has.

I say that as the member for Victoria from Vancouver Island, where we have a very special concern and interest in emergency preparedness and particularly the risks and dangers to our area from earthquakes.

I wish to use this opportunity to refer the House and the people of Canada to the most recent report of the Auditor General. The report suggests that this government and therefore the Minister of National Defence who is responsible have been nothing short of grossly negligent in their responsibilities for emergency preparedness.

It is only by good luck that we have not yet had a major earthquake disaster on the west coast of Canada. The situation is that this government has left the people of that area bereft of emergency services that could effectively deal with such a catastrophe.

Emergency preparedness is the responsibility of all three levels of government and the municipal governments in our area have struggled to develop a response within their areas of jurisdiction. The Government of British Columbia is seeking to deal with it as well. However, as the Auditor General reveals the federal government has just delayed and delayed and delayed in getting to the heart of emergency preparedness to deal with the potential catastrophe of an earthquake on the west coast. We have seen five years pass as the Auditor General states it in which the government at a snail's pace has moved toward a national earthquake support plan.

• (1720)

On page 567 of the Auditor General's report he notes: "We found that general long-standing problems in federal emergency planning were not being addressed within a reasonable timeframe". Five years after the Auditor General raised the issue in 1987, part two of a national earthquake support plan is still being worked on.

The Auditor General concludes: "In our opinion the delays are the result of several factors including interdepartmental jurisdictional disputes, allocation of resources to other priorities, the complexity of co-ordinating plans with the provinces and a lack of sense of urgency perhaps due to the absence of a recent major disaster in Canada".

It is to the shame of this government and to the ministers responsible, in this case the successive Ministers of National Defence, that we are still not ready to face the consequence of a major earthquake disaster on the west coast.

I call on the government to take the necessary leadership, not to wait until we have a disaster, but in fact to act now. Give those responsible the necessary resources to move so that a potential disaster can be met.

The Auditor General's report again notes that the Geological Survey of Canada, which is part of the Department of Energy, Mines and Resources, has indicated that it feels a compelling requirement to determine if there is evidence to indicate that earthquake catastrophes could take place in the immediate future on Vancouver Island. There are ways to test the chances of an earthquake happening in this area in the immediate future. However, the Auditor General says: "The GSC states it has limited funds for these and related projects".

Now this government can find funds for cold war military hardware and equipment. It can find funds for helicopters designed to deal with the cold war which is over and to hunt submarines which are no longer a threat to our security. But it cannot find the funds according to the Auditor General to deal with a real threat to the lives of hundreds of thousands of people on the west coast of Canada.

I ask the government as it puts through this so-called housekeeping legislation to take its responsibilities seriously and to hear what is being said by the Auditor General and by the people of our area before it is too late. The warning has been sounded. I ask the government to respond.

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, I wish to address the aspects of this bill which relate to the merger of the Social Sciences and Humanities Research Council and the Canada Council.

The bill would wind up SSHRC as it is known, the Social Sciences and Humanities Research Council, and transfer its programs to the Canada Council. This change was announced in the February 1992 budget without any prior consultation or public study of the matter. It came as a complete surprise and shock to the communities concerned. It is important to note that both the artistic and research communities are opposed to this proposal.

To briefly review the history, in 1978 after much consultation and study the Social Sciences and Humanities Research Council was established. The activities relating to research in the social sciences and humanities which were previously conducted under the auspices of the Canada Council were transferred to an independent agency. At the time, this move recognized the growing importance of social sciences and humanities research to Canada's over-all science and economic effort and gave social sciences and humanities research the needed autonomy and profile.

It is important to mention some of the disciplines covered by the social sciences. They include: economics, political science, psychology, sociology, history, law, management, education, journalism, demography, science policy and the study of languages.

We spend a great deal of time reflecting on what we have to do as a country to improve our economic circumstances and to compete in fiercely competitive world markets. One of the factors for which the Japanese have known such important economic success is the quality circle. This was not invented by an engineer or by a scientist, but by a social scientist, a professor of management. It is an indication that innovations which take place in our economy do not come solely from the fields of the natural sciences and engineering.

The government has said that the interests of the artistic and research communities will be protected. The government has not convinced the communities concerned by this bill. Despite assurances, they remain opposed.

I have received perhaps 100 letters from different groups from across Canada including: the University of Ottawa, the school of graduate research; the University of Montreal, the law faculty, the geography department, the education department; Laval, the department of political science; the University of Winnipeg, the vice-president of academics; Acadia University, the department of political science; the University of Western Ontario, the department of anthropology.

Thousands of researchers across the country are opposed to this legislation. They remain opposed to it despite the assurances the government has provided. I would like to read into the record excerpts from the letters I have received.

[*Translation*]

The Department of Education of the University of Montreal: "For researchers in education, complex problems such as illiteracy, dropping out of school and multi-ethnic schools require increased funding beyond present levels. We are concerned that the administrative restructuring which has taken place may cause the funding community to lose interest in subsidizing academic research in the human sciences and thus reduce the support required to ensure continuity". This letter is from the vice-principal of graduate studies and research at the University of Montreal.

From Laval University, at the department of school administration and policy, the department's director, Mr. Jean Moisset, wrote to Mr. Ricard, chairman of the Standing Committee of the House of Commons on Industry, Science and Technology, last March. He said: "I was astonished and extremely disturbed to hear about the planned amalgamation of the Humanities Research Council with the Canada Council".

• (1730)

He went on to say: "It is surprising, to say the least, that one should have chosen this crucial time in our history, marked by so many serious educational, socio-economic and political problems, to attempt to remove from the social sciences sector one of the most reliable expressions of its specific identity and one of its driving forces: its Research Council".

As I said before, I could quote from hundreds of similar letters.

[*English*]

While the two communities remain opposed, as I have indicated, the research community represented by the Association of Universities and Colleges of Canada and the artistic community represented by the Canadian Conference of the Arts have developed a compromise position.

Again, their first wish is that this bill would be withdrawn. In their letter of December 7 to the Minister of Communications, signed by representatives of both of these organizations, they state: "We would prefer that the government not proceed with Part III of Bill C-92 at this time".

However, if the government is determined to do so, they ask for a number of amendments. First, they would repeal the Canada Council Act and create a new agency to be known as the Canada Council for the Arts and for Research in the Social Sciences and Humanities. The second amendment which I would like to quote is that a person would not be eligible to be appointed as a member of the new council if the person does not have the knowledge or experience that will assist the council in fulfilling one of its functions.

These are just two of a number of amendments that have been forwarded to the Minister of Communications.

To this date there has been no formal response from the government, but I would certainly hope that in committee the government would study this proposal seriously and indeed accept it, if the government is not prepared to come to its senses and just do away with this ill-advised merger.

I would like to conclude in noting that we are often told that budgetary factors are at the source of a change of this nature. Again, the government has really provided no evidence that there are going to be any substantial savings as a result of this merger. On the contrary, it seems that the damage that will be created by the harm to two agencies which have well represented their respective communities could exceed any benefits that have been suggested by the government.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, Bill C-93 has been placed before us today under the pretext of saving money and consolidating efforts. It is the old cliche: the bigger you make things the better they are. The fact is that the bigger you make them the more you lose control of what is going on.

Bill C-93 provides for the termination of certain government bodies or the merging of certain government organizations into other government bodies. By the time this Parliament is over, this government will have the management areas of the Public Service of Canada so mixed up no one will know where they are going.

I want to take a case in point. On the Emergency Preparedness Canada organization set up by the hon. member from the Wellington area when he was Minister of National Defence, he brought the bill to set up Emergency Preparedness Canada into this House with all the fanfare of the greatest thing we have seen since sliced bread.

It was a good idea. It has been a good organization in the sense that the people in Emergency Preparedness Canada are dedicated to that organization. What do they do? They train people from all across the country on safety and how to handle emergency situations of all kinds. They have operated as effectively and thoroughly as they could with very little money put in to back them up on the most important objective that any national government could put into effect, that of trying to create co-ordinated emergency measures organizations across this country.

When presenting the budget of February 25, the Minister of Finance announced on that date that Emergency Preparedness Canada would be taken out of its own single operation and would become part of the Department of National Defence. Again, Mr. Speaker, you had this great birth of Emergency Preparedness Canada with some outstanding people working in it. Their single objective was to run classes for municipalities all over this country. They brought in business corporations and taught them how to handle emergencies. They brought in provincial departments, federal departments and all kinds of agencies and ran Emergency Preparedness Canada and how to handle emergencies of all kinds.

Examples of some of the things that they were doing were Canada's emergency response system: who is responsible, taking some of the bedlam out of the organization when emergencies occur, family emergency preparedness, municipal emergency preparedness, the federal role in emergency preparedness, disaster financial assistance arrangements, emergency response and business resumption planning, emergency food and water pack, essentials of life, blueprint for major catastrophes, what the Government of Canada has done to be prepared for a catastrophic earthquake, earthquake preparedness, people with disabilities, earthquake check list, forest fires, floods. We have it all. They have been doing a fantastic job.

The Auditor General of Canada was absolutely correct in his report when he said that here we have a Government of Canada that set up this agency to do a job and then walked away from it and left it with very little to do that job. Now it is turning around and putting it into the Department of National Defence. The Department of National Defence is certainly a very favourite department of mine in government. The Department of National Defence has all kinds of duties of its own to perform and it wants to perform them well: peacekeeping, their own training programs.

It is called into emergencies of all kinds and it can play a very effective role in backing up Emergency Preparedness Canada, but what is the guarantee that Emergency Preparedness Canada is going to be given any higher profile within the Department of National Defence than it now has when it is standing on its own?

• (1740)

There is no question whatsoever but that Emergency Preparedness Canada should be left alone, left where it is now, because it has the authority and the ability to co-ordinate with all government departments, the ability to co-ordinate with the provinces and with municipalities and whatever. It should be left alone. In the interests of the safety of the Canadian people all over this country, it should be given the resources and the facilities to do its job well so that every municipality, every province, all departments of government—federally and provincially—and the territories will know where they are going when an emergency occurs because there will be a co-ordinated plan and because you will have people in that organization who have been trained in that region of Canada by Emergency Preparedness Canada to do the job when those emergencies occur.

The previous Minister of National Defence, and I say this with some regret, spent more time looking around the country for another location for the training centre of Emergency Preparedness Canada, which is presently located in Arnprior, Ontario, than he spent on trying to support the organization itself.

There is no question but that we should vote against this bill because Emergency Preparedness Canada is one of the greatest things that has happened here. The Minister of National Defence at the time, the hon. member for Wellington and about three other counties, I cannot name them offhand right now, came in here with great enthusiasm and he got co-operation from the opposition at the time to set up Emergency Preparedness Canada. We have some very, very fine public servants in that organization who are capable and have indeed proven that they are capable of working with municipalities, corporations, business organizations, provincial departments, federal departments and organizations in the training process.

What would happen today if there were a serious earthquake in Canada? Everybody would be wringing their hands and saying isn't this terrible and so on, and it would be. What would be even more terrible would be that the Government of Canada would not be able to play a major role because it is not financing the very agency which it set up to handle such training for those people, namely Emergency Preparedness Canada.

If you are going to set something up and brag about it, for heaven's sake give it a chance to do the job. That is another terminology that was thrown out at the time: We are going to set up this agency to train the people across the country in emergencies; everybody is going to know how to handle emergencies, and we are going to give them the tools to do the job.

How often have we heard the Prime Minister use this very expression: "We are going to give the people the tools to do the job"? I have been very close to the Auditor General. I piloted this bill through the House setting up Emergency Preparedness Canada for the opposition, and we co-operated very closely in setting it up because it was something good for the country. But it is only good if it is allowed to work.

I think it is a disgrace today for the government to be taking Emergency Preparedness Canada out of its own element where it can zero in and do things entirely on its own and put it in a larger government department where we do not know what kind of priority is going to be given to it. As an agency it still has the right to call upon all departments and the total forces of the Department of National Defence to help it out in times of emergency.

I am going to close on that. I wanted to say a word about the Canadian Commercial Corporation and its tremendous job but I do not have the time.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I would also like to contribute to this debate. Given that time is short, my intervention will be likewise.

My community also has some concerns about this particular Bill C-93. The community in my riding has been informed that the existing programs under SSHRC, the budget and administrative personnel will remain intact under the new council, although the organization's function and funding of the new agency are undefined in this legislation. Therefore, our community in Hamilton—in particular McMaster University—says that the preservation of the research budget, a fair and balanced representation on the council and the provision of strong, progressive leadership with a commitment to a consultative process are key issues. The operative word is consultative.

If it is the government's objective to more effectively serve the Canadian people, as members opposite have so often repeated throughout this day, then I want to put on the record the concerns of the vice-president of research at McMaster University, Mr. Ron F. Childs. He writes:

"(1) We would urge that the budget for the research and scholarship activities of the humanities and social sciences community not only be protected, but more importantly, that it continues to grow relative to the funding for the Medical Research Council and the Natural Sciences and Engineering Research Council.

(2) We would urge that humanities and social scientists be adequately represented on the council with the appointment of internationally recognized active researchers.

(3) We would urge that great care be taken in appointing a president of the new council. The president of the council must provide leadership that unites and builds on the common interests of the arts and research communities. The result of the government's decision on the dissolution of SSHRC and the creation of a new agency has created an unsettling environment upon which the future of the arts and research communities must be built".

In conclusion, Mr. Childs writes in his letter that the decisions reached on this issue will determine the direction, health and stature of the research community in the university sector.

I cannot stand here in the House and speak highly enough about the great achievements at McMaster University in Hamilton.

Mr. Speaker, with your permission I would like to split my 10-minute time with my colleague from Ottawa Centre who would also like to make a brief intervention before this period is over.

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

Some hon. members: Agreed

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, along the same lines as my colleague from Hamilton West, I also have received a number of representations from the University of Ottawa as well as Carleton University and from a third university in my riding, Saint Paul University. Professors from those universities have indicated their concerns about the manner in which the government has proceeded with this part of the act.

In fact, this is not the first time we have seen something like this. Both councils were joined together in 1978. Through proper consultation in 1978, the two were separated. The councils for the arts and for social sciences and humanities each served different purposes even though they are both in the field of education.

I have been told that no proper consultation has taken place and that is a concern. One would wonder why the government would not have spent a little time in order to deal with the concerns of both councils. As it is, the research in SSHRC over the past three years has been subjected to a lot of pressure by the government when it came to their budget allocation.

• (1750)

By itself, that is a big load to carry on its own. Now that both councils are combined, they are going to see even more pressures on them when it comes to budget allocations and when it comes to the representation on this new council.

For the benefit of everybody, including those who are in the industry in the educational field, maybe the government should defer that part of the act until such a time as proper consultations have taken place. The membership is in excess of 14,000 across Canada. The representative of that membership is telling us that the government has not properly consulted them and taken their concerns into consideration. It has not really reflected on their wishes. One would say that the government has done something wrong. It should defer its decisions on this matter.

I wanted to say this positively. I do not want to sound as being on the negative side of things. The government will do the right thing by deferring this part of the act because the Liberal Party has gone on the record as opposing the marriage between those two councils. It is not because we do not like streamlining, but basically we believe that those two councils serve different purposes even though both of them are in the field of education.

To that extent I would like to call upon the government for the deferral of this part of the act.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, we have before us another example of the government making a policy decision which has the potential to have a major impact on Canada's ability to compete in the world and to function effectively as a society without any consultation at all with the appropriate groups.

This is a wide-ranging piece of legislation making large numbers of changes in structure. It brings together organizations whose interests are not necessarily the same. It puts them into larger groups rather than diffusing power and decision making in our society and making sure that decisions are made close to where they are going to be implemented and where those people who are making those decisions have the best, most up-to-date knowledge of the situations which are being addressed. Rather than bringing decision making to the communities, the government is centralizing decision making and indeed creating entities which do not very well fit together.

I would like to refer to two of these in the context of my remarks to point out how inappropriate this approach is in dealing with organizations for which the government is responsible. I will comment on the suggestion in this legislation that the Canada Council and the Social Sciences and Humanities Research Council deal together as one. I will also comment on the proposal which would link the Cape Breton Development Corporation with ACOA.

Neither of these are wise moves. Neither of them will give rise to any benefits to the communities they serve. If the government's only response is that it wants to save money in this consolidation process, that may be possible, but we will not have more effective decision making and more effective organizations in Canada.

A critical point which has been raised is that there has been no consultation at all with the affected groups prior to the implementation of this legislation. There was no consultation prior to the finance minister's statement. In particular, with regard to Canada Council and the Social Sciences and Humanities Research Council, this will be reversing a decision which took place 14 years ago to separate these two organizations precisely because one organization representing some 200,000 artists in Canada and the other organization representing social sciences and humanities research in almost 100 universities and colleges did not fit and work together.

The decision to split them up was carried out after much consultation and was well received by the communities themselves. Both of those communities are opposed to the amalgamation of these two quite different organizations. One deals with funding support for the arts and the other deals with funding support for social sciences and humanities. Neither of these will be well served by the amalgamation of them.

One thing we should always worry about with this government is whether or not this amalgamation is the beginning of restrictions on funding available to the organization. If this merger were to go through we would have artists, social scientists and those in the humanities making decisions over where funding dollars might go, where research dollars might go and where support dollars might go.

As was recognized some 14 years ago, there is no clear link between the arts on the one hand and social sciences and humanities on the other such that would make an organization like this work effectively. There was no consultation. It does not make sense. It is not going to give rise to appropriate concentration on the issues which are faced by both the arts and the social sciences and humanities.

As the constituencies have indicated, the most effective situation and the best solution here would be to scrap the suggestion for a merger between the Canada Council and the Social Sciences and Humanities Research Council and leave them as they are.

The other merger I would like to deal with is that which will affect most deeply Cape Breton. There has not been a great deal of success in the organizations which have had the objective of generating jobs in Cape Breton. The Nova Scotia economy in general and the Cape Breton economy in particular have never really recovered from the 1981 recession. That happens also to be the case for most of the regions of Canada and certainly it applies to my province also. For example jobs in the goods producing industries in 1982 were about 87,000 in Nova Scotia. They rose to 101,000 in 1988 prior to the implementation of the free trade agreement and the ever stronger enforcement of this government's economic strategies when they fell to 86,000 in 1991; a loss of 15,000 jobs in goods producing industries in Nova Scotia.

In particular, personal income in Cape Breton was about 84 per cent of the Nova Scotia average and 68 per cent of the Canadian average. Averages have been falling in Cape Breton and Nova Scotia for much of the last decade.

Therefore the approach that this government has taken with regard to the economy in Cape Breton has not worked, neither has it worked with regard to the wider application of ACOA.

However nothing good can be served by joining these organizations together, by making them bigger and by moving the decision-making away from Cape Breton and putting it into the context of the whole of Atlantic Canada.

Once again there was no consultation. Once again this is not something that will benefit Cape Breton, the economy of Atlantic Canada or the economy and society of Canada. Those are just two examples in which there was no consultation and in which bigger bodies are being created when we should be really thinking about spreading the decision-making around.

As is so much of the case with this government's decision-making, this is wrong-headed. It will not help. It will make matters worse. The only effective thing to do with this legislation is to vote against it.

• (1800)

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 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. 400)

YEAS

Members

Althouse
Angus
Assad
Axworthy (Winnipeg South Centre)
Bellemare
Blaikie
Boudria
Butland
Chrétien
Copps
Dionne
Duhamel
Ferguson
Fisher
Fontana
Funk
Gagliano
Gérin
Harb
Harvey (Edmonton East)
Hunter
Keyes
Kristiansen
Leblanc (Longueuil)
MacAulay
MacLellan
Marchi
McCurdy
McLaughlin
Milliken
Murphy
Nowlan
Nystrom
Parent
Peterson
Pickard
Proud
Rideout
Robinson
Rodriguez
Skelly (North Island—Powell River)
Speller
Tobin
Venne
Whittaker
Young (Beaches—Woodbine)—91

Anawak
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Bevilacqua
Bouchard (Lac-Saint-Jean)
Brewin
Catterall
Clancy
Dingwall
Duceppe
Edmonston
Finestone
Flis
Foster
Gaffney
Gardiner
Gray (Windsor West)
Harvard
Hovdebo
Jordan
Kilger (Stormont—Dundas)
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacDonald (Dartmouth)
Manley
Marleau
McGuire
Mifflin
Mitchell
Nault
Nunziata
Ouellet
Parker
Phinney
Plamondon
Prud'homme
Riis
Rocheleau
Simmons
Skelly (Comox—Alberni)
Stewart
Tremblay (Rosemont)
Walker
Young (Acadie—Bathurst)

NAYS

Members

Anderson
Atkinson
Beatty
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Clark (Yellowhead)
Clifford
Collins
Corbeil
Côté
Crosbie (St. John's West)
Darling
Della Noce
Dick
Domm
Edwards
Feltham
Fontaine
Friesen
Greene
Guilbault
Harvey (Chicoutimi)
Hicks
Hogue
Horning
James
Johnson
Jourdenais
Koury
Langlois
Lewis
Andre
Attewell
Belsher
Bertrand
Bjornson
Blais
Bosley
Brightwell
Cadieux
Cardiff
Chadwick
Charest
Clark (Brandon—Souris)
Cole
Cooper
Corbett
Couture
Danis
de Cotret
Desjardins
Dobbie
Duplessis
Fee
Ferland
Fretz
Gray (Bonaventure—Îles-de- la-Madeleine)
Grey (Beaver River)
Halliday
Hawkes
Hockin
Horner
Hudon
Jelinek
Joncas
Kempling
Landry
Larrivée
Littlechild

Loiselle
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
Mayer
McCreath
McKnight
Monteith
Nicholson
O'Kurley
Pronovost
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Van De Walle
Vien
Weiner
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—129
MacDonald (Rosedale)
MacKay
Marin
Masse
Mazankowski
McDermid
Mitges
Mulroney
Oberle
Porter
Redway
Ricard
Robitaille
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vincent
White
Winegard

PAIRED MEMBERS

nil

• (1840)

Mr. Speaker: I declare the amendment lost.

Pursuant to Standing Order 45(6), the House will now proceed to the taking of the deferred division on the motion of the hon. Leader of the Opposition and the previous question on Government Business No. 15.

* * *

THE CONSTITUTION

NEW BRUNSWICK CONSTITUTIONAL AMENDMENT PROPOSAL

The House resumed from Friday, December 11, 1992, consideration of the motion of Mr. Valcourt (p. 15084); and the motion of Mr. Chrétien (p. 15087).

Mr. Speaker: The question is on the motion of Mr. Chrétien.

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

(Division No. 401)

YEAS

Members

Althouse
Anderson
Angus
Assad
Attewell
Axworthy (Winnipeg South Centre)
Bélair
Belsher
Bertrand
Bird
Blackburn (Jonquière)
Blais
Bosley
Anawak
Andre
Arseneault
Atkinson
Axworthy (Saskatoon—Clark's Crossing)
Beatty
Bellemare
Bernier
Bevilacqua
Bjornson
Blaikie
Blenkarn
Bouchard (Lac-Saint-Jean)
Boudria
Brewin
Browes
Cadieux
Cardiff
Catterall
Champagne (Champlain)
Chrétien
Clark (Yellowhead)
Clifford
Collins
Copps
Corbett
Couture
Danis
DeBlois
Della Noce
Dick
Dionne
Domm
Duhamel
Edmonston
Fee
Ferguson
Finestone
Flis
Fontana
Fretz
Funk
Gagliano
Gérin
Gray (Windsor West)
Guilbault
Halliday
Harvard
Harvey (Edmonton East)
Hicks
Hogue
Horning
Hudon
James
Johnson
Jordan
Kempling
Kilger (Stormont—Dundas)
Landry
Larrivée
Leblanc (Longueuil)
Lewis
Loiselle
MacDonald (Rosedale)
MacDougall (Timiskaming)
MacLellan
Manley
Marin
Martin (Lincoln)
Mayer
McCreath
McDermid
McKnight
Mifflin
Mitchell
Monteith
Murphy
Nicholson
Nystrom
O'Kurley
Parent
Peterson
Pickard
Porter
Proud
Redway
Ricard
Rideout
Robinson
Boyer
Brightwell
Butland
Campbell (Vancouver Centre)
Casey
Chadwick
Charest
Clancy
Clark (Brandon—Souris)
Cole
Cooper
Corbeil
Côté
Crosbie (St. John's West)
Darling
de Cotret
Desjardins
Dingwall
Dobbie
Duceppe
Duplessis
Edwards
Feltham
Ferland
Fisher
Fontaine
Foster
Friesen
Gaffney
Gardiner
Gray (Bonaventure—Îles-de-la-Madeleine)
Greene
Gustafson
Harb
Harvey (Chicoutimi)
Hawkes
Hockin
Horner
Hovdebo
Hunter
Jelinek
Joncas
Jourdenais
Keyes
Koury
Langlois
LeBlanc (Cape Breton Highlands—Canso)
Lee
Littlechild
MacAulay
MacDonald (Dartmouth)
MacKay
Malone
Marchi
Marleau
Masse
Mazankowski
McCurdy
McGuire
McLaughlin
Milliken
Mitges
Mulroney
Nault
Nunziata
Oberle
Ouellet
Parker
Phinney
Plamondon
Pronovost
Prud'homme
Reimer
Richardson
Riis
Robitaille

Rocheleau	Rodriguez
Saint-Julien	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Siddon	Skelly (North Island—Powell River)
Skelly (Comox—Alberni)	Sobeski
Soetens	Sparrow
Speller	Stevenson
Stewart	Tardif
Thacker	Thompson
Thorkelson	Tobin
Tremblay (Rosemont)	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Van De Walle	Vankoughnet
Venne	Vien
Vincent	Walker
Weiner	White
Whittaker	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy	Young (Acadie—Bathurst)
Young (Beaches—Woodbine)—218	

NAYS

Members

Grey (Beaver River)	Nowlan—2

PAIRED MEMBERS

nil

Mr. Speaker: I declare the motion carried.

[*Translation*]

Consequently, in accordance with Standing Order 61(2), the next division is on the main motion.

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

Some hon. members: Agreed.

Some hon. members: No.

Mr. Speaker: All those in favor will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And fewer than five members having risen:

Mr. Speaker: I declare the motion carried.

Motion agreed to.

[*English*]

Mr. Speaker: It being 6.52 p.m., this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.52 p.m.

HOUSE OF COMMONS

Tuesday, February 2, 1993

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

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 14 petitions.

* * *

[*English*]

CANADIAN NATO PARLIAMENTARY ASSOCIATION

NAA ANNUAL SESSION

Mr. Bob Hicks (Scarborough East): Mr. Speaker, pursuant to Standing Order 34 I have the honour to present to the House, in both official languages, the 17th report of the Canadian NATO Parliamentary Association concerning the NAA annual session which was held in Bruges, Belgium, November 15 to 20, 1992.

I do not know whether anyone ever reads these reports. May I commend them to everyone listening and watching so that they can get some idea of the tremendous work that is done by these delegations, especially the Canadian NATO Parliamentary Association.

* * *

BUSINESS OF THE HOUSE

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 like to designate Wednesday, February 3 as the first of seven allotted days for this supply period?

* * *

PETITIONS

ARMENIAN PEOPLE

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, I have the honour and the pleasure to present a petition that the Quebec National Assembly has already passed recognizing the importance of April 24 as the anniversary of the Armenian genocide.

The petitioners call upon Parliament to urge the government to offer its sympathy to the Armenian people, especially to Canadian Armenians who survived the genocide of April 24, 1915, and support the international lobbying efforts aimed at compelling the Turkish government to recognize and acknowledge the events of April 24, 1915.

CHILD POVERTY

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I have the privilege and honour to present a petition calling for the elimination of child poverty by the year 2000.

This petition is signed by a number of people in the province of Ontario, particularly in the city of Mississauga. It calls upon the government to make sure that its commitment of November 24, 1989 is complied with and that the government does everything in its power to work exclusively for the elimination of child poverty.

• (1010)

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I wish to table a petition from the Malartic School Board in Abitibi stating that films that portray violence on television are dangerous and should not be tolerated because they make violence seem desirable.

The petition says that toys that are an incentive to violent games are unacceptable and their manufacture should be banned. The petition also points out that when acts of violence are reported, freedom of the press should be restricted, and that the repeated reporting of acts of violence on TV channels and on radio may lead to further, identical acts of violence.

Consequently your petitioners humbly pray and call upon Parliament to legislate a remedy to this problem in order to wipe out violence in our society and thus protect our children and provide all citizens with a better quality of life.

[*English*]

GOODS AND SERVICES TAX

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, this first petition is a request from citizens that the GST on books and other reading materials be removed. They point out that Canada has had a zero tax on these particular items since its beginning.

They also underline that reading, literacy and education are cornerstones of democracy and make a major contribution to the increase of productivity, effectiveness and efficiency in our nation.

They ask the government to review its policies and remove this tax.

BROADCASTING

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have another petition. The petitioners request that the Parliament of Canada be very vigilant in ensuring that the CRTC carefully regulates the use of foul language on radio and television.

They indicate that many of their efforts as parents are counteracted by what happens on radio and television. They also underline that it is not necessary to use this kind of language in order to inform or to entertain.

BILL C-93

Mr. Ronald J. Duhamel (St. Boniface): Finally, Mr. Speaker, I have a petition from social scientists in Nova Scotia and Newfoundland who are upset, which is perhaps the right way of saying it, with the government's impending decision to merge the SSHRC with the Canada Council.

The petitioners point out that our greatest challenges today are social problems that could be addressed by social scientists. They point out there was no consultation and that the system has worked well since its very beginning. They believe it is a step backward.

They ask that this decision be deferred until consultation takes place.

CHILD POVERTY

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to present a petition today signed by numerous residents of my riding of Kingston and the Islands, and some residents in Ottawa and Nepean, Ontario.

These Canadians are concerned about the failure of the government to take any steps to eliminate child poverty in Canada. They call upon Parliament to reaffirm and keep its commitment to seek the elimination of poverty among children by the year 2000 and to develop a plan for the implementation of this commitment.

I am sure they join millions of other Canadians in wishing there was an election so they could elect a government which would implement this and present a plan to Parliament to eliminate child poverty by the year 2000 in accordance with the expressed wishes of this House. Unfortunately the current government seems bent on doing nothing and, frankly, as it comes to the end of its mandate, it ought to get out of office and call an election at once.

GOODS AND SERVICES TAX

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I am pleased today to present a petition pursuant to Standing Order 36. The petition is being presented on behalf of my colleague, the hon. member for Kamloops, and includes the signatures of many residents of Iroquois Falls, Ontario.

The petitioners point out that the goods and services tax is an unfair form of taxation and the they call upon members of Parliament, the Government of Canada and the House of Commons to reject the current goods and services tax and reform the taxation system so that there is an effective minimum tax on wealthy individuals and corporations.

VIOLENCE AGAINST WOMEN AND CHILDREN

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I have the honour and privilege of presenting a petition primarily from the parishioners of the St. John's Presbyterian Church in Windsor outlining their concern about violence against women and children.

They ask Parliament to accept legislation designed to eliminate that violence which, as we all know in this society, is most invidious. They pray that Parliament will act to resolve this problem.

GOODS AND SERVICES TAX

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, it is an honour and a privilege to present several petitions, all on the goods and services tax, from residents in Saskatoon and in Ontario.

The petitioners point out that the goods and services tax is a particularly unfair tax because it puts an undue burden on those who are less able to pay. They call upon Parliament to reject the current goods and services tax and reform the taxation system so that there is an effective minimum tax on the wealthy and corporations.

KILLER CARDS

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I rise to present a number of petitions from constituents in my riding of Haldimand—Norfolk dealing with the sale and manufacture of killer cards.

The petitioners want the laws of Canada amended to stop the importation of these cards and to let the distributors of these cards in Canada know they will not be tolerated in this country.

GOODS AND SERVICES TAX

Mr. John Brewin (Victoria): Mr. Speaker, I rise to present a number of petitions pursuant to Standing Order 36.

The first set of petitions deals with the goods and services tax, an issue which is still very much in the minds of the people of Canada.

These petitions are signed by people from all across Canada but interestingly many from the Oshawa area, formerly represented by Mr. Broadbent and at present ably represented in this House by one of my colleagues. The petition calls for a rejection of the goods and services tax and the reform of the tax system in Canada.

HUMAN RIGHTS

Mr. John Brewin (Victoria): Mr. Speaker, the second set of petitions were gathered on behalf of the member for Burnaby—Kingsway who has been an advocate for many years for changes in the Canadian Human Rights Act.

These petitions call for an amendment to the Canadian Human Rights Act to add sexual orientation. As the House will know, a bill has been introduced but the government has still not given any sign of proceeding with it. I would hope this House will listen to the prayers of these petitioners and encourage the government to proceed forthwith with this legislation.

[*Translation*]

ARMENIAN GENOCIDE

Hon. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I have the honour and the privilege to table a petition that has been certified correct as to form and content.

It was submitted and signed by Canadian citizens of Armenian origin who remind us that the Quebec National Assembly tabled a similar motion recognizing the importance of the anniversary of the Armenian genocide. I therefore wish to join my colleague from Saint-Laurent—Cartierville, who is actively involved in these issues, as well as several other members but mainly the hon. member for Saint-Laurent—Cartierville, who represents a large segment of this group, as I do, but she is still the leader.

These people have been residents of Canada all their lives, have contributed to Canadian society and earnestly hope that Parliament will continue to express its sympathy to the Armenian people in recognition of what they suffered during the genocide that took place on April 24, 1915, and that Parliament will support international pressures on the Turkish government to recognize as factual the terrible events of April 24, 1915.

* * *

[*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. 389 and 418.

[*Text*]

Question No. 389—**Mr. Caccia:**

What is the total amount of funds allocated in the last fiscal year for the support of research and development and production of alternative transport fuels and the amount of funds allocated in support of research, development and production of fossil fuels used for transportation in Canada?

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commmons): I am informed as follows:

Energy, Mines and Resources Canada 1991–92

Approx.

Funds allocated in support of research and development of alternative transport fuels: $6.2 M

Funds allocated in support of research, development and production of fossil fuels: $5.5 M

Environment Canada

Funds allocated in support of research and development of alternative transport fuels: $3.7 M

Funds allocated in support of exploration, development, and production of oil and gas: $3.2 M

Note: The money spent on oil and gas activities supported research in transportation fuels as well as other uses such as heating.

National Research Council of Canada (NRC)

Although some National Research Council of Canada (NRC) research and development activities do produce indirect benefits in the areas of alternative transport fuels and fossil fuels for transportation, NRC does not directly allocate funds for such programs.

NRC has, however, provided finding to external organizations under its Industrial Research Assistance Program (IRAP).

IRAP provided the following funding:

Alternative fuels:	$31.9 K
Oil sands/heavy oil technologies:	$23.9 K
Fossil fuels:	$25.2 K

Natural Sciences and Engineering Research Council of Canada (NSERC)

Funds allocated in support of research and development of alternative transport fuels:	$1.2 M
Funds allocated in support of research and development of fossil fuels:	$3.1 M

Transport Canada

Funds allocated in support of research and development of alternative transport fuels:	$3.5 M
Funds allocated in support of research and development of fossil fuels:	Nil

Question No. 418—**Mr. Holtmann:**

Were any government funds paid to D'arcy and Deacon, barristers and solicitors, and/or Mr. Graeme T. Haig of the same firm, for legal services rendered in the case of the Fisher River Band Housing Program—section 56.1 non-profit housing and Klug Construction Ltd., Helmut Klug—and, if so, what is the total amount of moneys paid?

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): The Canada Mortgage and Housing Corporation and the Department of Indian Affairs and Northern Development did not pay any funds to D'arcy and Deacon, barristers and solicitors, and/or Mr. Graeme T. Haig.

[*English*]

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

Mr. Edwards: I ask that the remaining questions be allowed to stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1020)

[*Translation*]

BORROWING AUTHORITY ACT, 1992–1993 (NO. 2)

MEASURE TO ENACT

The House proceeded to the consideration of Bill C–98, an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992, as reported (without amendment) by a legislative committee.

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): I have a brief decision to announce on Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992.

There are four amendment motions on the Order Paper for report stage of Bill C-98.

[*English*]

Motions Nos. 1 to 4, standing in the name of the hon. member for Essex—Windsor, seek to delete all clauses of the bill. These motions will be grouped for debate and a vote on Motion No. 1 will apply to Motions Nos. 2, 3 and 4. I shall now propose Motions Nos. 1, 2, 3 and 4 to the House.

MEASURE TO ENACT

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 1

That Bill C-98 be amended by deleting Clause 1.

Motion No. 2

That Bill C-98 be amended by deleting Clause 2.

Motion No. 3

That Bill C-98 be amended by deleting Clause 3.

Motion No. 4

That Bill C-98 be amended by deleting Clause 4.

He said: Mr. Speaker, it might logically be asked why one would attempt at report stage to simply eliminate a piece of legislation coming from the government.

There are two answers to that question. The first answer is that I believe, as do many Canadians across this country, that this government has lost its right to govern the country. This government has turned its back on so many commitments. It has failed to listen to the people. It has reached and exceeded the usual four years that people grant to even the most unpopular government when it is elected. It is now frankly living on borrowed time and is doing so without any sense of commitment, any sense of new ideas, any sense of new directions to put the 1.6 million Canadians who are out of work back into employment.

We have a government which simply does not deserve the right to continue to sit in the seats of power on the front benches on the government side. That is because this government is doing nothing. This government has had a chance for over four years to write its direction and to respond to the concerns of people but it has refused to do so.

Most recently, at what was effectively the four-year mark of this past government, in the economic statement made last December instead of bringing in a plan to get people back to work, it brought in a plan to attack the jobless. Instead of bringing in a plan to do something to make our tax system fairer, it brought in a plan to make it less fair by simply extending the tax exemption of 21-year family trusts virtually indefinitely so as to give perhaps billions of dollars a year to these trusts. We really cannot calculate it because of the lack of information from this government but it is perhaps billions of dollars a year to these tax protected trusts.

That is one reason. The fact is this government has become an illegitimate government. It simply has not got the moral authority in our view to go forward and borrow from the people of Canada and from the rest of the world the billions of dollars which it suggests it is going to borrow with this piece of legislation.

We must also point out that for the average person, for the average family, for the young person in this country the economic crisis continues despite brave announcements from Statistics Canada that the recession is over. The reality is that since Statistics Canada made that announcement the first statistics came out to show that in the most recent month for which we have data this economy in Canada actually declined instead of advanced. Some proof that the recession is over, some proof indeed.

Today we have given to us the final figures of bankruptcies for the year 1992. We see that this government has succeeded with all its brave talk about managing the economy to achieve under its direction the largest level of bankruptcies this country has ever experienced.

I say shame to this government. Shame to a government that speaks about the importance of small business and lets hundreds, thousands of small businesses go under because of the government's poor economic management.

I say shame to a government that talks about its concerns for people and yet has seen in this past year over 76,000 bankruptcies in Canada. We have never had figures like that before. We have never had statistics that have been so dramatic. Even in 1991 the previous year in which the recession was also biting deeply we had fewer bankruptcies than last year. In the most recent month, December, on the basis of which Statistics Canada said the recession was dead there were more bankruptcies than in the previous month.

We see absolutely nothing as we look at the economy in front of us that suggests this government has anything to offer, has anything but bankrupt solutions to go with the bankruptcies which it has created and extended throughout this country.

We cannot possibly support this legislation. We cannot support other legislation coming through this House as part of this same economic package from this government.

We cannot support legislation which in fact will leave women frightened and unable to react to sexual harassment in the work place as a result of the cutbacks and the elimination of unemployment insurance support for anybody who leaves a position under such circumstances and cannot prove definitively that sexual harassment was the cause even though it may have been the major factor in what happened to that woman or that man.

• (1030)

We cannot support that. We cannot support this government's plans later this week to create this vast new tax bonanza for Canadians at the top. These are Canadians who have already benefited tremendously from changes that both the Liberals and the Conservatives have brought into our tax system. These changes that the Liberals and Conservatives brought in have created the vast deficits at the federal level which are so dangerous to the future of our country.

This government and the previous Liberal government have created an economic situation which is damaging Canadians across this nation, hurting the future of not just ourselves but our children and our children's children. We in this party will do everything we possibly can to stop this government from being able to proceed.

There is just one act, one action and one decision which this government has the right to take. This government has been in power too long. This government has stopped listening. This government has failed the economy and the people of this country.

The responsibility now exists for this government to call an election, to give the people of Canada the right they have been waiting to exercise for over four years. That is the right to kick this government out and the right to create a new direction in Canada.

Mr. Gustafson: Mr. Speaker, I wonder if the hon. member would entertain one question with regard to his comment.

The Acting Speaker (Mr. DeBlois): According to the rules, there are no questions or comments. Is there unanimous consent?

Some hon. members: Agreed.

Mr. Len Gustafson (Parliamentary Secretary to Prime Minister): Mr. Speaker, the hon. member states that the government really has no right to continue.

I read here according to *The Gazette* that Statistics Canada's figures project Ontario's net debt will reach $53 billion by the end of this year. That is a 63 per cent increase in debt in two years. It also speaks about the federal situation in which we have dealt with the debt.

How can the hon. member stand in this House and compare what an NDP government has done in Ontario by increasing the debt? He also said for example that the NDP government is considering tough welfare reform, possibly forcing recipients to take job training or do voluntary work which is a move that one time would have been unthinkable for a socialist government.

How can the hon. member stand in this place and make the statements he has made in view of the reality and the facts of what has been happening with governments run by the NDP?

Mr. Langdon: Mr. Speaker, it is quite true that the New Democratic Party in all three provinces where it has been elected has had to clean up the mess left by previous governments. The Liberals and Conservatives who created the mess chuckle.

The reality in the province of Saskatchewan for instance, from where the hon. member who just spoke comes, is that the banks were very clear that Grant Devine, the previous Conservative premier, had taken the province to bankruptcy.

In the province of Ontario, you may remember—you may not have been perhaps as close to the Ontario situation as some of us who come from there—the Liberal government went into an election and went through an entire election campaign saying: "Yes, we

have a deficit from the past, but so far as the present is concerned, we are running with a surplus of $25 million". The new New Democratic government came into office and was told immediately by the very civil servants selected by the Liberal government that the deficit for that year which the Liberals had started was going to be close to $3 billion.

An hon. member: Oh, that is wrong. Mr. Speaker, how can you allow this? How about Ontario?

Mr. Langdon: Mr. Speaker, the New Democratic Party Government of Ontario has had to clean up this mess. It had to clean it up in Saskatchewan.

Mr. Milliken: They cleaned it up? They tripled it.

Mr. Langdon: It had to clean it up in British Columbia. The reality is at the federal level at this very moment, for every single tax dollar which a Canadian citizen pays, 35 cents is taken out of that dollar to spend on the federal debt created by Liberals and Conservatives.

New Democrats have never run the federal government. In the province of Ontario, for each dollar taken in taxes from the people of Ontario, only 12 cents goes to pay for the debts which exist in that province.

It seems far more responsible to be in a situation where you lead a government and are able to take 88 per cent of the tax revenue and put it to good use than to be in a situation such as the Liberals and Conservatives have created here at the federal level where 65 cents is all that is left out of each tax dollar to actually spend for services and benefits to the people of the country.

Let us hear no more from Conservatives and Liberals about deficit difficulties and New Democrats because what has happened is that Liberals and Conservatives have taken this country nationally to virtual bankruptcy. Frankly, it will be up to New Democrats after the next election to clean up the mess here just as it has been in the provinces.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I would love another question, but I have to speak to this amendment.

I sat here and I listened to this give and take between the people across and the hon. NDPs to my left. I heard the gentleman to my left talking about how the Ontario NDP dealt responsibly with the debt in Ontario. I guess my way of dealing with debt and their way of dealing with debt is not quite the same. I always thought that dealing responsibly with debt was eliminating it, not tripling it. Now I do not even know how much bigger it is going to be, but the line we are hearing is that the Ontario deficit will be well in excess of $10 billion. When they took over, despite all the bad things that the Liberals did in Ontario and all the things that of course the glorious NDP did shortly afterward, they were only able to come up with a $3 billion deficit at the end of that one year.

Mr. Speller: It was actually $2 billion.

Mrs. Marleau: Okay, it was actually $2 billion. I stand corrected. All of a sudden we have these people who really know how to deal with deficit and debt trying to tell us how great things will be after they take over. I am very worried about that.

• (1040)

As members can all remember, and I remind Canadians, in 1983–84 in the period leading up to the election of a massive Conservative majority government here in Canada and subsequently, we heard about how Conservatives were going to deal with deficits and debt over and over and over again. They also had all the answers and they were making all these wonderful predictions and all of the other things.

I must admit they were not quite as successful at tackling the debt as the NDP have been in Ontario. I have to admit that. They did not triple it in one or two years. I mean they really did not. I have to give them credit for that. They did double it though in the space of eight years. Perhaps they should be listening to my colleague from the NDP. They might learn how to do it better, I do not know.

That is not my way of dealing with debt and deficits. I of course am very well aware that there is no real easy answer except hard work and trying to create economic growth. One of the ways of tackling debt and deficit is to create more growth within the economy. We have been through some very trying economic times.

I read an article in today's *Toronto Star* by David Crane. I quote from the article:

> Pyongyang is the isolated capital of North Korea where politicians and bureaucrats are the last people in the world who still believe in communism.
>
> Ottawa is not so isolated, but it's probably the last capital in the Western world where politicians and bureaucrats still cling to the idea that free markets by themselves will guarantee full employment and prosperity.
>
> Certainly, that's the view in such citadels of Ottawa power as the Department of Finance, where any idea of an industrial strategy is shot down the instant the words are mentioned.
>
> Fortunately, some provinces are not waiting for Ottawa to tune into the 21st century. Instead, they are actually working together to see what they can do without Ottawa.

This, ladies and gentlemen, is an example of what we have governing this country. Do we wonder why Canadians have lost faith in government? No small wonder. We have a Minister of Finance who in the midst of one of the most terrible years in terms of job losses, high unemployment rates and bankruptcies who on a television program the other day had the nerve to say that we have created the most jobs of any G-7 country. What he neglects to say is that we have also lost more jobs than anybody else and the jobs that the government has created are low paying, part-time jobs that a person is lucky to have.

The Conservatives are tired. They have had it. They have had it with us criticizing them. They have had it with Canadians criticizing them. They have just plain had it. The time is up, ladies and gentlemen. It is time to call an election. They are tired. They deserve a rest. Canadians are very ready to give them that rest. Many of them may retire and lead a very nice restful life after the hectic days of destroying the economy of our country.

I offer them the opportunity, and Canadians will give them the opportunity whenever they say so. Of course, they are still all debating and watching our Prime Minister as he fiddles with his future. He fiddles: "Am I staying? Am I not? Am I staying? Am I not?" It is for them to guess. That preoccupies their minds. They are really busy worrying about whether he is coming or going, but they are not doing anything for Canadians. We can joke about these things but this is very serious. They have created paralysis in Ottawa where the people wait for some direction from this government. Step down. Call an election or try something; anything.

If you have been laid off and are looking for a job you do not want Statistics Canada to tell you: "Oh, by the way, we are out of the recession". Go and see the people who have just lost their jobs. There are many of them everywhere in this country.

Statistics Canada can say there is a slight upturn in the economy. We are very happy with it but what we want to see are jobs. We do not want to see just a slight upturn in the economy. We want to see an upturn where people will be able to get good jobs. We want to see a government that can focus on people. We are witnessing the price of inaction. We must take some action. Any action is better than what has been happening here. I would ask everyone to defeat this bill.

An hon. member: The amendment.

Mrs. Marleau: No, not the amendment, to defeat this bill. I support the amendment because I want to defeat this bill and that is what the amendment will do. I will do anything I can to convince those opposite to step down. I think it is very important that an election be called, and the sooner the better.

An hon. member: Give yourselves a break and vote for the amendment.

Mrs. Marleau: If voting for the amendment means that we are going into an election, by all means let us go to it.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I wish I could speak for half an hour today. There is so much one could say in response to my hon. friends opposite. However, I will not do that.

With all due respect I must say this is a phoney debate. It is a waste of taxpayers' money. It is a waste of the House of Commons' time because these amendments, while in order—Mr. Speaker, you must rule them in order because they are in order—are amendments that simply propose to delete the bill and force this House to debate an extra stage on this bill.

What hon. members opposite should do if they are against the bill is simply vote against it. They should simply speak against it and vote against it. By putting frivolous amendments like this, we have an extra stage of debate which is of no benefit to the Canadian people whatsoever. It is a considerable cost to the taxpayer. Let us be perfectly clear about that.

My hon. friend from the New Democratic Party says this government has lost its right to govern. Does he not know his basic political science? Does he not know that a mandate in this country is five years? Certainly he should have learned from the former premier of Ontario, Mr. Peterson, that a mandate is five years. The Liberals have learned that lesson.

If one looks back one could chronicle the different circumstances. I remember, for example, that during the last two decades the Liberals had two majority governments. In 1974 and 1979 Mr. Trudeau went five years before calling an election. From 1980 to 1984 Mr. Trudeau went four years and, I believe, seven months, from February until September. Let us not get sucked in by this phoney nonsense about a term being four years.

A term is five years. This country has problems that need to be addressed. Last fall there was an incredible uncertainty in this country with the referendum and the constitutional situation. The last thing this country needed was the uncertainty of an election so let us not deal with that nonsense.

Regarding the economic crisis, my hon. friend from Essex Windsor says: "Woe is me, woe is me, woe is me". This is the essence of this man's conversation every time he stands up in this House. Yet earlier this morning he and I attended a joint meeting of the external affairs, finance and environment committees in which we heard one of the leading officials of the United Nations say: "I find it interesting to come to Canada and hear Canadians talk about how tough it is in Canada when in fact in any other country in the world the people would give anything to trade their problems for the problems of Canadians".

Sure we have problems in this country. Sure the recession has hit us hard. Sure it has hurt individual Canadians and families. One person unemployed is too many. One bankruptcy is too many, but my goodness let us put things in balance.

• (1050)

The fact of the matter is that this is the best place in the world to be. Why is it that this is the country more than any other that people from other countries in the world want to come to? If they listen to my hon. friends opposite nobody would ever want to come to this country, but I am not sure who listens to my hon. friends opposite, except maybe the media, when they go on about all this nonsense.

I listened to my hon. friend from the Liberal Party talk about debt. There is the pot calling the kettle black. When this government came into office the Liberal Party had left a $38 billion deficit. How much different is that from the $32 billion we have today? The difference is that they had an operating deficit. They were running the country on $16 billion more than they were taking in and they only had $22 billion in debt.

Mrs. Maheu: That was 35.

Mr. McCreath: Today this government is running this country in the black. There is a $6 billion surplus on the operating side. Meanwhile the compound interest on the over $200 billion debt, the legacy of the Trudeau government to Canadians, has taken us up to a point in excess of $400 billion. By running the country in the black for the last four years this government is returning some of that deficit money and paying down the national debt. Let us stick to the facts and not hear this malarkey opposite about debt and deficit. My goodness, what nonsense.

The bill before the House would be eliminated by the proposals of my hon. friend in the NDP. It provides for the financial needs of the government. Unlike my friends opposite, this government does not like to see the Government of Canada operate on borrowed money. The philosophy of this party is that we should live within our means. That is why we have had a program of deficit reduction, a program, I might say, consistently opposed by my friends opposite who fought against every cost cutting measure of this government: spend, spend, spend.

We have seen what the Ontario New Democratic Party has done. There is an interesting article in *The Montreal Gazette* today that talks about debt across the country. It notes that in the last two years provincial debt has increased 50 per cent. What do we see in Ontario? We see a 63 per cent increase.

What is the record of this government? This government's debt has increased by 16 per cent. That 16 per cent is too much but it is a hell of a lot better than the 63 per cent the Ontario New Democratic Party has given the people of that province. It is a heck of a lot better than the 50 per cent the provinces from coast to coast have generally given.

It is interesting to note that the only province that has operated consistently in the black for 20 years is the province of Alberta which just happens to have been governed by a Progressive Conservative government during the same time. I suppose that is coincidence.

We need this borrowing authority to keep the affairs of state going. Revenues are down because we have been through a difficult recession.

Mr. Milliken: A Tory induced recession.

Mr. McCreath: UI and transfer payments are up. They talk about capping the transfer payments, yet Canada Assistance Plan payments and UI payments are up. That is the way we govern.

We have had other precedents. We had a precedent in 1982 when the Liberal government came to this House looking for an $11 billion supplementary borrowing authority.

This is a realistic situation. We have no choice. It is the way we have to go. If this government continues in the way it has we are going to get that debt situation completely under control, and we think that is what Canadians want.

Our friends in the New Democratic Party have offered more spending. More spending means more borrowing and more debt. As the Prime Minister said yesterday, at least the NDP offers something. Our other friends over there have nothing to offer. We heard their leader the other day say: "I am going to scrap the GST. I do not know where I am going to get the money to replace it, but if you elect me I will tell you then in my first budget". How stupid do they think Canadians are? It cannot possibly be the case. We have no choice.

I will conclude with this remark: We have no choice but to get on with the business of the day and not use up the time of this House in frivolous debate. Let us get on with the business of government. Let us get on with the legislation that is necessary and will benefit Canadians. Let us get on with passing this borrowing bill.

Mr. Jim Peterson (Willowdale): Mr. Speaker, I find it ironic that members on the opposite side should stand and applaud their economic record. Let us try to return to the facts because, I put to the House, Canada is in terrible economic shape. Canadians are worried and they have every legitimate right to be worried about our current economic circumstances and our economic future.

Let us look at the record of the Tories. With respect to our ability to compete in 1989, we were fourth among all OECD countries. We have fallen to eleventh place today. Since 1984, when the Conservatives took over government, the Canadian share of world trade has fallen from 5 per cent of Gross Domestic Product to 4 per cent, a 20 per cent decline. Our trade surplus with other nations during those eight and a half years has gone down $12.4 billion.

I will refer to what is probably the most alarming figure to me in terms of the future for young Canadians and for our ability to sustain high paying, value added jobs in Canada. In 1984 Canada had a high-tech trade surplus of $1 billion. Today we have a deficit in high-tech trade of $30 billion. If that is not a sign of a declining ability to compete and create wealth through innovation in the industries of the future, I do not know what is.

Turning to some more bad news, in 1984 manufacturing accounted for 20 per cent of wealth production in Canada. Today it is down to 17 per cent. We have seen how since the early 1980s Canada's manufacturing productivity has grown at only about half the rate of all G-7 competitors. In other words we are falling behind in our capacity to do what we have to do to sustain a high level of income for Canadians.

This Tory government has told us that it has put the fundamentals in place, that it has given us the fundamentals to compete. The fundamentals are going down and have gone down consistently since 1984 because we are above all else a trading nation: 30 per cent of our wealth comes from trade and exports. If all of these indicators of our ability to compete are going backward under this Tory program of getting the fundamentals right, what hope are we trying to give to our children?

We have seen the results in terms of unemployment. Today 1.6 million Canadians are without jobs and these are just the ones who say they are still in the job market. It does not include the many other Canadians who are so despondent about their prospects of getting a job that they no longer even try to find one. They know those jobs just are not there.

Probably even more alarming is the fact that since January 1989 Canada has lost 365,000 or 18 per cent of its manufacturing jobs. This is deindustrialization of the highest order. No Canadian believes what the Tories have been trying to say, that this was simply a result of previous governments in Canada. This government has been in office now and has had control of the reins of power for more than eight years. It has been its responsibility to set the directions.

• (1100)

What we have seen is a decreasing ability to compete globally, a decreasing ability to be productive, and finally the deindustrialization of Canada. The Tories will also say that what is happening in Canada is a result of globalization, international restructuring, and even the world recession, all factors beyond the control of Canadians.

If these apologists for our present sorry plight are correct, how do they answer the following question? If these are factors beyond Canada's control, why is it that during the same period Canada has lost 18 per cent of its manufacturing jobs and the U.S. has lost only 6 per cent of its manufacturing jobs? How do they explain that unemployment in Canada is at 11.5 per cent and in United States unemployment is at 7.3 per cent?

This is not the result of forces beyond our control, beyond the purview of this government's responsibility to Canadians to set an environment in which we can prosper and compete. This is a direct result of policies introduced by this government. This government gave us a made-in-Canada recession. Even many Tories admit that their single-minded economic measures to get inflation under control cost Canada thousands and thousands of jobs and created a made-in-Canada recession. Why else did our recession start before the international recession and why did it have to last longer?

These people deliberately set about to drive up the dollar from the mid-75 cent area to 90 cents at the same time they gave us free trade. That 25 per cent increase in the value of our dollar was a far greater barrier to our export than any of the tariff restrictions that we negotiated out of the United States in terms of increasing our access there.

How can we compete with a 25 per cent added burden over those years on our backs? It was totally unfair. It was totally unrealistic. It was a trade driven policy, an inflation driven policy which the government chose rather than concentrating on what it is we can compete with and how we can get more of those goods into foreign markets so that we can have more and more Canadians working in our plants, factories and service industries which are dependent upon our exports.

Canadians realize that this government has set these policies, that it is responsible for them. This is why Canadians have shown consistently through their polling that these Tories had options, that they could have done things differently but they did not, and that they were wrong.

I only hope in the last gasping breath of this government that it will try to reverse its policies and that it will try to deal with some of its long-term problems that it has neglected in the past, such as increasing literacy, creating an educational system that is responsive to our job needs, increasing funding to science and technology and a renewed commitment to research and development.

Can the government not see what it has done? At least, can it not start to change it or say: We will not change it, we will give Canadians a chance to decide and let Canadians go to the polls.

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, during this debate on the borrowing authority I would like to spend a bit of time talking about the role of the government and its treatment of the Public Service of Canada. The cuts it has undertaken within the safety infrastructure provided by Transport Canada on the coast of British Columbia I feel endangers the lives of Canadians who live and work in that area.

A rather misguided approach by the Auditor General in some of the criticisms of the Canada Coast Guard I believe has led to a number of ill-conceived programs by Transport Canada.

I would like to start with a basic policy of Transport Canada that seems to be a response to the government's demand for cuts in the services provided to the public, to the people who live in the small communities along the coast of British Columbia, on northern Vancouver Island, the west coast of Vancouver Island, probably a line from Gibsons right up to southeast Alaska and beyond, as it moves up the east side of the panhandle in British Columbia. It is my opinion and the opinion of many

British Columbians that this area is very poorly serviced when it comes to transportation safety infrastructure.

Transportation safety is not the responsibility of ships at sea, of privately operated aircraft, commercial aircraft or of locally organized search and rescue groups of various types, whether they be the marine search and rescue group that is under the sponsorship of the Coast Guard or the volunteer air search and rescue group or the ground search and rescue parties. These people do an enormous job and are a tremendous service to their communities. It must be remembered that in that area, the prime deliverer of transportation infrastructure services is the Government of Canada.

Probably the primary one is the helicopter service out of CFB Comox. For years that service has been totally inadequate. They have some of the best trained crews in the world. They have some of the best equipment in the world, contrary to what the Minister of National Defence and this government would like us to believe. It is my understanding from discussions with people who work at the base, who maintain those aircraft, that the airframe of the Labrador helicopter never wears out. If it is refitted properly and fitted with proper engines, it is one of the most stable vehicles to work with, especially in mountainous terrain.

The problem with the helicopters at CFB Comox is that they have in some instances a two-hour callout time. A member of the Billie family of Comox drowned off Quadra Island. Apparently the boat caught fire. The base, which is about six minutes flying time away, could not get a helicopter out there within two hours. It is absolutely useless if you cannot deliver a primary search and rescue vehicle into that area within a shorter period of time when the base is that close.

In the United States, in southeast Alaska and in the state of Washington, they operate on a totally different principle. Their helicopters are ready to go immediately. There are crews on site. They fire up their machines and they are gone. That is the kind of service that is needed on the coast of British Columbia. It is the kind of service that every British Columbian has to a right to expect, as they do in other areas of Canada.

Ultimately the government has decided that the saving of money is more important than human lives or a legitimate attempt to rescue and save human lives. That is an absolutely clear statement. The example of the Billie family drowning off a fish boat off Comox is a clear example. There are also others.

One of the great things that Transport Canada and the Department of National Defence brag about is the tremendous job they do and the assistance they were able to render to the *Princen Dam* which was a cruise ship which caught fire off Prince Rupert and southeast Alaska. They were absolutely blind lucky that there was not a storm blowing and that it was not the middle of winter. They could never have reached the ship in a situation like that.

• (1110)

The reverse situation occurred with the sinking of the freighter *Lee Wang Zin* off that area. By the time you leave Comox, if you get the report after twelve o'clock, you cannot reach that area in daylight hours. The distribution of equipment, callout times and a whole host of other money saving initiatives of the government make sure that the safety equipment is not delivered in a period of time that is useful for searching and for saving lives.

Let us put aside the saving of money in areas that endanger human lives. I say that is completely unacceptable. The helicopters at CFB Comox should be distributed along the coast in a more effective fashion so that those extremely well trained, dedicated crews and that upgraded equipment can be delivered to people in a timeframe which is meaningful. Otherwise we might as well not even have them arrive in time.

Transport Canada had decided that it too was going to get into the saving of money in response to the government's demand. If it had to save money by endangering human life, so be it. It got some solace from the Auditor General who I think in a very misguided fashion said: Let us close all the lighthouses on the coast of British Columbia.

Those lighthouses have provided safety services to mariners, aviators, tourists and people in the commercial marine environment for years and years. Contacts were made and the lines of communication were opened even though they were not formally established. Because some of those lighthouse keepers were not provided with radios, they bought their own so that they could talk to

passing ships, give weather reports about local sea conditions in the area and advice on what was happening. They provided that service.

On a large number of occasions, the lighthouse keepers effected their own rescues. They bought their own boats.

Mr. McCreath: Mr. Speaker, on a point of order I have been listening with great interest to my hon. friend. We are speaking on an amendment which would delete borrowing authority from the government and deny cash resources.

Can my hon. friend tie in his remarks to taking financial resources from the government. Would that enable the government to do what he is advocating?

The Acting Speaker (Mr. DeBlois): I am not sure that is a point of order.

Mr. Skelly (North Island—Powell River): Mr. Speaker, what affects the area that I represent, 300 miles of the coast of British Columbia, affects the south coast of Nova Scotia where five fishermen drowned recently.

I am sure the hon. member is interested in exactly the same points I raise. This is affected by borrowing authority and the way we go about it. Borrowing authority involves the money of the Government of Canada and that money should be spent in areas that are extremely relevant. Perhaps he would be prepared to listen to the remarks and I will draw them together to make the relevant point that he is concerned about.

If I could return to these remarks, the policy of Transport Canada and the Auditor General in scrutinizing the funding of the Government of Canada has led to an impression in Transport Canada that there should be cuts to the lighthouse services. The point I was making is that those lighthouse services provide an important safety service to the people of British Columbia.

Those people have affected rescues and they are not provided with vessels to do that. They are not provided with training and they are not provided with proper equipment. When somebody is in a desperate situation and in danger of losing his or her life and the lives of their family members, there is no choice. Names have been submitted and forwarded in the hope that these lighthouse keepers can be given the Canada 125 medal in recognition of the tremendous service they have provided in an isolated environment without resources.

The government finally talked to people in the field including mariners, aviators, tourists and commercial users of the service. They have been told not to cut out those lighthouse services but to upgrade them so they can provide weather reports, radio contacts and provide them their own vessels.

As a result, the Coast Guard turned around and did a study. It was called "The Future Use of Lighthouses Report" and made some very positive recommendations: not shutting down the lighthouses, providing them with radios, providing them with some training for giving weather broadcasts, which is absolutely the most crucial need.

When one gets so far up the coast of British Columbia, one cannot leave without a weather report. One cannot get a decent weather report because they are not provided. Only the lighthouses do and they are so sketchy they are hardly useful. "The Future Use of Lighthouses Report" stated these people should be given the skills they need and the equipment they need to get this rolling. Now they are under the gun again.

I would just like to draw the conclusion together. The government has also cut back fire-fighting services at Port Hardy Airport. It has done it with flight service stations. It has done it with the closure of Bull Harbour, the closure of the Cape St. James lighthouse. It is talking about removing the hovercraft from Parksville. Ultimately that involves endangering human life. We cannot tolerate the removal of these infrastructures.

The Acting Speaker (Mr. DeBlois): Your time has now expired.

Mr. Peterson: Mr. Speaker, on a point of order, I was wondering if the House would be in agreement to give unanimous consent to asking questions of the hon. member who just spoke.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to give the hon. member the opportunity to raise a question?

Some hon. members: Agreed.

Mr. Jim Peterson (Willowdale): Mr. Speaker, the previous speaker for the New Democratic Party, the member for Essex—Windsor I believe, was making the point that this government has no legitimacy to carry on because it is so low in the polls. Would the hon. member apply that same standard to the New Democratic government in the province of Ontario and ask Mr. Rae to step down and call an election?

Mr. Skelly (North Island—Powell River): Mr. Speaker, it seems to me that another Mr. Peterson was holding on at the same level of legitimacy as the government across the floor.

I think the member's question missed the point. Obviously he was not paying much attention to my speech. The point I was trying to make is that even beyond politics there is a far more important issue. That is the responsibility we all have to protect human life. This government's financial cuts to the Public Service and what it has done to a dedicated group of people by completely demoralizing them, has created a tremendous amount of uncertainty. To the government, saving cash is more important than serving people, even if it is to save its own life.

For the benefit of the hon. member from the Liberal Party I mentioned the question of removing the hovercraft from Parksville, the shutting down of the Cape St. James lighthouse, the closure of lighthouses, the closure of the Bull Harbour lifeboat station, the purchase of inappropriate but certainly cheaper equipment, the failure to end the callout time so that crews are on site at CFB Comox and are able to depart immediately with well-trained crews and good equipment.

All of this really seems to stem from a much greater concern about saving money rather than saving people. That is what I think is going to be the end of the Conservatives.

I should point out that the closure of the lighthouse stations and the shut-down of many of the search and rescue equipment was the fault of the previous Liberal government. Otto Lang, a previous Minister of Transport, was one of the most serious offenders against concern for the lives of people who work on the west coast and I am sure the east coast as well. That Liberal government was certainly the precursor of this government and the terrible cuts that have come in. The Liberals are really no different from the Conservatives.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I want to lead off in this debate by making a few preliminary comments on some statements that were made that I certainly would like to clarify for the benefit of anybody watching the debate here this morning.

First of all, the penultimate speaker from the NDP said they would not really know about deficits and all that sort of stuff because federally they have never been in power. I would suggest that if they continue going the way they are going right now they will never be in power. I think this was a precursor to some of the concerns that they have. When people are frustrated they lash out. Therefore I take a certain amount of what the NDP say about my party's record with an understanding of their frustration at never forming the government.

• (1120)

My good friend the Conservative member for South Shore was accurate in one sense when he said that the Conference Board forecasted that Canada would grow 3.3 per cent this coming year. I cannot quarrel because that is what it said, although whether or not it happens is another thing. What he did not mention is that it also said that we would have the highest unemployment rate among the G-7 countries, except for Italy, at 11.3 per cent. Italy will have 11.5 per cent and Canada will have 11.3 per cent.

The whole point of this discussion, the whole point of the government's attempt to get its act together, and the whole point of one of the things that we have been doing with our platform is to try to get jobs back in this country and to get people working.

I come from a riding where not many people are working as a result of mismanagement of the fisheries, poor employment opportunities and a litany of other things that I have talked about in this House, as have other members from Newfoundland and Atlantic Canada. I am not here to reiterate those things. I will be doing that at a later time.

I want to more closely examine the over-all context of what we are discussing this morning, which is the government's business of borrowing money to run the country. The Tories are stretching their credibility when they continue after eight and half years in power to blame another government, whatever government it is. It happens to be the party that I represent. To continue

year after year with the same litany of excuses is not only irresponsible but it shows that they are giving little importance and little credibility to the intelligence of the viewers who hear this litany. People would have to be very dedicated Conservatives to really believe all these things.

I like to deal in facts and figures. It is good to be qualitative from time to time but it is very difficult to argue with the facts and figures which are available to any member. Nobody can dispute them. They are available.

When this government came into power in 1984 there was a certain debt and a deficit. The deficit was $38 billion. After eight and a half years in power, 33 tax increases and after saying in every budget that the name of the game was to reduce the deficit the government has not reduced the deficit much. This was at a time when the economy was growing. In the first four years this government was in power the economy of the world, and particularly the economy of Canada, was buoyant and the government had an opportunity to reduce the deficit as it kept promising to do budget after budget.

What was the government doing? Program spending was increasing at the rate of 4 per cent a year. The government talked about cutting the deficit by increasing taxes, although it never really talked too much about increasing taxes. The government talked about reducing the debt. Yet every year the government would increase its spending by 4.1 per cent, which is the average over the last eight and a half years, and the interest on the annual deficit grew at 9 per cent, which is about three times the rate of growth of the economy. If it does that in periods of growth and a good economy and it cannot control the deficit what on earth is it going to do in a recession or depression?

The government has run out of tools. It has run out of tricks. It has taxed the middle class, sometimes at the expense of the rich, sometimes at the expense of corporations and sometimes at the expense of certain business interests, to the point where the middle class cannot pay any more.

The interest payments on the debt when the Tories came to power in 1984 totalled $27.5 billion. It is double that today. Yet they say it is the fault of the Liberals.

Where have the taxes gone? Of the $122 billion that was taken in by this government to run the country, which is the subject we are talking about today, 50 per cent came from income taxes. The middle class pays most of the income tax. Twelve per cent was from the goods and services tax, which is the most hated and most unique tax in the world. Thirteen per cent came from UI contributions, to which the government no longer contributes and so it comes from the working class, the middle class, and business. Thirty-seven per cent came from sin taxes on gas, alcohol, cigarettes and those kinds of items and 8 per cent came from corporations.

I regret that I have not been able to get the exact figures for 1984. I have been told by the research effort that I was able to mount yesterday and today that if we include the GST the ratio paid by the middle class compared to other classes is 60:40. In 1984 it was more like 40:60. It has reversed. The middle class proportionately is paying almost double what it was paying before.

Economists agree on very little but one thing they do agree on is that we cannot just talk about the debt we must talk about growth as well.

The amount of goods and services, of anything that is worth anything that is produced in this country is the Gross Domestic Product, which is essentially what we earn as a country. Our debt is what is owed as the national debt.

The ratio of one to the other in 1984 was 46.4 per cent. In other words our debt was 46 per cent of what we produced. It is as if an individual earned x dollars and would be paying 46.4 per cent of everything he or she was worth on interest payments.

That figure has gone up 30 per cent. In other words the ratio of Gross Domestic Product to debt is now 62.7 per cent. That is an incredible rise. In other words an individual owes 62.7 per cent interest on what he or she has borrowed as an individual. That means an individual would have less than 40 per cent of his or her income to spend on delivering the goods, on raising a family, on sending kids to university and everything else.

More important, that individual is worse off by 30 per cent than she or he was eight and a half years ago. Would that individual blame that on somebody else? One would have to take responsibility for that oneself.

In the closing moments of my presentation I must mention one thing that has arisen in my riding time after time, and I am about to meet with the community. At a time when spending has been increased by 4 per cent and people are being taxed they feel they are not getting value for their money.

One of the areas that has been of great concern in my party and for a lot of my constituents is the way in which rural people have been treated with respect to postal services. In 1986 this government came up with a plan to reduce 10,000 people and 3,221 post offices in rural areas. It has done so despite countless speeches in this House, tens of thousands of people presenting petitions, admonitions, letters to ministers, and meetings at town halls. I cannot tell the House the number that I have attended. I am about to attend another one in a couple of weeks time. The community is very concerned that it is paying all these taxes and it is not getting the postal service that it feels it should get.

I am particularly concerned about this because about 83 per cent of those who work in the post office are female. There is great concern about jobs for the female part of our population and that is another concern.

I have given just one example but it is a universal example that concerns people. Quite frankly the government has no right to be proud of its record and it should be very much ashamed of where it has us today.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I rise today to speak on this borrowing bill which arises out of the mini budget that the government brought down in the fall. It really outlines the direction this government wants to take our economy in the next few years, before an election in the fall.

• (1130)

Neither I nor the people in my riding support the economic direction in which this government has been taking the country. This country is really facing an economic crisis. There are 1.6 million Canadians out of work and many of those Canadians reside in my riding of Haldimand—Norfolk.

The government talks about economic growth. As the hon. member said earlier, it plans for 3 per cent economic growth. However in all those discussions the government does not talk about jobs. Although it talks about economic growth it hides the fact that even though we will have economic growth over the next few years no more jobs will be created.

The government likes to talk about competitiveness, saying proudly that we will grow. However it says to the unemployed Canadian or the unemployed person from Haldimand—Norfolk, for example in the steel industry, that there will be no jobs for steel workers who are being laid off because Canadian steel is being unduly and unfairly attacked by our counterparts to the south.

This government made a commitment during the free trade debate that our steel industry would have open access to the American market. As we have seen over the last few weeks, this has not been the case. The government does not seem to be prepared to do anything about it.

There are no jobs for farmers in this economic statement. Farmers are devastated by low commodity prices and must deal with a government that does not seem to want to represent them internationally. It does not seem to want to stand up against the unfair trading practices of the Europeans and our neighbours to the south who constantly use export enhancement to send grain that should have been Canadian into our previous markets.

Farmers in the supply managed areas of dairy and poultry are extremely concerned about this government's representation of them at the GATT negotiations and the way in which this government has caved in at the negotiations with regard to its position on article XI.

There are no jobs for our youth. Youth unemployment is at 19 per cent. Canadian youth, whether in Vancouver, Montreal or my own riding of Haldimand—Norfolk, see no hope for their future. They do not see an economic plan that gives them a chance for a job, or even a chance to become trained and to be able to compete for these new jobs that the government talks about.

I and the former youth critic, the member for York North, travelled across this country and talked to young people about their hopes and about their needs if they are to compete in this changing economy. We found a real lack of hope. In many cases it seemed that young people have given up because they have been faced with a government that seems not to have listened to their ideas for economic change.

A few weeks ago we presented alternatives to the Canadian public. We presented future directions that we thought the government might take and future directions that we as a government will take in order to include young people in this economic plan, in the economic future of our country. We hope to be able to present these ideas in a general election, which hopefully will be sooner than later.

We can no longer put blame on past governments. I sat here listening to the government blaming the provinces, the NDP blaming the Liberals and the government blaming the Liberals for our economic woes. The time for blame has stopped. The time to take action is now. I wish that hon. members on all sides of the House would quit blaming each other and get on with the action that is needed. I know it is easy to criticize. As a member of the Official Opposition, my role in may ways is to criticize government policy. We do that in order to try to keep this government responsible and keep it aware of the problems being faced by ordinary Canadians. At the same time we must be willing to offer solutions and alternatives. I am sure my hon. friends across the way were listening very closely when my leader gave a speech last week at the University of Ottawa, which was very widely accepted by the young people there, outlining alternatives, the Liberal's position and the directions we would like to take this country economically.

My leader, I thought, outlined very clearly the alternatives we would be bringing forward in an election and those are the directions we would be moving in once we became government.

The simple fact is, as my leader said, we have to make economic growth and job creation the top priorities in this country. We cannot have economic growth without jobs. Strangely, these days we seem to hear from the gentlemen across and from many Canadians how we have to become competitive. However, we must be willing to build a more highly educated and skilled work force. This government is not giving Canadians the tools which would enable them to compete globally.

It talks about competitiveness but at the same time it does not talk about how Canadians can be competitive and where these jobs are for Canadians to compete in. In order to be competitive we have to put Canadians back to work. We have to be able to meet these so–called global challenges of the 21st century. We must be committed to new initiatives to promote labour force training, research and development and marketing support. Ultimately, as I heard when I was at the University of Calgary last week, this country must be committed to education.

Unfortunately, nothing in this government's economic policies and the economic statement by the minister really outlined in any meaningful way any sort of government commitment. It just promised to fulfil old promises and make new ones while sneaking in cuts on the side. Canadians can see through these empty promises and they are not going to buy them any more.

One thing I have learned since I have been here over the last four years is that government really needs to regain the confidence of Canadians. I do not mean the government across but we as parliamentarians need to regain this confidence or else this economy will not build. I believe the way to regain this confidence is to show them a direction, show them they are important as individuals and give them the tools that are necessary for them in order to compete in this changing economy. Those tools include training and retraining. That is why my leader has announced a co–operative program in which governments, businesses, educators and all involved in this process work together to give not only our youth but all unemployed Canadians an opportunity to be able to compete.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I rise today as a member of Parliament from Saskatchewan on the second sitting day of Parliament in 1993, exactly one week, seven days after 12,000 to 15,000 farmers and concerned Saskatchewan residents rallied in Saskatoon to bring to this government's attention their desperate situation. That rally with that many people strongly indicates that their call for help is not idle chatter. Their situation is very serious. Their situation is serious and demands immediate attention.

• (1140)

It points out that 1993 will be one of the most challenging years that Canadians have ever witnessed. Certainly it will be one of the most challenging years that Saskatchewan people have ever witnessed or will have to go through.

When we look at what the agenda is for this government in 1993, we see an incredible amount of attention regarding issues that directly affect Saskatchewan people. We see possible changes to the Canadian Wheat Board, the transportation system for agricultural production, a desperate need for a third line of defence funding and deficiency payments that have not been met for two to three years.

We see changes to the way in which credit will be offered by this government to farm people and residents of rural Saskatchewan. We see changes to the supply management system being negotiated at the GATT that will be a direct threat to many of the residents of rural Saskatchewan.

While those are related to agricultural issues, the people of Saskatchewan also face the same challenges that other Canadians will be faced with as well. There is the continuing attack on them from an unfair taxation system and a North American free trade agreement that is threatening jobs and the security of Canadians from coast to coast. The disputes that concern steel, pork, fish and other matters in our fight with the United States are also matters that will greatly affect the people of Saskatchewan.

I want to bring a number of matters directly to the attention of this government during the course of debate on this bill in which the government is asking permission to borrow more money to carry on with more of the same failed programs and policies that it has had over the last few years.

At that Saskatchewan rally the producers had a number of important things they wanted this government to hear. It was not just a matter of the need for immediate cash, but that was certainly what prompted many of those people to be there. The farm crisis is quite desperate. The numbers are quite overwhelming, indicating that without deficiency payments for the last two years, Saskatchewan producers are already behind $1 billion to $1.5 billion of where they would be if there was a fair trading system in this country and this world related to agricultural products.

Deficiency payments, a third line of defence payment, is a very immediate need of Saskatchewan producers, an industry that is very important to this country, to all of the people who live here, whether they are in Vancouver, Winnipeg, Halifax or St. John's. The crisis in agriculture affects all of us.

The first message out of that farm rally was that we have to get some cash into the hands of the Saskatchewan producer immediately. The producers went much further than that, indicating that we have a long-term problem. Obviously if we have a problem now it is because existing programs have failed us dismally.

The first year of the 1991 GRIP program has just ended. It is that program which has helped to produce the shortfall in cash that we have on the farm today. We can project that there will be further decreases in agricultural income over the course of the 1993 crop year that will result from the 1992 GRIP program but the current crisis is related to the existing program that was put in place by this government in agreements with the provincial governments prior to 1991.

We have to correct the long-term program as well. That long-term program is a very important one for all those producers who can survive the immediate financial crisis that we have now.

There were other matters that the producers raised at the farm rally that I want to bring to the attention of this government. The overwhelming majority of those 12,000 to 15,000 producers had four other important things they wanted to say to this government.

The first one is very specific: Oats must be put back under the jurisdiction of the Canadian Wheat Board. This government must maintain and enhance the powers of the Canadian Wheat Board because it is the only way that Canadians are going to have the opportunity and the ability to stay involved in the international marketplace in the long term. This government is contemplating removing barley from the jurisdiction of the Canadian Wheat Board, leaving only wheat under its jurisdiction.

The message from that farm rally was very clear. They want barley maintained under the jurisdiction of the Canadian Wheat Board. Under no circumstance should barley be taken out from the jurisdiction of the Wheat Board.

There are two very important messages from that farm rally right off the bat. They do not want cash just today. In the long term they enhanced and strengthened powers of the Canadian Wheat Board. Keep barley there and put oats back under the jurisdiction.

Therefore, the Canadian Wheat Board has to be our central desk selling method, which is a very important matter. This government is contemplating changes to the way in which grain is transported from the farm gate through the elevator system to the ports.

The Western Grain Transportation Act has certain guarantees to producers. The government wants to change that. It indicated after talks across the prairies last year that it is seriously considering changes.

The message from that farm rally in Saskatchewan is do not change the method of payment. Maintain the Western Grain Transportation Act, the Crow benefit and if nothing else, ensure that all Saskatchewan producers are treated fairly in the method of payment by ensuring that the *status quo* is maintained. That was a very important message that came out of that farm rally.

When this government talks about looking at its programs and policies and ensuring that it is looking after the interests of the Canadians it is supposed to represent, it has to take those messages into account. These are very important matters to Saskatchewan producers. We cannot forget that many of the problems on the prairies are a direct result of the continual off-loading of federal government problems on to the provinces.

The Canadian government has a minister of grains and oilseeds. At one point the grain sector was a national responsibility. In 1988, 100 per cent of farm programs relating to grain and problems like the drought that affects the farm situation were carried by Ottawa. The financing was carried by Ottawa. Today only 57 per cent of agricultural support is carried by Ottawa.

Saskatchewan, with 40 per cent of the farms and 4 per cent of the population, is having to carry the costs of 47 per cent of those farm support programs for which Ottawa just four years ago had 100 per cent responsibility.

We have to find ways of ensuring that the national dollar is directed at some of these resource based economies. I, speaking as a Saskatchewan member of Parliament, spoke directly about grains and the agricultural sector. I know my colleagues can talk about fisheries and other resources based economies from their parts of the world.

I have one last point as far as Saskatchewan is concerned. I attended the Saskatchewan Urban Municipalities convention yesterday in Saskatoon. The premier of our province indicated that agricultural support is costing every single Saskatchewan taxpayer $200. The Government of Canada that taxpayers support is just $20. Saskatchewan is paying its way. It is time that Ottawa supported the work of all Saskatchewan producers in an industry in desperate straits.

Mr. McCreath: Mr. Speaker, on a point of order, an agreement has been reached among the parties with an undertaking that we will adhere to the normal daily hour of adjournment.

Therefore, I think you will find that there is unanimous consent to move to the third reading stage of Bill C-98 today when report stage is completed.

Mr. Milliken: Mr. Speaker, on the same point of order. We would be prepared to allow the government to proceed with third reading but we understand that there is also an accord that the hours of sitting will not be extended this evening between four o'clock and five o'clock. That is part of the deal, and on that understanding we give our consent.

• (1150)

Mr. Taylor: Mr. Speaker, I also confirm there have been discussions to this effect. We are quite willing to co-operate this early in the sitting.

I just want the hon. member to understand that we in this party are very anxious to see the government get on with agricultural support legislation as quickly as possible and, as soon as that is completed, call the election and let the people decide which party they want to have govern this country.

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

Some hon. members: Agreed.

[*Translation*]

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, last year the Minister of Finance presented us with a budget that did absolutely nothing to revive the economy. The Conservatives' financial measures have once again overlooked all those Canadians who are without work today and probably will be without work for a very long time; 1.6 million people are unemployed, and it goes on.

Where are the retraining programs for all these people who want to work? Where are the job creation programs? The Conservative government seems to be short of ideas, short of initiative and especially short of creativity. It is doing nothing, absolutely nothing, to put Canada back to work. That is not how one builds a strong, competitive economy. Above all, it is not the way to be seen as a great nation in this period of increasing globalization.

This government is really good at making promises that it regularly forgets to keep. How can our young graduates hope to fulfil their dreams and ambitions if they are unemployed when they graduate and have to pay back their student debts? How will our adults and, unfortunately, many of our teenagers who are illiterate or barely literate survive in our society if no program is being considered and given priority? How will this 40 per cent of the population overcome this problem?

This government seems to have forgotten all those who have major economic problems, all those who can no longer make ends meet. How will children living in poverty be able to develop physically and mentally if they are not healthy and educated?

In 1991, 700,000 children lined up at food banks. Is that acceptable? Is that right in a country which is supposed to be rich in resources? How can these children escape their predicament if their parents do not find work?

To quote my colleague from Willowdale who said in another speech: "Canadians were counting on this government to give new direction to the economy in order to help with a real recovery. Their decision to stay the course does nothing for the 1.6 million unemployed Canadians who are looking for work, to say nothing of those on welfare".

Canadian small business people who have been going bankrupt at an increasing rate get only crumbs which are barely enough to keep up with inflation. The measures taken to control cross-border shopping do not seem to be enough to stem the flow of millions of dollars to the United States. There is nothing to reassure Canadians about their economic future.

[*English*]

The Conservatives simply do not care about average Canadians. They simply have not been listening to their constituents who are desperately seeking relief from these tough Tory times. Canadians are asking for this government to listen for a change. They want a federal government to lead them to economic stability and security. This is a fundamental argument for national unity. Economic instability in Canada only fuels the drive for sovereignty. That is why we must find a way to get Canada working again.

What I find incredible about the Conservatives is that the amount of money allocated for training adjustment has been cut by $110 million. It is incredible that at a time when 1.6 million Canadians are out of work this government is doing absolutely nothing. We are borrowing money to increase the debt. That is either cowardice on the part of the Conservative government or intellectual bankruptcy.

The Liberal Party is ready to meet this challenge. That is why my colleagues and I cannot wait for the writs to be issued and an election to be called. We will offer the people of this country a real alternative, one that is compassionate and understanding, one that will listen to Canadians, and an alternative that will provide the poor and the unemployed with the tools they need to be active, to prosper and to regain pride and confidence not only in themselves but in the country in which they live.

The Conservatives, fearing an attack from the ideological right, are cutting the programs that have helped build Canada. They want to co-op the Reform Party's agenda because they have no ideas of their own.

The cuts to ministers' salaries and the proposal to eliminate first-class travel in Canada that only existed for a few special ministers of this government were largely symbolic. This government really hurts average Canadians by cutting back on certain agencies that give Canadians non-partisan advice and alternatives in such areas as economic and scientific policy. In an astounding move the government eliminated the Science Council.

Canada is trying to become the world leader in science and technology. It is trying to leave behind the attachment it has had to the exploitation of the environment, and this government is blocking that progress. This action is counterproductive and will limit Canada's ability to be competitive in the global market.

As the Official Opposition spokesperson on multiculturalism and citizenship I must comment on the government's cuts in this area. It is absolutely shameful this government is welshing on a promise made to the Canadian Japanese community. The Canada Race Relations Foundation, which this budget shelves indefinitely, was announced as part of the Japanese Canadian redress settlement. The foundation was established with a grant of $24 million, $12 million of which was donated on behalf of the Japanese Canadian community in commemoration of the suffering of Japanese Canadians during World War II.

The Conservative government, which during the last election claimed to support multiculturalism and made a promise that it would do something about it has made a complete about-face by shelving both the Race Relations Foundation and the Heritage Language Institute. The Conservatives are reneging on two-thirds of their legislative commitment to multiculturalism. At a time when intolerance and bigotry are on a rise throughout the world the federal government should be contributing more rather than less to this program.

The final issue I would like to raise is that of the cancellation of the Court Challenges Program. We have talked about it before. It is reprehensible that this Conservative government would remove funding, and thereby access to the courts, for people who need protection under the charter of rights by cutting the budget on this program and then borrowing again to increase the debt. The government is attacking the rights of citizens to challenge present and future legislation that unjustly infringes on the rights of Canadians. If this government still believes in the principle of equality of the individual, I urge it to reverse this decision and reinstate the Court Challenges Program.

This government's economic and social agenda simply does not reflect the real needs of Canadians. It is something that the vast majority of my constituents and I oppose. It is time for new ideas and new alternatives. The Liberal Party is ready to give them.

Mr. Sergio Marchi (York West): Mr. Speaker, I am pleased to rise on behalf of the constituents of York West to speak to this borrowing bill which is one of the centrepieces emanating from the recent budget presented to this House and to this country.

One gets the feeling, and it cannot be helped, that through serious and long-standing economic turbulence this government and the Conservative Party opposite simply prefers to put on the automatic pilot and pretend that economic turbulence does not exist.

• (1200)

This latest parliamentary pause was long enough for members of Parliament to enjoy their families and certainly enjoy the benefit of touching base with their constituents in their ridings to try to get the pulse of a country. They will try, as best as they can, to reflect that pulse, that concern, those aspirations and those dreams in this place.

Members on the government benches should have talked to Canadians about their taxes, about the GST, about the record number of unemployed that is reaching almost two million Canadians, and about the fact that with their policies they prefer very much in a bravado sense to attack the unemployed rather than to attack unemployment.

They should have stopped to think about the consequences of the trade deal and the impact it is having on our work force and on some of our key sectors, as witnessed recently by the attack on our steel industry. They should have talked to the increasing number of people who have to rely on welfare or other social assistance programs or the growing number of people in the line-ups at food banks.

If they cared to talk to Canadians about these concerns they would transmit a message to the country through Parliament that they were willing to change, that they were willing to modify, that they were willing to minimize the hurt, that they were willing to admit without fear of being uncourageous or shamed that a number of

policies had not worked, and that they were prepared to change course.

We would have thought, if they cared about real Canadians and their families in the regions, the cities and the farms in all our constituencies, they would not have put Parliament on automatic pilot and that they would not have put shutters on and pretended that things were proceeding in a very hopeful and enthusiastic way, because they are not.

It is not because we on this side of the House enjoy the litany of statistics or of causes that we quote. No one takes pleasure in talking about those problems, but it is the responsibility of governments, legislators and elected representatives to solve those concerns and to solve those problems on behalf of a nation. It is not the responsibility of this House to be insignificant or indifferent to what is going on in real Canada.

Canadians in greater numbers are beginning to be indifferent and cynical toward our institutions because they do not believe, when they turn on their television sets, that we are anchored in reality. They do not believe that they make a difference. They do not believe that their concerns are being heard. If they are not being heard, how can those concerns and problems be addressed?

We are discussing the remnants of a budget that is already antiquated. It is not working. It is not addressing the concerns we see day in and day out.

Rather than presenting the traditional budget during the month of February which has been a long-standing practice we have a knee-jerk reaction by the government and Minister of Finance to postpone the budget. We have a knee-jerk reaction to postpone the throne speech which would have set a new course and created a new agenda. Why postpone a budget and a throne speech? Because the Tories are engaged in a navel-gazing exercise, trying to decide who should be the captain at the automatic pilot controls at the front of the plane. The country is becoming subservient to this exercise.

I submit, and other colleagues have been suggesting, that the country deserves better. It is not that any one party is holier than thou. It is not that any one party is perfect and has all the answers. We must strive to find those answers.

We are dumbfounded that the Conservative Party and government opposite have failed so miserably in even recognizing that hurt, that pain and that desire for economic stimulation, for economic change, for economic renewal, for economic assistance, for economic hope and for economic confidence.

You cannot go into your riding without discussing with people the economic climate of the day. It is a strait-jacket on our country. It is a strait-jacket on both the young and on the old, on those who are working and those who are unemployed. It is a strait-jacket that prevents us from being what we can be. We want to help this government and this country in shedding that strait-jacket.

We marvel that this place has become so insignificant. It does not speak to the problems of Canadians who wake up early in the morning to get on with life and who are speaking to us in our offices or our churches or our school gymnasiums or wherever we meet them.

Mr. Mills: No connection.

Mr. Marchi: There is not, as my friend from Broadview—Greenwood says, a connection. That is why people are indifferent and cynical about this institution. It is not our institution, it is theirs. This is the forum of Canadians. Therefore we eagerly anticipate the election that is coming.

Canadians during the Christmas and New Years break, after they wished you the best, eagerly suggested that judgment day is approaching or that finally 1993 is here. It is the people, not the Liberal opposition or the New Democratic Party, who have finally concluded that the only way this place will once again be connected to their concerns is by allowing them to exercise their judgment on election day.

It is for the people to set the agenda and a future government to pursue that agenda with vigour, with honesty and with a sense of compassion. We have a parliamentary majority which amounts to a parliamentary dictatorship. The shutters are on. The automatic pilot is on. The turbulence continues and people are hurting. It is time this came to an end.

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, as we debate this bill which allows the government to borrow more and more money I cannot help but get the image of the interchangeability between Bay Street and the House of Commons, particularly on the opposite side. I have this image of the Campeau Corporation and I have this image of Olympia & York. There are many other examples. Of course they are examples of the abject failure of the neo-conservative, monetarist theory which this government is so hell-bent on following and

has been following so assiduously ever since it got elected in 1984. With the interchangeability of it, I guess I am in a bit of a conundrum as to whether we should be saying there but for the grace of God go the people who would have trashed the Campeau Corporation and Olympia & York. I suppose if one was on Bay Street, one would say there but for the grace of God go the people who have trashed the Government of Canada and Canada as a whole.

• (1210)

It is no wonder, as many other members have stated, the Canadian public is absolutely distressed with us as politicians. The Canadian public is cynical about the institute of Parliament. I would like to confess to the public of Canada right now that I certainly join them in that. I do not blame them for being cynical about politicians. I have certainly become cynical myself.

We have a government which was elected in 1984 with all kinds of promises: jobs, jobs, jobs. We have a government that was re-elected in 1988, when I came into this House of Commons, with the promise that with the free trade deal with the United States this country would go into prosperity like we had never seen before.

What I have seen is that we have become impoverished as a nation because of these monetarist theories that they have been so firmly following. I as a working person can relate very well to the majority of Canadians. I have a bit of trouble relating to those from Bay Street, but I can certainly relate to those who do not come from Bay Street.

My memory is that in the late seventies and early eighties we were a prosperous nation before the previous government brought in wage and price controls, before it brought in six and five. It was going to fight inflation to the ground. It did not work, but that is beside the point. It did not work. This government which came in on the heels of a very unpopular government was going to turn things around. Of course it made it worse in spades.

I do not want to dwell too much on that. I want to address a few of the specifics of what has happened in this country, particularly under this government. I come from Saskatchewan. Other members of my caucus have spoken about the farm situation. Certainly the province of Saskatchewan, not to exclude the provinces of Manitoba or Alberta, is in dire straits.

While the member for The Battlefords—Meadow Lake was speaking one member, I think from Willowdale, was laughing. He thought it was rather funny that we were sitting here talking about oats and barley. I guess he really could not relate to anything that went on in agriculture.

I would like to remind anyone who is watching and I certainly would like to remind the members opposite and those to my right as well—I know there are some people in the Liberal caucus very knowledgeable of the farm situation, but some of them obviously are not and can certainly stand some education along those lines—as well as the Canadian public, those who do not have anything to do with farming, those who think that there is no relationship between themselves and the agricultural people of this land, of this thought.

If you eat, you are involved in agriculture. It is high time that everyone in Canada took notice of that, paid attention to it and realized that the people in the agricultural communities of this country, whether they are growing grain, potatoes or apples, certainly do make a contribution to this country. If they do not succeed, the rest of us suffer enormously because of that.

I made reference earlier to the free trade agreement with the United States and how it was supposed to bring prosperity. It certainly has not brought prosperity to Canadian farmers. Our present government has made only a shadow of an effort, if it can even be given that much credit, of trying to defend our agricultural community in the General Agreement on Tariffs and Trade negotiations.

Aside from that, under the free trade agreement there is a clause which says specifically that in this instance—unlike the General Agreement on Tariffs and Trade where there are 108 countries, the free trade agreement with the United States has only two countries, little Canada and the gigantic United States—neither country will use any kind of practice which would in traditional trading areas be to the detriment of the other country.

The main problem that agricultural people in this country face, particularly the grain growing ones which are in such dire straits, is precisely because of the United States' deliberate violation of that supposedly friendly agreement between themselves and Canada. They have used an export enhancement program to the extent of hundreds of millions of dollars to steal from the Canadian agricultural producers traditional markets. As a

result, our ability to sell grain abroad has certainly been reduced, to the detriment of our agricultural producers.

The North American free trade agreement, signed already, hopefully will never be implemented. Certainly as a New Democrat I can assure you that we will be doing everything we can to make sure that it is never implemented. In reference to some of the things involved in the General Agreement on Tariffs and Trade our government is saying: "Well, it's okay, folks, we will go to tariffication if we lose the ability to have our marketing boards in Canada. Marketing boards are really our first stand but we can always fall back to tariffication and then the farmers will be protected that way. We can put tariffs in place to protect the farmers on that". Generally the reference is to the tariff protocol referred to in the free trade agreement with the United States but not referred to at all in the NAFTA. There is specifically an exclusion of any kind of tariff protocol for agricultural products within the North America free trade agreement.

With reference to the wheat board, which is such an absolutely essential institution brought in by a Conservative government during the days of the Depression, absolutely essential to the farmer in getting a fair return for his products on the prairies, this government has done almost everything it can to gut the wheat board. It has removed oats from the wheat board to the detriment of the price of oats.

I see that I have only a minute left. Let me just say that the experience is that with the removal of oats from the wheat board, the price has suffered. Now barley is going to be removed from the protection of the wheat board. We can certainly conclude that the same will happen there. Organization after organization after organization is saying please, do not do it, begging the minister responsible for the wheat board not to do that, after him having said that the best thing he ever did was to remove oats from the wheat board. Well, no more favours from the minister; please leave the wheat board alone and put it back to its former glory.

There are many more things I could refer to. Poverty in Saskatoon, the city I come from, is the second worst in the country behind Manitoba. For heaven's sake, we are behind Newfoundland which for so long had been considered to be an impoverished province. That is what the legacy of this government has been to this nation and my constituency.

Yes, the people have been calling for an election. Please call an election and relieve us of this torture.

• (1220)

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, my hon. colleague from the prairie province of Saskatchewan has spoken and has ended with great eloquence.

It is an eloquence that can only be repeated by the constant plea of my own constituents in the great city of Toronto. I would have said that magnificent city of Toronto, but unfortunately we have had to use more humble adjectives over the course of the last several years, in large measure and in fact almost completely thanks to the government opposite.

The city of Toronto is that great engine that drove much of the economy of Ontario and contributed in its munificence through taxes and revenues to the greater glory of all Canadian industry and social programs. I do not speak with any blushing for the constituents of Toronto who have done that so willingly as Canadians.

They find themselves today, thanks to the government opposite, with an unemployment rate that has seen close to a quarter of a million Canadians from the Toronto area on the unemployment rolls. Think about that. There is the winging of 250,000 people. My colleagues opposite might do a little geographical research very quickly to see how many cities in Canada number 250,000 people. There are 250,000 unemployed in that place in Canada that used to drive the economic engine of the nation.

That is drastic. So tragic is the outcome of the government's economic policies in its tenure in office that even the banks, the great bastion of profitability, have taken to laying people off. The economic financial centre of Canada is close to being no more. My colleagues opposite are suggesting that perhaps we should be serious on this side of the House while they go about their business of cutting the deficit, reducing government operations and employing other types of techniques which remain a mystery in the way they will function to all Canadians but those who sit opposite on that side of the House.

I have with me my colleague from Broadview—Greenwood who has presented on many occasions suggestions for tax policy, economic policy, industrial development or assistance to the entrepreneurs who used to highlight the character of Canada that was symbolized by its innovation, its risk-taking desire and its willingness to take that extra challenge in order to produce wealth to be shared by all Canadians.

A few moments ago, my colleague could not help but wonder where the ideas that should have emerged from the administration offices have gone. They probably went the way of our trade balance. Over the course of the eight years of this administration, we have gone from a trade balance of $19.8 billion to a mere $7.4 billion.

This is from a nation whose dependency on international trade is recognized by each and every one of us. This is by a government that says that close to 35 cents out of every Canadian dollar earned is earned from international trade. This is from a government that says that the future lies with the growth of international trade. It says this while it increases the dependence of Canadian goods on one client. Imagine what would happen to anybody running a business and counts on 80 cents for every dollar earned on one client alone. What shoddy planning. What absolutely abysmal near-sightedness. Just this week on an international platform in an international environment in Davos, Switzerland we see that our trade people are bereft of any representation by senior members of government. They are getting snookered by the Mexicans who are part of the North American free trade agreement.

Mexicans are in Europe looking for and pursuing new clients for products that are going to be coming out of North America. They are looking for new investment and new investors and are trying to create opportunities. Where is our government?

An hon. member: Where are others?

Mr. Volpe: Try not to defend the government by asking where are others? Take a look at what has happened. It is nowhere to be seen. In the richest market in the entire world it is nowhere to be see. It is content to continue to reduce Canada to an exporter of resources only and to one client. Is it any wonder then that over the course of the administration of the government opposite our current account balance has gone from a surplus of $3.4 billion in 1984 to a deficit of $24.7 billion just this last year? Shame. That is an absolutely horrid shame.

This is a government that came into power with the stated desire to create jobs, to cut taxes, and to create a better environment for Canadians. It says it is trying to create wealth for Canadians. What did it do? Since 1984 direct income taxes have gone up from $37.5 billion to $73.5 billion just a year and a half ago.

Corporate taxes have actually decreased over that same period of time. They have decreased from $11.3 billion to $10.8 billion. This is a government that does not understand how to use tax policy to create wealth. It does not do anything for trade. It does not do anything for planning. Planning is a misnomer for anything that it has done with respect to the GST.

The government initially planned on garnisheeing in the range of $25.5 billion to $28 billion with a 7 per cent tax based on an exchange of goods and services of approximately $400 billion. That was the value of that exchange. That should have brought to our treasury approximately $28 billion.

Last year the government was able, or at least this is what it reports, to collect $15.5 billion. Either it has succeeded in driving 50 per cent of the market underground, and experts admit that the minimum that has been driven underground is 15 per cent, or its estimates were wrong all along, or, and I hate to say it, it is deliberately deceiving everybody with the figures it is putting out. Right now on the basis of revenues collected so far this year it is again another $1.3 billion short.

This is a government that has used taxes to whip Canadians into submission. Since 1984 indirect taxes have increased from $18.12 billion to $28.57 billion. When it is taking this kind of money from the marketplace, from Canadians, what is it forcing them to do? We have seen some of them go underground. Others have moved south. Enterprise has diminished and risk-taking has been discouraged. Even worse it has also forced municipalities and provinces to assume the burden that exists among the general electorate.

• (1230)

I see that some of the members opposite have difficulty dealing with the reality of the statistics that come from their own department. Perhaps this is yet another indication that they are not only tired but insensitive and, dare I say it, unable to read the signs. They should leave and leave today.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, as I was looking over the statistics that I received from my colleague from Eglinton—Lawrence I could not help but wonder how the government could possibly think it could get away with these incredible tax increases.

In 1984 the federal revenue from income tax was $37.5 billion. In 1990 it was $73 billion, and that figure does include inflation. As well in 1990 there was close to $15 billion in GST revenues. That money came out of the system and came from individuals. Therefore, we are talking about a comparison of about $37 billion in 1984 to almost $90 billion in 1990, if we include the GST.

That is one of the reasons there is very little confidence or spirit in this country right now. I do not want to ignore the reality of there being absolutely no inflation in this country. However the ratchet the government has used on inflation has been too aggressive. It is nice to talk about there being absolutely no inflation in this country. Yesterday the Prime Minister said in the House that we have the lowest inflation in 30 years. However he must recognize that there must be a balance. When there are so many people on unemployment and welfare Canadians would rather have a little more inflation and have people in the work force with the dignity of a job.

The same goes for interest rates. We could say because of the lower inflation that we have the lowest annualized interest rates in 20 years. I recognize that. However the problem is that there is no confidence. There is no will to move ahead. Surely the government is not stupid. There are intelligent people over there. They are hearing the same things that we are hearing. How long are they going to let this torture continue? It must drive them as crazy as it is driving us. It must be the same torture for them as it is for us. What are they waiting for?

There are ways of igniting the entrepreneurial spirit in this country. I want to mention the Small Businesses Loans Act which the Minister of Finance presented in his financial address before Christmas. The Small Businesses Loans Act is a good piece of legislation. There are areas for improvement in it. The $5 million ceiling for eligibility is a little low. The fact that we have an instrument that will force the financial institutions of this country to loan money to small businesses, and that 85 per cent of the loan is guaranteed by the Crown, is a good thing.

I am hearing two things from the small businesses in my riding.

First, I am hearing that most of the bank managers are not aware of it or do not want to get involved in the paper work. The government must use its force and influence to force the financial institutions of this country to implement this piece of legislation. We give the financial institutions of this country all kinds of tax preferences and legal loopholes. We are hearing from these bank managers right now. The president of the Bank of Montreal says that he has ways to ignite the economy. Let us challenge him.

How many small business loans has he given out under the Small Businesses Loans Act? Why does the government not use its influence to bring these banks to a state of accountability? I read a speech the other day by the president of the Royal Bank in which he said that small business entrepreneurship is where it is at in terms of getting people back to work.

I say this in a constructive way. Why do we not take the Small Businesses Loans Act, a piece of legislation that all of us in this House support, and force these bankers to use it. The greatest hope of new job creation lies with the small businessmen and women of this country, with people who want to have a home-based business. Today with the new technology and the new economy people can start businesses right from their own recreation rooms or homes. However, they need access to capital. We have an instrument in this House but we are not using it.

The government cannot say that what I am saying is not constructive. It is totally constructive. However the government is not acting.

It is really sad to hear the glib comments over there when there are so many people who are having a tough time making it from payroll to payroll. There are so many people out there right now who are in such pain, who are in real pain. What are we doing here? Are we

making a real connection in this room? We are not really making a great connection. All we can do on this side of the House at this time is try to make the government accountable and try to push it and motivate it.

There are instruments right under its nose and it is not using them. What would be wrong with the Minister of Finance calling in the senior bankers of this country and telling them to implement the Small Businesses Loans Act and put some capital into the system.

The greatest hope for new job creation in this country lies with the small and medium-sized businesses. We do have an instrument that can put capital back into the system, back into their hands, quickly.

I would make one other suggestion. The float for the Small Businesses Loans Act is around $4.5 billion and if it needs more than that we should make sure it gets it. The cost to the Treasury of servicing the Small Businesses Loans Act in the last three years has only been approximately $25 million to $27 million. That is a very inexpensive price to pay for an instrument that can be so successful in mobilizing the spirit and the will of this nation.

Once again I implore this government to use the power of the Minister of Finance to call all these bank managers in for one of those cabinet discussions and tell them to implement this piece of legislation which the duly elected members of this House of Commons support. Let us get people back to work.

• (1240)

Mr. John Brewin (Victoria): Mr. Speaker, the members of this House are using this debate to put on record some of their thoughts on the government's economic policy and on the course of action we in this country should be taking to try to achieve full employment and to get the economy of this country back on track.

I would like to join in that effort and to discuss with the members of this House some ideas that I think should be looked at by the people of Canada if we are going to get our economy right.

Here is the first question. What is the goal of government economic policy? Over the last eight years, and particularly with the dominance of John Crow as the Governor of the Bank of Canada, this government has focused on the objective of reducing inflation to zero. The Governor of the Bank of Canada, along with the Minister of Finance and the Prime Minister, has made much of the gains they have made in reducing inflation to zero. They have placed this goal ahead of the goal of achieving full employment and keeping Canadians working and expanding the base of work across this country.

The result of these policies, of course, has been disastrous for Canadians. What we we hear from the government is that they are now bereft of new ideas. They continue to persist in the assumption that the free trade agreement and NAFTA have been good for Canada when in fact it is evident to every Canadian that the free trade agreement has failed and has caused miserable unemployment. This is particularly so in central Canada. It has deprived our legislatures right across this country of the capacity to deal with the economic problems we face.

The government has added to the deficit, rather than decreased it, as the natural result of its policies. If one reduces economic activity, which has been the government's set purpose, government revenues decline. If you do that through the device of high interest rates, the government cost of borrowing increases. Therefore, we have had the phenomenon of this Conservative government, and other Conservative governments across Canada, running higher and higher deficits. Year after year these people come back to Parliament or to the legislatures to explain. "Oh my goodness, we're sorry, we were out of line last year. We underestimated the deficit. The deficit has actually increased when we meant to decrease it".

Caught in this desperate mix, these governments continue to follow the same policies. They continue to cut back on public investment. They continue to scare private investment out of the market. They continue to keep interests higher than they should be. They continue, therefore, to add to the deficit rather than detract from it. They are caught in the spiral and Canadians are caught in the spiral with them.

Let me suggest that there are alternative economic policies that the people of Canada should be considering and that this Parliament should consider. First, we must get our goals right. The goal of an economic policy for our country should be to encourage employment for its people. That must be the objective and it must be the prime and overriding objective. It is through employ-

ment that people participate in society. I see it as a moral and ethical obligation on government to provide the opportunity for work for all its people. I believe other governments have demonstrated that it is possible to do so. If we had a government that would co-operate with provincial governments—rather than fight with them—perhaps we could pull together in this country to achieve the objective of full employment for our people.

Specifically, I would suggest the following. First, we need tax policies which focus on getting private capital investment moving again, particularly in small and local businesses.

Second, government financial priorities must focus on job creation. All government expenditures should be judged on that basis. We need to encourage public investment rather than discourage it. We must be encouraging the development of social programs which in turn provide jobs for people. We must be encouraging rather than discouraging the arts, culture and heritage because these are job creators in themselves.

Government financial policies should not focus on cutbacks, but should focus on maintaining employment in the public sector and in related sectors.

Third, the government must move to reduce interest rates even further. The Canadian public will be seeing interest rates that are lower than they have been but the public must also understand that our interest rates still remain substantially higher than they should be when related to the rate of inflation. There is significant room to further reduce interest rates in this country.

Fourth, the government must be prepared to allow the Canadian dollar to fall further. There has been a drop over the last period but it should fall significantly further. We are an export economy. We depend on tourism exports for our livelihood. This will stimulate and help our economy.

Fifth, we should encourage Canadian investment. It is critically important that we begin to regain control of our economy. Under this government, more and more of our economy has continued to be owned by outsiders. It is important that we begin to change the direction of investment so that Canadians increasingly can regain control of their own economy.

This of course applies to trade policies, which is the sixth point. Clearly the government's trade policies have failed. It is essential that we should cancel the free trade agreement, that we should not proceed with NAFTA and that we should develop a totally different set of trading relations with our partners than this government and its Liberal friends have agreed to.

Seventh, we must put a real emphasis on training and education. Training and education are at the heart of where we are as a country. We have one of the worst over-all records in terms of training and education policies of all industrial countries. We spend more and receive less. We do so because the central government, the federal government, has failed in its role of pulling together all of those involved. It is not just provincial governments but school boards and local governments, universities, colleges, the private education sector, business and labour across this country that are needed to develop a unified education and training policy in this country.

Let me give the government credit in the area of the competitiveness study or the prosperity initiative. The educational side of that study produced a number of significant ideas and it is time this government acted on those ideas.

Eighth, we need community-based economic planning. We had an economic workshop in my riding. I convened people from every sector of the community. We sat for a day and looked at ways in which the federal government can encourage job creation in Victoria. This workshop came up with a number of very good specific ideas: an ocean engineering centre, a community learning council, heritage arts and culture policies which would be of assistance, regional economic planning and a harbour that can be at the heart of job creation in Victoria. These are ideas which do not depend on substantial federal government largess, but do depend on government being ready to encourage local initiative and community ideas.

Ninth, it should reduce the deficit on a step-by-step basis rather than attempting to do it overnight when, as I showed earlier, that produces the opposite reaction.

Tenth, there should be a willingness to accept a moderate rate of inflation. It is clear that a zero rate of inflation is bad for the economy. Our economy, as has been shown since the end of the Second World War, functions most effectively with a moderate rate of inflation.

An hon. member: What is that?

Mr. Brewin: It is inflation of two, three or four per cent, in that order.

An hon. member: How about one per cent to one and a half per cent?

Mr. Brewin: My friend says one per cent to one and a half per cent, but he knows that that in fact for most people is effectively zero or minus zero inflation. We have an economic policy. It is important that this country proceeds with it. We can achieve full employment under these policies.

• (1250)

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am of course not enthusiastic at the prospect of speaking in this debate. We have said many times that we have a tired, old government in Canada, but I must say that when it comes to economic matters even the opposition is getting tired. They are tired because the government does not seem to respond to the criticisms of its economic policy.

The hon. member for Victoria who has just spoken has put forward some policies that are quite sensible. Not all of them are sensible, but the vast majority of them are. As I listened to his list I thought perhaps he was reading from the Leader of the Opposition's speech at the University of Ottawa last week that outlined some of the policy suggestions that my friend has put forward. I know it will be followed up by him in subsequent speeches.

When he got on to free trade and tearing up the agreement and things like that, I realized that this was one of the Bob Rae crowd speaking. I note that the premier of Ontario is on a campaign against the free trade agreement that will probably ensure the agreement will likely stay on.

The hon. member is interested in my views on the free trade agreement and he will hear them in due course. I was not proposing to discuss free trade today, but I support our party's position which is to renegotiate the free trade agreement.

I may say this that the hon. member will be interested in knowing. We recognize that after almost five years of having had the free trade agreement in place, we assume that the damage the agreement was going to do to the Canadian economy is largely done. We assume that sooner or later we are going to see some of the much trumped-up benefits from the free trade agreement. We feel that it is going to be very difficult to come into office at this point and rip up the free trade deal.

We do think it is important for Canada to get a better deal out of it. We are anxious to take over as a government and do the negotiating because as he knows, and he must agree, this government is totally inept when it comes to negotiations. It has botched almost every negotiation it has entered. It comes up with a deal, but it is a deal at any price.

We Liberals have some principles and some bottom lines that we will not abandon. Unfortunately this government was prepared to abandon the entire country to the United States in an effort to get a free trade deal in 1988. It was prepared to give away all the powers of the federal government in order to get constitutional deals. This government has a complete lack of backbone when it comes to sensible and intelligent negotiating. Canadians have seen that repeatedly during the eight years that it has occupied the treasury benches.

This morning we were treated to a speech by the hon. member for Essex—Windsor. He engaged in a creative rewriting of the economic history of Ontario in an effort to show that the New Democratic Party somehow was not responsible for the huge debt that the province of Ontario is now encumbered with thanks to Mr. Rae's government. The Minister of Supply and Services was here and heard this balderdash this morning when it was suggested, apparently quite seriously, that the reason there is a $10 billion deficit in Ontario today is because

the NDP inherited a $3 billion deficit when they took over from the Liberals in 1990.

Of course we know that in 1990 the recession began. Certainly economic projections both in Ontario and nationally changed as a result of the recession that began in that year. The campaign in Ontario was conducted during August. By September it was apparent that what had been projected to be a surplus in the accounts of the province of Ontario for the financial year ending in March 1991 was rapidly deteriorating and turning into a deficit.

The new government increased the deficit by fiddling the books. It changed accounting practices part way through the year to include in the 1991-92 year certain figures that would not normally have been included. It took the view that it might as well get the deficit up so it would not look quite so bad the next year. It also had a pot or a contingency fund that was allowed for in the estimates. That had not been spent when it took office in September 1990 and it promptly spent that money.

The Ontario NDP government increased the deficit by about $1.5 billion from what it otherwise would have been—in effect doubling it that one year—and claimed that that was the Liberal deficit. It was not. The NDP took over responsibility halfway through the year. It ran up the costs by fiddling the books and charging this extra money to the accounts. Then it said: "We inherited a $3 billion debt". Then the hon. member for Essex—Windsor, with a straight face, said it set to work to fix up that mess but somehow managed to increase the deficit from $3 billion to $10 billion in one year, and that was after its own budget. It introduced a budget supposedly to fix the problem and it fixed it all right. It tripled the deficit in one year.

It was an unbelievable performance by the hon. member for Essex—Windsor. The hon. member for South Shore was quick on the uptake. He figured out there was something wrong with what was being said but he went on a show and tell routine. As my colleague from Bonavista—Trinity—Conception will well recall, we referred to his speech as his swan song. It was apparent that he is getting very nervous about his chances in the next election. I know that the Minister of Supply and Services is getting the same feeling. There are so many people campaigning to be Liberal candidates in Lanark—Carleton that he must be quaking in his boots by now.

The hon. member for South Shore began his remarks by blaming the Liberal government back in 1984, as this government has been wont to do, for all of the government's financial woes. What a performance it was. Imagine blaming a government that has been out of office for eight years for everything that has gone wrong. It is still doing it.

Mr. Dick: It is the truth.

Mr. Milliken: The hon. Minister of Supply and Services says it is the truth. He knows that it is not. He had eight years to do everything right. The minister was part of that group that was elected in 1984 that had all the answers. It told Canadians throughout the campaign that it was going to solve the deficit and that it knew how to fix all of Canada's economic woes. It said that if we can just create jobs the trickle down effect will be so great that everybody will get rich. We know that is not the case. We know that during the eight years the Conservative government has been in place the relative wealth of Canadians has declined in absolute terms. It has been a tough eight years. Tory times are tough times and Canadians have experienced that. They know that. I keep getting told that everywhere I go in my constituency.

The Minister of Supply and Services laughs. He thinks that expression is—

Mr. Dick: That is 1930s jargon.

Mr. Milliken: —1930s jargon. The hon. member is right. It is 1930s jargon and it is still true today. It was true with Mr. Diefenbaker's government in 1958 to 1962. Tory times are tough times. That has been illustrated at least three times this century and the hon. Minister of Supply and Services knows it perfectly well.

The thing that was surprising, and I will grant the minister this, is that for the first four years there apparently was some kind of economic miracle in Canada and things went reasonably well. I can tell the minister, and I suspect that he secretly knows this in his heart of hearts, that it is because of the policies introduced by the previous government before it left office in 1984 that things went so well. Since then the policies that he has pursued have in fact put the economy into a recession.

The hon. member knows that his Minister of Finance stood in this House and said he was going to slow the Canadian economy down. It was the government's an-

nounced and avowed policy. It was going to slow the Canadian economy down, slam on the brakes and induce a recession in order to take the heat off the inflationary spiral it claimed we were locked in.

That is what he said. The Minister of Supply and Services must have been in cabinet. He must have been privy to the discussions that led to that incredible statement by the Minister of Finance. He put the brakes on all right and instead of taking them off once the economy started to slow down he held on.

The minister said: "We are holding the course, we are steering the course". Surely the minister remembers those statements. He said: "We are holding the course, we are doing the right thing for Canada, and if we just hold on long enough everything will work out fine". The government held on long enough and brought the whole economy to a grinding halt. The record number of bankruptcies in 1992, even higher than in 1991 which had been the highest year ever, are testament to the suffering that this minister and this government has inflicted on Canadians for at least the last four years, and I would suggest really the past eight.

The difficulty we are facing today is compounded by the government's continued insistence on eliminating inflation and pressing for a zero rate of inflation. By doing so it is driving Canadians out of work. It is keeping them from getting jobs. While the goal may be an extremely laudable one in pure economic theory the pain that the minister and the government has inflicted on the Canadian economy goes far beyond what is reasonable or necessary.

A Liberal government would not have engaged in such dogged pursuit of such an illusory goal as zero inflation. This government has badly served Canadians by its policy. It is unfair, it should not have happened. I suggest that in the proper course what Canadians need and deserve is an opportunity to express their views about this policy and the other policies the government has pursued.

We have a mechanism for doing so. That mechanism is an election. I think Your Honour knows that an election is what should happen. It should be called at once. The government has gone beyond the time—

Mr. Whittaker: Mr. Speaker, I rise on a point of order. I understand that there is an opportunity to wind up debate on the report stage of this bill if the House would simply extend for a short time longer.

I understand that there is a disposition in the House to give myself and the member from Moose Jaw—Lake Centre the opportunity of making our remarks. We would then be able to wrap up report stage debate prior to coming back after Question Period. Do we have that agreement?

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to extend debate now?

Some hon. members: Agreed.

Some hon. members: No.

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

It being one o'clock p.m., I do now leave the chair until two o'clock p.m. pursuant to Standing Order 24(2).

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

INDUSTRY, SCIENCE AND TECHNOLOGY

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I rise today to strongly condemn the decision of the minister of trade to close the Whitehorse and Yellowknife offices of Industry, Science and Technology Canada.

This decision could not come at a worse time. Northern economies are struggling to diversify, to seek new markets for local products, and to train local business people and workers so they have the skills to take them into the 21st century.

It is absolutely the opposite of what the government says it wants to do. Ironically these are the very same goals that the government's own prosperity agenda consultation sets out for northerners and for all Canadians. In fact it was the ISTC staff that organized the consultation in Yukon.

The employees of ISTC understand the unique problems faced by northern businesses. That understanding cannot be replaced by a 1-800 number from Vancouver. In the name of restraint the trade minister is silencing a strong voice for trade and business in the north. Northerners want to know: In whose interest does this government serve?

* * *

RACISM

Mr. Vincent Della Noce (Laval East): Mr. Speaker, I am here today to speak about recent happenings in southern Florida. As many are aware, for the second time in two years a local tabloid thought it would be humorous to attack Quebecers in a racist manner.

Because of our government's reluctance I flew down at my own expense to support the efforts of our community and their local voice, the newspaper *le Soleil de la Floride*.

To those who supported me and sent me off with such strong words of encouragement, my thanks. I am happy to report, for the record, that because of the unity shown by the government of south Florida and religious, ethnic and civic leaders we emerged victorious.

When people stand together against injustice every one wins.

[*Translation*]

Unfortunately, by its merciless mocking of Quebecers, this publication did considerable harm to our community.

After apologies and promises that it would never happen again, as far as we are concerned, the incident is closed, and what is important now is for us to live together as harmoniously as possible.

* * *

[*English*]

INTERNATIONAL DEVELOPMENT WEEK

Mrs. Christine Stewart (Northumberland): Mr. Speaker, International Development Week gives all Canadians an opportunity to reflect upon the importance of our efforts to promote global development and peace.

To this end Canada must provide its aid more directly to the world's poorest in the world's poorest nations. World population growth must be addressed to priority spending on women's programs including health and education. Environmental degradation is directly linked to human poverty and threatens the globe's survival, our survival.

Aid must be directly linked to decreases in military spending and human rights protection in recipient countries. The international assistance efforts of non-governmental organizations on behalf of civil societies must be encouraged and supported.

Government policies must be people centred with a focus on direct poverty alleviation. Poverty demands justice here and abroad. Focusing away from direct poverty alleviation to a me first economic trade focus for aid will contribute to a security disaster in this country and rejection of the government that supports such policies.

* * *

[*Translation*]

TIOXIDE CANADA

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, yesterday we heard that Tioxide Canada has decided to cancel its plans for a new plant in Bécancour and go to the United States.

For years, the company and its president, Mr. Jean-Marc Turcotte, have dumped massive amounts of pollutants into the St. Lawrence River.

For years, they have made commitments to governments and residents, without ever meeting those commitments—just like the Liberals, as a matter of fact. After spending all that time polluting the river, they have now decided to go to the United States.

They just violated the principle of sustainable development set out in the green plan. Destroy the environment and leave, letting hundreds of jobs fall by the wayside.

The damage this company has done to the St. Lawrence River adds up to billions and billions of dollars, paid by this country's taxpayers. The company's sole response was to get out and ignore its responsibilities.

This is entirely unacceptable, and I ask the people—

[*English*]

Mr. Speaker: I am sorry to interrupt the hon. member but his time has expired.

VETERANS AFFAIRS

Mr. George Proud (Hillsborough): Mr. Speaker, Canada's veterans and the employees who serve them at the Department of Veterans Affairs are very concerned. It is time this government made a clear and definitive statement about the future of the department and its plans for it.

The recent cabinet shuffle which resulted in the combining of the responsibilities of veterans affairs and national defence only heightened the concern so many people feel. At the present time there is not even a permanent deputy minister of veterans affairs. Employees fear that their department has been quietly downgraded.

Veterans fear that without a full-time minister to look after their concerns they will be forced to take a back seat and that the programs which have been up to this time the envy of the world will be allowed to deteriorate as the government pursues its relentless cutting of social programs.

I call upon the government to make a clear and definitive statement about the future of this department so that employees can get on with their job and veterans can rest easy knowing that there is genuine concern for their welfare.

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FEED FREIGHT ASSISTANCE

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, as a result of the December economic statement the Feed Freight Assistance Program will be reduced by 10 per cent for two years. The principle behind this program is to equalize the cost of feed freight to all farmers. However the current plan to implement the reduction by 10 per cent for each farmer means that farmers in Atlantic Canada will have their costs increased as much as $6 per tonne while others have insignificant increases.

The Atlantic Farmers Council has proposed a more equitable formula which increases the cost of feed to all farmers by approximately $1.30 per tonne instead of the inconsistent formula. This approach maintains the original principle of equalized costs of feed for all farmers. I call on the Minister of Agriculture to adopt this formula or one very similar to it.

TRADE

Mr. Rod Murphy (Churchill): Mr. Speaker, if Conservatives in transnational corporations have their way Canadians would be stuck with another disastrous trade agreement in 11 months.

The Conservatives are attempting to tie the hands of future generations of Canadians by restricting the right of Canadians to make decisions that affect their lives. Social programs, employment and jobs, water exports, energy sales, provincial government powers and economic programs have all been sacrificed in the Canada–United States Free Trade Agreement and now the North American free trade agreement.

The Liberals refuse to stand up to defend either Canada's heritage or its future. Canadians can stop this new trade deal with Mexico and the United States because we must have a federal election before January 1, 1994.

Canadians know that only one political party, the New Democratic Party, will defend their rights to make their own decisions, to decide about jobs in their communities, to decide how their children will be able to find work, and to decide on the future of their social programs. New Democrats say no to NAFTA and we will offer our alternatives to Canadians.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, for several months, Mr. Robert Maltais of Amos has been a victim of serious injustice as a result of an administrative error when the unemployment insurance computer processed his file.

Mr. Maltais met all the requirements to be eligible for unemployment insurance benefits and was attending a training program recommended by the Unemployment Insurance Commission.

The commission's mistake resulted in an overpayment of more than $6,000 and was extremely prejudicial to Mr. Maltais. The Canada Employment and Immigration Commission has appealed the decision of the board of referees to the umpire.

Today Mr. Maltais gave a moving description of his case on the radio program *Contact Jean Lapierre*. We all hope this matter will be cleared up soon as possible.

* * *

[*English*]

METROPOLITAN TORONTO

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, how many more jobs must be lost in metro Toronto before the federal government will finally do something? The latest unemployment figures indicate that 11.8 per cent living in the greater Toronto region are looking for work. That is even higher than the national rate.

The unemployed in my riding are telling me that opportunities for job retraining are virtually nil, yet the only game plan of this government is to punish the unemployed by reducing and restricting UI benefits. Everybody knows the best way to reduce UI expenditures is to create more jobs. Food banks are growing. We will never eliminate food banks in Canada until we give people good jobs instead of bad cutbacks.

The Leader of the Official Opposition has recommended good job creation programs but the Prime Minister ignores constructive suggestions. Today in metro Toronto 250,000 unemployed people are asking when they will have a chance to elect a new government.

Let us get Canada working again. Let us have a federal election.

* * *

[*Translation*]

ANTI-SEMITISM

Mr. Jean-Pierre Hogue (Outremont): Mr. Speaker, in the past few weeks, there have been a number of shocking incidents aimed at a specific group of Canadian citizens. Recently synagogues were attacked. A few days ago it was a school bus.

We all know how valued some symbols are and what they represent in a society. When symbols are violated it means a violation of what is most profound and most important to that society. In this case the targets were religion, education and small children. Children are defenceless, and most are innocence itself.

• (1410)

The Jewish population in the riding of Outremont and elsewhere is an integral part of Canada and Quebec. They are citizens with full rights and privileges. We cannot let such occurrences go on. It is an attack on the integrity of a society and also a form of blackmail. By protecting them, we protect ourselves.

* * *

[*English*]

CANADIAN UNITY

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, what more needs to be said about Jacques Parizeau's recent statements except that they do not reflect reality?

The PQ leader's fictional, exclusionary view of Quebec simply ignores the truth for we are a rich, diverse society, respectful of those who are different from ourselves. We are the Canadian people.

With so many challenges facing us, with our economy in bad shape and with so many young people looking for jobs or, worse, thinking of leaving Quebec, how can Mr. Parizeau advance his society by setting out divisions among Quebecers? His view that independence could be achieved without the non-francophone vote sends a disturbing message that must be turned back, for if we have learned anything from history it is that we cannot remain silent in the face of such xenophobia.

Instead of Mr. Parizeau's view of a house divided, we need to work diligently toward a more embracing, integrating society where difference and diversity are appreciated.

There is no place in our kind of Canada for his approach. We are equal citizens regardless of race, religion or gender, whether we speak English or French, whether we were born here or have chosen to live here in Quebec, in Canada.

* * *

THE CONSTITUTION

Mr. Stan Wilbee (Delta): Mr. Speaker, in an interview with *La Presse* the hon. member for Hull—Aylmer claimed that the dinosaurs from the west did not take part in last night's vote on New Brunswick's request for a constitutional change.

Although the hon. member either could not or would not identify a single dinosaur, let me assure him that all government members from the west who were in town were present and voted in favour of the amendment.

This is in sharp contrast to the pink elephants of the Quebec bloc that helped block the passage of this legislation in December because it showed that Canadians from coast to coast want to build a stronger and more tolerant country, a country which the hon. member apparently wishes to see torn apart by rhetoric.

* * *

ARMENIA

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, over the past couple of weeks I have received hundreds of letters from constituents deeply concerned about the situation in Armenia.

In December, President Ter Petrossian declared the republic of Armenia to be in a state of national disaster. I have written to the Secretary of State for External Affairs and to the Prime Minister urging them that Canada contribute to easing the suffering in this corner of the world.

[*Translation*]

The lives of four million Armenians are threatened by famine and epidemics. Energy shortages have paralysed daily life. Schools and factories are closed and more than 500,000 refugees are facing a harsh winter, without shelter.

The situation in Armenia is disastrous. Canada must do everything it can to end the conflict between Armenia and Azerbaijan and relieve the suffering of the Armenian people. We have a moral duty to do so, Mr. Speaker.

* * *

PROPERTY TAXES

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, all elected representatives of the Montreal urban community have asked the Minister of Finance to cancel his decision to freeze grants-in-lieu-of-taxes paid to municipalities.

Michel Hamelin, chairman of the Montreal Urban Community, believes this decision will mean a major loss of revenue for 1993, especially since it was announced after the municipalities had adopted their budgets. The impact of this measure will be felt more and more in the years to come and will seriously affect the MUC's financial situation.

Considering that the cost of municipal services was increasing steadily, the MUC chairman pointed out that the federal government was subject to property tax, the main source of municipal revenues.

That is the crux of the problem. By not paying its taxes, the federal government is not acting like a responsible citizen. It also sets a bad example for the rest of the country. This attitude puts municipalities at risk by increasing their tax burden. It is just another example of the incompetence and irresponsibility of this government.

* * *

[*English*]

ELK ISLAND NATIONAL PARK

Mr. Brian O'Kurley (Elk Island): Mr. Speaker, one of Canada's most important natural resources is our national parks.

Alberta's national parks have played a key role in economic development by attracting tourists from all over the world. Elk Island is one such park that invites those who appreciate species like bison, elk and beaver.

Although the National Parks Act clearly includes in its statement of purpose that parks are for the people of Canada for their benefit and enjoyment, a recent proposal has revealed intentions to limit human access and experiences within Elk Island. By closing a key access road from the Trans-Canada Yellowhead Highway 16, 75 per cent of the traffic that visits the park via this highway will be affected.

The Government of Canada must ensure a reasonable balance between isolating national environmental treasures and offering opportunities for a variety of human experiences within our parks.

Let us work together to improve roads and responsible recreational opportunities in our national parks. Let us all work together for an improved environment and a better Canada.

* * *

THE ENVIRONMENT

Mr. David Bjornson (Selkirk—Red River): Mr. Speaker, I rise today to voice the concerns of citizens of the city of Winnipeg regarding the safety of the city's water supply.

The NDP government of Ontario has given leave to a mining company to start a project on the shores of Shoal Lake, which is the source of drinking water for the city. This has been done without any public environmental review of the K.P.M. project.

I am not about to prejudge the results of an environmental review but I want to acknowledge to the House the hypocritical environment policies of the NDP government of Ontario.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, yesterday the Prime Minister said that the triple crown was just around the corner. This morning we received some statistics and we understand what he meant. For the third year in a row we have seen a record number of bankruptcies in Canada. That is the real triple crown nobody should be bragging about.

How can the Minister of Finance say that his economic policies are working when, for the third year in a row, we have seen an increase in the number of bankruptcies in Canada?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, it is true there have been a large number of bankruptcies in Canada this year. Some of them are due to the slow-down of the economy and some are due to the adjustment, the restructuring and rationalization that is taking place in the Canadian economy.

I remind the hon. member that the figures for December show that bankruptcies fell to the lowest level in four months, the lowest level since August. Obviously there is a turn around and some of the effects of the policies of the Government of Canada, the adjustment that is taking place, the restructuring that is taking place are starting to settle in.

The fundamentals are in place. It is noted that today the interest rates fell further. That is encouraging news. As I indicated, there has been new job creation in seven of the last eight months. We have had growth in the last six consecutive quarters. Therefore there are some positive indicators.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, it is a bit amusing because on February 4, 1992 the minister said there was a decline in December of the previous year. Using the same argument, he concluded that it would be better in 1992.

He is serving us the same argument that did not work last year. There was an increase last year over the previous year. Another promise the government cannot keep is a reduction in the number of bankruptcies in Canada.

[*Translation*]

I would like to put a question to the Minister of Finance because this morning he asked Canadians to give him suggestions for a budget that should normally be presented in the month of February and has now been postponed indefinitely, for all we know.

I would like to tell the Minister of Finance that we suggested to him over a year ago that an infrastructure program be created in conjunction with provincial and municipal governments. This would result in immediate job creation and produce infrastructures that would be useful to all Canadians in the years to come.

Why does the Minister of Finance refuse to accept our suggestion? Is it because it comes from the opposition?

• (1420)

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, that suggestion made from time to time by the hon. member has been discarded because quite frankly, he has not been able to outline to the Canadian people and to the House where the money would come from.

He said billions of dollars would be spent by the federal government, the provincial government and the municipal government. All of that money would have to be borrowed or raised in the form of taxation. He has not fulfilled his undertaking to explain just how that would be financed.

Speaking of suggestions, I am rather enamoured with the suggestion the hon. member made yesterday. As a substitute for the GST, he is talking about a hidden, secretive and sneaky tax which would tax food and would be buried so that Canadians would not know how he was going to tax the Canadian people. What a sham. We are not going to buy that.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, we have always said that when there is a program that the municipalities are asking for, they have their financial problems, but they believe that to have an economy that works we need growth. There are 1.7 million people unemployed and the country wants growth. When will the minister stop fighting inflation? The economic policies of his government are completely bankrupt. That is why we have statistics on that today.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, it is interesting how the hon. member evades the very salient issue which has been raised. I asked the hon. Leader of the Opposition to come—

Mr. Chrétien: Call an election, chicken.

Ms. Copps: That is what you said in 1991.

Mr. Mazankowski: Are they ever sensitive over there. Are they ever sensitive about this issue. I asked very simply that the hon. Leader of the Opposition come clean. Is he proposing a hidden form of secretive, sneaky tax to replace the GST? Is he proposing a tax that would tax food? Yes or no?

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

Twelve months ago the minister when faced with record bankruptcies had a choice: change his economic policies or do nothing. He chose the latter. The result is 77,000 additional economic casualties of this government's fiscal policies.

Was it just plain incompetence or typical Tory arrogance that allowed the Minister of Finance to sit and do nothing while 77,000 Canadians were pushed beyond the brink into bankruptcy?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, in my December statement outlining an economic plan there are clearly a number of very positive initiatives that will bolster growth, that will create jobs, that will generate economic activity particularly in the small business sector.

There are a number of initiatives that will beef up the small business sector and encourage the growth of jobs and strengthen and enhance that very important job creation sector.

It is interesting to note that the Liberals opposite oppose any solid initiative. What they want to do is tax and spend and borrow. That is not our policy.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, let us talk about the business climate in Canada for a minute. In the minister's own province of Alberta business bankruptcies are up by 12 per cent. In the province of Ontario they are up by 16 per cent. In the province of Nova Scotia they are up by 25 per cent. That is this government's record of inaction in dealing with the business community in Canada.

How can the Minister of Finance feel anything but shame with the fact that under his direction and stewardship thousands of Canadians, 77,000 Canadians, have been driven belly up into bankruptcy?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, as I indicated there have been a number of business casualties. I have not ignored that fact. I also indicated, and it is fair to acknowledge, that bankruptcies in the month of December fell to their lowest level in four months.

The hon. member asks me what we are doing. Well, if he would just listen for a few minutes, last December we announced initiatives that froze UI premiums to provide a premium holiday for new employees. There is the 10 per cent investment tax credit for new purchases of machinery so that businesses can become more competitive and more productive. We have improved access to capital, announced improvements to R and D, improvements in the treatment of capital cost allowances and high-tech equipment, renewed funding for the IRAP, announced an extension of the home buyers plan and provided assistance for the oil and gas sector and assistance for the mining sector.

Those are all positive initiatives that are now starting to have a pay-off for Canadians and for the economic activity and particularly for the jobless.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Minister of Finance.

The minister has said that his policies are a great success. Today we have just learned that the number of bankruptcies last year broke all Canadian records. This government's policies are a total failure.

Yesterday the Prime Minister asked for alternatives and suggestions. I have a suggestion for the Minister of Finance: eliminate the tax shelters, created by the Liberal government, for rich people family trusts. This is a good suggestion.

It was unjust then, and it still is. Why does the government not close this loophole and use the money to create jobs and save small businesses?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, that is precisely what we are doing. We are closing the loopholes so that these trust beneficiaries will not evade capital gains tax.

This government's record in terms of closing the so-called Liberal loopholes is very dramatic in fashion. I would be glad to document it and send the hon. leader of the New Democratic Party an itemized list of every initiative we took which closes the loopholes left by the previous administration.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the reality is that this government has closed more factories than it has closed tax loopholes and has lost more jobs than it has created.

There are many things the Minister of Finance could do. He could close the private family trusts for the wealthy. He could close that tax loophole as well as the business entertainment expenses deduction, the capital gains exemptions for the wealthy and the interest deductibility for offshore companies.

I say to the Minister of Finance that if he wants to get revenue to support the creation of jobs and the future of Canadians, why does he not close these loopholes? Why does he not do it now?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, what the hon. leader of the New Democratic Party is suggesting is that she would like to make it more difficult for the small business sector to do business in this country. We do not subscribe to that.

With respect to trusts, I ask her to read the legislation again. She will find that the loophole is being closed.

I could name 20 different items that we have addressed. We ended the abuse of the scientific research tax credit. We eliminated tax shelters based on investments in yachts, recreation vehicles and similar projects. We halted income splitting. We stopped the so-called carve-out transaction.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, it is always amazing that the great successes that are listed just create more devastation for Canadians. So I will make another suggestion to the Minister of Finance.

In a positive vein and with good intent I want to say to the minister that independent analysts have said the elimination of the GST could create over 300,000 jobs in Canada. Unlike my hon. colleague, the Leader of the Opposition, I am prepared to talk about alternatives before the election, not after. Clearly the elimination of the GST would create jobs in Canada. Why will the minister not look at this option?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. Leader of the New Democratic Party is really stretching her credibility. What would she substitute it with? It generates some $15 billion to $16 billion.

We know what the Liberals want. They want a hidden, secretive and sneaky tax. What does the NDP want? She will have to come clean and tell us.

* * *

• (1430)

NATIONAL DEFENCE

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, my question is for the Minister of National Defence. In the November 1992 report to the House of Commons, the Auditor General reported that the defence program management system was, to use his term, expensive and ineffective.

Considering the magnitude of major projects involved, about $3 billion a year, this is a very serious indictment. I would like to ask the Minister of National Defence what action she has planned either to refute this serious claim or to take immediate corrective actions.

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, in the course of my briefings at the Department of National Defence, I have been very interested in the question of fiscal management throughout the department.

It is important to assure Canadians, simply because of the magnitude of the budget of the Department of National Defence, it is a department that is managed to the highest standards possible. I would be very pleased to discuss with the hon. member any approaches which he may have.

I am looking carefully at the Auditor General's report and I hope to be able to report further on this subject to the House of Commons as initiatives develop.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, a supplementary question for the minister. While it is not just my concern, it is the concern of the Auditor General and I would be happy to talk with her at any time at all.

I would like to get more specific now. One of the specific concerns of the Auditor General was that most of the problems observed with the major capital programs were generated in the project life cycle, early in the project initiation or in the very early stages of the project. He went on to say that none of the projects examined were directly related to defence policy and that most of the equipment failed to meet the operational requirements. That is what the Auditor General said.

Given the seriousness of this claim and the fact that the program we are looking at now is going to be one of the largest in Canada and probably one of the largest ever in DND, second or third anyway, could the minister tell this House how this charge of the Auditor General applies to the Sea King replacement program or more specifically to the $4.5 billion EH-101 helicopter program.

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, as the hon. member knows, the program for replacing the Sea King helicopters was discussed at some length in a standing committee of the House of Commons.

I do not have time in Question Period to go into enormous detail as to how the specifications were developed and the contracts drawn up. I would be very happy to offer to the hon. member and any member of his caucus or any member of the House of Commons, a thorough briefing on how the specifications were developed and the decision made to enter into the contract with the EH-101. I would be very pleased to provide that information to any member of the House of Commons.

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INDIAN AFFAIRS

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. As do many Canadians, he knows of the tragic situation at Davis Inlet, Labrador.

I want to ask the minister today what is his response to the cry for help that has come from Davis Inlet. What does he intend to do immediately, both for the short term and the long term, to respond to that community and particularly to the children whose lives are threatened?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, members of this House, indeed all Canadians are saddened and deeply troubled by the spectre of young children resorting to gasoline sniffing and substance abuse and the unacceptable conditions in Davis Inlet in which they and their parents are living.

I have discussed this matter extensively with my colleagues, the Minister of National Health and Welfare and the Minister of Fisheries and Oceans from Newfoundland and Labrador. Yesterday I called the acting premier, Mr. Winston Baker, in Mr. Wells' absence about what the two governments collectively might do to deal with the immediate problem of the human condition in Davis Inlet.

It is important for members of the House to recognize that the community, which was established some 25 years ago, is totally inadequate for the present population. It is some four times larger now than the infrastructure which was designed when the Government of Newfoundland and Labrador moved those people there a quarter of a century ago.

We have contemplated the relocation of the community to another location on the mainland. A consultant's report received on December 18 recommends that the government seriously consider that option. That is a long-term solution.

If we bear in mind that the previous relocation 25 years ago has led to the present circumstances, relocation in itself is not the solution to the problem.

The Minister of National Health and Welfare is in Halifax today meeting officials and will in all likelihood meet Innu representatives tomorrow while he is there. Officials of both governments—

Some hon. members: Time.

Mr. Siddon: Mr. Speaker, I thought the House wanted an extensive report on this very serious question.

I will conclude by saying this. Representatives of both governments have invited the Innu to sit down later this week and among options decide what to do about the immediate problem of substance abuse and inadequate conditions in that community.

Hon. William Rompkey (Labrador): Mr. Speaker, the immediate problem is substance abuse.

I would like to ask the minister a very specific question, a question I think the people of Davis Inlet would ask if they were here today. Can they have their own treatment centre and their own treatment program near Davis Inlet, culturally based and in their own language? This is what the people want. I ask the minister today if he is in a position to respond to that serious and important request from the people?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I spoke to the Minister of National Health and Welfare this morning. I am assured he will be making a statement on this matter before this time tomorrow.

I should also point out that these children are wards of the province of Newfoundland and Labrador which has clear legal jurisdiction for health care and welfare. Any decision on whether they are to be removed from the present community either to a near location or a centre further away will be taken in consultation with the Innu leadership and with the Government of Newfoundland and Labrador.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, my question is also for the Minister of Indian Affairs and Northern Development.

The social disintegration of the Innu community at Davis Inlet dates to its forced relocation to a remote island in 1967 by the Government of Newfoundland, assisted by a local priest. Those people were cut off from their traditional way of life and subsistence, left without promised housing or running water and abandoned by the federal government which knew it had the constitutional responsibility for them.

Why has the federal government refused to acknowledge its constitutional responsibility for aboriginal people in Newfoundland when its own legal opinions from the Department of Justice have confirmed this responsibility since 1950?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, later today we will be releasing a full statement and account of the background to this tragic situation.

I remind the hon. member that he should read the history because if he did he would discover that the community of old Davis Inlet which existed prior to 1950 was but three miles from the present community of new Davis Inlet. There was another relocation north in the late 1940s which failed. It is a fact that on the island where both the old Davis Inlet and the modern community are located, there is an inadequate supply of wildlife and natural resources to support the people who live there.

From the time of Confederation, Newfoundland has accepted legal and jurisdictional responsibility for the Innu people who are not registered and not status Indian people. Therefore they are not entitled to the benefits of my department directly and have chosen to remain as not registered, non-status Indian people under the care of the province of Newfoundland.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, on February 19 last year I asked the minister to relocate the Davis Inlet Innu. Since my question the federal and provincial governments and the Innu themselves have all studied relocation and found that relocation to the mainland is the best and cheapest option for this community.

When will the government finally accept its legal and moral responsibility, commit the necessary funds and begin the process of moving the Davis Inlet people to a new community on the Labrador mainland?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I might repeat what I said to the hon. member for Labrador a moment ago. We would not want to repeat the mistake that has already been made. That is why an extensive consultant's study was undertaken at my request. It found that a relocation could be desirable but might not solve the human and social problems that exist in that community.

• (1440)

Therefore, in consultation with the Inuit leadership and the Government of Newfoundland and Labrador which has legal responsibility for the care and well-being of these people, we will find an appropriate solution.

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STEEL INDUSTRY

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, my question is for the Minister for International Trade.

On Friday the Prime Minister is visiting President Clinton in Washington. Presumably the current steel dispute will be discussed between them. Could the minister tell the House whether the Prime Minister will take the view, as the minister said yesterday the problem lies with the Industry in Canada, that it is a management and labour problem".

Will the Prime Minister protect and defend Canadian interests by seeking a continent-wide steel pact or, more fundamentally, seek negotiation of what is a subsidy?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, what I was doing yesterday was correcting a distortion that the hon. member for Hamilton East had put on the record. She was blaming the total problems of the steel industry on the fact that it got hit with the anti-dumping duties last week.

The point I was making is that there is a significant reduction in the competitive advantage of the steel industry amounting to $100 a tonne or 20 per cent of the value of the product. That is the problem.

On the question that my hon. friend puts, yes, I propose as I have already done, to raise the question of a Canada-U.S. steel pact with the Americans. The Prime Minister has already done that with the previous president and I presume he will be doing the same thing this week.

Our approach is to establish a blue ribbon panel to develop the framework for such an agreement and then see whether we can negotiate an agreement at a later stage.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the minister knows that a U.S.-Canada steel pact, like the U.S.-Canada Free Trade Agreement or the North American free trade agreement, would be essentially flawed unless there is an agreement on what is a subsidy, unless there is an anti-dumping code. That is the void in the free trade agreement. That is the black hole in the North American free trade agreement.

Will the minister tell the House not about a blue ribbon commission but when this government is going to address that fundamental question with the United States and now with Mexico of what is a subsidy and how we can achieve an anti-dumping code. Then the problems in the steel industry will be finally resolved.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, this is precisely what is being addressed in the Uruguay round of negotiations in Geneva.

If my hon. friend will review what has been decided to date on the definition of a subsidy and how the anti-subsidy disputes can be settled, he will see that there has been significant progress.

On the question of anti-dumping, my hon. friend is quite right. The United States has been absolutely adamant. Even in the Uruguay round, with a large bulk of countries trying to encourage the United States to change its anti-dumping regime, there has been no support for that within the U.S. industry or the U.S. Congress. We continue to press the Americans and I appreciate the support of the hon. member in that direction.

It is difficult to move the United States even in the multilateral negotiations with so many other countries on our side.

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AGRICULTURE

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, my question is for the Minister of Agriculture.

The minister knows that farm income is expected to drop about a billion dollars this year. That is a drop of about 21 per cent. Today we learned that bankruptcies in agriculture and related service industries reached 421 last year.

The situation for thousands of producers is desperate and that explains partly why over 13,000 farmers attended a rally in Saskatoon last week.

What does the minister plan to do to help farmers stay on the land and maintain rural life?

Hon. Charles Mayer (Minister of Agriculture): Mr. Speaker, it is not all bad news. The hon. member will know that the Canadian Wheat Board just raised the additional payment for barley and he will know that we reached an agreement with Saskatchewan about two weeks ago that will see additional money flow into Saskatchewan. In total he will see some $260 million additional flow into farm safety net programs this year.

He will know that even though prices are not expected to improve very much, there are good prospects for grain sales and over all on a net basis government programs, federal and provincial, will put over $2 billion into farmers' hands this calendar year.

What we intend to do is work very hard at all levels of government, especially as the Prime Minister has done in the past, to see what we can do about improving international grain prices.

To say again, while there are and will continue to be concerns until we reach some agreements on international trade, the news is not necessarily all bad as far as income is concerned for farmers for the coming year.

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, I want to pick up on that aid package that was negotiated for Saskatchewan. There is only about 20 million new dollars of federal money in that aid package. While farmers are grateful for anything they get, it should also be noted at the same time that under the WGTA freight assistance has been cut by this government this year to the tune of $70 million. It is give with one hand and take away with the other. That kind of hypocrisy underlines the agricultural policy of this government.

Again I ask the Minister of Agriculture what his government intends to do to keep farmers on the land and maintain rural life.

Hon. Charles Mayer (Minister of Agriculture): Mr. Speaker, again, the hon. member cannot have it both ways. We have done considerable to control over–all government expenditures that sees a reduction in interest rates to farmers. He should know that every percentage point reduction in interest rates for farmers literally means hundreds of millions of dollars of saved expenses.

He will also know that in some areas farm input costs have not gone up and in some cases they have gone down. There are five chemicals that will be less in price this spring than they were last year.

Again, it is not an easy situation to address. We are putting out a considerable amount of support. He will know that in the economic statement of last December one of the three areas that the Minister of Finance did not touch was an over–all reduction in safety net programs. They stayed the way they were.

You can take from that that the government is very committed to doing what it can to support farmers through a very difficult time.

* * *

STEEL INDUSTRY

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, my question is for the Minister for International Trade.

Since the free trade agreement, 12,000 people have been laid off in the steel industry. Recent trade actions will surely increase that number. A sectoral steel agreement which we support and proposed has been rejected and rebuffed by the United States.

Now the minister is suggesting a blue ribbon committee but no concrete proposal has been put forward. The government initiatives are obvious failures.

If the minister has such faith in the dispute panel mechanism, why is he creating a blue ribbon committee to study a problem that he already knows?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the dispute settlement panel is there to deal with the issue at hand, the anti-dumping findings of last week. Surely my hon. friend would say that is an improvement in the free trade agreement over what was the case before.

My hon. friend says he wants to see a U.S.-Canada steel agreement. I agree with him. I would like to see that too. So would the industry. We are all in agreement here. But we have to find agreement with the other partners, the United States industry and the United States government.

As a basis for developing that agreement we have proposed a group of people, a blue ribbon panel of experts, to study the proposal and get through that study an element of support in the United States so we can achieve the objective that he and I would like to see achieved.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, while the dispute panel is waiting to settle the dispute and the minister is creating his blue ribbon panel, the steel industry will be gone.

My supplemental is for the minister of energy. It is with regard to Canadian jobs in steel and generally in the Hibernia project since Canada has become a major investor and in fact a shareholder in Hibernia.

In 1992 in a letter addressed to me his predecessor said: "I have directed that a systematic review be conducted to ensure that Canadian companies and workers have the fullest opportunity to participate in the management, design, construction and operation of the project". Last year Algoma Steel lost a contract to Belgium.

• (1450)

Mr. Speaker: I wonder if the hon. member could put his question, please.

Mr. Butland: Will the minister table the review that his predecessor talked about and act immediately to fulfil the promise to maximize Canadian content and Canadian jobs in Hibernia?

Hon. Bill McKnight (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. member is fully aware, I am sure, of the action that was taken by the Hibernia Management and Development Corporation in addressing some concerns that were identified in specifications regarding steel, Canadian specifications versus European.

As a result of the investigation by my predecessor and the Hibernia Management and Development Corporation, virtually all rebar that will be used in the construction of the Hibernia gravity based structure will be Canadian rebar purchased in Canada.

As the hon. member is fully aware, there is a target of 55 per cent to 60 per cent Canadian content, Canadian supplies, and Canadian work in the $3 billion of contracts that will be let by the Hibernia Management and Development Corporation in Canada.

Where Canadian companies have the expertise, the ability and deliverability, which is very important, they will be able to bid competitively for contracts in Hibernia. That is what has taken place in the past. That is what will take place in the future.

* * *

[*Translation*]

COMMUNICATION-QUÉBEC

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is for the Minister of Supply and Services. Since 1986, Quebecers have been able to obtain answers for their questions about federal programs and services by contacting Communication-Québec. Today, the Canada Communication Group wants to abolish this service without consulting the Quebec MPs.

Can the minister tell us today whether he is the one who asked the Canada Communication Group not to renew this agreement and to abolish this service? The members from Quebec, especially the Conservatives, ask you to put this lousy decision on hold.

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, I can assure my colleague that I never asked my department to abolish this model agreement.

[*English*]

As a matter of fact, my department has agreements with all the provinces and territories and all of these are being examined. I have asked them to put on hold all the changes they might like to make until we can see which is the best way to go to make sure we can give a better service to Canadians at the cheapest cost to the Canadian taxpayer.

COAST GUARD

Mr. Stan Wilbee (Delta): Mr. Speaker, for many years the west coast has been well served by three Coast Guard hovercraft, but like our Labrador helicopters these are now near the end of their life expectancy and are frequently not available due to mechanical breakdowns.

During the recent cold snap, which of course is rare on the coast, only one hovercraft was available and the authorities were afraid to let it out because it might be damaged. Does the government plan to replace these aging craft and, if so, when?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I would like to reassure my colleague that the search and rescue capabilities on the west coast and anywhere else in Canada are not being undermined at present. We are in fact going through an analysis of the requirements for vehicles for search and rescue. We are examining the suitability of the hovercraft. We know it is well thought of in most areas of this country. We are conducting a review at the present time to make sure that we have the best equipment possible at a cost that is bearable by the Canadian taxpayers to continue ensuring proper search and rescue activities in all parts of the country.

* * *

JUSTICE

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is to the Minister of Justice. The Canadian justice system is failing to protect women from former boyfriends and husbands who follow, harass and threaten them.

In three recent murder cases in Manitoba and in others across the country, the murderers were actually in possession of restraining orders telling them to stay away from the victims. In at least two of these cases the system failed to take away firearms which were in the possession of the murderers. These firearms were actually used in the killings.

When is the minister going to do something? Why will he not bring forward changes to the Criminal Code to protect these women from this harm?

[*Translation*]

Hon. Pierre Blais (Minister of Justice, Attorney General of Canada and Minister of State (Agriculture)): Mr. Speaker, I think that my colleague raises a rather important point. Indeed, the Criminal Code has provisions in sections 177, 264, 372 and 423 that allow police officers and the courts to intervene.

I realize that the administration of justice is left to the provincial governments. It is therefore important for us to make sure that we know the reasons behind this system and the sections of the Criminal Code that may apply in some cases like the one he just mentioned. Unfortunately, such incidents happen.

I said yesterday, and I repeat today, that our government intends to act quickly on that. We are now reviewing those sections of the Criminal Code and if necessary, we will act quickly to bring legislation on it to the House.

[*English*]

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, the police say that they cannot do anything until the victim is harmed. These who are being stalked are living in terror.

Just assuming that the provisions were in the Criminal Code now, which certainly not everyone agrees with, how is the Minister of Justice going to force all the attorneys general in Canada to do something.

Why does the Minister of Justice not just amend the law so there is no question, and the lives of more women in this country are not risked? Will he bring forward these amendments immediately, certainly before a prorogation of this House?

[*Translation*]

Hon. Pierre Blais (Minister of Justice, Attorney General of Canada and Minister of State (Agriculture)): Mr. Speaker, I already said that I was as concerned as he is about these unfortunate events. I trust that with the co-operation of the hon. member and the other parties in this House, we will be able to present amendments, if necessary, so that people can feel safe. I quite agree with my colleague but we must also ensure that individual rights are respected.

I assured my colleague and I reassure him that we will react. I have asked my officials to examine all these provisions of the Criminal Code to see where improvements could be made.

* * *

[*English*]

FISHERIES

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is for the minister of fisheries. His announcement in December that fishermen who did not use their groundfish licences for the last two years will have these licences taken away has shocked and angered inshore fishermen across Atlantic Canada, so much so that they feel compelled to take his department to court in order to get this astonishing decision reversed.

Will the minister now admit that this decision in December was an unfortunate mistake and will he assure bona fide inshore fishermen today that they will not lose their licences as a result of this absurd policy?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I believe that all of the provincial governments and those who have some knowledge of this matter agree that there is a great deal of over-harvesting capacity and over-processing capacity in the Atlantic fishery. That is surely obvious to anyone.

When the Atlantic groundfish management panel was announced and accepted with great approbation by all those who were present, one of its provisions was for groundfish licences not used in the last two years, licences where not one pound of fish had been reported as being caught by the holder of the licence, that we would not reissue licences of that nature this year because we have to attempt to get under control the chaotic licensing situation in the Atlantic Canada fishery.

As always, matters are far more complicated than they appear on the surface and that is the case in this particular situation.

Some hon. members: Time.

Mr. Crosbie: If you don't want to hear what I have to say, don't ask me a question.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, nobody is arguing that there is an excess capacity in harvesting in the fishery.

• (1500)

The minister knows that the reason why these licences were inactive was because there were no fish to catch the last two years. These fishermen were merely applying the government's own bona fide licensing policy the way it was intended.

To the fishermen, this policy constitutes no less than a breach of trust. This insane decision will actually increase—

Mr. Speaker: I wonder if the hon. member, given the time, would put his question.

Mr. LeBlanc (Cape Breton Highlands—Canso): Only a full retreat is acceptable. Will the minister reverse his decision to take away these groundfish licences today?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, the hon. member is cerebrally challenged if he thinks I am going to go into a full retreat. I have never gone into a full retreat in my life and I do not intend to now.

Some hon. members: Oh, oh.

Mr. Crosbie: If the yahoos on the other side will let me say—

Mr. Speaker: I am sorry but we are going to move on.

* * *

AGRICULTURE

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is for the Minister of Agriculture.

It concerns the Feed Freight Assistance Program which was originally designed to equalize the cost of feed to all farmers in Canada.

The current plan to implement the 10 per cent decrease will distort that concept of equalized feed cost to farmers. Some farmers will lose $6 a tonne and some will lose nothing.

Will the Minister of Agriculture adopt the alternative proposal which is a fair proposal and will cause each farmer in Canada to drop the same amount of money from the equalization program?

Hon. Charles Mayer (Minister of Agriculture): Mr. Speaker, this question was raised with me by the New Brunswick Federation of Agriculture. We said then and say now that we are prepared to look at that type of proposal with the idea of seeing that the reductions in expenditures are carried out in a way that treats everybody as even-handedly and as fairly as we can.

I thank the hon. member for his suggestion. We will certainly be prepared to consider it.

Mr. Speaker: The hon. member for Hamilton East on a question of privilege.

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PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Ms. Sheila Copps (Hamilton East): Mr. Speaker, earlier in the Question Period the Minister for International Trade suggested that I had distorted the facts yesterday in Question Period when I said that 10,000 people—

Mr. Speaker: First of all, the question of privilege should have been raised immediately after the remarks were made, if it was said yesterday. Second, it is very difficult for me to see how it is a question of privilege even today.

Ms. Copps: Mr. Speaker, he said it a few moments ago. I am raising it at the earliest opportunity.

Mr. Speaker, 10,000 people in my riding who have lost their jobs in the last three years do not appreciate the misinformation spread by the minister on this subject. The members on the opposite side may think it is a big joke but to those 10,000 people it is not a joke.

Mr. Speaker: The hon. member is complaining about the word "distortion" in debate. I certainly cannot find, under the circumstances, that it is a question of privilege.

The hon. member may have a complaint but there are other places to take it.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1992-93 (NO. 2)

MEASURE TO ENACT

The House resumed consideration of Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992, as reported (without amendment) from a legislative committee; and Motions Nos. 1, 2, 3 and 4.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I welcome the opportunity to enter into this debate today.

I want to refer to some areas that are not always discussed in this House. That is mainly the areas concerning agriculture and in a broader sense, rural Canada.

We spend approximately a billion dollars on agriculture every year. In the last eight or nine years, something like $16 billion has been given in direct payments to agriculture. Although huge sums have been paid out, the fact is that in Saskatchewan alone some 1,500 farmers are leaving the land every year and similar numbers are quitting in other provinces.

The question that has to be answered is this. In what direction are we heading with respect to agriculture in this country? The government has not given any clear direction other than it is willing to spend money on agriculture, usually at times when it is convenient for the government to help members get re-elected or when it is going to help an agribusiness that is going to remove farm families from the land and destroy rural communities.

This government does not understand, does not have an appreciation of what is happening at this time. This was made abundantly clear yesterday when I asked the Prime Minister about the problems in agriculture. I want to quote from *Hansard* of yesterday when the Prime Minister in his response to my question stated:

> This government brought in the GRIP program. This government brought in the NISA program. Both programs are greatly admired by Saskatchewan farmers.

I do not know of anyone in Saskatchewan or in this country who admires the GRIP. The answer shows a complete lack of understanding, a complete ignorance in this area. I do not blame the Prime Minister. He is obviously getting bad advice from his new Minister of Agriculture.

Up until the last cabinet shuffle we had three Ministers of Agriculture. What happened after that last shuffle? We lost one outright. The Minister of State for Agriculture, who is concerned with agriculture in Quebec, is now the Minister of Justice. I doubt very much whether that minister is going to be spending very much time on agriculture. He is going to be spending more time on justice. It is a major portfolio in itself. There are many areas of agriculture that have to be dealt with. Therefore, we are left with one Minister of Agriculture.

I would suggest this government is taking a new direction. It is abandoning the concerns it has with agriculture. To leave one member as a Minister of Agriculture, with all the needs and requirements there are in this area, certainly does not bode well for the future of agriculture in this country.

The Prime Minister went on to state in response to my question:

> I would like to tell my hon. friend this. This government increased aid to agriculture including western agriculture, over the eight year period by 650 per cent.

That is also true. However, the way money was spent on agriculture, farmers should be upset, rural people should be upset, urban people should be upset, Canadian taxpayers should be upset because money was wasted. Billions and billions of dollars were wasted. Yet the Prime Minister can say that farmers in Saskatchewan adore NISA, they adore GRIP. Patently that is not the case.

What is needed is not spending more money on agriculture, it is to spend money more wisely on agriculture. The GRIP we have today is like putting a farmer on a step ladder with a noose around his neck and every year forcing him one step down the ladder. It is slowly going to destroy the family farm. When we have a program that gives some farmers a GRIP cheque big enough to buy a half section of land and other farmers a GRIP cheque that will not even pay their fuel bills, there is something wrong with that program.

We in this party have been saying that what we have to do is first of all state our objective clearly. That objective is that we want to maintain viable farm families, viable rural communities in this country. This is not going to be accomplished with the set of programs which the government opposite has been promoting. It was made very clear last week when over 13,000 people came to Saskatoon. They were not all farmers, some were from urban areas; they were not all from Saskatchewan, there were some from Alberta and some from Manitoba. They made it very clear that they did not like GRIP, whether it was Saskatchewan GRIP or Alberta GRIP or Manitoba GRIP. It made no difference. The fact is that the agriculture programs that are in place now are not the ones that we require.

• (1510)

The Prime Minister yesterday gave me, with all due respect, a glib answer, an answer that people in this country who have any knowledge of agriculture would mock. It is unfortunate that this is apparently the advice he gets from his Minister of Agriculture.

We have to pursue three underlying points with respect to agriculture and rural Canada generally. First, we have to realize that the primary resource sector in this country, the key sector, depends on maintaining rural Canada, whether that sector is agriculture, whether it is the fisheries, whether it is forestry or whether it is mining in those regions of Canada where there is mining.

This government has not recognized that fact. We have seen the destruction of the fishing industry off the Newfoundland coast, which is wreaking havoc in Newfoundland. We heard the remark made by the Prime Minister showing a complete lack of knowledge of what is happening in western Canada.

Until we recognize that the primary resource sector is the key sector, there is going to be problems and the government is going to be called upon to make emergency payments and come up with money to help people in those areas. Agricultural policies have to be developed with a view to maintaining those communities and maintaining farm families.

If somebody wants to farm 10 or 12 or 15 sections of land, go ahead and farm it but do not expect the government to help you keep that land and buy out other farms. We want programs that will spend money wisely. We do not have a lot of money to spend in this country and we spend far more than we should right now with the deficit we have. The money we spend now on agriculture could be spent in a much better way, where it would produce much better results and provide a much stronger infrastructure if we recognize that the primary resource sector is the key to rural Canada, and if we develop a program with a view to maintaining rural communities and farm families in western Canada.

Another thing we need is the co-ordination of programs. We have the Community Futures Program which is under the Department of Employment and Immigration. We also have the Western Diversification Program which is now under a separate minister. These programs sometimes work at cross purposes. There is an overlap, an overlap of bureaucracy, an overlap of money that is going back and forth, and oftentimes at cross purposes

What we really need in this country is some real co-ordinating of programs. In fact, what we need is a minister who is responsible for rural affairs. Under that minister should be the Minister of Agriculture, the Minister of Fisheries and Oceans, the Minister of Forestry, a minister of mining and northern development. That is what we should have, because when you stand in this House you cannot point to anyone who is responsible for rural affairs.

When this government, or any government, comes to its senses, that is the direction we will have to go. I see my time is starting to run out.

The third area where we have to make some changes is that federal governments in the past sat in Ottawa with bureaucrats or other politicians and developed programs and shoved them on to the regions. I know that when we were holding hearings on developing our rural policy and our rural paper for the New Democratic Party we heard time after time groups saying that they wanted to use program A or program B but they had to change the rules or adapt them in order to get the money, and after they got some money it never went to the full purpose and the full benefit it could have had they had more control over the money.

We need a government that facilitates and assists communities and grassroots organizations in developing their programs and helping with that development. The development of programs has to come not from Ottawa but from the regions. That is where the initiatives should come from. It is only logical but that is not what this government is doing.

In conclusion we need to ensure that the primary resource sector is primary to the future of rural Canada. We need to co-ordinate our programs. We should have a minister of rural affairs and a government that is a facilitator and not a director of federal programs. In that way this government could save money, could cut the deficit and provide better jobs and a better lifestyle for all of rural Canada.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in debating this appropriation bill by the Government of Canada one cannot help but think for a moment that we are heading for an election in a few months. This government is going to leave Canada in a very sad condition when it dissolves this Parliament soon.

This bill is asking Parliament to approve $8.2 billion. That is a substantial amount of money. It raises questions as to how the government is administering the public good and the human and natural resources of this nation.

One cannot help but compare the Canada of today and the way we see it on the eve of dissolution of this Parliament with the Canada this government inherited in 1984. At that time Canada was buoyant and on the upswing. Canadians were in a positive frame of mind. They were confident and looking forward to the future. On the whole, Canada looked good. In less than nine years the Conservative government has managed to change the picture dramatically.

Of course what first comes to mind in this analysis of where Canada stands in 1993 compared to 1984 is the economic condition created by this government where at least 1.5 million people are on unemployment insurance and the number of people seeking jobs is greater than that. It is a terrible waste of human resources.

This government does not seem to have the intellectual aptitude, the compassion, the heart or even the sensitivity to address this in an adequate and appropriate manner. We have an increasing number of people exhausting their unemployment insurance. We have an increasing number of people turning to welfare for economic assistance. There is a picture of despair. Unemployed heads of families go through the ads in the newspapers daily. They go consistently knocking at the doors of potential employers only to return home at the end of the day exhausted, disappointed and disheartened.

That is the Canada of 1993 according to the model and the matrix imposed by the present Conservative government. It has been made worse by the latest measure being introduced for approval by Parliament to make unemployment insurance tougher to receive for those who are unfortunate enough to become unemployed.

• (1520)

One cannot understand why the Government of Canada would fight unemployment by pursuing the condition of the unemployed rather than by job creation programs which would at least temporarily alleviate the unemployment situation in the country. Those measures being proposed under unemployment insurance from the human, social and economic points of view are abhorrent and repulsive.

Coupled with that, if one looks beyond the importance of the development of human resources on a daily basis, one can notice another disturbing pattern. Frequently statements are made about the importance of training and retraining, skill development and the acquisition of better education and higher skills on the part of the Canadian public. However, when it comes to having access to such training, retraining and apprenticeship programs the answer at the street level, at the counter, to the individual attempting to take advantage of these policy programs is that the funds have been exhausted.

On the one hand there is encouragement to do the right thing. On the other hand when it comes to taking advantage of that opportunity, when an individual turns to the Canada Employment Centre for retraining or an apprenticeship position, the answer is that there is a waiting period of six months or longer because there are no funds. Ottawa says one thing and another thing happens in Toronto. The gap between the two is widening. It is frightening.

There is a deterioration in the social and economic fibre of our communities. Discouragement is creeping in. People are giving up. It is no wonder that against this background violence and insecurity are putting members of our society frequently in danger, as we learn from newspaper reports every day, particularly the safety of women and children.

Evidently, something is going wrong. Something is being missed by this government which apparently is not capable of seeing that there is a link between the economic and social condition of the country and its population. Never before have we seen the high incidence of violence, murder and rape we are seeing now. Generally, we have not seen violence between individuals in relationships as we are seeing today.

To make things worse, weekend conversations in our riding offices and visits from people who drop by give us a picture of our youth. Our youth are fairly well-educated and well prepared for life having received good training in community colleges and universities. However, when they complete their education they cannot find their first jobs.

There is nothing more depressing for a young person after completing his or her studies than not being able to find employment. It is demoralizing and depressing. Here again this government with its economic policies does not seem to be able to come to grips with the fact that for the first time probably in many decades our youth cannot confidently look to the future of our country and cannot hope to build an economic and social life as the preceding generations have managed to do.

As part of the economic policies of this government we have also seen the decision to eliminate institutions which have served the country very well. Time does not permit me to go into the details but certainly I must mention the cancellation of the Court Challenges Program, the Economic Council of Canada, the Science Council, the Law Reform Commission and the Institute for International Peace and Security.

I would like to be given a few more minutes but you have given me the signal, Mr. Speaker. I would like to deal with the matter of natural resources, but I will have to wait for third reading.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, it is now February but last December I rose in my place to point out the failure of the so-called mini budget to address some of the needs of Mount Royal riding. The circumstances have not changed from then until now.

I rise again today as I look at this government's borrowing bill in which it wishes to borrow $8.2 billion which is required for public works and general purposes. It is not going to answer many of the needs that were expressed by my constituents who have come into my office or whom I have met in the stores, on the streets or in their buildings.

I rise again today to remind this government it has still not met many of the real needs of the real people in Hampstead, Côte-St-Luc, Snowdon, Côte des Neiges, or the town of Mount Royal. That sign "*à louer*", which I and others refer to as "*Monsieur à louer*", still has a lot of property in my riding. Thousands of jobs have been lost in the last few years and they have not been returned.

Young people are still thinking about leaving the province because they believe they are going to remain poor and without jobs. I advised them not to lose hope. I told them to get out and do some volunteer work while they looked around for a job because to lose hope was to lose faith in the future. That was my message then.

The big mistake in the mini budget was that it failed to change any of the Mulroney government's programs in the sense of a trickle-down economy. More important, long before it was in fashion, long before Mr. Clinton used the phrase that now seems to be current in the language and politically correct, I talked about hope and I talked about putting people first.

I talked about the fact that it is important always to have a sense for the future and that this government lacks a sense of vision and a sense of purpose for the future of people, for the unemployed who want to work, for seniors and families who simply want to make ends meet, for young people who seek only a chance to start to work and to make a living in this country.

I do not think we can be a country of little more than balance sheets where the federal government is concerned. This government has ignored the human debt and deficit in the name of fiscal debt and deficit. Giving up on social priorities not only weakens the social fabric but it also weakens the sense of belonging and the sense of participation. It reduces that sense of hope and does not make one feel that the government has put people first. People are less able to compete when they feel so diminished in and for a new economy.

In this election year the story will be told of this Conservative government, how it failed to meet the test of compassion, of putting people first, of giving Canadians the tools, not just rosy words, but the tools to win the economic competition. I said to my constituents then and I say now: "Have hope, keep hope, and move forward". It is not too late to hold on to a caring, compassionate and, yes, competitive Canada. These goals go hand in hand and they make sense.

• (1530)

Once again, I want to address the particular question concerning the arts and cultural community which is under attack by this government. In its first economic statement in 1984 this Conservative government cut culture by $122.5 million. In what we hope is its last economic statement, there will be a further cut of $80 million over the next two years. This comes just two weeks after the sector suffered a 2 per cent blow by the Treasury Board president to the tune of $11.8 million.

It is really a shame when Treasury Board dictates the cultural and entertainment future of Canada.

Also, all government departments and agencies, including those dealing with the cultural sector, are facing a 3 per cent cut in their operating budgets. What does all this mean? The Canadian Conference of the Arts estimates that the federal cuts mean a loss of 8,400 jobs over the next two years. They estimate this based on the premise that, according to Statistics Canada, every $1 million pumped into the cultural sector, on average, creates 105 jobs. Therefore a loss of $80 million in grants and contributions will likely result in a loss of 8,400 jobs. Plus—let us not forget this—people such as printers, electricians, and engineers, all of whom earn their living indirectly from the arts and cultural groups, also stand to lose.

This means that granting programs such as the cultural initiatives program, book publishing development program, museum assistance programs, as well as the Canada Council and Telecom grants are being subjected to the 10 per cent knife of the Tories.

Two years ago the Minister of Communications, when tightening his belt, cut $2 million to the non-theatrical film fund. After a lot of lobbying he found a way to put that program back into place.

The Tory knife also hit loans. The Cultural Industries Development Fund, which provides loans rather than grants to the film industry, book publishing and sound recording, has been affected. This program has been in operation for roughly two years and is being administered by the Federal Business Development Bank. Over two years there have been approximately 130 loans and very few defaults. The program has exceeded beyond expectations.

It is my understanding that there will be an evaluation. I hope the minister will take a good look at this because these types of loans are a way of leveraging and increasing funding to the film industry. I think it is a very important program. This has also been cut by 10 per cent and I think that is rather sad.

Regrettably, organizations that speak for the arts and art interests, such as the Canadian Conference of the Arts and the Canadian Museums Association, have suffered a 10 per cent loss.

When you have a constituency out there of artists, creators and entertainers, most of whom earn less than $1,400 a month, you need some way of empowering their speech and empowering their concerns. Those organizations, the NGOs that were there to help them, have now had their voices cut and I think that is very sad.

Let us for a moment look at this government's support to culture since 1984 since it took office. I would like to point out that the numbers I am about to place on the record here are the government's own spending estimates. From 1984–85 to 1991–92 there has been a 24 per cent cut in direct and indirect federal cultural spending in real terms. If direct and indirect cultural support had grown at the same pace as the total federal program spending, an additional $500 million would have been provided.

I realize this amount is unrealistic in today's economic environment, but this drastic cut is unconscionable if we truly believe in nation building and giving voice to Canada's artistic expression in its many forms.

It is also interesting to compare the trends in cultural spending with that of the defence budget. I do not want to start a war between Canada's defence community and Canada's arts and culture community because they are both defending our country, our shores and our people. It would seem to me that where there is a rise of $8.8 billion to $12.2 billion in the defence budget, that a nation that should be so proud and independent should really also concentrate and share its interests in the arts sector.

The economic impact of the cultural sector should not be underestimated. It employs 432,172 people. This is more than the agricultural sector alone. This represents a 58 per cent increase in 20 years. It generates $17.2 billion for the economy, which is an increase of 124 per cent in 20 years. Over the last 20 years, the cultural sector has outperformed the whole of the Canadian economy by 83 per cent.

In terms of the gross domestic product, the cultural sector accounted for 2.7 per cent in 1989, which was up from 2.2 per cent in 1981. This is big business. Entertainment, films, books, music and sound recording is big business. It is time that this government and all the people in Canada recognized that it is an important aspect of our daily life.

Culture includes entertainment and going to the museums and the libraries. This is the very essence of our national identity and the bedrock of national sovereignty and national pride. It gives meaning to the lives of every Canadian and it enriches this country socially, politically and, yes, economically. It is a business. It gives us pride in our country.

It is cultural defence for Canada that I am calling for. I am addressing not only the Minister of Communications and Culture who is good enough to be sitting here in this House today, but it goes to all ministers, all potential ministers and to every member in this House. They should remember that when people go to the fair and the library and when children are exposed to graphic arts or to any of the other arts and crafts, that this is part of living in this land and it is worth investing in if you want to have a place on the global map of this world.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, the bill before us today is the borrowing authority where the government is asking authority to borrow $8.2 billion as required for public works and general purposes.

I think the crucial part in looking at any borrowing bill is in looking at where the government has been, where it is planning on going and where it is at the present.

If we look at the economic outlook given by the Minister of Finance in November, we see the projections of the government and how accurate they have been. It was stated this year that the deficit will rise to $34.4 billion, which is $7 billion higher than what the government said it was going to be in its budget of last spring. It is $10 billion higher than what it had projected only last year. It projected that next year's deficit will be $32.6 billion, which is twice the amount it was projecting last year. It appears the projections of the government's finance department have not been very accurate in the past. I would suggest it probably will not be very accurate in the future.

It was interesting to listen to the Prime Minister just prior to Christmas when he talked about economic growth in Canada and the OECD, the Organization for Economic Co-operation and Development. He stated that economic growth in Canada is expected to increase by 3.2 per cent in 1993 and 4.2 per cent in 1994. This is the highest growth rate of any of the G-7 countries. He continued to emphasize that we were going to be the top G-7 country as far as growth went.

There was an article by Don McGillivray of Southam News that was published in *The Vancouver Sun* on December 28, 1992. It was interesting when Mr. McGillivray looked at the OECD record. He said that it has not been too great so far:

• (1540)

In its December 1988 forecast, the OECD said the Canadian economy would grow in 1990 by three per cent.

A year later, on the very brink of the recession, it forecast growth of two per cent in 1990.

In 1990 itself, near the end of the year, it said growth that year would be 1.1 per cent. In other words, as it sat in the midst of the recession, it did not see any recession.

By the time the December, 1991 report was issued, a year after the end of 1990, the OECD still saw nothing but positive growth for the year, estimated at half of one percentage point.

It was only in 1992 that the organization was prepared to say that the economy failed to grow at all, in fact, that it shrank, in 1990.

Its record is similarly flawed for 1991, the second year of the slump. In its 1990 report, with the country already in recession, the OECD could see no downturn.

This shows that by the OECD forecast the recession never happened. It only shows up in hindsight. That is an example, I would suggest, of exactly where this government has been. It would not admit that there was a recession until we were well into the recession. However, when it was announced by Statistics Canada that we were finally coming out of the recession, it was quick off the mark to say that the recession was now over.

I think this shows where its economic, fiscal and monetary policies have taken this country.

I would like to point out that a number of their policies with respect to privatization and whatnot are part of the over-all problem of where we have been and where we are going and why we have been in such a deep recession, why there are such massive unemployment rates and why the small business community is having such a tough time.

Look at the bankruptcy figures for 1991. There were 13,496 bankruptcies. In 1992 there were 14,317 bankruptcies. Our small business community is having a tough time making it with things like the GST, the free trade agreement and the increased cost of unemployment insurance. I could go on and on and on about the problems that this government has handed out to the small business community.

I would like to turn my attention for a minute to one of the problems that is not just in the small business community. Regular citizens are having problems out in rural Canada with respect to the privatization of Canada Post. The government has pushed Canada Post into making a profit in spite of the lack of service.

When I was in business eight years ago, we used to have guaranteed delivery overnight into every major city in the country and second-day delivery between little places like Osoyoos, Oliver or Penticton or any other place in the province. Quite frankly, we were getting almost overnight delivery between our small communities.

I got a letter from some people in Okanagan Falls in my riding just three or four days ago. They tell me that a letter was mailed to them from Penticton on January 12, 1993. It was to be sent to Okanagan Falls, which is some 15 miles away. It arrived on Wednesday, January 20. It took eight days to get 15 miles between communities where it used to take one day for delivery and takes a simple 10 to 12 minutes to drive between.

That is not all. Look at what they are doing to the community of seniors. Seniors depend on the mail in order to get their communication back and forth between themselves, their families, their children and their grandchildren. It is taking longer and longer. I am getting more and more complaints.

The most recent one that really struck me was how low we can go when it comes to Canada Post. An intermediate care facility in Oliver called Sunnybank pointed something out to me. Under the new guidelines of Canada Post, when people who previously had been on intermediate care are transferred out to extended care, or in fact are deceased and mail has to be forwarded to their estate, they are now required by Canada Post to add postage to their mail before Canada Post will allow it to be sent. Further compounding the problem, most intermediate care facilities in my area have always taken the mail in one box at the post office, sorted it and presented it as a daily routine to the seniors in that facility.

Canada Post says that it can no longer do that. That is not its policy. These places are now being required to put up postal boxes for each one of their tenants and Canada Post will then put the mail into these postal boxes.

It is an added cost to these facilities. It is money that the facilities could better use for the care of the seniors in those areas.

The direction this government has moved shows that it does not care for people. It does not care at all for seniors. It is making it almost impossible for facilities that are trying hard to create a home away from home for our seniors who can no longer care for themselves. Canada Post is putting another hurdle in the way of places like Sunnybank, the retirement centre in Penticton; Trinity Centre in Penticton; Coquihalla-Gillis House in Merritt; and Sagebrush Lodge in Osoyoos.

The direction of Canada Post and this government is a profit oriented one. It talks of competition. I say nonsense. It simply does not care about people. All it cares about is the bottom line.

We must look at where we are going in the future. We must look at our seniors. We must look at our small business community. These are the people who make up our communities. These are the people who matter to me. I would suggest that it is important that the government pay attention to those people because they are the people who will throw it out of power the next time around and vote for those who will pay attention to their needs and the needs of other Canadians.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I want to address this particular legislation today and make a number of points that are important to my constituents in particular. However I will begin on a slightly different note. While I should be critical, hopefully in a constructive manner, I want to point out that there were elements in this economic statement with which my party agreed.

[*Translation*]

I want to say at the beginning that the good parts in the economic statement and the budget are as follows: the extension until 1994 of the Home Buyers' Plan, a plan which the Liberals proposed. We find that quite commendable.

IRAP. In 1991, the Liberals suggested increasing the funding for the Industrial Research Assistance Program. Of course, we are pleased with that and we congratulate the government for listening.

CNARIE. Despite the lack of a national telecommunications policy, the government has committed itself to establishing a high-speed national electronic highway, which my party has called for. It is good to see that good suggestions like that are accepted from time to time. Frankly, they should be accepted more often, I think.

Mr. Speaker, I know that you are a very honest member, but no doubt you noticed something interesting during question period today.

[*English*]

It was interesting because I could not help but listen to my colleagues to the left who kept suggesting that they had clear-cut policies. Of course, they did not put them on the table so that we could debate them.

I would like to see their clear-cut policy with respect to economic developments so that they could share it with the Canadian people. Whenever I talk to Canadians that is one of the great concerns they have about my colleagues to the left, the NDP.

During Question Period today I also observed another interesting thing. The government has desperately tried to suggest that we have no economic plan. That is unfortunate. Either it is trying to mislead Canadians to try to increase its popularity or it has not understood what we have been saying. That is equally serious. Clearly if this government that has been in power does not understand what we mean by stimulating the economy or by building the infrastructure of our cities and towns then we have a large problem.

• (1550)

The problem is, and this economic statement makes the point, that it is bogged down in an ideology that prevents it from being creative. This is a continuation of the disastrous and growth stifling economic policies of the past.

Cabinet has collectively decided, not just the Prime Minister, that this government's ideological position is such that it wants to stay on course. It wants to stay on course and give us the same economic policies that got us into this recession, that have made this recession, as some people would suggest, a depression. They have failed to get us out of it.

There are about 1.7 million Canadians unemployed. Almost five million Canadians are living at the level of poverty or below, most of whom are women and over one million of whom are children. There are two to three million people, or perhaps more, who are receiving social assistance. There are about two million Canadians in our country, one of the richest in the world, who will be fed in food banks this year.

These are the kinds of policies that created those conditions in large part and these policies will be continued. What does one expect? It is not an assault on unemployment as the government would have us believe but rather an assault on the unemployed.

Canada has been in its worst recession since the 1930s. I have provided statistics about all of the people living in great difficulty and yet there is a continuation of those policies.

[*Translation*]

I find that quite deplorable. I understand that choices and decisions are made, that people prefer certain options and policies, but when you realize that it is not working, I think that you should try something new. That is why you are there, to govern, to try to make sure that your policies are working and to change them if they do not.

[*English*]

The Liberals want to stimulate growth through policies that will create jobs and encourage the private sector to expand. We are not advocating spending recklessly, as some people would suggest. We believe that very thoughtful, sensitive, and moderate spending would be good for Canadians because it would provide jobs for many of those Canadians who want to return to the work force, whose greatest desire when they wake up in the morning is to be able to find a job and to be able to fully contribute to the Canadian economy, to Canadian society and to their families.

While the government has accepted some of our proposals my leader and our party created a five point emergency economic plan designed to help create jobs and promote economic growth. That was given to the government to use if it had chosen. If it had it would not be in the mess that it is in today. As a result of the fact that the Conservatives forgot or simply ignored it they will have to pay the price, and pay it very shortly.

Canadians and Canada cannot afford the cost of inaction. Each unemployed Canadian costs the federal Treasury roughly $15,000 and about another $7,000 in the loss of tax revenues. That is really unconscionable and totally unacceptable when many of these people could be working and contributing to their own personal development and to the development of their families, their communities, their provinces and their country.

The infrastructure program that was suggested, and it was a Liberal idea, would have been so much better if the government had taken the idea without diluting it.

[*Translation*]

But they have diluted it so much that only 4,000 to 5,000 jobs will be created. This is much less than half the jobs that will be cut at CN alone.

[*English*]

I could have spoken of many other companies that will be downsizing in a significant way. Downsizing is a polite word for dismissing people and removing jobs. Therefore the infrastructure program is inadequate.

There is the assault on the unemployed. What an assault it has been. The government will say that the premiums have been frozen, but at what cost? Many people who needed to leave their jobs for legitimate reasons will not be able to do so without paying a heavy

penalty and there will be fewer benefits. What kind of an assault on unemployment is that?

That is not an assault on unemployment but rather an assault on the unemployed.

[*Translation*]

These people are often powerless and feel very bad because they are out of work. Any jobs that do exist are short term and low-paid. Frankly, it is totally inadequate.

[*English*]

I have mentioned the small business measures. They are a step forward but they are certainly not enough. Business people say that the payroll paper work is immense, that it is crushing them and draining their resources to the point where some of them want to abandon their businesses.

Today we talked about all the bankruptcies. They are at a record level. My next point is that there are no economic projections with this. If we examine the government's projections, whether about the deficit, real growth or unemployment, they are always in the wrong direction.

[*Translation*]

So as I just said, even if I agree that some small steps have been taken, which we think are good, there is still much that is bad. I did not even talk, although of course I could have, about the old people who are very unhappy in our society today. My colleague mentioned the post offices and a small community called St. Germain. They were promised better postal services. What did they get? Much less than they deserve. I will have to go there to see whether it can be corrected. I did not even talk about our young people who are often desperate because of all the cutbacks imposed on them, when all they want is just to go back to school or university so that they can contribute fully to society.

So I, like all my colleagues, reject this whole policy outright and we hope that there will soon be an election that can give us some hope.

[*English*]

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, I am happy to participate in the debate on Bill C-98, the borrowing authority bill.

Some of my colleagues have pointed out that it seems bizarre to be faced with a request for authority to borrow up to $8.2 billion when this government has given us absolutely no indication as to what the money is to be used for. All we have is a vague description in the bill that the funds are to be made available for the purposes of public works and general purposes.

This government is five years into its mandate and paralyzed with indecision. It is exhausted, demoralized, and bankrupt. Its only interest is in determining which candidates have launched what campaigns, which backbenchers have joined which frontbenchers in what leadership campaigns. We would have to be completely foolish to give our permission to submit with enthusiasm to this government's request for an additional $8.2 billion.

The people who live on the great northern peninsula of Newfoundland, on the Strait of Belle Isle, and along the Ste. Barbe coast and the fishermen whose livelihoods depend upon the gulf fishery, and who have seen that fishery destroyed by the mismanagement of this government which not only has a moral obligation but a constitutional one to manage that fishery, do not want me to give this government permission to borrow $8.2 billion when it has not defined in any way, shape or form what that money is for.

More important, there is no indication whatsoever in this bill that even one penny, that even one dollar of the $8.2 billion will be put to use to assist those fishermen who have been driven out of their boats and those plant workers who have been driven out of their fish plants as a result of the lack of any substantial fisheries policy on the part of this government.

Those fishermen on the great northern peninsula are asking themselves what kind of government introduces a compensation program, and we applauded it, for fishermen affected by a northern cod failure but refuses to provide any level of assistance for fishermen in the Gulf of St. Lawrence, in Newfoundland and Labrador, New Brunswick, Quebec and Nova Scotia who have also been negatively affected by a fisheries failure. They have been offered no assistance whatsoever. Mr. Speaker, I will tell you what kind of government does that. A government that says it is important during a time of restraint, important during a time of failure for example in the fishery area, in the agricultural area, a government that is looking at 1.7 million unemployed across Canada, that announces a $4.5 billion program to purchase new helicopters for Canada, $4.5 billion.

• (1600)

As my friend from Bonavista—Trinity–Conception, an admiral in the Canadian navy, a citizen who has made an outstanding contribution to this country both in his military capacity and now as a member of Parliament, now as one of the most sane and reasoned voices in this place, has said and said again and again and again, yes, it is important to ensure we have a good top notch search and rescue helicopter, and yes, it is important in the next period of time to replace the Sea King that is 30 years old, but if you can replace it with a vehicle that has 90 per cent of the capability of the new EH–101 being proposed and do it for only half the cost, then common sense dictates the government do the responsible thing.

Has the Minister of National Defence listened to the representations of this Admiral, the member for Bonavista—Trinity—Conception? Has the Minister of National Defence and this government listened to representations of many others who have said let us do the job efficiently in a cost efficient manner and let us free up those funds over the long term to provide other necessary services for Canada? No. This Minister of National Defence now has turned a blind eye to the people of Canada who at this time are in great need.

We do not buy, we do not believe, we do not subscribe to this line by the Minister of National Defence that this purchase at this time is absolutely essential, that this $5 billion expenditure must go ahead as planned.

This is the same government that announced a $10 billion nuclear submarine program and said it was absolutely essential, the same government that then cancelled it.

This is the same government that announced a $800 million northern terrain vehicle program just before the 1988 election, a massive joint venture project to be carried out in the province of Alberta, just before the last election. Immediately after the election the program went from 800 vehicles to 400 vehicles and finally the contract was cancelled.

This is the same government that announced a nearly $1 billion *Polar 8* ice–breaker program for the province of British Columbia, great work, years of work, tens of thousands of manpower work years for the shipyards of British Columbia, and announced it with great fanfare. Whether there is ice these days off the west coast of Canada as there has been recently with the cold snap or not, Mr. Speaker, you will not see a ripple of the *Polar 8* ice–breaker because it was never built.

This government has announced with the same intensity, the same sincerity, the same conviction this new Cadillac helicopter fleet that it announced the *Polar 8*, the nuclear submarines and the northern terrain vehicles.

I am convinced that just like those other great promises so necessary at the time that this one will also disappear as soon as an election is past.

We in this party say to that kind of promise it shall not proceed. It is a question of priority in Canada at this time. The priority now in 1993 for the people of Canada is not a Cadillac helicopter fleet. The priority is not the dreams of a new Minister of National Defence opposite. The priority is not to be found in the briefing note of the slick, multi–million dollar lobbyist who sold this hare–brained scheme to this government. The priority for Canada at this time is to be found in the face, the eyes, the conscience, the soul and the heart of the 1.7 million people walking the streets of this country, feeling the chill of unemployment in February 1993. That is where the priority is.

Until this government once again demonstrates, indeed it is questionable that it has ever demonstrated, that it knows where it wants to take Canada, that it has a plan to put Canadians back to work, that it understands the real pain that is being felt by those who are dislocated daily in this country, that it understands the true meaning of a record rate of bankruptcies three years in a row in this country, until it demonstrates some compassion, some understanding, some small measure of humanity, we can never say yes to this request for authority to borrow another $8.2 billion.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have an opportunity to speak on Bill C–98 which as my friend has just pointed out is to borrow $8.2 billion. I take the opportunity to speak this afternoon having spent this morning and the lunch period with Dr. Mahbub Ul Haq, the special adviser to the administrator of the United Nations Development Program, in relation to his most recent report which was provided to members of this House today, a very important report called *Human Development Report 1992* published for the United Nations very recently.

What we do know is that this government will probably use all of that $8.2 billion as a pre-election slush fund. Regrettably most of that money will probably be used to put up more "for sale to the lowest bidder" signs and more signs saying "sorry, closed, moved to the U.S." because this government has shown no signs since 1988 of concerns about poverty in this country, unemployment, regional disparity, the half million Canadians who worked in the manufacturing sector whose jobs were lost under the free trade agreement and transferred to the United States or to the couple of hundred thousand more Canadians who lost their jobs during the recession related to the economic policies of this government.

It is certainly not going to deal with the question of the homeless. One does not have to be a rocket scientist to realize how dire the situation is and the consequences are from the economic policies of this government.

More than $100 million a day goes out of this country as dividends and payments to foreign owners of the means of production in this country and for payments of interest on our debt, principally to Japan, Germany and a handful of other countries.

This is the same federal government that during its term in office under this Prime Minister has given over $200 billion in grants, subsidies, tax breaks and loopholes to large profitable corporations, the majority of them owned by people outside this country.

What kind of government would do that? One of the things that drew my attention in the report tabled today by our friend from the UN is the idea of setting up something called Honesty International. It would contain several hundred journalists who are particularly good at what they do, investigative reporting. They would dig out and monitor corruption at both national and international levels because it is now going on at the rate of billions of dollars every day.

What has this government done recently in terms of off-loading debt, debt that historically was programs that were federal, dumping them off on to the provinces? We can see quite quickly that by the end of next month the net debt of the provinces and territories will be $127 billion, an increase of more than 50 per cent in two years, almost entirely directly related to the off-loading of debt by this government so it can shift all of the benefits, all of the largesse, all of the extras, all of the loopholes over to its corporate buddies.

We have seen it happening and those who try to deny it are intellectually and factually dishonest.

The federal debt has now risen to $447 billion. Not a single Conservative Minister of Finance has risen in this House and made a prediction on the deficit or on the debt that they lived up to. They have misled Canadians every single time.

• (1610)

My friend from Newfoundland who just spoke pointed out that the government promised a gigantic ice-breaker to protect sovereignty in the Canadian north. Absolute hokum. It never intended to do it, it was just to trick the public through deceit and dishonesty. The government promised it for British Columbia and never delivered. It promised hundreds of millions of dollars in rapid deployment rubber-tired vehicles for the Canadian north, again sheer hokum.

The government promised frigates, it promised F-18 contracts, it promised this, it promised that. One of the stupidest procurements that there has ever been in the history of Canada is probably tied to Bill C-98, the purchase of $4.5 billion in EH-101 helicopters. Not a single frigate in the Canadian fleet can have an EH-101 helicopter land on it. Supposedly they are for chasing subs. There is a worthless approach that the Minister of National Defence continues to peddle as one of the reasons they are being purchased, or because polling tells them it might be popular to sell them as a vehicle for search and rescue. Every single serious search and rescue expert in the country knows that they are absolutely worthless for search and rescue because the downwash is too strong. You would blow people off a cliff face and you would drown them in the ocean and you would kill them on the land, trying to rescue them with an EH-101.

This is just straight graft and corruption at its very worst, these kinds of acquisitions. We need international bodies like Honesty International to start looking into these kinds of national skulduggery.

What kind of debt have these Tories led us into, $21,259 per person? How many Canadians would want to be born today knowing that that is what has been bequeathed to them by this government, this government that is always saying: Oh, the socialists; oh, the spending; oh, this, oh, that. These are the most incompetent deranged financiers that there have ever been in this country, ever on this continent.

Let us take a look at where this is leading. Our witness today, Dr. Ul Haq, made it very clear what the dimensions of this are at the global level. There should be a peace dividend of $1.5 trillion by simply reducing the military budgets by 3 per cent during the 1990s. In fact, since 1987 global military spending has gone down by $258 billion cumulatively.

What about Canada? Page 87 in this UN report points out that it is dropping in the United States, it is dropping in eastern Europe. But what about NATO and Canada? It stayed exactly the same during this period. In Canada this Conservative government rises with pride to say that it is giving more money to the Canadian military, more than a billion dollars a month, whereas all the intelligent countries in the world are going the opposite direction.

It is appalling when one thinks of the kinds of expenditures that this government has allowed to go on under eight years of its administration. I refer those who are interested to a speech I gave following the release of the Auditor General's report.

The Prime Minister likes to travel around and say that on the human development index Canada is number one in the world. We heard from the author of the study today who wanted Canadians to think about a few other things: Canada is number one in the industrialized world in terms of drug crimes, 308 per 100,000. This is the same Prime Minister who proudly announced and crowed when Ronald Reagan said he was initiating a war on drugs and said that he was going to launch a war on drugs in Canada. Well, his war on drugs has made Canada number one in the world in terms of drug crimes. Who is fooling who? I think there should be an investigation into just who is allowing the major drug networks to operate with such great ease in this country.

How about Canada being number one in the industrialized world on automotive accidents and deaths, 976 per 100,000? We do not hear the Prime Minister crowing about that or doing anything about it either.

The highest per capita release of greenhouse gases in the world of any country, this one. What about Canada's foreign aid, something that Canadians do care about? Only 30 per cent under this government. It has been reduced every single year. Now 30 per cent of Canadian aid goes to the poorest countries and twice as much goes to the countries in the world with the highest military expenditures.

What is going on? One need only refer to Dr. Ul Haq's study on page 87 which points out that the highest military to social spending ratios in the world start with Iraq at 511. Then it goes to Somalia at 500 per cent. If one wanted to look at the soldier to teacher ratios in the Third World, Iraq is 625 per cent and Somalia 591 per cent.

There is a direct link between the kinds of expenditures made by governments like this one in relation to military expenditures, in relation to tax breaks, grants and special deals for large corporations. What happens to the poor, homeless and unemployed here in our country? If we cannot bring focus to dealing with these issues in our own country, we have damn little chance of finding ways to help the developing world out of the crisis that is coming.

There is one other statistic that is well worth thinking of for the moment. In 1960 industrialized countries had 30 per cent of the world population. By the end of 1992 industrial countries had only 5 per cent of the live infant births. The 21st century is soon to come upon us and what is happening in terms of the populations in the developed countries must be reflected in terms of how we deal with international debt and the debt in our own nation. We must halt the kind of expenditures this government pursues.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I am taking part in this debate to increase the borrowing authority of the Government of Canada by $8.2 billion.

I have gone back and made some comparisons over the years. It is $8.2 billion of initial borrowings and all we know is that it is to be spent on public works and general purposes.

I looked back 10 years. In 1982, in a recession, the shortfall between the people receiving unemployment benefits and the total number of unemployed was 170,293. By this year, October 1992, that shortfall had more than doubled what it was in 1982 and we were in a recession at that time.

In Canada last fall there were 378,240 people unemployed who were ineligible for unemployment insurance payments. This was directly due to the continued attacks on the unemployment program by the government and the made in Canada recession that may not be over yet.

The government's reactions to these figures tabled in its December economic statements make it that much harder to get unemployment insurance benefits. It should also be noted that in 1981 the gap between the unemployment rate in the United States and Canada was only 1.3 per cent whereas in 1991 the gap was 4 per cent.

Going back again to 1982, the deficit of $14.9 billion was 4.2 per cent of the gross domestic product in Canada and the national debt was 28.2 per cent of the gross domestic product. Those are the true measuring sticks as to our ability to pay.

After eight years of Conservative mismanagement, this government claims it is attacking the deficit and the national debt. The 1991 budgetary deficit and the national debt had both increased compared to the gross domestic product. The budgetary deficit of $34.6 billion was 5.1 per cent of the gross domestic product. The national debt of $423 billion was 62.7 per cent of the gross domestic product. That national debt will be close to $450 billion at the end of this fiscal year and we will seriously look at our ability to service and repay that tremendous debt.

Regarding foreign investment, Canadian government bonds to cover the yearly budgetary deficit increased dramatically between 1982 and 1991. In 1982 just under $12 billion in Canadian government bonds were held by persons or institutions outside of Canada but by 1992 that had increased by $14.4 billion or 120 per cent to $26.4 billion.

• (1620)

Including all sources in 1984, the foreign debt of the federal government was $16.1 billion. Today, after nine years of this government, the foreign debt federally is $80.9 billion. In other words, in 1984, 92 per cent of the borrowings of the Government of Canada was from the Canadian people through Canada Savings Bonds or Canadian lending institutions.

Our ability to make decisions and control our future will be severely compromised if we must operate at the whim of the foreign corporations and investors. They will be calling the shots in this country.

In 1981 the government collected $29.2 billion in taxes from individuals and $9.3 billion from corporations. By 1991 under this Conservative government, taxes on individuals had increased by 160 per cent to $75.8 billion. For corporations, between 1981 and 1991 taxes increased by only $100 million or 1 per cent. It was 160 per cent to individuals but only 1 per cent to corporations.

In 1982 the interest on the national debt was $27.1 billion but by 1991 it had increased by 142 per cent to $65.6 billion. In 1982 there was a shortfall between the interest charged against our national debt and the interest payments of $10.4 billion. In 1991 the shortfall had increased 228 per cent to $23.8 billion. If this gap, which has increased dramatically under the administration of this government, is allowed to grow unchecked, we will never be able to balance our books in this nation.

I have spoken on this before but I want to put it on the record again. In the early 1980s, Canada had a surplus current account position. Since 1985, Canada has had a negative current account. The current account measures the balance of international payments. It is a measure of trade accounting for the difference between the export of goods and services as well as the inflow of cash and imports of goods and services along with outflows of cash.

Arthur Donner, one of our prominent economists, argues that each $20 billion of current account deficit equates to roughly 500,000 jobs. We have had six consecutive years under this administration and have had record all time current account deficits. Since 1982, Canada's current account has gone from a surplus of $2.7 billion to a deficit of $29 billion. This is equivalent to 700,000 jobs in this nation and 1.6 million Canadians unemployed at this time.

Another comparison made is between Canada's situation and that of some other industrialized nations. In fact, Canada has the third worst current account deficit of the G-7 nations. It should be noted that these figures are from the UN report that rated Canada as the best country in the world in which to live. Clearly these policies are on the wrong track to steer to prosperity.

Some of the cuts that I see here as the government tries to balance this situation are unacceptable. I spoke on this issue in the House of Commons in November and again in December. I believe that the government has over-run its mandate. The Canadian people need a new direction and they must be placed at the top of the list of priorities. There has to be a sense of pride instilled in this country. Canadian people built it and were proud of it. That sense of pride and determination has made it the best country in the world in which to live.

You have heard me speak in this House about quality standards as they relate to our food production processing as being among the best in the world. I have spoken about the U.S. media reports of the horrible sanitary conditions in the poultry and red meat slaughtering plants to the south of us. Those plants that hire their own inspectors are being severely criticized and yet our Canadian government is going to deregulate our food inspection services in Canada and claim there is no risk.

Let me tell you that on January 11 in the state of Washington, and the story appeared in *The Vancouver Province* on January 29, a large number of children fell victim to food poisoning by eating tainted hamburgers. This is what the result will be of deregulating the sanitary conditions in our food industry. Five of those children were in British Columbia. There were 19 cases that they know of in the state of Washington alone and one of those children died. Most of the children were under the age of 10. Now, after the horse is out, they are trying to lock the door. There are now USFDA inspectors on the job trying to find out where that meat came from.

Cuts such as these which place the health of the Canadian people, and in particular our children, in jeopardy are not acceptable and not acceptable for budget cuts. When the government brings forward this legislation to further deregulate our agriculture and food inspection industry, I will be one MP who will stand up and strenuously object to these cuts.

We need to spend money to instil a sense of pride in being Canadian. We do not needs cuts that will lower the quality of the food we eat and the lifestyles that we have built for ourselves in this nation.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I am delighted to speak on Bill C-98 that this government has introduced, asking us in this House and asking Canadians to permit the government to borrow $8.2 billion again.

I ask, Mr. Speaker, for what? For pre-election goodies? This appears obvious because the mandate of this government to run the affairs of this country has long passed.

There is nothing specific in the request. It is all mentioned in generalities for Public Works expenditures. There is nothing specific at all and yet this government is asking us to trust once more, to keep faith. However, I ask: Can we once more trust this government?

Let me first outline for you, Mr. Speaker, the magnitude of misery in Canada. This government has been the creator of a recession and the creator of high unemployment. There are 1.6 million Canadians unemployed across the country. In Manitoba alone there are some 50,000 people unemployed. The recession has led to the loss of some 28,000 jobs in the province. This is the government that has allowed the growth of recipients of social assistance, not of their own choosing but forced to receive them for survival, to some 2.3 million of them and 3.8 million poor Canadians, one million of whom are children who may never see the benefits of adulthood. Two million have been created by this government to rely on food banks for subsistence. The government is now asking us once more to keep faith and have confidence in it. Can we?

On top of that I would like remind this government that it has cut $2.4 billion from the UI benefits. It has cut $350 million from regional development. It has made cuts to farmers, to native programs and $172 million from the protection of our environment.

To add insult to injury, this government has seen fit to change the unemployment insurance rules so that employees are placed in a difficult predicament. On top of that, this government has introduced the GST and has increased taxes 32 times in its lifetime. This government has not closed tax loopholes in our tax system. It has not yet scrapped the $4.4 billion helicopter program, although I remain optimistic in light of my leader's plea, that really serves no useful purpose at this time and is an example of misplaced priorities by this government.

• (1630)

I should remind everyone that this government has not eliminated the federal deficit. In fact, it has increased it, particularly the proportion of debt owed to foreign countries. That is serious because if that problem is left unattended we may not even have a Canada at the end of the next century.

That this government should be asking us once again to permit it to borrow money is really asking for too much of Canadians. In my home province, Manitoba, the highway renewal program that this government has said it will give to help boost the Manitoba economy would be a miserly $6 million per year over five years. Manitoba alone spends $100 million on highways, and it is a poor province that is filled with excellent people who are determined to help the Canadian economy. Give us a chance.

This government has cut transfer payments for education and health. Education is needed to train our young of today so that they will be prepared for the future. Transfer payments are needed to pay for health care to keep us healthy so that we can be productive citizens in Canada. Add to that the impact of Bill C-91 which will allow a monopoly on the production of new drugs. That will have an adverse impact on the cost of drugs and therefore on consumers, particularly seniors, the ill, and those who need essential medications. This government has denied Manitoba the benefit of the renewal of the core initiative program. It had helped in the development of the inner city, though much yet remains to be done.

The government has not told us how we will keep our port of Churchill alive. It has not concluded a labour market training co-shared program with the province of Manitoba. It has not told us when the centre for disease control will be completed, thereby creating jobs for Manitobans. It has not even concluded an immigration agreement that will give Manitoba a significant say in determining the number of skilled new immigrants that we should welcome to Canada, to Manitoba.

The question is: Shall we blindly permit this government to once more borrow $8.2 billion? The answer is an unequivocal no. I should remind this government that Canada belongs to Canadians. They have long lost faith in this government. Call the election. Let Canadians decide. That is the prescription I will offer to this government.

[*Translation*]

The Acting Speaker (Mr. DeBlois): 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 Scarborough—Rouge River—Canadian Security Intelligence Service; the hon. member for Glengarry—Prescott—Russell—Canada Post Corporation; the hon. member for Renfrew—Nipissing—Pembroke—Emergency Preparedness Canada; the hon. member for Comox—Alberni—Justice; and the hon. member for North Island—Powell River—Indian Affairs.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I rise in the House today to explain why I cannot support Bill C-98.

Basically, this is a bill that authorizes the government to borrow, that provides additional borrowing authority for the modest amount of $8.2 billion.

Many of our listeners or viewers may find it hard to understand why the government has to borrow this amount and why it has to keep coming before the House to ask Parliament's permission to borrow. Perhaps it would be easier if I compared today's exercise with someone using a credit card. That someone is the government. Our government has a credit card. In fact, I call Bill C-98 the MasterCard bill.

The government has just realized it overspent. Its MasterCard credit card is already up to the limit: $447 billion. So instead of cutting its spending and getting rid of the card, the government has decided to go out and borrow more money, and to do that it needs the authorization of Parliament. Of course, we in the NDP, and the Liberals probably as well, will vote against the bill, because when a government or an individual is unable to control his spending, we have to cut off their source of income and say: Whoa. You haven't learned your lesson, and until you have, we are not going to give you more money than your initial budget called for. I am sure my colleagues in the consumer movement in Quebec and members of family savings co-operatives would agree with this approach because that is what they have been teaching Quebecers for a long time. It is too bad the government did not take advantage of the advice available from the people in these grass-roots organizations in Quebec because I believe Quebecers are very good at managing their money and staying within their budget. The trouble is, the government is not.

I wanted to know what the $8.2 billion the government wants to borrow will be used for. In the economic and fiscal statement presented on December 2, 1992 by the Minister of Finance, the government made three promises, not six, about the way it would spend our money. The first promise was, and I quote: "We will continue to invest in policies that make our economy work better". Quite frankly, is giving $5 billion to Hibernia a policy that will make our economy work better? Is wasting $50 million on Canadian Airlines really a policy that will make our economy work better? I don't think so.

The government's second promise is about the way it will spend the money, and I quote: "We will further strengthen our investment in people". People, my foot. I could talk about the cutbacks in unemployment insurance. Especially in Quebec, people are very upset and that includes the Conservative caucus. The hon. member for Chicoutimi is very upset about this and in fact a number of Conservatives are upset about these cuts in unemployment insurance. We have trouble understanding how they can cut money for the unemployed but give more for various pieces of equipment like helicopters and so on for the Department of Defence.

• (1640)

That is not all. There is also the tough, painful dispute on labour force training between the federal government and Quebec. They say: "We will strengthen our investment in people," but that is not what they are doing.

The third promise is this: "We will make additional investments in public infrastructure". Yes, but where? When? How much? Where are some specific examples of this famous public infrastructure? Personally, I have not seen them.

I come to the fourth promise in the budget: "We will continue to invest in broadening trade opportunities". I am in favour of trade but before talking about free trade with Mexico and all that I would really like more free trade among the provinces. I remember that when I was on the Beaudoin–Dobbie committee one thing this government promised was to make Canada a country where there was free trade among the provinces. But we do not have that yet and we never had. It is really ironic to see all that in the pamphlet or brochure that the Minister of Finance distributed.

The fifth promise, still telling us how they will spend money: "We will continue to invest in sound monetary and fiscal policies". I do not think that our present monetary and fiscal policies are sound. This government has not kept to its budget since it took power. We have had two finance ministers and so far we are $447 billion in debt. That is certainly not a sound monetary and fiscal policy.

Finally, I quote the sixth promise that they say they want to keep: "We will invest in partnerships with the provincial governments, workers and business". As far as workers are concerned I have already told you about the cuts to unemployment insurance. I can tell you that is a joke which Quebecers do not find funny. There was no partnership.

When Bill C–91 on pharmaceuticals was tabled all the provinces except Quebec were against it because they knew that drugs would cost more as a result. I am not proud that my province, Quebec, was in favour of it because ultimately, this bill is at the expense of the most vulnerable people.

In closing I must tell you that this government is bankrupt, not only financially but also in terms of leadership and vision. That is even more serious because one can always find money somewhere but a government so lacking in leadership and vision deserves a slap from the voters and I hope it will get it soon in a federal election.

[*English*]

Mr. Jack Shields (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, pursuant to Standing Order 26(1), I move:

That the House continue to sit beyond the normal hour of adjournment for the purpose of continuing consideration of Bill C-98, an act to provide additional borrowing authority.

The Acting Speaker (Mr. DeBlois): Mr. Shields, seconded by Mr. McCreath, pursuant to Standing Order 26 (1), moves that the House continue to sit beyond the ordinary hour of daily adjournment for the purpose of consideration of the report stage of Bill C-98.

Mr. Milliken: I have a point of order, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): I apologize but I am reading the motion. I will take your point of order after disposing of this matter.

[*Translation*]

I am sorry, but I am putting a question to the House and according to the rules of the House, I cannot interrupt the process that has begun.

All members opposed to the motion will please rise.

And fewer than 15 members having risen:

The Acting Speaker (Mr. DeBlois): Since fewer than 15 members rose, pursuant to Standing Order 26(2), the motion is carried.

Motion agreed to.

[*English*]

Mr. Milliken: Mr. Speaker, I rise on a point of order. In my view, you improperly refused to hear me Sir, when this motion was put to the House. I want to say that we earlier agreed that this motion would not be put if we agreed to allow third reading stage to proceed today.

I want to make it clear that the agreement to proceed at third reading is also null and void. I trust that Your Honour in putting the question before the House bore in mind that it was null and void. I wanted to make that point perfectly clear before the question was put.

If Your Honour has any other thoughts on the matter I would appreciate hearing them. In my view that agreement is out the window because the deal was clear concerning the motion that the government put earlier to dispense with the unanimous consent required to proceed at third reading if report stage was completed today. I said we would agree to that on the understanding that the hours would not be extended today.

Now we have an extension of hours so I assume that deal has gone by the board. I ask Your Honour to confirm it.

[*Translation*]

The Acting Speaker (Mr. DeBlois): After consultation, it is very clear, according to our rules of procedure, that the extension just granted by the House applies only to the consideration at report stage of Bill C-98.

[*English*]

Mr. Derek Blackburn (Brant): Mr. Speaker, I have a few comments I wish to put on the record with respect to Bill C-98, commonly referred to in debate as the borrowing authority.

As the House knows, and as the people of Canada know, this country is currently in the worst recession that it has experienced since the early 1930s. Indeed, it is a depression.

If it were not for such things as social assistance, welfare, unemployment insurance and so on, the visible, tangible effects would be much clearer and much more graphically displayed day after day. However, because of our social safety net in this country, people are provided with emergency income and with unemployment insurance when they are laid off or when they lose their jobs.

We know what the causes were. The government likes to think that the causes of this recession were entirely offshore: the international money markets, world-wide inflation, the money supply, overexpansion, overextention and so on.

• (1650)

The fundamental fact is clear and we have made this argument many times before. The present recession or depression began in this country and the reason it began in Canada was because the Conservative government insisted throughout the 1980s, and even into the early 1990s, on a policy of high interest rates that was designed to fight inflation and not to expand the economy in a meaningful way. At that very time when our economy was getting into trouble, they precipitated upon this country the free trade agreement with the United States and that was followed by the GST.

There was a series of deliberate attempts by this government that made the recession even worse. In retrospect we realize that all of them were detrimental

to the Canadian economy. In large measure, but not entirely, these things made the recession even worse.

I want to stand here today and say something I have never said before. I am speaking primarily as a member of Parliament from the province of Ontario. In almost all the speeches I have made in this House over a course of nearly 22 years I have tried to address issues from a national perspective. Today I am going to become a little more specific and a little more insular. I am going to speak on behalf of my own province of Ontario. It is the industrial heartland of our country and it has been devastated primarily by the free trade agreement.

We have lost 275,000 jobs nation-wide as a result of that free trade agreement and most of those job losses have been in the province of Ontario.

This has resulted in plant closures and massive layoffs. As a result of the plant closures, the bankruptcies and the massive layoffs, the revenues to the province of Ontario have been severely restricted and there has been a very real decline.

The province of Ontario was always considered the richest province in Canada. It always led Canada out of recessions in the past but that is no longer happening in the province of Ontario. Our economy is sluggish. It is going through a period of adjustment, change and overhaul and it is going through this period at a time when the federal government, whose policies largely caused this recession and this industrial devastation in the heartland of Canada, has decided to cut back on its transfer of payments to Ontario, Alberta and British Columbia. If that is not bitter irony I do not know what is.

Take, for example, such areas as post-secondary education, hospitals and medical care services and the Canada Assistance Plan—which of course relates directly to welfare and social assistance—the federal government currently owes the treasurer of Ontario over $5 billion. A lot of people in the province of Ontario do not appreciate the fact that the reason the province of Ontario has had to borrow money in order to maintain social assistance is those two factors: a severe shortfall in government revenue at Queen's Park, plus a cutback of the transfer payments from the federal government to the province of Ontario based on a formula that was in effect as late as 1989 and 1990.

The NDP came into power in the late autumn of 1990 to be faced not only with a recession that was growing by the minute, but with a treasury whose revenues were declining rapidly and at a time when the previous Liberal government under David Peterson had spent its way almost into oblivion during Ontario's healthy years from 1985 to 1990.

David Peterson said during the election campaign that his government would leave a balance in the accounts at Queen's Park of somewhere in the neighbourhood of $300 million to half a billion dollars. When Bob Rae took over as premier he discovered that not only was the treasury bare, but there was a deficit of some $300 million to start off and face the recession.

The province of Ontario is in terrible financial shape. There is a bankrupt treasury at Queen's Park thanks to the provincial Liberals, a severe decline in revenues from the corporate sector and from the private income-tax sector in Ontario to the provincial treasury, as well as a decline in the rate of increase of transfer payments from the federal government to the province of Ontario which now account for $5 billion. It is not Ontario's fault. Day after day the Minister of Finance loves to hurl barbs at his provincial counterpart at Queen's Park, blaming the Rae government for over-spending. All the Rae government has tried to do is maintain a lifeline to those who have been severely affected by the recession which it did not cause at a time when the federal government has cut back on transfer payments to the tune of $5 billion.

It is fine for the federal government to offload its debt on to the provinces. However, if the federal government is really serious about turning the economy around in this country, if it is really serious about getting people back to work and about modernizing the industrial base which used to exist in Ontario, the federal government will change its attitude toward transfer payments. It will do everything it possibly can to assist the province of Ontario to get itself turned around and out of this severe recession.

I am speaking now to members from Quebec, from Manitoba, from British Columbia and Alberta. If Ontario's industrial heartland does not get turned around, if it does not get productive again, if it does not get competitive again, neither will the national economy of this country. It was Ontario that led us out of recessions in

the past and if it cannot lead us out of a recession this time the whole country is in severe trouble.

Today in this very brief intervention I prevail upon the Government of Canada to enter into a new fiscal relationship with the provinces of Ontario, British Columbia and Alberta, the three so-called rich provinces, to loosen up the purse strings, to start spending some money to expand and modernize the economy, to get things turned around so that we have productive industries paying their fair share of corporate taxes. In this way we get the unemployed back to work so that they can begin to live meaningful lives again and begin to pay their taxes to enhance the revenues to the treasury of the province of Ontario. That is the way we are going to come out of this recession, not by tightening the belt over there and squeezing Ontario till the last pip pops.

We have to act and act fast or we are going to slide back into a recession that will make the 1991-92 one look pretty mild. If we slip now, if we do not move when we have the opportunity in Ontario, the industrial economy of this country will be severely restricted for the next several years.

I notice my time is up. I appreciate very much this opportunity to speak.

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.

[*Translation*]

After the ringing of the bell:

The Acting Speaker (Mr. DeBlois): Order, please. Pursuant to Standing Order 45(5)(a), the Chief Opposition Whip has asked me to postpone the vote.

[*English*]

Accordingly pursuant to Standing Order 45(5)(a), the division on the question now before the House stands deferred until tomorrow at eight o'clock p.m. at which time the bells to call in the members will be sounded for not more than 15 minutes.

[*Translation*]

It being 5.10 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

[*Translation*]

INDOOR AIR QUALITY ACT

MEASURE TO ENACT

Mr. John Manley (Ottawa South) moved that Bill C-281, an act relating to indoor air quality, be read a second time and referred to a legislative committee in the Natural Resources sector.

He said: Mr. Speaker, I believe that most Canadians view environmental issues as concerning the outdoors—water, air, parks and perhaps the global issues that we are all now aware of such as climate change, et cetera. But I believe that the most serious environmental problems that now affect Canadians' health are problems related to the indoor environment.

[*English*]

Mr. Speaker, given our climate and the fact that it is not suitable outdoors today for humans or non-humans alike because it is so cold, it will not surprise you to realize that about 93 per cent of our time as Canadians is spent indoors. Increasingly problems related to the indoor environment are becoming more and more frequently related to the health of Canadians. Very often in recent times this has been the focus of the popular media.

I pulled out just a few recent articles that I have seen and there have been items in the electronic media as well. The *Windsor Star*, May 14, 1992, states: "More evidence has been gathered to show indoor air pollution is a bigger problem in Windsor than anybody, even those you would expect to know, realized. Local volunteers who carried air monitors around for a week last summer typically recorded higher readings for some cancer-causing toxins in their homes than they did outdoors, in the office or while commuting".

The Ottawa Citizen, September 2, 1992, states: "Canadians breathe a cocktail of hundreds of toxic chemicals in their homes, offices and cars, far more than they get from the worst urban pollution outdoors, a new study says".

The Ottawa Citizen, September 10, 1992, states: "Place de Ville called sick building. Public servants blame fungus for allergic reactions and sickness".

The Globe and Mail, September 10, 1992, states: "Hospital workers ailments baffling". This story reports on the Camp Hill Medical Centre in Halifax, where about 100 of the hospital's 2,500 employees are off work each day suffering from headaches, nausea and severe breathing problems they believe were caused by the air they breathed and the chemicals they used at the institution over three years.

"How to prevent your office from making you sick" in the *Financial Post*. "Is your office poisoning you?", it states in *The Globe and Mail*.

"Spooked by asbestos", is close to home. It refers to the West Block which a number of us share as our office homes. I might add that in the study that was conducted under the auspices of the Speaker's office, the only office in the West Block that was actually found to contain a fragment of asbestos was Room 408 which happens to be mine. "An environmental sleeper is roused. Employees are waking up to the major economic, health and social problems of indoor air pollution". So on it goes. This is becoming a subject about which people are aware, are concerned and are beginning to seek answers and understanding.

There are a variety of impacts of this indoor air pollution. Many of us have heard of the concept of the sick building syndrome to which several of these articles refer. Generally thought to be caused by exposure to airborne contaminants indoors, the results can be headaches, dizziness, nausea, burning eyes, fatigue and irritability. The nature of this problem is becoming more and more well known and well commented upon, as I have been saying.

It is not just comments in the popular press either. Increasingly agencies and research foundations, some sponsored by governments, have been reporting on the problems related to indoor contamination.

Dr. Stephen Barron prepared a study in 1990 for the research division of Central Mortgage and Housing Corporation concerning environmental hypersensitivities. In his study he cites a number of other studies which have been done concerning these problems.

For example, the report of the *ad hoc* committee on environmental hypersensitivity disorders which was prepared for the government of Ontario in 1985 reported: "Our study raised our collective concern about the role of environmental factors as a cause of human illness. It seems clear that we are inexorably increasing the toxicity of our environment.

In our opinion there is good reason to believe that environmental hypersensitivity goes beyond what has already been verified and to suggest that there are a number of persons who are being adversely affected in various ways by exposure to one or more agents in our environment".

In December 1989 a study for the New Jersey state department of health entitled "Chemical sensitivity" concluded:

> Chemical sensitivity does exist as a serious health and environmental problem and public and private sector action is warranted at both the state and federal levels. Chemical sensitivity is increasing and could become a large problem with significant economic consequences related to the disablement of productive members of society.
>
> Acceptance of chemical sensitivity as a bona fide physical disease may also be facilitated by the recognition that it is wide-spread in nature and is not limited to what some observers would describe as malingering workers, hysterical housewives and workers experiencing mass psychogenic illness. We are struck by the fact that individuals in such demographically divergent groups as industrial workers, office workers, housewives and children report similar polysymptomatic complaints triggered by chemical exposure.

This was a study for the New Jersey state department of health.

In a report dated 1988 the Human Ecology Foundation of Canada described hypersensitivity disorder. This is very important because it addresses the claims that some critics have made that these problems are really imaginary or psychological in nature. I am quoting again from the Ecology Foundation report:

> Individuals are all sensitive to their surroundings. An environmentally sensitive person is excessively reactive to external and internal factors and reacts much more intensely than others to the substances that she or he is sensitive to and often other factors such as chilling, fatigue and infections.

> A person may develop a sensitivity at any time in his or her life. Sometimes the illness develops following a viral infection. There appears to be a genetic factor connected with environmental hypersensitivity. However, repeated and prolonged exposure to almost any toxic substance will result in hypersensitivity to that substance regardless of genetic inheritance.

What is important in that quotation is the fact that individuals who might not otherwise or previously have demonstrated sensitivity or allergic reactions can, as a result of prolonged exposure to low levels of various substances, develop sensitivity which may be debilitating to them or at least impair their ability to work in a work place.

• (1720)

In addition to this sensitivity reaction we also have the phenomenon of building-related disease. The best and perhaps most striking example of that is the development of what came to be known as Legionnaires' disease as a result of an incident that occurred in Pennsylvania in 1976. Members of the American Legion fell ill after attending a convention in Philadelphia.

The first one to be identified, Mr. Ray Brennan, was 61 years old. He came home from the convention feeling a bit tired. Three days later he had chest pains, fever and difficulty breathing. His sister said that he did not want to go to the hospital. That very night, on July 26, 1976, with his lungs filling with blood, Brennan died of an apparent heart attack. Three days later another Legionnaire, 60 years old, died in much the same way and so did three other Pennsylvania veterans. On Sunday, August 1, there were six more ranging from 39 to 82 years of age.

All of them had one thing in common: They had been to the convention in Philadelphia. They all came down with the same signs and symptoms of headaches, chest pains, high fevers and lung congestion. The result in all of the cases was death.

We now know something of what caused Legionnaires' disease. We know that it was spread not through contact with other sufferers but through inhalation of materials that were spread through the ventilation system of that hotel building and the results were disastrous.

We have this variety of effects of indoor air pollution, everything from the irritation caused by the sick building syndrome through to the drastic effects of Legionnaires' disease.

My Bill C-281 simply proposes that the Government of Canada recognize that the indoor environment is directly related to the health and well-being of Canadians; that the Minister of National Health and Welfare, as the minister primarily responsible for the health of Canadians, be empowered to take actions that will endeavour to ensure that Canadians in the 93 per cent of the time they spend indoors can do so in relative confidence that their health and well-being is protected.

I am suggesting that the minister be given the power to establish a national research centre. It would conduct research and studies into all aspects of indoor air contamination and would develop methods and technologies or processes for the detection, correction or prevention of indoor air contamination.

I am asking that the minister be enabled to formulate comprehensive plans and designs for the control and abatement of indoor air contamination; that he promote through public education and discussion an awareness of the hazards of indoor air contamination to human health; that he develop and disseminate information materials relating to indoor air contamination. I am also suggesting in the bill that he be enabled to carry on these activities in co-operation with and perhaps also giving financial assistance to the provinces.

We have debated this issue in this House before. I know that a government representative is going to get up and, I hope this time not sarcastically, point out that the government and various agencies are doing some of these things now.

Since 1990, when we last debated this issue in the House of Commons pursuant to a private member's motion that I put forward, in July 1991 the Canada Mortgage and Housing Corporation published the booklet: "What CMHC has been doing about indoor air quality". It is interesting timing that it came out after our last debate. CMHC has published numerous material relating to indoor air quality. In its consumers' series there are "Guide to Radon Control" and "How to Improve the Quality of Air in Your Home". In its builders' series there are "Guide to Residential Exhaust Systems" and the study "Indoor Air Quality Initiative at CMHC, 1980 to 1990".

All of this is good. I do not mean to criticize it by proposing that instead of simply leaving this as a builder's issue, instead of simply leaving some items being done by the National Research Council, the government should take a focus of public health and welfare on this issue. It should say that what we have here is first and foremost an issue of public health. Let us look at it from that point of view. Let us recognize that as a matter of public health. Canadians need the protection and assurance that a government-sponsored initiative can give them that is primarily focused on their health.

All of the rest is good. All that should be continued, not replaced as a result of this initiative. The research activities of NRC or CMHC can just as easily be carried on by reference to the Minister of National Health and Welfare as is the case at the moment.

I would like to acknowledge that there has been a great deal of work on the occupational side of this issue by the Public Service Alliance of Canada and for good reason.

I will not take the time to read the list of all of the buildings in which federal public servants work and about which serious complaints have been raised with respect to indoor air quality. To give an idea of how broadly spread this issue is, some of the buildings are: Les Terrasses de la Chaudière, everyone in Ottawa-Carleton knows that it is famous; Megastructure in Quebec; Taxation Centre in Sudbury; Joseph Sheppard Building in Toronto; Pavillion Central in Lennoxville; Canadian Grain Commission Building in Winnipeg; Queen's Square in Dartmouth; 12171 Horseshoe Way in Richmond; the Superannuation Building in Shediac; "F" Division Headquarters in Regina; Harry Hays Building in Calgary; Taxation Centre in Winnipeg; Canada Employment Centre in Kelowna; and buildings in Ottawa and Labrador among others. The problem is widespread and serious.

PSAC also made a lot of useful suggestions in a report "The PSAC Position Paper on Indoor Air Quality" dated 1991. Many of these should be acted upon by the government and could be under the umbrella of the kind of legislation I am proposing.

For example PSAC suggests the federal government must initiate legislative action together with the provincial and territorial governments to ensure effective and co-ordinated action on the growing problem of poor indoor air quality. It suggests a new indoor air authority must be created to initiate and co-ordinate research activity on a large scale. There are many other issues which PSAC raised.

Interestingly enough, the government's own study entitled "Public Service 2000" much criticized of course by PSAC, came to similar conclusions on this issue. Let me read from the PS 2000 report of the task force on work force adaptiveness:

> Sick buildings mean sick employees. We recommend that the Bureau of Real Property Management and the Department of Public Works undertake as a matter of urgency a comprehensive reassessment of their standards for materials, air, heat and lighting in federal buildings, and that they take the healthiest and most effective private sector examples as the norm for new buildings and the model for retrofitting existing ones. In so doing they should take account of the fact that the ability to affect one's own space is an important element of employee empowerment. Task lighting, windows that open and a modicum of privacy are all important in organizations that value productivity.

I agree entirely with that. I know my time has virtually run out. I simply wish to stress that in dealing with the problem of indoor air environment a multi-disciplinary approach is required which takes in not only the concerns of the building sector, building owners and building managers, producers of things that are potential contaminants, carpets, paint, furniture and so on, but also under the auspices of the Minister of National Health and Welfare recognizes that the primary concern has to be the health and well-being of Canadians from coast to coast.

• (1730)

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I want to congratulate my colleague the member for Ottawa South for his excellent presentation and very fine remarks. Indoor air quality is of prime importance to human health because of the large amount of time that all of us spend indoors.

Occupants of indoor environments may be exposed to a variety of pollutants originating from either human activities or the presence in the home of such items as combustion from heating and cooking, or vapours from consumer products, furnishings, building materials, as well as pollutants from the outdoor air.

There are a number of national agencies in Canada besides the Department of National Health and Welfare which have a role to play regarding the improvement in the quality of indoor air. These include: Department of Energy, Mines and Resources; CMHC; the division of building research under the National Research Council; Department of Consumer and Corporate Affairs; Housing and Urban Development Association of Canada; Canadian General Standards Board; and the Department of Public Works.

Much of the research conducted on indoor air quality at the Department of National Health and Welfare is partially funded by the Panel on Energy Research and Development known as PERD.

The PERD program promotes information and technology transfers through various seminars and publications as well as some cost-sharing and co-operation within the departments, with industry, with the provinces, universities and other countries.

This panel is truly unique to the federal government. It is the only major program in which an interdepartmental committee recommends a package of work with the appropriate resource allocation for each of its member departments. It recommends this to a single minister, the minister of EMR, who in turn makes recommendations to the cabinet or to the Treasury Board on behalf of all departments.

The PERD program is divided into seven tasks: energy efficiency; coal; fusion; renewable energy and generic environment; alternate transportation fuels; oil, gas and electricity; and co-ordination and international co-operation.

Each of those tasks is further divided into programs. Each program is co-ordinated by the parent program committee. The Department of National Health and Welfare is directly involved in two programs, environmental and buildings and energy.

In 1987 the department published a report entitled "Significance of Fungi in Indoor Air, Report of a Working Group". This document prepared by the departmental working group on fungi in indoor air reviewed the emerging issue of moulds and fungi as indoor air pollutants and potential hazards to health. It included the participation and support of Agriculture Canada, naturally NRC which is extremely important, and Consumer and Corporate Affairs Canada.

The Department of National Health and Welfare publishes exposure guidelines for residential indoor air quality. These current indoor air quality guidelines are restricted to residential buildings. The quality of air in many offices is the responsibility of the provincial governments.

Unfortunately most of the conspicuous problems we have today deal with the air quality in non-residential buildings such as offices, schools and public buildings. As a result a federal-provincial working group has drafted a technical guide to investigate these particular problems. The guide again advises methods for investigating and correcting indoor air problems.

Funds for the project are provided by the Department of National Health and Welfare and two reports are due out very shortly. There have also been five international conferences on indoor air quality and climate. These were held in 1978 in Copenhagen, in 1981 in Amherst, in 1984 in Stockholm and in 1987 in West Berlin.

The Fifth International Conference on Indoor Air Quality and Climate was held in Toronto in the summer of 1990. The federal government was a major sponsor of the conference. The Department of National Health and Welfare also sponsored that meeting. There was one in Montreal in fall 1992 on the subjects of buildings and energy. The Department of Energy, Mines and Resources presented some very interesting and investigative papers on the exposure guidelines, specifically dealing with residences.

Other presentations on indoor air quality were made at the 92nd annual meeting of the Canadian Lung Association. The Department of National Health and Welfare does participate in many working groups specifically dealing with the air quality of the residences. We also deal with the CMHC, the Canada Mortgage and Housing Corporation. That group has a specific committee that examines air quality inside houses.

To better co-ordinate the federal government's activities the government has an interdepartmental committee that co-ordinates and brings forth all recommendations dealing specifically with indoor air quality. The Department of National Health and Welfare chairs this committee because it believes that health is dependent upon the air that we breathe inside residences.

During public consultations on the federal government's green plan the Canadian public truly expressed concern about indoor air quality. We intend to meet the concerns that were expressed by the public through ongoing and future projects with close co-operation and close communication with all other governments and non-governmental organizations.

My colleague from Ottawa South has outlined some very good recommendations concerning the establishment of a national research centre examining air quality in all buildings. He is talking about occupational buildings and industrial buildings as well as residential. I congratulate him on these fine recommendations but I really must point out that the federal government has a co-ordinated committee that takes specific action with regard to residential air quality. At this time, with the co-operation that exists at the government level, some of his ideas may be a little redundant.

In closing, I must emphasize once again that there is no doubt that the air we breathe, whether at work or at home, is extremely important. It affects our everyday life in terms of the increase of productivity and learning at institutions. I cannot give agreement to his bill but I do thank the member for bringing it to our attention and for outlining not only his concerns but the concerns of all citizens right across Canada.

[*Translation*]

Mr. Phillip Edmonston (Chambly): The last time I spoke I was as much against the bill under discussion then, a bill authorizing the government to borrow $8 billion, as I am now, I think, in favour of my colleagues' private members bill, Bill C-281, an act relating to indoor air quality.

The people who are listening to us and following these proceedings may find that an act concerning cleaner indoor air is a bit strange because people think it should be clean and uncontaminated and they may find that we are somewhat paranoid, creating problems where none exist.

• (1740)

This bill is extremely important and there is nothing paranoid about that. It is important for us to pass this bill. The government's representative just said she cannot support the bill. I fail to understand why the government refuses to follow up on the initiative taken by the hon. member and support this kind of bill because today environmental factors are becoming an increasingly frequent cause of illness. Doctors agree that today's diseases of the 21st century are diseases we have created ourselves, whether we are talking about the connection between smoking and cancer or other problems due to the contamination of our water, our food or our environment in general.

There is not a trace of paranoia in this. This bill responds to an increasingly critical need when we consider how contaminated our environment has become today. Consumers in Quebec, in Canada and North America are becoming increasingly suspicious of products that are seemingly harmless, like a glass of water, for instance. I drink from this glass which contains water, but what else? I heard a report on the radio yesterday that a certain brand of bottled water in Quebec contains nitrate.

I remember when I was a member of a consumer protection group a few years ago and someone discovered that Perrier water from France contained benzine. Imagine Perrier being something you can drink or put in your gas tank. Mind-boggling.

So we become increasingly suspicious of products that seem absolutely harmless. I think a bill that calls on the government to develop a comprehensive strategy for improving the quality of indoor air makes good sense. I think it responds to a critical need.

Mr. Speaker, have you ever travelled and had to stay in hotels where the windows didn't open? Did you feel comfortable breathing this artificial air containing God knows what, perhaps filtered, perhaps not? I don't. I feel terrible if I can't have a window that opens so I can more or less control the quality of the air I breathe.

What is the air like here in the House of Commons right now? Does it contain asbestos? We don't know. What are the government standards for air quality right here? Have there been any checks recently? Do we have any federal standards for indoor air quality in this building? Where does our air come from?

I know the quality of air circulation varies, but of course we produce our own. Seriously, if we agree that 90 per cent of our time is spent indoors, the problem is a critical one. It is not only about contamination due to poor filtration or certain substances but about the need for clean air because it has a dramatic impact on the health of individuals who work indoors.

I could talk about radon, for instance, a colourless and odourless gas. According to the experts, radon has apparenbly been responsible for 5 per cent to 15 per cent of lung cancer cases. This is a serious problem. And I am not being paranoid about this either. These were figures presented by well-known physicians.

Now we know the problem exists and that the problem of contaminated indoor air has been criticized several times by employees and by other members, what is the federal government doing about this in a comprehensive way?

The hon. member said: We are trying to co-ordinate our efforts. Fine. I couldn't agree more. We also have guidelines, the difference being that the hon. member prefers specific standards. There is quite a difference.

In concluding, I want to say that as a member I am proud to support a bill that really makes good sense. I am proud of this bill. It does not happen very often because I get the impression that there is a lot of talk in the House about things that are not really important, except for last night, when I was also very proud to see my Conservative, Liberal and NDP colleagues support the entrenchment in the Constitution of the recognition of both languages for New Brunswick. I thought that was splendid. I was very proud indeed.

This evening I am equally proud of the hon. member's initiative in tackling a problem that is obvious, serious and far-reaching. And I wish him good luck with his bill.

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, I welcome the opportunity this evening to take part in this debate on air quality.

We all know that air pollution has been recognized for quite some time as a serious threat to health. Air pollution has probably focussed the public's attention on the quality of our environment to a greater extent than has any other form of environmental deterioration. Since the 15th century, smoke and the odours emanating from burning coal were considered a public nuisance. Laws designed to control point source emissions have been part of the history of most industrialized countries and were passed many years ago.

Interestingly, indoor air quality did not become a subject of debate and intense research until quite recently. The recent flurry of activity proves that indoor air quality has become a major health concern, especially in this country, where we unfortunately spend up to 90 per cent of our time indoors.

• (1750)

Here in Canada, we had the controversy about urea formaldehyde foam insulation. You will recall the UFFI debate and the government's ban in 1980 which I think was a major factor in drawing the public's attention to the problem of indoor air quality. Reports on scientific studies which showed a higher concentration of chemical contaminants indoors than outdoors have tended to heighten these concerns. Furthermore, office employees claim that current energy conservation practices in large office buildings are responsible for poor air quality.

No single Canadian agency has full responsibility for investigating and checking the potential impact on health of air contaminants inside residences. In the case of residential buildings, the government's presence is perceived by some as an intrusion, by others as a necessity. The wide range of strategies and approaches for controlling exposure to indoor air contaminants are an indication of the complexity of the problem. Finally, controlling indoor air contaminants involves measures such as ventilation, removal or replacement of sources of air contaminants, making changes so as to avoid contaminant sources, air purification, restrictions on household use of potentially hazardous chemical products, certification programs for builders and trades people, compulsory courses for engineers and building designers and educational programs for the general public.

Corrective measures may include a balanced application of several of these approaches, which are not necessarily incompatible. Standards or criteria defining air quality levels that are conducive to health and comfort must be used to determine to what extent controls are necessary. That is why in 1987, the Department of National Health and Welfare published the following document: *Exposure Guidelines for Residential Indoor Air Quality*.

Mr. Plamondon: In 1985?

Mrs. Bourgault: No, in 1987. The first one of its kind to be published by any government in the world. Although provincial departments across the country approved these guidelines, they are neither compulsory nor binding. However, it is expected they will help individuals and public agencies to be consistent in their assessments of the need for corrective action. In the longer term, these national guidelines will be used as a basis for developing or modifying the building code, standards for construction materials and furnishings, and ventilation requirements.

The department developed these guidelines in June 1980 when the Ontario Deputy Minister of Health requested a federal-provincial study that would set standards for air quality in new residential housing projects. A proposal to form a task force on indoor air quality was officially tabled at a meeting in October 1980 of the Federal-Provincial Advisory Committee on Environmental and Occupational Health. I mention this so that people who are interested will realize there are a number of committees and that a number of things have been done in recent years. The deputy ministers of health subsequently approved the proposal. The advisory committee created the federal-provincial task force on indoor air quality, whose mandate would be to examine a definition of acceptable air quality, the need to establish acceptable objectives and maximum acceptable concentrations of specific substances, and standards for ventilation or air recirculation. The scope of the mandate was restricted to residential establishments and the task force was to make recommendations designed to protect the public, based on constant exposure, in other words, 24 hours a day.

When it wrote these guidelines, the department wanted to protect the health of the great majority of the general public, including groups at risk like very young children, the elderly and persons with known health problems. These groups are especially concerned with indoor air quality because, as we know, they spend most of their time indoors. The department set itself two major objectives: (1). To develop guidelines on the concentrations of particular air contaminants in homes, taking account of factors like the sensitivity of groups at risk and the sources and modes of action of the contaminants; (2). To develop as much as possible other guidelines or recommendations on measures to protect or improve air quality in domestic establishments.

The federal-provincial task force met for the first time in September 1981 under the aegis of the Department of National Health and Welfare. In the next four years it collected and examined scientific documentation on 18 substances or groups of substances before setting the guidelines and recommendations contained in the document published by the Minister of National Health and Welfare in April 1987.

The government agreed in principle to update the guidelines in 1992-93 so that is now going on. The group will consider other substances to be added to the guidelines. If it seems possible to develop guidelines on these substances the work will again be facilitated by the Federal-Provincial Advisory Committee on Environmental and Occupational Health.

That is why the very existence of these guidelines, combined with the research now under way in various federal government departments, shows that we have implemented a national strategy for reducing the threats posed by exposure to contaminants in indoor air.

Also, our government's tobacco policy is another measure that has particularly improved indoor air quality in public buildings. Nevertheless, it should not be taken for granted that everything is going well. As a member of Parliament when I was Parliamentary Secretary to the Minister of National Health and Welfare, I had to deal with the case of a citizen who is fighting a constant struggle throughout the country with the problems of asthma and the possibility that he might have to work or even live in buildings that are insulated in different ways.

I think that we are doing many things, but fully regulating single-family homes in Canada is still a long way off. Nevertheless we must continue to work for increased protection of the health of Canadians, especially those who work in public, semi-public and even private buildings, because health is a subject that concerns all Canadians. Health costs being so high, it is obviously desirable to implement all kinds of preventive policies.

Thank you, Mr. Speaker, for giving me the opportunity to participate in this debate.

[*English*]

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am very pleased to have the opportunity to speak to the motion of my colleague, the hon. member for Ottawa South, on Bill C-281, an act relating to indoor air quality.

The quality of the air we breath is essential for good health. I think that is a very basic statement and one with which we are all very familiar.

North Americans spend over 90 per cent of their time indoors. Here in Canada this is as high as 98 per cent, given the climate. I was alarmed to read of a study by the Ontario environment industry which states that Canadians breath more toxic chemicals in their homes, offices and cars than they do from the worst urban pollution outdoors.

Obviously something needs to be done to rectify this situation. Checks need to be set in place to ensure that the quality of indoor air is clean and safe.

• (1800)

In other words, this bill is long overdue. As a member of Parliament for a local riding, Nepean, many of my constituents work for the federal Public Service. My colleague has mentioned that many federal buildings across the country have contaminants seeping into the space in which the employees are working.

I would like to specifically zero in on one building in the Ottawa area—

The Acting Speaker (Mr. DeBlois): I am sorry but 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. Manley: Mr. Speaker, I rise on a point of order. Given the fact that the bells rang for 10 minutes at the beginning of private members' hour we did not begin the hour until about 5.10 p.m.

I know my colleague has remarks prepared and is ready to deliver them. It does not seem right that we have an abbreviated private members' hour in this case.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I accepted the hon. member's question out of courtesy, even though the debate on the adjournment motion had begun. I do not have to receive the point of order. That being said, the Standing Orders clearly state that the time for Private Members' Business ends at six o'clock. Pursuant to the Standing Orders, I proceeded to the debate on the adjournment motion at six o'clock.

If the hon. member wants to change the Standing Orders he can always address the committee that periodically considers improvements to the Standing Orders.

[*English*]

Mr. Manley: Mr. Speaker, I rise on the same point of order. Perhaps there would be unanimous consent of the House to at least allow my colleague from Nepean to complete the remarks that were under way at the time. I think many of us contemplated that she had until 6.10 p.m.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am sorry, but once the debate on the adjournment motion is under way, I cannot receive requests of this kind. It should have been done before six o'clock.

Adjournment Debate

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, last autumn I put a question through the Chair to the Solicitor General regarding a matter involving the Canadian Security Intelligence Service.

I was seeking from him an assurance for Canadians that intelligence gathering and analysis had not been politicized. Politicization of that type of information can cause significant problems for democratic governments. There are many examples in modern history such as the case of J. Edgar Hoover in the United States who perhaps used information for purposes other than for that which it was originally intended in the field of security intelligence.

The background to my question involved two allegations that were publicly made. The first was that the names of intelligence sources were made known to the Solicitor General and were routinely disclosed. The second was that the political staff of the Solicitor General attended meetings of the target approval and review committee within CSIS.

On the first question the Solicitor General responded that in a small number of exceptional cases names were disclosed but in none of those cases was the person a Canadian citizen or a permanent resident. In that way he perhaps got a little lucky but that does not speak for other Solicitors General prior to this one. What he did not say but should have said, and he might if he had the chance, is that any reference in the Solicitor General's routine business to persons without using a code name should only occur on an exceptional need to know basis. I hope that is what is occurring because anything beyond that risks politicization.

The second question involved the allegation that political assistants of a previous solicitor general had attended meetings of the target approval and review committee. This was not fully addressed in the question. A committee of this House reported in 1990 on CSIS and did not include that type of person at meetings of TARC. I hope that is the case. That is not to say that before 1988 such persons did not attend those meetings. I hope they did not. In any event we do not have a lot of information that they are now, and I believe they are not.

The point I want to make, and I make it on behalf of members on this side of the House for the benefit of the Solicitor General, is that disclosure of source names and attendance by political staff at meetings of TARC or any other committee within CSIS should not happen. It is a matter for continuing monitoring by the security and intelligence review committee that acts on behalf of this House and all Canadians in monitoring CSIS. The Solicitor General should always be in a position in this House to assure Canadians that the security intelligence gathering systems within CSIS are secure and have not been politicized as those public allegations suggested at that time.

[*Translation*]

Mrs. Monique B. Tardif (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, last June, the media did say that the names of CSIS's human sources were regularly passed on to politicians. More specifically, they said that the minister's instructions issued in 1986 described how CSIS's human sources should be treated and that the names of these informers should be disclosed to the Solicitor General of Canada.

Naturally, the director of the service keeps the minister informed on all important operational activities. The identity of human sources is a very sensitive issue and the promise of anonymity is a significant factor in obtaining their co-operation and trust. Their identity is always protected.

In this regard, Parliament gave the service an important responsibility which is found in section 18 of the Canadian Security Intelligence Service Act that reads as follows:

> —no person shall disclose any information that the person obtained or to which the person had access in the course of the performance by that person of duties and functions under this Act or the participation by that person in the administration or enforcement of this Act and from which the identity of (*a*) any other person who is or was a confidential source of information or assistance to the Service—can be inferred.

There are departmental instructions dealing with human sources. Here, I would like to refer to *On Course* published by the government in February 1991.

Page 14 of this document contains the following statement: "Sources are to be managed so as to protect both the security of the service's operations and the personal safety of sources". Nevertheless, there is no requirement in these instructions to disclose the identity of a human source to the minister or another politician.

The identity of a human source will be revealed to the minister only if it is directly related to his responsibilities which is a very rare and exceptional occurrence.

In conclusion, the media's statements that the identity of human sources is regularly revealed to the Solicitor General are unfounded.

CANADA POST CORPORATION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, on December 9, 1992, I rose in this House to put a question to the minister responsible for Canada Post. I wanted to know why he was pursuing this policy of shutting down rural post offices. I asked in particular for his intervention in the case of the post office in Saint-Clément de Rivière-du-Loup. Post offices are closing in my riding of Glengarry—Prescott—Russell, in Martintown, just as they are closing in my colleague's riding here.

[*English*]

The worst thing about these decisions is that they are arbitrary. Canada Post shuts down rural post offices whether or not the post office is still needed and whether or not the post office is making money. It does not make any difference to them. The only criteria Canada Post uses is whether or not the postmaster has left. We call this the natural opportunity criteria.

• (1810)

[*Translation*]

This so-called natural opportunity is what Canada Post is taking.

I submit to you today that several post offices were not shut down. There are discrepancies in the administration of this policy. In some cases post offices are allowed to remain open in the ridings of certain members opposite even after the postmaster retired. But, in the ridings of members of the opposition it was quite another matter. I do hope that the government will answer these questions.

What I want the government to tell me today, is why pursue this policy of so-called natural opportunity to shut down rural post offices. The parliamentary secretary may argue: "We are not shutting them down. They are being converted". Go and tell that to my constituents in Summerstown for instance. When the post office was closed down one of these converted outlets was opened but it has moved three times in the past ten months. Canadians from rural areas are not provided with service at least not the level of service they are entitled to.

Today, I urge this government to reconsider its decision and eliminate immediately this criterion for shutting down rural post offices.

[*English*]

There is still time for this government to change its ways in regard to closing rural post offices. If the Tories will not do it, we will do it very soon.

[*Translation*]

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, the Canada Post Corporation has worked very hard to improve the efficiency and accessibility of postal services in Canada and thus meet the expectations and changing needs of all Canadians. Like other organizations offering services to the public Canada Post has had to find new ways to provide its services and meet the pressing needs of all Canadians. Canada Post continues to improve access to its postal services and products for Canadians.

For example, the corporation reaches its goal in rural Canada by using the resources and knowledge of local businesses in order to significantly increase the number of outlets which provide postal services and products. It should be noted that other businesses providing services in rural areas have reacted to changes by interrupting their services. The corporation, however, has made every possible effort to maintain its business ties in the community by consolidating its partnerships with local businesses, and it has been doing so for more than 100 years.

Canada Post implemented a program which has been misunderstood in more ways than one, namely the program to reorganize rural service by converting from an institutional outlet to one that is being taken over by a local business in a rural area. Therefore, all retail services such as postal money orders, mail collection and parcel postage, as well as items which require a signature are available at the postal outlets in rural areas.

The corporation has also developed a number of methods to continue mail delivery in a given community. For example, we can mention mailboxes in a retail postal outlet, community mail boxes or rural route delivery. In this way Canada Post makes sure that the community maintains its specific postal identity and that all customers can send and receive their mail locally.

The corporation proceeds case by case and bases its decision on criteria such as the size of the community, its commercial base, revenue, the distance to the next community, population trends and the present service. Although it is a rather rare occurrence, Canada Post will sometimes decide that it should continue on its own to provide the postal service. This is mostly the case in remote areas such as the Far North.

A survey was done—

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member, but I cannot go much beyond the two minutes allotted to her.

[*English*]

EMERGENCY PREPAREDNESS CANADA

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, late in 1987 the then Minister of National Defence, the hon. member for Welland—Grey—Dufferin—Simcoe, introduced legislation in this House to set up Emergency Preparedness Canada which was to replace the War Measures Act in this country. The reason it was done was that the War Measures Act applied to the whole nation. Whatever we did under the War Measures Act, it applied all over the country, whereas under the Emergency Preparedness Canada Act we could zero in on one area of the country, one community, one province or wherever the main problem was.

I piloted that bill for the Official Opposition at the time. We totally agreed with the legislation with some minor comments on it but by and large looked upon it as an excellent idea. The Emergency Preparedness Canada organization was a government agency to stand on its own but it was to report to Parliament through the Minister of National Defence.

Shortly thereafter during the election campaign of 1988, the minister, who was then the Associate Minister of National Defence, the hon. member for Lanark—Carleton, announced that a new 120 room residence would be built at the Canadian Emergency Preparedness College in Arnprior. That location was picked as the centre for emergency preparedness because there had been emergency preparedness work going on in that centre for many years. The building was supposed to be up and in operation by December 1990 but the project has not even started. There has not even been a spade in the ground.

Along the way the previous Minister of National Defence was involved in trying to move the centre out of Arnprior. Rumours were all over the place among the civil servants and the organizations and the community. I asked the Minister of National Defence a question on June 16: "Will the Minister of National Defence tell us today when we can expect the construction of the long-promised new residential building to be built in Arnprior?" This was after the Minister of Supply and Services, who was then the member for Lanark—Carleton, had again reassured the community that it would be done in Arnprior and he sent a letter to the mayor of the town to that effect.

The answer I got from the then Minister of National Defence, the hon. member for Frontenac, on that day was this: "In the latest budget all responsibilities for civil defence were transferred to the Department of National Defence. All procedures, including infrastructure, are under review".

I was not satisfied with that because that just confirmed my suspicions that the government was indeed looking for a centre in other places in Canada. We are very proud to have this facility in the Ottawa Valley. Therefore, I asked the minister a second question: "The property and facilities on which this nationally used Emergency Preparedness Canada training centre is located is owned by Public Works Canada. Can the minister inform this House whether or not the total plans for the new residential building which was supposed to be up and operating by December 1990 are now ready for presentation to Treasury Board and are they planned for Arnprior?"

The then Minister of National Defence got up and said: "Mr. Speaker, the whole question is covered in the first answer".

I was not satisfied with that, so I am raising the question again today. I am glad to see that the Parliamentary Secretary to the Minister of National Defence is present. He was very civil in his answer the last time and I am certainly looking forward to what he has to say today.

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, what the hon. member for Renfrew—Nipissing—Pembroke has said is an accurate resumé of the history which brings us again to this issue being discussed in the House of Commons. For almost four decades now, since 1954 when this centre was established in Arnprior, it has been fundamentally important to the government and the country to have the emergency preparedness programs and training carried out there.

• (1820)

Certainly a great many people in his constituency who are directly involved and interested in that training centre are understandably interested in its future. As he is a conscientious member, he has kept at the government to be clear as to what the future would be.

When I last spoke in the House on this it was June of last year. I indicated at that time that the plans the government had announced with respect to the facility effectively had been held up because of the financial problems that the government faces, which is the deficit problem. The facilities that do exist there now are not adequate in anyone's estimate or suitable because everyone knows that new and better and improved facilities are required. Plans have been developed for that and so on, but the money to pay for it—quite a few million dollars is being discussed— had to be reassessed.

I wish I could, on behalf of the minister, tell the member tonight that the plans are going to be announced now or tomorrow, but it is still under review. This is in conjunction with the over-all review of the infrastructure of the Department of National Defence. He is informed about this and he knows that across the country we are making a lot of changes and it is all being done in that context. I would certainly like to go with him—perhaps we could both interest other members of the defence committee for example—to visit the facilities and to keep the pressure on to get this clarified.

JUSTICE

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, my question was prompted by the death of a little six-year old girl in my riding, Dawn Shaw, who was raped and murdered by a person in the community.

The RCMP at that time were having some difficulty locating the perpetrator but a suspect has now been arrested. It was felt that the broad availability of DNA testing could have assisted in this matter. There is more precision in terms of identifying the perpetrator of the crime.

In fact rapists do not leave fingerprints but they do leave samples of tissues such as hair, semen and blood that can be analysed by forensic laboratories. Within a very narrow range those analyses can identify the perpetrator of the crime.

The people in the community were asking for the RCMP to have the right to administer DNA tests or take samples on the same basis as they would be able to obtain breath samples for driving under the influence of alcohol. This would result in a much more assured prosecution of the victims and it was therefore felt that there would be much more protection for women and children who are the prime victims of sexual assault by these people in the community.

I do not want to create the impression that all Canadians are targets of sexual assault. Ninety-two per cent of these assaults happen within the family and the perpetrator is a person known to the victim. *The Ottawa Citizen* at one time said you are mostly likely to be sexually assaulted by the person looking across from you at the breakfast table in the morning. Only 8 per cent of perpetrators are unknown to the victim.

I think the best way to deal with sexual assault within the family is to provide some kind of assistance to the family so that people who have a tendency to commit these crimes find out how they can stop. Many of them were victims of the previous generation.

The other way to do it is to increase the certainty of detection and conviction and that is through using such screening processes as DNA typing. I was quite satisfied with the minister's response but I would certainly hope that she would carry it through much farther to make sure that DNA sampling is available and can be used on suspects and also that it would be available in virtually every part of the country to assure the prosecution and conviction of perpetrators of sexual assault, especially those who assault children.

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, the hon. member for Comox—Alberni has raised an important issue. As his question indicates at the moment there is no provision in the Criminal Code which permits a judge to authorize obtaining bodily substances, including samples suitable for DNA analysis, except in limited circumstances in relation to drunk driving charges.

In response to his specific concern, DNA testing could assist in positively identifying perpetrators of crimes, particularly in cases of sexual assault or homicide where identification is often the central issue.

I can inform hon. members that the Department of Justice is now conducting an in-depth study of the legal issues related to the collection and use of bodily substances for evidentiary purposes with a view to the development of proposals for amendments to the Criminal Code.

DNA profiling undoubtedly has the potential to facilitate the investigation and prosecution of criminal offences. However, the future of the role that DNA typing will play in our criminal justice system is dependent on a number of factors and there are various issues which must be examined within this context. The issues being explored include search and seizure, admissibility, evidence of population frequencies, data banks and the accreditation of laboratories.

Ultimately legislation would be needed to set out the manner and circumstances in which samples can be obtained from suspects so that the investigation of crimes is not frustrated and the suspects' rights to a reasonable expectation of privacy and personal dignity as guaranteed by the charter are minimally interfered with.

The protection of society could well be enhanced by the enactment of legislative amendments to permit the seizure of samples of bodily substances for the purposes of DNA testing and the use of such forensic evidence in criminal prosecutions.

INDIAN AFFAIRS

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, tonight I would like to speak about the Gwa'Sala 'Nakwaxda'wx Indian people who live at Port Hardy at the Indian reserve at Tsulquate.

One particular group used to live at Blunden Harbour, the others at Smith Inlet. The Department of Indian Affairs for its sole convenience of cost of servicing asked them to move from their communities. They promised them housing, community infrastructure, education, economic development and health services. They were virtually forced out of the community by continued harassment and the promises that things would be better at the new location in Port Hardy.

They moved. Their houses were burned behind them when they asked to go back after none of the promises were kept.

When they hit Port Hardy they were amalgamated, two different groups. They did not know each other. They had no homes. They had no community. They had no infrastructure. They were not provided with education and school services and no health services. They were at the same time put into a community that had just received several thousand single men who were building a mine at the location. Those people wreaked absolute havoc on a completely disorganized community.

What were the results? Thirty years of indescribable hell brought on by almost complete alcoholism, complete total social destruction, despicable housing and desperate poverty and unemployment.

Is there anything that can happen? Thirty years later as this community is gradually rebuilding itself, two generations later, with the people who are just youngsters in the community, the government could visit the community at the highest level. The minister of Indian affairs should visit there.

Also, the senior leaders of government departments of employment, health, and Indian affairs should go and meet with the elders and the leaders of that community to discuss the health programs they developed for social rebuilding, employment programs and the responsibilities of Indian affairs.

• (1830)

Direct financial assistance is needed, compensation for the catastrophic impact that was forced on this community in the forced move, the forced amalgamation and the broken promises.

[*Translation*]

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, as stated by the minister in the House on June 12, 1992, he is certainly prepared to meet with the representatives of the Gwa'sala-Nakwaxda'xw on one of his future visits to British Columbia.

The Department of Indian Affairs and Northern Development is familiar with the situation in this community on northern Vancouver Island. For some time now, departmental representatives at the district, regional and headquarters level have been making a joint effort to resolve as many problems in this community as they can, bearing in mind budgetary restrictions and general policy.

The specific claims of the Gwa'sala-Nakwaxda'xw were first submitted in 1988, re-submitted to the department in 1991, and then put on a priority list for research and analysis. On May 15, 1992, preliminary discussions took place between band representatives and the department's special claims office. It was agreed the Band should prepare a more thorough analysis of its claims before submitting them to the Department of Justice, to ensure the presentation would be as fair and detailed as possible.

Meanwhile, the department is busy helping the community achieve its economic, cultural and educational objectives. The Band has just finished developing a comprehensive plan stating various options for promoting the community's expansion. With the 45.8 hectares added to Tsulquate Indian Reserve, No. 4, it will be possible to proceed with a new development that will include construction of 80 new homes, a school and a community hall.

Furthermore, the department plans to spend $1.6 million, spread over a certain period of time, in connection with the community's expansion. Funding totalling $200,000 will be released during 1992-93 and 1993-94, to help the Band build a community centre. Furthermore, $215,000 was spent in 1992-93 on improving sanitation in the community. Similarly, $15,000 will be spent on a preliminary feasibility study for the construction of a school; the plans should be finished by 1994-95, at a cost of $150,000, while construction is slated for 1995-96, at a cost of $1,250,000.

To help the Gwa'sala-Nakwaxda'xw find ways to resolve their financial problems, departmental representatives had a number of meetings with them. The band and the department have set up a joint committee that is now examining innovative proposals to meet the land requirements of the band.

Furthermore—and I speak on behalf of the minister—he says he is very interested in seeing the situation improve and is prepared to have discussions with the Gwa'sala-Nakwaxda'xw communities.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted.

[*English*]

The House stands adjourned until tomorrow at two o'clock p.m., pursuant to Standing Order 24(1).

The House adjourned at 6.34 p.m.

HOUSE OF COMMONS

Wednesday, February 3, 1993

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

INDIGENOUS PEOPLE

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, on December 10 Canada moved a motion at the United Nations proclaiming 1993 the International Year of the World's Indigenous People. The main objective was to strengthen international co-operation for the solution of problems faced by indigenous communities, such as human rights, environment, development, education and health.

I ask this House to acknowledge and thank the many individuals and NGOs that worked so hard to make this a reality, in particular the International Organization for Indigenous Resource Development and its members, the Four Nations of Hobbema, the Council of Energy Resource Tribes, the Grand Council of Crees, the Four Directions Council and the four chiefs: Victor Buffalo, Herman Roasting, Leo Cattleman and John Ermineskin, along with the Secretary of State for External Affairs and Dennis Marantz.

The theme for this year is "Indigenous People—A New Partnership". I request all our colleagues in both chambers to support the many activities and programs that will occur throughout 1993 to ensure and secure a new and positive partnership in Canada.

* * *

STUDENT LOANS

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, the annual report of the Canada Student Loans Program was tabled yesterday indicating—this is an horrific statistic—that the number of students who graduate with a total debt load of over $15,000 has increased by 500 per cent over four years.

I ask the new Secretary of State to address the Canada Student Loans Program so that the students of Canada can in fact continue to go to college and university.

The debt load is horrific but there are also other problems. There is a 3 per cent tax on student loans which should not exist. There is the extra six months of interest which ought to be removed, and the criteria for the allocation of moneys have not changed since 1984.

* * *

[*Translation*]

HIBERNIA

Mr. Nic Leblanc (Longueuil): Mr. Speaker, in 1990 the federal government presented the Hibernia project to us as the project of the century. We were told that the government had excellent reasons for investing $3 billion in it. The main reason was that it was supposed to make money. However, most experts tell us today that the Hibernia project will never be profitable, because for that, oil would have to sell at $30 a barrel, but it is less than $20 a barrel now.

They also talked about technology transfers. A $100-million contract was just awarded to Korea to make the platform, and the reason given was that Canadians do not have the necessary expertise. Exactly. They must be given time to acquire this expertise.

Once again the government lied. That is proof that the government continues to spend money that Quebecers and Canadians do not have.

* * *

[*English*]

INTERNATIONAL DEVELOPMENT WEEK

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, it is my privilege to draw the attention of the House to the celebration of Canada's third annual International Development Week which is being held now from February 1 to February 7.

All across the country a wide variety of events are designed to raise awareness of international development and to encourage us to take a moment to think about the world we share with more than five billion people.

The theme this year is partnership and the slogan chosen for the development week is "Together we can change our world".

1993 marks the 25th anniversary of the Canadian International Development Agency. For a quarter of a century this organization has been at the forefront of Canadian efforts to improve living conditions for less fortunate people around the world.

Thanks in part to the hard work and commitment of countless Canadians, we now live in a world where more infants see their first birthdays, more children are going to school and learning to read and write, and people are living longer and healthier lives.

I am sure the members of this House will join me in encouraging Canadians to take part in International Development Week and to see how we can help make the world a better place for everyone.

* * *

SOFTWOOD LUMBER

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, on Friday the Prime Minister will meet with President Clinton to discuss various trade issues between Canada and the United States.

The current round of U.S. countervail action against Canadian softwood exports was initiated by George Bush and it should be stopped by Bill Clinton.

When the Prime Minister meets with President Clinton we urge him to raise the softwood tariff issue and to call upon him for a show of good will to Canada by dropping the current softwood countervail action against our country.

We expect that when the Prime Minister returns to Canada he can tell the people who live in the over 300 communities dependent on the forest industry that the softwood action has been dropped and, if not, that this government will get the courage to scrap the free trade agreement and not proceed with NAFTA.

VIOLENT CRIME

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, the people of Calgary Southeast are shocked and appalled at the outrageously light sentence handed out to cult leader and mass murderer, Roch Theriault. The message that this sentence sends is not acceptable to the vast majority of Canadians.

Violent crime, especially crime of the particularly brutal and sexual nature of this case, must not go unpunished. In a mere seven years this man will be eligible for parole and if released he will again be a threat to the communities and people of Canada.

The criminal justice system must be toughened to deal with dangerous offenders such as Mr. Theriault. I join with thousands of Calgarians in urging the government to take the necessary steps to ensure that this individual and those like him remain behind bars.

* * *

METROPOLITAN TORONTO

Mr. Sergio Marchi (York West): Mr. Speaker, for the last three years the Conservative government has been promising Torontonians that economic prosperity was just around the corner. However we see that this Conservative government's political rhetoric has not matched up to economic reality.

Although the government continues to declare that the recession is dead and that its policies are working, regrettably the facts indicate that in metro Toronto the recession continues alive and well.

More than half of all jobs in Canada lost during the recession have been in the metropolitan Toronto area. There were 74,000 lost jobs last year and 150,000 lost jobs in 1991. Furthermore, recent figures reveal that last year there was a record number 13,000 business and consumer bankruptcies in metro Toronto alone with liabilities adding over $3 billion.

In these times both the Mulroney and Rae governments continue to ignore the problems and needs of metro Toronto and are stalling on projects worth more than $9 billion.

The country deserves a national government which recognizes that a strong metropolitan Toronto economy is a plus for the nation.

VIOLENCE

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, I wish to raise an issue that was brought to my attention by the PC caucus committee on family issues. It is killer cards and killer board games.

Glorifying notorious assassins and allowing into Canada a game with an objective to collect as many dead babies as possible is not only obscene but immoral.

We as members of Parliament are derelict in our duties if we do not act in concert to stop the spread of such violence. Surely there must be a way to ensure this kind violence is stopped.

The options put forward by the caucus committee on family issues are worthy of serious consideration. I urge the Minister of Justice to review this matter and take the necessary steps to correct it.

* * *

UNEMPLOYMENT INSURANCE

Mr. Bob Wood (Nipissing): Mr. Speaker, on December 2 the government announced major changes to the Unemployment Insurance Act to take effect on April 1. Among the changes are the reduction of benefits from 60 per cent to 57 per cent and the disqualification of individuals who voluntarily leave their present employment or are fired with just cause.

What is just cause? It is an incredibly ambiguous term. This particular measure will place an unnecessary burden on insurance agents who will have to determine if a person is eligible to receive benefits. Furthermore appeals will increase and the processing of claims will take longer, which can only mean more hardship for the claimants.

Finally, what disturbs me the most is the unfortunate situation of individuals who will be denied unemployment insurance benefits. Where will they go? The answer is simple: welfare and food banks.

I wish the government could tell Canadians and the people of Nipissing how they intend to save money with this scheme. Maybe, with all the speculation of the Prime Minister leaving, he should do so before April 1 if he wants to apply for UIC because after that date he will not be eligible even if he has paid into it.

S. O. 31

VIOLENT CRIME

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, many people across our country are angry about the number of violent crimes committed by people on parole. They feel that law abiding members of society are being placed at risk by the parole system.

Canadians feel that protection of the public should be the most important factor in all decisions relating to the treatment and release of inmates.

• (1410)

Acts must be changed, parole boards must be directed and ways must be implemented to be certain that violent offenders who continue to pose a danger to society are kept behind bars for the full length of their sentences.

* * *

TRADE

Mr. Rod Murphy (Churchill): Mr. Speaker, Canadians deserve a straight answer from the Liberal Party. Do the Liberals, like the Conservatives, support the proposed North American free trade agreement or do they oppose it?

Since they elected their leader the Liberals have played an annoying game of flip flop on this issue.

A recent example arose when the Liberal women's critic, the hon. member from Halifax, spoke in Kingston. *The Queen's Journal* of January 22, 1993 read:

> Clancy says she supports the North American free trade agreement.

She is quoted as saying:

> It is much better than the bad deal negotiated by the Tories with the U.S. in 1988.

She goes on to say:

> It puts Canada in a good position.

Clearly the women of Canada do not agree with the Liberal women's critic. The Liberals must stop having it both ways. It is time for the Liberals to stop insulting the Canadian public by offering two separate positions on FTA and NAFTA.

S. O. 31

TAXATION

Mr. David Bjornson (Selkirk—Red River): Mr. Speaker, we are all looking for ways to spend tax dollars wisely. I call upon all members of the House to rationalize the use of taxpayers' dollars.

I applaud the steps this government has taken in cutting grants to special interest groups because these groups must become self-sufficient in order to carry out their activities. The Canadian taxpayer should not bear the burden of their agendas.

I commend the government for steps taken in fiscal responsibility. For example, post-secondary students are being asked to repay their overdue loans. This money was given to them in good faith. For these people and others it is now time to take responsibility for their previous commitments.

* * *

VIOLENT CRIME

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, for well over a year, in the aftermath of the murder of Nina de Villiers, I have presented the signatures of hundreds of thousands of petitioners asking that Parliament recognize crimes of violence are abhorrent to society and asking that the government amend the Criminal Code of Canada, the Bail Reform Act and the Parole Act accordingly. After all this time and after the many interventions that have been made in this House, Canadians are still afraid to walk the streets.

The Minister of Justice has stated that he intends to act some time in the future to amend the Criminal Code to protect women from harassment. In the cases of crimes committed by violent sex offenders, the Solicitor General said he would look into toughening up the parole laws to deal with violent offenders.

We all know there is a problem. We do not need studies. Why does the government not act now? Words are not protection; actions are. Canadians need to feel safe again. The government must act now to bring in legislation that will ensure a safer Canada for all of us.

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SMALL TOWN CANADA

Mr. Arnold Malone (Crowfoot): Mr. Speaker, on February 1, this House unanimously recognized k.d. lang for winning the Favourite New Adult Contemporary Artist category at the American Music Awards. k.d. lang comes from Consort, Alberta, a town of 609 persons located in my constituency.

This may also be an occasion to celebrate small town Canada. I have served two constituencies in Alberta. The present constituency of Crowfoot has about the same number of square miles as New Brunswick. It is comprised of 113 towns, villages and hamlets.

Many Canadians have not heard of Craigmyle, Alberta, with a population of 52 persons. Most Canadians have heard of Lanny McDonald from Craigmyle. Very few Canadians will know of Donalda, the home town of 226 people. Yet Tricia Helfer, the 1992 Ford Agencies World Supermodel, hails from there. Pauline Gedge from Ribstone, population unlisted, is an internationally respected poet. Katherine Greenly from Three Hills is building a North American reputation in country and western music. The town of Viking is home for the Sutter brothers who are highly respected National Hockey League players.

Those six communities added together have a population of less than 4,000 persons. Yet they are root communities for persons who have reached national and international stature.

Mr. Speaker: I must interrupt the hon. member. His time has expired.

* * *

FOREIGN AID

Mrs. Christine Stewart (Northumberland): Mr. Speaker, rumour has it that this government intends yet again to cut aid to developing Third World countries in favour of providing concessional assistance to east European countries. Nothing could be more short-sighted and nothing could highlight more the hypocrisy of this government. A leaked government document suggests forsaking the world's poorest and development commitments to the environment, human rights, human resource development in favour of a me first support of middle-income countries which have a strategic, read lucrative, export trade value to Canada.

Mahbub ul Haq, the author of the UNDP development report much quoted by our Prime Minister says that "such a choice in policy would be an unmitigated disaster for Canada".

The Children's Summit, Rio summit and human rights declarations are meaningless if this government further decreases current aid levels. This government must put people first with a priority on the poorest, both here and abroad. Not to do so guarantees this government's electoral defeat.

* * *

FOREIGN AID

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, yesterday before a special meeting of the House of Commons committees, Mr. Mahbub ul Haq from the United Nations explained the vital link between developing and developed countries.

Mr. ul Haq who was instrumental in preparing the UNDP's human development report told us that reducing Canadian assistance to the Third World would be disastrous.

Mr. ul Haq pointed out that unless we in the industrial world take steps to divert it the Third World poverty will visit us in forms like increased drug trade, terrorism, pollution, increased human migration, AIDS and other diseases.

Only long-term sustainable development aimed at basic health care, education and nutrition can help us to avoid these problems.

These problems will be exacerbated by reducing our assistance to Third World countries. Canada has been a leader and the government will ignore ul Haq's wisdom at Canada's great peril.

ORAL QUESTION PERIOD

[*English*]

NATIONAL DEFENCE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask a question of the Minister of National Defence.

Will the Minister of National Defence table in the House of Commons all contracts signed by the government with respect to the $4.4 billion helicopter contract purchase?

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, it would be very difficult.

Maybe the Leader of the Opposition would know the structure of government and that contracts are signed by the Department of Supply and Services.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, the question we have asked the government is very simple: Does the government intend to table in the House of Commons the contracts signed to date?

[*English*]

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, I think the hon. gentleman already knows there was a signing of contracts on October 8, 1992. One contract was for $1.4 billion with Paramax and one contract was for $1.4 billion with European Helicopter 101 Limited. Those are the two contracts that we have.

To my knowledge no contracts have ever been tabled in the House throughout its history, not when the hon. Leader of the Opposition was in government in the cabinet of Mr. Trudeau or in this government because there is some commercial confidentiality in those contracts.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, is it true that some contracts have not been signed yet and there is a big rush going on with the subcontractors to make sure that the contracts are signed before there is a change of government?

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, most of us will be very surprised if there is any change in government but the fact is that because he reads what Tim Naumetz has to say in *The Toronto Sun* and *The Ottawa Sun* he should know that Tim Naumetz was wrong on that and there were three other points in that short article on which he was wrong.

He ought to get some better research.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is for the Minister of Supply and Services.

The new chief of the defence staff has indeed confirmed that contracts have been signed with Paramax and with EH-101, but with respect to a specific question about contracts being signed with the main consortium, Westland Augusta has said that it cannot comment.

I want to ask the minister very specifically whether all contracts have been completed with the main contract supplier, Westland Augusta.

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, Westland is a British corporation which is a part owner of EH-101. Augusta happens to be an Italian corporation which is also part owner. Those two joined and made up EH-101, the contractor, the person who has designed the company which manufactures this aircraft.

We have signed a contract for $1.4 billion with the contractor which manufactures the goods, that is EH-101, for 50 air frames. We signed that on October 8, 1992.

• (1420)

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, it seems reasonable to us that if the former senior policy adviser to the Prime Minister and the government can have intimate knowledge of the details of this contract and whatever provisions were inserted to ensure that the contract goes ahead no matter what happens after an election that the people of Canada have a right to know what penalties, if any, this government built into a contract to ensure that the contract supposedly goes ahead notwithstanding what happens in the election.

I ask again, will the minister table those contracts and all the provisions that have been inserted in them to try to force that deal to go ahead notwithstanding the democratic will of the people of Canada after the next election?

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, it is unfortunate that the opposition reads an article by a reporter who is usually wrong. I read his articles every now and again because I have to correct the mistakes in it. He has four errors in this article and he keeps on perpetrating those mistakes.

He has already said that the senior adviser to the Prime Minister was a lobbyist. They are not the lobbyists and are not registered as the lobbyists for EH-101. Therefore, that picture in the article was absolutely false as well.

If those members would get their facts correct and do the research properly then maybe we could answer the questions intelligently.

* * *

TRADE

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

What has happened to the workers at Port Hawkesbury, Nova Scotia, who worked for Premium Automotive Tanks is surely just another in a series of Canadian tragedies and tragedies for working people. It is also stark evidence that the Canada-U.S. trade deal has been a disaster and those who say that you can renegotiate this deal are either naive or misleading Canadians. I want to say that you cannot renegotiate a disaster.

My question for the Prime Minister is this. This plant slammed its doors in the face of its workers one month after the tariffs were removed from the products that it makes, a direct result of the Canada-U.S. trade deal. Why does the Prime Minister persist in pursuing a NAFTA arrangement, taking a bad deal and making it worse? Will he do something for Canadian workers and stop NAFTA now?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me comment briefly on the actions taken by the company. We deplore the way it has done this. We do not think there is any basis whatsoever for it to follow the steps that it has taken.

With specific regard to the question that my hon. member has asked, the change in the tariff from 1992 to 1993 was .26 of 1 per cent. Surely even my hon. friend would understand that that is not sufficient reason to throw out the free trade agreement.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary for the Prime Minister.

The government is responsible directly for what is happening to workers in this country as a result of the bad trade deal that was negotiated for Canada. The government has a responsibility to do something about it. The government knows that U.S. states like New Hampshire where this factory is moving has no income taxes. They have lax regulations and no universal health care and yet this government negotiated a trade deal that did not have any provisions for workers. This government intends to repeat this through NAFTA.

I ask again, why will the Prime Minister not stand up for the workers of Canada, for the people of Canada and stop NAFTA now?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, of course I agree, as I am sure all members of the House would, with the comment made by my hon. friend that no one could in any way approve of the apparent method of conduct of that particular employer in Cape Breton.

That is exactly the kind of action which from time to time lends such opprobrium to business conduct that brings about strong measures from various governments because they are richly deserved. This kind of conduct, taking off in the middle of the night, is a fly-by-night attitude unworthy of any self-respecting employer small, medium sized or large.

My hon. friend would I think agree that this is not only unacceptable conduct by an employer, but fortunately in Canada is most exceptional. Canadian employers do not do this.

With regard to the trading arrangements themselves, the Minister for International Trade has just indicated the dimensions of the change in tariffs from 1992 to 1993, which certainly did not provoke in any way this kind of action.

In point of fact, trade with the United States is up $17 billion since the free trade agreement was signed and trade with Canada increased 11.2 per cent last year. That is good news. This is the kind of result on which we propose to build to ensure durable economic security for Canadian employees.

Hon. Audrey McLaughlin (Yukon): A supplementary, Mr. Speaker. It is unfortunate that another major export of Canada has been jobs.

[*Translation*]

A study done in the United States by the International Trade Commission on the impact of three-way free trade says that the number of jobs in textiles, electronics, industrial machinery and auto parts will increase in that country. Those are just the industries most affected in Canada. I would like to ask the Minister for International Trade a question. Are there studies here proving that the result will be good or bad for Canada? Where are the studies on the impact of three-way free trade for Canada?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, studies by the C.D. Howe Institute confirm the importance of this initiative and the benefits for Canada. There are other research organizations, including the International Trade Commission in Washington, which this very day, I think, indicated the growth in trade between our two countries as a result of this treaty. I will point out to my friend, for example, another study done in Alberta and released as recently as yesterday—

[*English*]

The headline in the *Edmonton Journal* indicates: "West's trade with the United States on the rise". It indicates that the value of total exports from western Canada rose five-tenths of a per cent per year over the period and in Alberta value of exports increased to both the United States, up 8.47 per cent, and to other markets, up 3.15 per cent.

It is free traders in Alberta, for example, in western Canada, like the premier of Alberta who is with us today, the Hon. Ralph Klein, whose presence I underline and congratulate, as opposed—

* * *

PREMIUM AUTOMOTIVE TANKS INC.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is for the minister responsible for ACOA and it concerns the closure of the Premium Automotive plant in Port Hawkesbury, Nova Scotia.

After accepting nearly $3 million in federal grant money and tax credits, this company in a cowardly move has carted off its assets to the United States, leaving 79 workers jobless and without so much as an explanation.

How could the minister's department have let this happen and what is the minister going to do to prevent these jobs from being hijacked to the United States?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, my department does not have a guard on every enterprise that we have made loans to or given assistance to, so let us just be reasonable.

The first that we knew of this event was in a phone call the morning after the company at 4.15 in the afternoon gave their employees notice that they were terminated and gave them minimum severance pay and rushed in a group of trucks to remove the equipment. They called the ACOA office in Cape Breton to say that they had done this and they were sending a messenger over with a cheque to pay off the balance of the ACOA loan. The messenger has not yet arrived. I do not know what happened to the messenger.

An hon. member: He got laid off.

Mr. Crosbie (St. John's West): The position is that in 1986 and 1988 the company was given assistance, in 1988 from Enterprise Cape Breton. At that time the policy was a policy of unconditional grants that they did not have to pay back. They also received a loan. There is $500,000 still owing on the loan transaction, but the control period ended on December 31, 1991. That is the period during which the company is obliged to continue operating at the site for which the loan was given and in connection with it.

• (1430)

The control period is over. We have our lawyers looking to see what other means we may have with respect to that company as to the transaction they are now engaged in, which I agree is completely reprehensible.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, not only does this incident leave my constituents feeling betrayed and angry, it also illustrates the serious flaws in his department's policies and procedures.

What will the minister do to preserve the taxpayers' investment in Atlantic Canada and the interests of my constituents?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, the hon. gentleman's constituents were not betrayed by ACOA or by anybody in the Government of Canada. The jobs were in Cape Breton, some 70 jobs for five years are at this location because of the assistance given by the Government of Canada and by Enterprise Cape Breton and ACOA.

If there is blame, and there is certainly blame to be ascribed, it is to the people, who by the way are Canadians and, in fact, the principal shareholder is from Nova Scotia. The principal blame has to be ascribed to them that they would try this kind of a tactic and not recognize the obligation they have.

Mr. Dingwall: Name them.

Mr. Crosbie (St. John's West) The name of the person has been in the papers, a Mr. Alton Toole who I am told is from Truro. We cannot blame anyone else. It is a Canadian who is attempting this manoeuvre to get out of that obligation.

I have instructed ACOA today that I want to see far more effective terms and conditions with respect to loans in Atlantic Canada if this is the pattern of behaviour we are going to have to deal with.

* * *

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have a question for the minister of fisheries. His decision to tamper with the Atlantic groundfish licensing system, I think he will want to admit in retrospect, it is a foul move. It kicks fishermen when they are down. The reason they caught no fish for the last two years is there are none out there to catch, thanks to his bungling of the fisheries issue.

Why should these people be punished for a crime they have not committed? Why will the minister not stop putting the screws to fishermen in Newfoundland and the maritimes and call off this mad scheme while there is still time to do so.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, one of the main reasons that the fishery in Atlantic Canada is having severe difficulties is the kind of approach taken by the hon. gentleman who does not want to see the situation improve.

On December 18, in response to the state of the fish stocks in Atlantic Canada, we had to institute reductions of 60 to 70 per cent of the total allowable catches. The fishing industry and the provincial ministers of fisheries have agreed with me and have agreed with the Atlantic groundfish management plan.

We have to reform completely the fishing industry as it exists in Atlantic Canada. As part of that, I announced a non-renewal of inactive groundfish licences. We cannot have thousands of licences outstanding, not being used, not reporting any fish caught so that when the stocks do come back suddenly these licences become active again out of the blue. The system has to be changed.

I stated today in the release I put out that we are reviewing the situation carefully. We know it is a sensitive and complicated area. I will be making another statement in about a week's time as to exactly how we intend to proceed with inactive licences. We will proceed in a way that is fair and just. The Atlantic fishing industry system has to be changed and it will be changed. We have no choice.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I say to the minister, if people have opted out of the fishery that is one thing. However, if fishermen through no fault of their own have not had landings that is quite another thing. He is making those people the target. He is making those people the victim and that is the basis of our appeal to him.

Will the minister come to his senses and put in place a proper conservation plan and a proper assistance plan to address the 18,000 fishermen and plant workers in Atlantic Canada that he has left out? Will he stop victimizing the victims?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, there are a number of thousands of groundfish licences which did not report any catches in 1990, 1991 or 1992.

Mrs. Campbell (South West Nova): Why? No fish and bad management.

Mr. Crosbie (St. John's West): It was not because there were no fish there, tens of thousands of tonnes of fish were caught. It was because they chose to go into other fisheries or whatever their reasons were.

If such licences were not used by fishermen, through no fault of their own as the hon. member says, then that will be dealt with. We are not going to continue issuing licences that are not used in the fishery in Atlantic Canada. We are going to reform the licensing system.

IMMIGRATION

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my question is for the Prime Minister.

Recently the Canadian Immigration and Refugee Board granted refugee status to Mario Rojas Albas, a doctor and former Mexican congressman, holding that Rojas who was beaten and threatened with death last year had, "proven that his most fundamental rights had been violated by Mexican authorities and that his safety and that of his family would be in serious danger if he were made to return to Mexico".

Will the Prime Minister now explain to this House and to Canadians, given the Prime Minister's stated commitment to linking human rights and Canada's international economic relations, why Canada is entering into a trade deal with Mexico, a country that has been found by Canada's own refugee board to be persecuting its own citizens?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I cannot comment on the specifics of the case my hon. friend raises. If he would give me the details, I would be happy to look into it.

On the broader point, the Mexican government has made significant strides in dealing with a number of the problems with which my hon. friend is concerned. A human rights commissioner has been appointed who has taken action on a number of issues, in some cases against the police and in other cases against other authorities in Mexico.

The bottom line of all these issues is that as the standard of living in a country rises, the human rights abuses decline. That is precisely one of the reasons why the Mexican people want to get into a NAFTA, to improve their standard of living and in that way see a decline in this type of abuse which both the hon. member and myself would oppose.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, it is not the Mexican people, it is the multinational corporations that are pushing this deal.

Some hon. members: Oh, oh.

[*Translation*]

Mr. Robinson: My supplementary question is also for the Prime Minister. In another decision of the same board last year, Mexico was described as "the best-disguised dictatorship on earth in 1992".

Since more than 50 Mexicans, including former congressman Mario Rojas Alba, have been granted refugee status in Canada since 1990, and given the lack of environmental standards and the poor working conditions in that country, will the Prime Minister finally respect the will of Canadians and inform Bill Clinton on Friday that Canada will not go ahead with this agreement that would be disastrous for Mexicans and Canadians and the citizens of both countries?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the hon. member just said—I do not know whether he was quoting someone, but he quoted it approvingly—that Mexico could be considered the "most efficient dictatorship on earth, the most pernicious dictatorship on earth".

Some hon. members: The best disguised.

Mr. Mulroney: The best disguised. What a stupid, senseless statement. How stupid to repeat such nonsense in the House of Commons, to say that Mexico is the most efficient or best-disguised dictatorship on earth. What ignorance. You do not know global political realities.

What a comment on the New Democrats' intelligence and judgment if they peddle such falsehoods in the House of Commons.

Some hon. members: Oh, oh.

Mr. Mulroney: Mexico is a developing country—

• (1440)

[*English*]

Some hon. members: Oh, oh.

Mr. Mulroney: Apart from the unacceptably pejorative nature of that comment on the people and the Government of Mexico, one of Canada's friends and allies, quite frankly, what astonishes me most about the NDP and the socialists is this. They always ask that we give more and more aid to countries seeking to achieve social justice by way of development. They want us to write cheques to developing countries, and I understand that, and we have done so in record amounts.

The people of Mexico are saying they do not want any handouts. They want an opportunity to trade in a developed market so that they can raise the living standard of their people, so that they can become more prosperous and share in North American prosperity. We are saying to the people of Mexico, yes, we are going to help you toward greater prosperity and the NDP is saying no.

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AGRICULTURE

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, my question is for the Prime Minister. Last year the Prime Minister told Canadian farmers that he would be seeking world support for Canadian supply management.

Now Canadian farmers are being told that Canada had no support and they are going to just have to accept tariffication. Why did the Prime Minister cave in at the GATT? What concrete action is the Prime Minister going to take to help support our Canadian farmers?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the simple answer to my hon. friend's question is that we have not changed our position at the GATT.

Our position on article XI is to "tarify"—

Some hon. members: Tarify?

Mr. Crawford: You blew it, Mike.

Mr. Dingwall: I want my money back.

Mr. Wilson (Etobicoke Centre): Our position on article XI is to clarify and strengthen article XI consistent with what the supply managed sectors have agreed with us on.

My colleague, the Minister of State for Agriculture and I met with the dairy farmers and the dairy council in Calgary a week and a half ago. We stated that position clearly to them. They fully support and fully agree with the position we have taken.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I think the minister's Freudian slip tells all. My supplementary question is for the Prime Minister.

Surely the Prime Minister is being told by his advisers that American multinationals can flood the Canadian market, even paying the tariffs, and in that way damage Canadian farmers and put them right out of business.

What commitment can the Prime Minister give this House today that in his meetings with President Clinton this week he will try to get American support for an exemption for supply management and a solution to the question of further processed goods from any GATT deal?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, possibly my hon. friend cannot hear. That is precisely the position of the Government of Canada and that is precisely the position we have stated to the Americans, to other negotiating partners at the Uruguay round and will continue to do so.

* * *

STEEL INDUSTRY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Minister for International Trade who was quick this week to insult Canadian steel companies.

Does the minister think it is helpful to blame 10,000 jobless steel workers for his trade mistakes? Does he think it is helpful to play into American hands by blaming the Canadian steel industry? Does he think it is helpful for the Canadian cause to tell Canadians that our problems are strictly domestic when he knows that the real problem in the steel industry is the lack of access that was not negotiated in his trade agreement?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I said on Monday and I will say it again, that is a gross distortion of the facts.

What I said on Monday, what I said later, I will repeat today. For my hon. friend to blame the whole world on the free trade agreement with the United States is absolute nonsense. I pointed to the loss of competitive position that the Canadian industry has suffered in relation to the United States of about $100 per tonne or about 20 per cent of the cost of the product. That is at the heart of the problems of those thousands of unemployed steel workers today. It has nothing whatsoever to do with the United States–Canada Free Trade Agreement.

In fact, the steel companies have greater access to the United States market and the protection of the dispute settlement mechanism so that when there are disputes, such as we have right now, they can be handled under the rule of law without the pressure of politics. This is precisely the gains they have been able to obtain under the free trade agreement.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, if that is the case, can the minister explain to me why the president of Canada's largest steel company has indeed identified deficiencies in the current free trade agreement as part and parcel of the problems being faced by the Steel Company of Canada? Is Fred Telmer distorting the truth, or is the minister not coming clean with the Canadian people about how his trade deal was badly negotiated and does nothing to protect Canadian steel workers?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): My hon. friend is participating in another distortion. The free trade agreement with the United States has nothing to do with the problems suffered by the Steel Company of Canada today.

The trade of the steel companies into the United States increased from about 3.2 per cent of the market to 4.1 per cent last year. How can she say that they do not have access to that market?

I do not understand why the member for Hamilton East does not stand up and talk about Procter and Gamble. It invested $5 million and created 140 new jobs in Hamilton and said: "We see the impact of free trade being characterized by additional growth for Procter and Gamble in Canada". GE Canada said: "Free trade and globalization have been good for GE Canada. Our investment in Canada—"

Mr. Speaker: Time dictates that we move on. The hon. member for Selkirk—Red River.

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COMMUNICATIONS

Mr. David Bjornson (Selkirk—Red River): Mr. Speaker, my question is for the Minister of Communications.

As the House knows, there is a significant problem in the cable television industry in that licence holders only service the areas of high density and are refusing to allow the other areas they are not interested in to be serviced by their competitors.

Is the government considering reviewing these licences to make sure those that have the licences live up to their obligations?

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, the CRTC has the responsibility for licensing cable television companies and for ensuring that the terms of their licences are met.

I share my hon. friend's concerns and will be glad to convey his representation to the CRTC.

I would indicate to my friend as well that as of the beginning of March of this year the CRTC will be holding structural hearings including looking at the whole question of competition.

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INDIAN AFFAIRS

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development.

This morning he said on *Canada AM* that the Innu have to be full participants in discussions about the situation at Davis Inlet and that he cannot impose a solution on them. However, if he rules out relocation he is imposing an unacceptable solution, one that is no solution at all.

The cost comparisons referred to in this morning's *The Ottawa Citizen* show that the relocation will cost 10 per cent less over 20 years, 22 per cent less over 50 years, and will create 88,000 person-weeks of employment for the Innu in the area.

Will the minister offer some hope to the people in Davis Inlet by announcing that he personally supports their relocation to Sango Bay and that he will fight for those funds in cabinet?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I know we are all deeply concerned about the situation at Davis Inlet. As one of several ministers who have been working on this file, I certainly do intend to take recommendations to cabinet.

I think it would be inappropriate for the hon. member or anyone else to conclude that relocation has been ruled out. In fact, it is very much an option and was the focus of the study which I commissioned with a direction to the consultants that they specifically look at that possibility.

I think the hon. member would recognize it is not his place here today to make that decision. Through consultation between both governments and the Innu people we will arrive at an appropriate course of action to deal with the long-term challenges facing that community.

• (1450)

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, every year the government offers money to build houses at Davis Inlet and the Innu turn it down saying: We want to relocate. Two years ago, the Government of Newfoundland and Labrador offered $4 million toward the water and sewer system on the island. The Innu turned it down saying: We want to relocate.

When the minister refused to join with the Innu last year in a public inquiry, the Innu held their own. The report said that relocation is the number one priority.

If the minister refuses to believe the Innu, will he at least follow the recommendation of his own consultant, namely that the community of Davis Inlet be relocated to Sango Bay?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am afraid the hon. member is not listening. I said quite clearly no option has been ruled out. In fact that was the purpose for which the study was commissioned.

The hon. member should recall as I indicated yesterday that the community of old Davis Inlet, three miles away on the mainland, had to be vacated because there was inadequate game and support for the people who live there. It would be very inappropriate for the government to make the same mistake twice. That is why we are taking this decision very carefully.

* * *

SHIPBUILDING

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, my question is for the minister of industry, whose department just gave $9 million to Canadian Shipbuilding to consolidate its business in Port Weller.

This $9 million gift means that 110 full-time workers at Portship in Thunder Bay in the wholly-owned subsidiary of C. S. and E. will be losing their jobs starting today.

I believe it is the minister's duty to use the resources of the Canadian taxpayers to create jobs in Canada rather than to eliminate them. How could the minister consider using this type of corporate welfare to eliminate these 110 jobs at Portship in Thunder Bay?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I can only comment that I hope my friend has cleared that question with the hon. member for LaSalle—Émard.

I know my hon. friend is aware that there has been a considerable amount of rationalization of the shipbuilding industry on the Great Lakes. Obviously this process has continued in the past year.

The company put up a proposal which we responded to. It was its decision as to what that proposal should be and we responded within the parameters of government policy.

I know my hon. friend would not want to lose this opportunity to thank the government for the support it has given to the Ankara subway system. A large amount of the work for that will come to the community of Thunder Bay in the form of the construction of rail cars.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, yes we do appreciate the work given to UTDC in Thunder Bay to produce those railway cars. I did not check with the hon. member and as the Prime Minister has said many times, you do not make many friends in politics. Perhaps this is one of those instances.

I wonder in this particular instance why an outright gift and not a loan has been given to this company when the minister knows full well that on his desk there is a proposal for a loan of about the same amount of money to the softwood lumber industry in northwestern Ontario.

The minister knows very well that this particular proposal would create 900——

Mr. Speaker: I think we have the question.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I know there are some differences within the Liberal caucus. I did not mean to aggravate those differences on my left today.

I would be happy to look into the proposal my hon. friend has referred to. I have not been made aware of it myself. Possibly my colleague responsible for FEDNOR is more aware of that particular issue than I, but I will look into it.

* * *

TRANSPORTATION

Mr. J.W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, my question is for either the Minister of Transport or the parliamentary secretary. It is about freight transportation policies.

In most parts of Canada the Trans-Canada Highway system is overburdened with trucking volumes. In places like New Brunswick it is making the highway virtually unsafe for passenger cars. At the same time both the CP and CN main corridor rail lines are vastly underutilized. In some places, for example again in New Brunswick where the Canadian Pacific Railway has filed for abandonment, consideration is being given to closing the rail lines.

Has the department considered measures that would redirect major volumes of freight traffic from the highways to the railways through piggy back concepts or related services? Would it not make good sense to use economic incentives or disincentives to motivate the trucking industry more aggressively toward the rails instead of the roads?

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I appreciate the member's concerns about the future rail operations in Atlantic Canada and the positive suggestions he has proposed.

This government brought in tax measures which provided relief in relation to excise fuel taxes. Also the replacement of the manufacturers' sales tax with the GST was of benefit to the railways. CN announced double-stack service linking Atlantic Canada with markets throughout North America in large part due to the commendable co-operation of the Nova Scotia government.

This might be a good time to call on all provincial governments to look at their own tax regimes. They could certainly provide some real relief to the railways.

[*Translation*]

TIOXIDE CANADA

Mrs. Marlene Catterall (Ottawa–West): Mr. Speaker, my question is directed to the Minister of the Environment. Tioxide Canada is the worst polluter of the St. Lawrence River, a fact that has led to fines totalling $36 million for repeated pollution offences.

Yesterday when Tioxide Canada announced it was leaving for the United States, the government was still committed to an interest free loan of $8 million to that company.

If back in October the government had enough evidence to impose fines totalling $36 million, why did it not cancel the interest free loan of $8 million it had negotiated with Tioxide Canada?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, the Tioxide Canada story is a very long one. The short answer to the hon. member's question is that there are two separate issues.

In one case we are talking about legal proceedings following an investigation that went on for some time. Evidence was collected and legal proceedings were started against Tioxide. It is now up to the courts to deal with the matter. We cannot comment any further.

As for the other matter the investment this was a modernization plan which is quite different. However, we should realize that just because a company has decided to make an investment, that does not mean it cannot be charges in connection with the other activities in which it is involved. Consequently, charges may be laid, even if an investment decision was made with the possible participation of both levels of government.

[*English*]

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, Canadians have a right to know that not one penny of their money is going to companies that continue to poison the St. Lawrence River.

Will the minister agree today to table all information on any money given or promised to companies that are continuing to pollute, including dealings with Tioxide since 1988?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, this specific project was a modernization project and an investment of I think in excess of $170 million. The information I have is the proposed help by both levels of government was for an interest free loan. No money has been spent by any other level of government as far as I know with regard to this project.

Since the company itself has now announced publicly that it intends not to pursue the project itself, I can only assume that the offer will be revised as a consequence of the decision of the company.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Hon. Lucien Bouchard (Lac–Saint–Jean): Mr. Speaker, my question is directed to the Prime Minister. In response to those who have been urging him to stop his attack against the unemployed in Quebec, the Prime Minister has asked for suggestions on other ways to save $600 million. I merely want to point out that in Quebec alone, the government could save nearly $300 million annually by putting an end to duplication of manpower services. The remainder of those $600 million could easily be recovered by implementing some of the recommendations in the Auditor General's last report.

• (1500)

That being said, I want to ask the Prime Minister why he is so anxious to target the unemployed, when with a little common sense that could easily be avoided.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the hon. member's statement that a particular action taken by the government could be considered an attack against the unemployed in Quebec is, I would say, unworthy of the hon. member, and is along the same lines as the statement made by the hon. member for Vancouver about Mexico. Usually, even when what he says is unacceptable, the hon. member shows some restraint.

The phrase "an attack against the unemployed in Quebec" is unworthy of the hon. member who just spoke, but what should be done about the unemployed is a very valid question. In Quebec, I think he will find the answer in the figures for December. While in Canada, 57,000 new jobs were created, which is very encouraging in the circumstances, 45,000 were created in Quebec.

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, perhaps I may explain that I was referring to an attack against all unemployed workers, including those across Canada. In any case, the people concerned know what the situation is like. Today most members from Quebec see the unemployed and the poor coming to their offices to express their concern and outrage. They are right, because the bill would eliminate 5 per cent of current unemployment insurance benefits.

Why does this government, before it leaves the scene, not make a grand gesture to help people who are in need, and why does it not take the money from the rich instead of from those who do have enough to feed their children?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, in his first question, the hon. member clearly referred to an attack against the unemployed in Quebec, but now he is trying to skate around that difficulty by saying: "No, I meant an attack against all the unemployed in Canada". I think he should read some of the headlines that have appeared in Quebec. On January 23: "Expansion of a research centre in Pointe-Claire"; on January 16: "$5 million for the Montreal Cardiology Institute"; on January 12: "Ottawa and Quebec invest $7 million in applied software"; on January 15, 1993: "Teleglobe to invest $278 million"; "Bombardier, Belgian contract for $856 million confirmed"; "Molson O'Keefe invests $15 million in its plant on Notre-Dame Street".

That is how we deal with the problems of the unemployed and the workers in Quebec. Not with nationalist statements but with tangible results.

* * *

[*English*]

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the attention of hon. members the presence in the gallery of the Hon. Ralph Klein, Premier of Alberta.

Some hon. members: Hear, hear.

Mr. Speaker: I also wish to draw to the attention of hon. members the presence in the gallery of the Hon. Peter Elzinga, Deputy Premier and Minister of Alberta Federal and Intergovernmental Affairs.

Some hon. members: Hear, hear.

Point of Order

POINT OF ORDER

QUESTION PERIOD

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, during the course of Question Period the Prime Minister was responding to a question by the hon. member for Burnaby—Kingsway who apparently did not like the response. The member chose to express his displeasure by walking across the aisle, confronting the Prime Minister and slapping a document on his desk.

I am sure the Speaker would recognize that for us to accept that kind of behaviour as normal and reasonable within our rules of decorum would be to bring about a state of disorder in the House.

I would simply ask the Speaker to perhaps ask the hon. member to reconsider whether that was appropriate behaviour and to seek to ensure that type of behaviour does not occur in the future.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, on a point of privilege I would like to say that, as the House leader has indicated, the member for Burnaby—Kingsway came over and slapped down a piece of paper. A few years ago one of his colleagues came over and slapped down an 11-pound fish.

All I am asking for, and I am not asking for much, is that they just give me written notice. I will be happy to be here to receive it.

Mr. Rod Murphy (Churchill): Mr. Speaker, on the same point, I am willing to let the issue go but I think the government House leader should remember his own actions of many years ago.

Some hon. members: Oh, oh.

Mr. Speaker: I think we can deal with this quickly. I would ask hon. members to carefully reflect on their actions in this Chamber.

The right hon. Prime Minister referred to an incident which he said happened a few years ago. Actually it happened many years ago. We have not had a fish on anybody's desk for quite some time.

The incident complained about is of course a breach of order and I am sure the hon. member realizes that. I am sure the hon. member will not repeat it. I think we can leave it at that.

Mr. Andre: Mr. Speaker, I just want to respond to the hon. member for Churchill. I have a video that he might discuss with the member for Kingston and the Islands. I will send him a copy of the video, which shows that the accusation made about me in the press to which he refers was false. I have a video to prove that it was false.

I would appreciate it if he would look at the video before he raises the issue again.

Mr. Mulroney: Mr. Speaker, I apologize and I certainly will not raise it again. However my question is: Who is Tim Naumetz?

Mr. Speaker: I am sure the right hon. Prime Minister does not expect me to get into that debate.

* * *

THE LATE HAROLD EDWARD WINCH

Mr. Speaker: I want to remind the House that we have news of the death of a former member of this place who served the city of Vancouver, the province of British Columbia, and Canada with great distinction for many years.

I would ask the hon. member for Vancouver East to rise and commence tributes.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, Harold Winch, member of Parliament for Vancouver East from 1953 to 1972, died on February 1 at age 84.

He had a long history of public service, having also served as MLA for Vancouver East from 1933 to 1953. Along with his father, Ernest Winch, another outstanding political activist, Harold Winch lived several lives. He was a dynamic and colourful man and an eloquent speaker who never forgot the hardship of his own childhood poverty and the experiences of the unemployed during the 1930s.

As an unemployed electrician he began his political activism when he was hit on the head by a police baton. His leadership qualities were evident when he quelled a riot at a huge gathering of unemployed workers in downtown Vancouver in 1938.

As editor of *The Western Clarion* he refused the King's Jubilee Medal in protest of the government's inaction on economic problems.

Harold joined his father in the B.C. legislature, and in 1938 he became leader of the CCF. One of the things that he often mentioned to us and that he was most proud of was that during those years the CCF was the only political party to press for voting rights for Asian Canadians.

Father and son travelled and organized throughout B.C., laying the foundations of the socialist movement in B.C. and eventually across Canada. They elected many MLAs. Harold Winch resigned as leader after the CCF narrowly missed governing in 1953.

• (1510)

He ran successfully to represent Vancouver East in the Parliament of Canada, joining J. S. Woodsworth, Stanley Knowles, Tommy Douglas and Grace MacInnis as an outstanding parliamentarian and orator who spoke out eloquently and often for social reforms.

He was an early opponent of capital punishment, advocated reform of penitentiaries and the Criminal Code, argued persistently for low cost housing, demanded government action on unemployment and unemployment insurance and spoke often on the concerns of workers, veterans and pensioners. The problems of Vancouver East and of his constituents were his top priority.

Harold Winch retired from the House of Commons in 1972. He survived two life-threatening illnesses and enjoyed many happy years in retirement following his marriage to Jessie Winch.

He helped to found the Immigrant Services Society of Vancouver and chaired the Boag Foundation. He was my mentor when as a very nervous novice I was asked to run for Parliament in 1977. I always remember his advice. He said: "Margaret, speak up and never be humble". With his endorsement I won.

Harold's last public speech at the memorial for his lifetime friend Grace MacInnis was as eloquent and witty as ever. Harold Winch is an important part of B.C. history. He was a founder of the CCF-NDP and a dedicated public servant for almost 40 years.

On behalf of all my colleagues in this House we extend condolences to his beloved wife Jessie, his sons, Donald and Gerald, and his daughter, Shirley Dray.

Hon. William Scott (Parliamentary Secretary to Minister of Veterans Affairs): Mr. Speaker, I rise today to remember the life and parliamentary contribution of a former colleague who represented Vancouver East from 1953 until 1972, Harold Edward Winch.

An electrician by trade Harold was very proud of his work and role as a founding member of the New Democratic Party and the CCF before that.

I served with Harold from the time I came here in 1965 until 1972. Although I have not had the pleasure of talking with him for many years, my memories of him are of a jovial, hard-working member who cared deeply for his constituents.

On behalf of the Progressive Conservative Party, I join with all members in this House and the former members who knew him in expressing my condolences to his friends and family.

Those who contribute so much to others are always missed in the community but they are never forgotten.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I want to join with my other colleagues in the House in paying tribute to Harold Winch. From time to time we rise in this House to pay tribute to former members of Parliament. Some have been away from here for some time but that does not in any way diminish the fantastic records they built in their own day.

Today we are paying tribute to a member of Parliament, Harold Winch. He was the member for Vancouver East and served in this Parliament of Canada for 19 years, from 1953 until 1972. Prior to coming to this House he served in the British Columbia legislature for a total of 20 years, from 1933 to 1953. Imagine what it must have been like to be elected to the B.C. legislature in 1933 in the midst of the Great Depression and the great problems that faced elected politicians of that day.

I can say with total sincerity that my memory of Harold Winch since I came here in 1965, along with the member for Victoria—Haliburton, is that of a strong-willed, dynamic frontbencher of the New Democratic Party. He spoke with great conviction at all times and was known as a silver-tongued orator long before he came to this House.

He was a man who had a very difficult youth, difficult times. He was an electrician by trade, as has been mentioned, and he was what one would call well read, which really means that he was to a large extent a very successful self-educated person.

He won elections to this House of Commons in 1953, 1957, 1958, 1962, 1963, 1965 and 1968. His memory is well planted in the minds of those who knew him in those days as a silver-tongued orator at the peak of his political career.

In 1952 he came within one seat of being premier of his home province of British Columbia. In that year his party of which he was leader won a total of 18 seats and W. A. C. Bennett won a total of 19 seats. There is a lifelong debate on this because the preferential ballot system was blamed for his defeat. In that year Mr. Winch's party received 34 per cent of the popular vote and the government that was formed under W. A. C. Bennett won the election with a total of 30.2 per cent of the popular vote.

I suppose I, like the late Harold Winch, am one of those people in this House who never wants to see our Parliament elected by any preferential ballot system. The system that we have here is one that Harold Winch would sincerely believe in as I do and as most members of this House I think are dedicated to.

To this dynamic individual, Mr. Harold Winch, who spent 39 years in the public life of his province and this Parliament of Canada, we extend today our condolences to his family, to his wife, Jessie, to his sons, Donald and Gerald, and to his daughter, Shirley. We want to say to them that we feel enriched having known Harold Winch as long as we did and thank him for his service to Canada and to British Columbia.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, my first memory of Harold Winch in the midst of his many struggles on behalf of ordinary people of this country was his statement that he was proud to be a Canadian, Canada was his country, but British Columbia was his home.

It is on the focus of his home that I wish to make these remarks, Mr. Speaker, because as you know every one of us who comes to this Chamber has immense pride in the region which we represent in this great nation of Canada.

Within the province of British Columbia Harold Winch's name and his father's name will be implanted in the provincial history forever. This is a man who had a natural impediment that he had to overcome before he could become a speaker. He was a silver-tongued orator by determination. He entered politics with a speech impediment that forced upon him a stutter that by sheer will he overcame in his process of development as a politician.

Where I grew up in the city of Vancouver had always been represented in my memory by the Winch family. I must say this with no rancour that when we went to a local movie theatre for the matinee on Sunday afternoon we saw pictures of Adolf Hitler and we booed; we saw pictures of Mussolini, we booed; we saw Mackenzie King, we booed; we saw George Drew and we booed. We saw Harold Winch and we erupted in cheers.

We should not reflect that we of course put Mackenzie King or George Drew in the same category because they were great Canadians, but that was the essence of the identity within the community of the east end of Vancouver toward what everybody in that part of town considered their champion.

Harold Winch loved Parliament. Harold Winch was defined as a radical socialist which can be said to be a correct definition in the framework of being a loyal monarchist, strange as it may seem, and a devoted parliamentarian, not so strange.

• (1520)

This man who was committed to the monarchy in terms of parliamentary reform and parliamentary roles was the one man who went out impassioned during the debate on the flag and demanded that the Union Jack be retained. Some symbol for a so-called radical socialist.

His commitment to Parliament, his commitment to the rules of this Chamber, his commitment to this vehicle as an outlet for legitimate aspirations of social and economic justice were unmatched anywhere in our province.

His enemies were legion but that did not include personal friendships. Harold Winch had friends in the Conservative Party, the Liberal Party and every other adjunct to form a coalition that those two parties put together in British Columbia, sometimes known as Social Credit, thrown against the Democratic Socialists.

Harold Winch was respected yet loved by the people of our province.

His death is also the death of an era. The Social Democrats of his era were demanded to set an agenda to meet an unusual set of economic circumstances. The same challenges are now before the party that he left behind, the Social Democratic Party of Canada. His death is a reminder of the leadership given the Social Democrats to chart a new path in a troubled country.

I say, through you, Mr. Speaker, to all Canadians that we do not have a monopoly on the truth or a monopoly on all the answers to Canada's problems, but Harold Winch's demonstration of willingness to work through those problems, the finances for all Canadians, is still the same commitment by every one of us who call ourselves Democratic Socialists.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I am one who felt very privileged to have worked with Harold for 44 years in the CCF-NDP.

One month ago I visited him at his home. We had a meeting of three people. After telling us that his mind was starting to let him down, he went on to prove that he had not forgotten a single thing for the last 80 years.

The election of 1953 has been mentioned. I had some small part in that. On the first count when Harold was premier-elect by quite a substantial number of MLAs, I was ahead by 923 ballots in Nanaimo and the Island. By the time the final counting had taken place some three weeks later, I was behind by 18 votes. Harold might have been premier had that result been different in Nanaimo.

He was a derelict. He was proud to be called a derelict. The Prime Minister in 1933 said those people on welfare, those people unemployed were derelicts and he was not prepared to put any more public money into looking after derelicts. Then Harold was elected and was proud to be one of these derelicts and represented them very carefully and very well in the House. I am proud to have known him as long and as well as I did.

Mr. Speaker: The House always views tributes with great dignity and I would ask the hon. member to wind up with some short remarks.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, the home I was born into in downtown Vancouver was called the CCF house. I was the only child in a house that saw many raging debates. The first voices I can remember through the swinging doors between our common living room, parents' bedroom, dining room and my closet-sized bedroom were those of Harold Winch, Ernie Winch, Wallace Lefaux and a number of other early leaders in the socialist movement in British Columbia.

I want to add my words to those of the member for Esquimalt—Juan de Fuca when talking about Harold's overcoming of his speech impediment. Sometimes he would stand before a crowd of people and his mouth would be open for almost a full minute without a sound coming out. The only way he overcame that was through sheer determination and by learning to shout dramatically. That is the way he got the sound out, that is the way he got the word out. He was later billed across the country as being one of the 10 leading orators in Canada.

Following the riot and the occupation of the post office, it was my father's shoulder and a lamp post that served as his platform when he stopped the communist inspired attack on the Vancouver police station, which would have resulted in many deaths had it been allowed to go ahead. So I have a personal interest.

My condolences go to his family, and particularly Jessie Mendels who was provincial secretary of the CCF when Harold was leader of the opposition. They had a crush on each other but Harold was married. His wife was very disabled, and it was a very touching moment for many of us when we saw Harold, long after his wife died, return from a vacation in Hawaii with Jessie on his arm as his new bride.

He was a man who gave everything, along with his family, to the defence of working people and ordinary people in British Columbia and in Canada as he saw it. We owe him and his kind a great debt.

ROUTINE PROCEEDINGS

[*English*]

ORDER IN COUNCIL APPOINTMENTS

TABLING OF REFERENCE

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to table, in both official languages, a number of Order in Council appointments which were made by the government pursuant to the provisions of Standing Order 110(1). These are deemed referred to

the appropriate standing committees, a list of which is attached.

* * *

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 19 petitions.

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

* * *

CRIMINAL CODE

MEASURE TO AMEND

Mr. Chris Axworthy (Saskatoon—Clark's Crossing) moved for leave to introduce Bill C–396, an act to amend the Criminal Code and Customs Tariff in consequence (child pornography).

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, over the last perhaps 20 years there has been a good deal of debate and effort to make child pornography a crime. To date that has not met with any success, but I put forward this private member's bill in the hope that the government and the members in the House will see fit to support it over time.

The bill provides a definition of child pornography. It proposes amendments to the Criminal Code and to the Customs Tariff which would create new offences concerning the possession of child pornography, dealing in child pornography, and using children in pornographic performances. It introduces new legislation that makes the possession of child pornography an indictable offence. It sets out roles for defences. For example, it deals with the issue of artistic merit and it adds child pornography to the list of prohibited goods so that it is illegal to import or attempt to import child pornography specifically.

The Acting Speaker (Mr. Paproski): Mr. Axworthy (Saskatoon—Clark's Crossing) 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.

* * *

CANADA ELECTIONS ACT

MEASURE TO AMEND

Mr. Ronald J. Duhamel (St. Boniface) moved for leave to introduce Bill C–397, an act to revise and consolidate the Canada Elections Act, the Electoral Boundaries Readjustment Act and related acts and to amend and repeal certain other acts as a consequence.

• (1530)

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Duhamel: Mr. Speaker, this bill is being put forward with a number of ideas that could help to correct many of the flaws which have prevented people from voting in the past.

It responds to the disenfranchisement of those in the past who were unable to vote and had a legal right to do so. For example people out of the country, either living or travelling would be able to vote. There are more opportunities for women in the political process. There is the possibility of aboriginal constituencies; a $1,000 cap on contributions from interest groups and lobbyists; improved guidelines for election expenses; lengthening of the voting date to permit more people more access to voting. Those are the main points. Finally the bill includes a reduction in the length of the campaign to 47 days.

The Acting Speaker (Mr. Paproski): 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.

* * *

MURAL CAPITAL OF CANADA ACT

MEASURE TO ENACT

Mr. David D. Stupich (Nanaimo—Cowichan) moved for leave to introduce Bill C–398, an act declaring Chemainus the mural capital of Canada.

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Stupich: Chemainus is a little town on Vancouver Island in my riding. It was condemned to death when the only real industry in the town decided to close up shop and leave.

The town did not accept the death sentence. The citizens got together and decided to make Chemainus important for other reasons and they did. It became a very important tourist destination by having a large number of murals created in the town, some 32 to date with more on the way, large ones and small ones, far more than any other community in Canada.

This bill would recognize Chemainus as being the mural capital of Canada.

The Acting Speaker (Mr. Paproski): Mr. Stupich 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.

* * *

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

MEASURE TO AMEND

Hon. Alan Redway (Don Valley East) moved for leave to introduce Bill C–399, an act to amend the members of Parliament Retiring Allowances Act.

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Redway: Mr. Speaker, this bill deals with the pensions of members of Parliament. It prohibits double dipping, that is, the receipt by former members of Parliament of pensions from the Government of Canada or an agency of the Government of Canada or a Crown corporation. It would also prohibit a former member of Parliament from collecting a pension until they reach the age of 60.

This is a matter of great concern and interest to all members of this House. It is also a matter of great concern and interest to all Canadians. This bill is essentially the same as the amendments I put last June, at a time when the President of the Treasury Board indicated he was going to be appointing a review committee to look at the pensions of members of Parliament. That has not been done as yet. I trust that this bill will deal with the matter once and for all and bring it to a head.

The Acting Speaker (Mr. Paproski): Mr. Redway 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

SIERRA LEONE

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I am pleased to present a petition, pursuant to Standing Order 36, signed by residents of the provinces of Quebec and Ontario.

The petitioners address this House complaining that the rebel incursions into Sierra Leone have displaced and killed thousands of innocent civilians in the south and eastern provinces of the country.

The petitioners humbly pray and call upon Parliament to bring their concerns both to the United Nations and to the Commonwealth of Nations; to push for immediate humanitarian aid to Sierra Leone to help with the urgent medical needs of the civilian population and to help improve the refugee problems within Sierra Leone; assist on humanitarian grounds for Sierra Leoneans to sponsor immediate family members from the war-torn and devastated areas of Sierra Leone; grant amnesty on humanitarian and compassionate grounds for Sierra Leoneans now living in Canada; and urge the government to join the world in condemning these inhuman acts of killing by the Sierra Leone government.

The petitioners will ever pray and ask your honourable House, Mr. Speaker, to provide a remedy.

HAITI

Mr. Joe McGuire (Egmont): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present a petition from residents of Prince Edward Island. It was presented to me by Mr. Paul D. Gallant and Miss Pam Gallant who have requested this Parliament to ask the UN to intervene in Haiti in order to restore democratic power and peace.

The coup in Haiti, that unfortunate country, has made the population endure death and torture at the hands of the new dictators.

This petition is signed by people from Charlottetown to Tignish who belong to the co-operative movement in Prince Edward Island. They request immediate action on this petition.

SERIAL KILLER BOARD GAME

Mr. Doug Fee (Red Deer): Mr. Speaker, I am pleased to present a number of pages of petitions which have all been certified correct as to form and content under Standing Order 36.

The signatures on this petition were gathered in the cities of Red Deer and the surrounding communities of Blackfalds, Sylvan Lake, Lacombe and Innisfail. These people express concern that violence has become an ordinary part of our children's lives. Contributing to that violence is a game called Serial Killer board game.

The petitioners call upon Parliament to amend the Criminal Code of Canada so that violence and degrading material such as this serial killer board game can be kept from being distributed in Canada.

It is a privilege not only to present this petition on behalf of those who have signed it but to indicate my personal support for it.

BILL C-93

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, these petitioners lament the fact that SSHRC is to be merged with the Canada Council. They point out that Canada's major problems such as economic stagnation, poverty, unemployment, social assistance, increased reliance upon food banks and domestic abuse need the attention of social scientists.

The petitioners point out that the government is about to eliminate a program which has worked well since 1977. They indicate it is a step backward and that there was no consultation. They ask that this decision be deferred and there be consultation and then a decision made.

GOODS AND SERVICES TAX

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have another petition where the petitioners ask that the goods and services tax be eliminated on books and reading materials.

These petitioners point out there has been a 0 per cent tax since Confederation. They accentuate and emphasize the fact that reading is the cornerstone of democracy, education, literacy, productivity and competitiveness.

BROADCASTING

Mr. Ronald J. Duhamel (St. Boniface): Finally, Mr. Speaker, I have petitioners who request that Parliament be extremely vigilant in regulating the use of inappropriate language on radio and television. They feel that it counteracts the efforts of the family. They point out that inappropriate language is not necessary in order to inform or entertain Canadians.

BILL C-91

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I have two sets of petitions. The first petition is from people in Hendon and Biggar, Saskatchewan who call upon Parliament to repeal Bill C-91 and repeal Bill C-22 which was 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 coverage.

CHILD POVERTY

Hon. Alan Redway (Don Valley East): Mr. Speaker, I have a petition from a great many Canadians from Toronto, Thorold, Brampton, Scarborough, Willowdale, Downsview, Pickering, Ajax, Mississauga, Don Mills, Agincourt, who remind the House of a motion that was passed here unanimously on November 24, 1989 expressing concern for Canadian children living in poverty and seeking to achieve the elimination of poverty among children in Canada by the year 2000.

These petitioners call upon Parliament to reaffirm that commitment and to immediately develop a plan to implement that commitment by the year 2000.

• (1540)

Mr. Bill Domm (Parliamentary Secretary to Minister for Science): Mr. Speaker, I have a petition to present similar to the one just read. It lists the names of Peterborough federal riding constituents who remind Parliament that on November 24 the House of Commons unanimously passed a motion stating:

> That this House express its concern for the more than one million Canadian children currently living in poverty.

Therefore the undersigned petitioners humbly pray and call 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.

KILLER CARDS

Mr. Bill Domm (Parliamentary Secretary to Minister for Science): Mr. Speaker, I have another petition with some 36 pages of signatures from the Peterborough area. This particular petition is in support of the efforts of Mrs. Debbie Mahaffy in her quest to have killer cards seized at the Canada-U.S. border to stop their importation and distribution in Canada.

She is calling upon us to consider amending the laws of Canada to prohibit the importation, distribution, sale and manufacture of killer cards in law and to advise the producers of killer cards that their product, if destined for Canada, will be seized and destroyed.

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I would like to table a petition from people in Val-d'Or and Sullivan in our riding, Abitibi, who say that violent films on television are dangerous and therefore unacceptable because they incite more violence.

The petitioners 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 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 in order to eliminate violence in our society, so as to better protect our children and give all our fellow citizens a better quality of life.

[*English*]

PARKS CANADA

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I have the honour to present a petition signed by several residents of the constituency of Edmonton East, most of whom are of Ukrainian heritage. They point out that during World War I the Rocky Mountain parks were the site of several detention camps where individuals were unjustly interned, especially those of Ukrainian background.

They humbly call upon Parliament to pass a resolution directing Parks Canada to act in accordance with the National Parks Act, 1930, and to include the internment experience in its interpretive program for the benefit and education of all Canadians.

SEXUAL ASSAULT

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I have two petitions to present today. One is from 235 residents of the Comox Valley who are petitioning in memory of Dawn Shaw, a little girl who was raped and murdered in my riding just a few weeks ago. They feel that the present justice system fails to protect our communities, especially our children, from increasingly becoming the victims of sexual assault.

They call for a number of measures to be implemented that will increase the protection of children in our community. They talk about not permitting judges to drop charges against people because of delay in bringing cases to trial and lengthening the sentences for sex offenders.

They also call for the taking of DNA samples from persons suspected of sexual assault and a series of other measures that they feel will increase the protection of children in our community from those who have a propensity to commit these types of crimes.

BILL C-91

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, my second petition is from a number of people in my riding calling on the government not to proceed with Bill C-91, the drug patent legislation, 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 or provide less coverage.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is my privilege to rise today to present a number of petitions on behalf of a number of people from across Canada who are very upset with the government proceeding with Bill C-91, even as the government side in the Senate is invoking closure to push it through. I might add that even Dalton Camp says that those who vote for Bill C-91 are voting for greed and exploitation, and they know it.

These people are asking 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.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, it is my duty and honour to rise on behalf of 300 people who have signed petitions from Victoria to Brantford, to Saskatchewan and Alberta.

These petitioners call upon the government not to proceed with Bill C-91 so that provincial and private drug plans can serve Canadians without being forced to charge higher fees and provide less coverage. They call upon the government not to proceed with Bill C-91 and to repeal Bill C-22.

VIOLENCE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I wish to complete the presentation of my second petition which comes from the Codette—Nipawin area of my riding.

It says that many studies have shown a link between violence and entertainment and desensitization to violence in our society. Part of this new culture of violence is a game called the Serial Killer board game, the point of which is to murder as many defenceless children and adults as possible.

Therefore the petitioners request that Parliament consider amending the Criminal Code of Canada so that violent and degrading materials such as "The Serial Killer" board game can be kept from being distributed in Canada.

Mr. Edwards: Mr. Speaker, I note, just before dealing with Questions on the Order Paper, if I may, that today we have a less glamorous mace than usual on the table. I was puzzled by that as was the Minister of the Environment who notices these things.

We have determined that there is a reason for it. This is the mace which was the substitute for the mace destroyed in the fire of 1916. On February 3 of each year this is the mace that is on the table rather than the shinier one.

* * *

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. 440 and 447.

[*Text*]

Question No. 440—**Mr. Axworthy (Winnipeg South Centre):**

With respect to the Northern Flood Agreement (a) does the government intend to call for a construction audit to independently assess contract performance regarding cost, quality and quantity requirements of the agreement and (i) if so, when will it be completed and made public (ii) if not, for what reasons (b) who has received contracts under the provisions of the agreement and, in each case, for what amounts and when were they granted?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): In so far as the Department of Indian Affairs and Northen Development is concerned, the response is as follows:

(a) The Department of Indian Affairs and Northern Development does not intend to call for a construction audit of the Northern Reconstruction Authority (NFCRA).

An extensive technical evaluation was conducted by Public Works Canada and Indian Affairs and Northern Development in 1989. The evaluation stated that the NFCRA met or exceeded all Treasury Board requirements called for in the article 6.1 agreement regarding construction standards.

In addition, annual unqualified audits have been submitted by the NFCRA. This process provides effective accountability to both the bands and the federal government.

(b) The names of NFCRA contractors and the amounts of the contracts constitute commercially confidential third-party information and, as such, cannot be released.

Question No. 447—**Mr. Manley:**

How has VIA Rail spent the three additional appropriations as outlined in the supplementary estimates of March 31, 1992: $27,036,000, a transfer of $21,591,516, and $5,444,484 in new appropriations?

Hon. Jean Corbeil (Minister of Transport): The total amount of $27,036,000 outlined in the Supplementary Estimates of March 31, 1992 is in support of the following two government initiatives:

—$21,100,000 identified was required in order to comply with 1992 amendments to the Financial Administration Act, initiated by the Office of the Comptroller General. These amendments have altered the Payables at Year-end (PAYE) process for government departments and Crown corporations. This amount does not represent an increase in VIA Rail's expenditures for 1991-92, but rather, the government's recognition of VIA's account receivables for prior year expenditures that could not be recognized under the previous PAYE mechanism.

—$5,936,484 was required in support of VIA Rail's current level of passenger train services in remote regions. Transport Canada serves as a source of funding until such time as the future of these services is decided by the government.

[*English*]

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

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

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

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call Notice of Motion for the Production of Papers No. P-22, in the name of the hon. member for Glengarry—Prescott—Russell.

P-22—**Mr. Boudria:**

That an order of the House do issue copies of all import permits authorizing the bulk import of milk since April 1, 1991.

The Acting Speaker (Mr. Paproski): I notice the hon. member is not in the Chamber. Would he want to leave it for another date or transfer it for debate?

Mr. Edwards: Transfer it for debate.

The Acting Speaker (Mr. Paproski): Transferred for debate.

GOVERNMENT ORDERS

• (1550)

[*Translation*]

SUPPLY

ALLOTTED DAY S. O. 81—UNEMPLOYMENT INSURANCE BENEFITS

Mr. Alfonso Gagliano (Saint-Léonard) moved:

That, in the opinion of this House, the government's policy of denying unemployment insurance benefits to workers who quit their jobs or who are dismissed is "too severe", "too tough for people", "puts people in a desperate situation", "goes beyond fairness", is "extremist" and "right-wing" and is, therefore, unacceptable to the Canadian people.

He said: Mr. Speaker, in his economic and fiscal statement tabled in the House of Commons on December 2, the Minister of Finance announced changes to the Unemployment Insurance Program. Indeed the government will no longer pay any UI benefits to persons who voluntarily quit their jobs without just cause or are dismissed for misconduct. The changes announced also specify that as of April 1 all new UI recipients will get 57 per cent of their insurable earnings, compared to 60 per cent now. As the minister explained in his economic statement, the government's objective is to save $900 million to help reduce the deficit.

At this point, I would like to remind the House, my fellow members and all Canadians listening that a couple of years ago, when this same Conservative government introduced Bill C-21 and completely withdrew from the Unemployment Insurance Program, we had a program to which employees, employers and the government each contributed one-third. The government decided to completely get out of funding the program and took $850 million with it besides. At that time, the government said that it would invest this money in training programs. I am sure that all members have cases in their ridings where, because of these training programs over which the government has totally lost control, some people are mixed up.

Again, the government always tries to make those in need, namely the unemployed, pay. Instead of attacking unemployment, it attacks the unemployed who are the victims of its own policies.

Not only opposition members, oppose these measures, but also a number of Conservative members. I would like to quote a few comments made by these Conservative members when the House was adjourned. For example, I read this in *La Presse* on January 15: "Come to think of it, you have to be darn rich to quit your job and be able to put up with a 7 to 12 week penalty. Now, instead of a 7 to 12 week penalty, there will be no more benefits. This is an extremely punitive measure considering the few who may have abused the system. It is overkill. In this case the one who gets it is the ordinary citizen." This quote from the January 15 issue of *La Presse* is said to be from the Conservative member for Jonquière.

I hope that this evening, when we vote, the member for Jonquière will be here, will speak in the debate in the same way that he did on January 15, and will vote. It is all very well to talk to the media and to make statements, but what counts is the vote and I hope that the member will be here this evening for the vote.

The same issue of that newspaper also quotes another Conservative member, the hon. member for Beauce, as having said: "The elected members of Parliament must try to attack the conditions which create unemployment and not the unemployed. They must go after the causes, not the victims."

I would also like to quote for you something that my friend, the Conservative member for Abitibi said, which was published in the *Journal de Montréal* on January 23, just a few days ago: "The reduction from 60 to 57 per cent of insurable earnings may seem insignificant, but when you are on UI, every dollar counts. For those making a good salary, $20 a month is not much, but for those who have nothing else, it is very important."

I say to that hon. member, "Right on. Come here to the House to debate and convince your other colleagues to withdraw these measures that are unacceptable to Canadians." I hope to see him here debating with us this afternoon and voting in favour of my motion tonight.

As I said earlier, the government has already taken $800 million from the system. What is the government up to? It is trying to act gradually, a little at a time, but if it continues that way it will completely destroy the unemployment insurance program. I will dwell on the provision that deprives people who quit their job voluntarily of unemployment insurance, and for my colleagues and all our listeners, I would like to give a brief historical background.

What was the situation before 1990? If someone quit his job voluntarily, without justification, or lost his job for misconduct, he could be excluded from benefits for one to six weeks.

In 1990, with Bill C-21, this penalty went from a minimum of seven weeks to a maximum of twelve weeks. Today, with this measure that the Minister of Finance proposed on December 2, the penalty for someone in the same situation will be total exclusion from benefits. He will no longer be entitled to collect UI. The minister of employment tells us that this is all meant to correct abuses. Do you think that someone would quit his job to be penalized, under the present rules, and not collect a cent in benefits or any salary for three months? Are there really so many people who do that?

Is it not rather a way for the government to evade its responsibilities in a period of severe economic crisis like this? In Quebec, unemployment in the construction industry alone is 60 per cent. Instead of being honest in an economic crisis and contributing to the Unemployment Insurance Program, the government is cutting benefits and penalizing people who need UI and are the victims of its bad economic policies.

As I said earlier, not just the Liberal and opposition members are opposed. The Quebec Liberals, for example, are also against it. Perhaps we in the opposition could be accused of playing politics on this subject. Maybe all the labour unions, the Quebec Federation of Labour, the Confederation of National Trade Unions, the Quebec teachers' union, the Mouvement Action-Chômage, the Montreal and District Labour Council, the Quebec Provincial Construction Trades Council, could even be accused of politicking, but what about the Quebec Bar Association? Will the motives of the law professors at the University of Quebec in Montreal and other organizations that have spoken out against this bill be questioned?

Why is the Quebec Bar Association opposed to the changes? It says that thousands of genuine unemployed people will be penalized by the measures proposed by the Conservative government. Paul Carrière, president of the Quebec Bar Association, said, "The proposed changes are unrealistic in view of the conflict situations that arise in labour relations."

Have you thought of how many thousands of Canadians are afraid of losing their job in such a difficult period? Today, as we speak, can you imagine how many are afraid not only of losing their job but also of not even being able to collect unemployment benefits as of April 1? Imagine what that does to our fellow citizens, who are not responsible for the severe economic crisis we are in, which is due to the government. Instead of helping them, the government takes it away. It acts like a reverse Robin Hood, so to speak, taking from the poor and giving to the rich.

• (1600)

Mr. Carrière believes that the proposed measures may deprive thousands of unemployed workers of their unemployment insurance benefits, with no consideration for the specific circumstances of their voluntary departure or dismissal for misconduct. Everyone is in the same boat. It just shows how cruel and insensitive these changes are.

Under the present system, when someone leaves his job voluntarily or is dismissed for misconduct, the Unemployment Insurance Act imposes a disqualification period of 7 to 12 weeks. However, there are some reasons that may be justified in the course of an appeal process, such as sexual or other harassment. How do we prove this?

A person may have to accompany a spouse to another place of residence, for instance. Monday, I put the following question to the Prime Minister: What happens to an employee in James Bay who has to—

An hon. member: He is covered.

Mr. Gagliano: The hon. member says he is covered. How? It is easy to say he is covered. An employee gets a phone call from his wife, who says: Listen, you have to come home because we have some problems here. When the employee decides to go home, the employer says: No, you are going to stay here, and if don't, you won't be entitled to unemployment insurance benefits. This situation is not covered in the act. If the member for the Conservative Party is so sure it is covered in the act, as the Prime Minister was, I suggest he read the letters they got from the Quebec Bar Association, and then maybe he will rise in caucus and in the House and tell the government: You are wrong, withdraw these measures because they are unfair.

Of course there are cases of abuse in any system and under any legislation. We have to correct this. We should not try to correct abuse by creating another kind of abuse. We must find a way to use our laws to deal with certain situations if there is abuse. I am sure the minister and his officials have never been able to determine the extent of abuse, if there was any, in the dismissal process.

Instead of treating everyone exactly the same, he could have taken a different approach and ensured that in these difficult times, when, unfortunately, a person loses his job, or in case of incompatibility, which does happen, or when there are certain reasons not covered by the Act, that a person can explain his position and receive benefits.

The Quebec Bar Association and a professor from the University of Quebec in Montreal say that if the government goes ahead with these changes, the judicial system will be flooded with cases, so much so that it will cost more than it does now. We saw what happened in the immigration sector with the refugees, because that cost a fortune. There are still many problems. Why not listen to people like the president of the Quebec Bar Association, since he has some very valid reasons? I repeat, we can hardly be accused of political partisanship since the Quebec Bar Association itself says these measures are unfair.

I see a number of my colleagues from Quebec who have made statements—I quoted some of them—who will take part in the debate this afternoon and will vote on the motion and stand up for their convictions. To give them some encouragement, I will quote the Minister of National Health and Welfare, the Conservative Quebec lieutenant, who told members and reporters, and I quote: "Conservative members are not just there to vote with the government, without saying a word. They have their own opinions and they can express them". Express your opinions, express your convictions, and vote accordingly. I am sure that this evening, Canadians from coast to coast will be watching and will remember what you are about to do.

[*English*]

I just want to leave a few numbers with the House. It is inappropriate to have these measures at this time. I will relate my figures to the province I represent, which is the province of Quebec.

The number of beneficiaries in Quebec rose by 28,200 between October and November. It was 407,110 according to Statistics Canada, which is a government agency. One in three Canadians receiving UI benefits is a Quebecer. In Montreal, the ranks of UI beneficiaries swelled by nearly 4,000 in November according to Statistics Canada. There were 160,650 Montrealers on benefits in November. That was 3,960 more than in October and 2,050 more than in November 1991.

Montreal's long-term unemployment has meant that there will still be 25,380 more Montrealers collecting UI benefits than Torontonians in November. Nearly one in seven Canadians on UI is a Montrealer and those are just the official statistics. What about those who are not on the UI list anymore? What about those who are on social welfare or those who do not even qualify for social welfare who are trying to sell their houses and cannot even do that because the market is not there?

At the same time when everybody is crying and in difficulty, the government has the guts or the courage to propose an unjust program. It should never have been presented in the House. December 2 was just before Christmas. This shows the insensitivity of this government. That was its Christmas gift to Canadians. The government said that for any reason one quits a job—valid reasons but not necessarily justifiable in the law—one will not get any unemployment insurance.

I think this measure should be withdrawn immediately. This has been recommended not only by different unions, opposition members and a good dozen of Quebec Tory MPs, but also by the Quebec Bar Association that has no political interests and speaks in terms of its members and the law. The association says clearly in its statement that this law should not be implemented and that those rules should be withdrawn. I hope that the government will do that tonight by withdrawing those measures or as soon as possible.

In order to do that, I implore the Quebec members who spoke against these measures to vote on my motion tonight so that we can send a message to the government. Perhaps tomorrow morning, or in same the evening, the minister of employment could withdraw those measures and let Canadians hope to have some relief by receiving unemployment insurance benefits if they have some misfortune.

[*Translation*]

Mr. Yvon Côté (Richmond—Wolfe): Mr. Speaker, I am surprised to hear what my colleague from Saint-Léonard is saying. I can hardly question his being a sensitive person, but he claims that the government has just destroyed unemployment insurance and is preparing to literally kill our unemployed people who are indeed in a very frail condition.

I would like to set the record straight on certain points, and this is very important because our fellow Canadians are listening. According to what I am hearing, it is obvious that unemployment insurance is about to be abolished. I must admit that, based on what my colleague just said, we are left with the impression that our unemployed are being "killed" by the government. I want to correct those two impressions.

• (1610)

First of all, I want to point out that the purpose of this bill is to bring discipline to the system and to put abusers in their place. The government certainly does not have the dangerous, diabolical, sadistic intention of penalizing the unemployed who voluntarily quit their job. I insist that it is a matter of taking advantage of new conditions and setting new parameters to keep abusers from bilking a system that is basically sound. Do you know that last year 225,000 people quit their jobs voluntarily and, in addition, 40,000 were dismissed for misconduct? Those are not the frail, sincere, honest unemployed he was referring to.

We must therefore set the record straight. Besides, the bill does not give any new reasons. They are the same as before. Nothing has changed from Bill C-21. Reasons for leaving like sexual harassment, dangerous conditions, child care, moving to follow a spouse to another location and discrimination are all there already. Absolutely nothing has changed. We just want to target those who take advantage of the system. Saying that you agree with protecting the abusers, if you allow me, is like letting a bandit continue to move around freely or letting a thief continue to steal, on the pretext that it would cost too much and they should be given the benefit of the doubt. Mr. Speaker, you and I and all hon. members are contributing to the $1 billion that goes to those who abuse the system. Should we put up with it? No.

I regret that my colleague's sincerity is tainted by back-room games that I do not agree with.

Mr. Gagliano: First of all, Mr. Speaker, my hon. colleague challenged my statement to the effect that his government's ultimate aim is to destroy the UI program. He says it is not so.

My hon. colleague will know that, with these measures which have not been enacted yet but are about to and those taken in 1990 through Bill C-21, within two years, this government has totally withdrawn from Unemployment Insurance, taking away money that is not even its own, since the program is actually financed by employee and employer contributions. It took away $850 million in 1990 and $900 million in 1992. When you tell me that you want to protect the Unemployment Insurance Program, I think that you are doing a fine job.

In the figures he quoted about people who are said to have quit their jobs voluntarily or on grounds of misconduct, my hon. colleague failed to mention how many of those have appealed and won, and how long that process took. They are not all defrauding the system.

The problem with this government is that it puts everybody in the same bag. Some people do have reasonable grounds, but with this bill they will not be able to defend themselves. They will have to go to court, use the judiciary system, and that will be very costly and time-consuming. The UI arbitration board is an internal process. It will go by a legislation with clear provisions relating to an employee who quits his or her job voluntarily. Any employee who does not qualify under these provisions will not receive UI benefits. Even the bar says that will clog the judiciary system. They say so, not I.

My hon. colleague should read the letter the Minister of Finance received from the Quebec Bar Association, signed by its president, and look at the specific arguments set forth there.

I would like to add that not all those who quit their jobs are trying to defraud the UI system, as my hon. colleague was referring to.

Mr. Speaker, 43 per cent found work within 10 weeks in 1991. Certainly those are not the ones who have abused the system. There are of course some in every system, but to claim that there are over 200,000, that is a bit much. When the minister says that, of the $600 million he wants to save, over $200 goes to people who abuse the UI system, I think that is an exaggeration. As the hon. member for Jonquière said: "You are out to kill a fly with a gun." I think it is a fine choice of words. Perhaps the hon. member could consult his colleague from Jonquière.

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I have a question for the hon. member for Saint-Léonard about his motion. I know the Quebec Bar Association said: "In the light of the jurisprudence". Currently, the act covers five valid grounds for voluntary departure. Jurisprudence provides another forty. It says here: "It would appear that in a number of situations where the employer demonstrated there were valid grounds for voluntary departure, as opposed to any justification, the umpire was able to impose the minimum penalty".

In his speech, the hon. member said it would create a considerable backlog in the judicial system. The hon. member is right, because we have no idea of the number of appeals now before the umpire. I know that in Abitibi, in Val d'Or, there are 16 appeals pending. The umpire may hear the appeals in six months or a year from now, or it may even take two years. It is a lengthy process. We know that Bill C-105 will increase the number of appeals before the umpire.

By the way, this evening I know I will abstain from voting on this motion, for the simple reason that in 1978, the Minister of Finance at the time reduced unemployment insurance benefits from 66-2/3 to 60 per cent. However, I do have the following question: Could the hon. member tell me how many appeals are now before the umpire in Montreal and Quebec generally? Does he know how many?

Mr. Gagliano: Mr. Speaker, first of all, I am sorry to hear the hon. member will abstain this evening. As I said at the beginning of my speech, it is all very well to make statements to the media in our ridings, but where it counts is here. I have great respect for the hon. member, and I really regret his decision. I hope that by eight o'clock he will have had time to reconsider.

The Montreal region is a large one. He repeated the point I made that these measures will flood the system with cases, at a time when the system is already overloaded. In the Montreal region, there are about 200,000 appeal cases pending. Considering the number of unemployed workers today the figures for which are constantly changing because there are always new cases, some cases are dealt with and other cases come back, and so forth. I cannot give him a specific answer right now. After April 1, when these measures are implemented, it will be a disaster, and for that reason alone, I ask the hon. member to reconsider and to vote in favour of the motion.

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, as far political rhetoric goes, this takes the cake. The opposition motion says: "That, in the opinion of this House, the government's policy of denying unemployment insurance benefits to workers who quit their jobs—". That is just not true. Bill C-105 contains no reference to cutting off unemployment insurance benefits to those who quit their jobs. It says "to those who leave their employment without just cause". Right from the start, this motion fails to reflect the real situation and misrepresents the facts. For these reasons I urge all members of this House to vote against the motion.

• (1620)

I have a short question for the hon. member. He alluded to some of my colleagues in the Conservative Party who expressed reservations about the bill. I can inform him they did so to improve the way the Unemployment Insurance Act is administered. Today, government members are making a number of very practical and valid suggestions for improving the way the Unemployment Insurance Act is implemented. What is the opposition prepared to suggest? Instead of this constant criticism, what are those members prepared to suggest to improve the Unemployment Insurance Act? Instead of criticizing and condemning this legislation, it is high time the opposition and the Liberal Party decided, once and for all, to suggest some concrete alternatives for dealing with the problems of this country.

Mr. Gagliano: Mr. Speaker, I am glad to hear the hon. member has a few questions and is critical of the wording of the motion.

Perhaps he should talk to his colleague from Jonquière, whom I quoted literally. Those are not my words. Everything in quotes was said by his colleagues and, more specifically, his colleague from Jonquière. If he does not agree with the hon. member for Jonquière, it is not my problem. My motion expresses what his colleague said. The hon. member is laughing. He just doesn't get it. His colleague from Jonquière is condemning the government. If anyone accuses me of political rhetoric, I can say it was said by a member of his own caucus. Maybe he should talk to him.

[*English*]

Hon. Pauline Browes (Minister of State (Employment and Immigration)): Mr. Speaker, this is the first opportunity I have had to speak in the House of Commons since being appointed to the position of Minister of State for Employment and Immigration. I am very pleased to join my colleague, the Minister of Employment and Immigration, in this ministry and I want to thank Prime Minister Mulroney for appointing me to this position.

I am pleased to respond to the motion concerning the government's policy on the unemployment insurance changes. As we know, Canada's unemployment insurance program has been in existence for some 52 years. We have offices across the country. We have excellent employees who administer this program. Canadians are really quite familiar with this program and it serves as tremendous purpose.

I suppose each of us in our own communities has heard of or knows of someone who has abused the unemployment insurance system, who simply quit because they did not want to continue to work.

Is it fair for those who pay UI premiums to support people who choose not to work? What is equally important is that the government will demonstrate that the proposed changes will be administered fairly with the benefit of the doubt continuing to be the rule of the day.

Here is the real question. Do Canadians who are working—some 12,240,000—want to support those who quit their jobs for no good reason? I believe that Canadians are fair-minded people who find it unacceptable to support those who do not want to work.

Ask Canadians who believe that UI is there for protection against unemployment and not a substitute for employment whether they believe that the amendments to the Unemployment Insurance Act are too severe, too tough, unfair, extreme or unacceptable. The answer would be a resounding no.

Canadians would reply that it is unfair, tough, and unacceptable to support people who do not want to work. What is fair is to ensure that UI is there for those who need it. The government believes and has repeatedly stated in recent days that it is unfair to ask Canadians to subsidize those who quit their jobs voluntarily in what is a very tight job market today. It is even more unfair to misrepresent these changes.

As members of the House of Commons are aware, these changes to the unemployment insurance provisions affect only those who voluntarily leave their jobs without just cause or who are fired for misconduct.

Through the UI program our government remains committed, as always, to supporting those who leave their jobs with just cause. Thanks in part to the self-serving hand wringing or plain misinformation coming from certain quarters the question, of just cause is one of several areas of these constructive changes around which unjustified fears have arisen.

Just cause has always applied and will continue to apply to five specific areas set out in the UI legislation. These areas that constitute just cause include leaving a job because of discrimination on a prohibited ground of discrimination within the meaning of the Canadian Human Rights Act; an obligation to accompany a spouse: if someone is accompanying a spouse to another part of the country that is just cause; an obligation to care for a child; working conditions that constitute a clear danger to health and safety; and sexual harassment: if someone is sexually harassed in the work place and leaves his or her job that is just cause.

Just cause in cases of sexual harassment is very sensitive and is an important issue for us to discuss but one where unfounded fears have been propagated. The truth is that these changes will bring more sensitivity than ever before to the situation of people, usually women, who feel that they have been sexually harassed on the job.

We are outraged that persons are sexually harassed. Those persons who take the option of quitting will receive all the benefit of the doubt when they make a claim for UI.

The government recognizes that these new measures go further than any previous penalties imposed on volunteer quitters. The Canada Employment Centre staff members who deal with UI claimants are experienced professionals. They are sensitive to the circumstances of the situation. We know that we will have to administer these provisions with great care. I can assure my hon. colleagues that as well as drawing upon their years of experience CEC staff members will receive additional training and assistance to respond to and implement these new provisions.

To ensure that every claimant is treated fairly and equitably before the legislation becomes law all staff members will be trained in how to deal with the implementation process. The instructors will ensure that staff members understand the letter and the spirit of the legislation. Specific training will include how to process claims under the new legislation, how to zero in on the relevant facts of each situation, how to apply the principles and the practices of adjudication and how to evaluate the information when making a decision.

We know that it is not enough for staff members to simply understand the new law. It is equally important that they are aware of the sensitivities around these issues. For this reason all staff members who will work with claimants will be given awareness training in the area of human relations and to enhance understanding of claimants who fall under one of the five areas of just cause. This is particularly true in the area of sexual harassment.

• (1630)

I want to stress that the directive of the CEC staff is absolutely clear on the issue of sexual harassment as just cause. The guidelines for field officers state:

> In cases where all things are considered equal, the benefit of the doubt will be given to the claimant and, thus, tip the scale in his/her favour.

The directive could not possibly be clearer. This means that UI benefits will not be denied because of a dispute between an employer and an employee. When a woman goes to a UI office she will be assured of having a woman claims officer if she so wishes. It is worth noting that 75 per cent of UI claims agents are women, and that is very reassuring for the women who are making those claims.

It is also worth noting that since Bill C–21 was introduced in 1990 there has not been one written complaint about the department's administrative rulings regarding sexual harassment. In that time there has been only one appeal and that was from an employer who disagreed with approval of a sexual harassment claim. The employer lost the appeal.

Despite the impression created by the opposition's misleading claims the UI agent's role is to collect all the facts necessary to make a fair decision. The agent will first get all the information possible from the claimant and find out what steps the claimant took to remedy the situation before taking the final step of quitting his or her job. The agent will then endeavour to hear the employer's side of the story.

The evidence the agents collect will not always be clear–cut. Clearly, there will be occasions when the evidence from one side will contradict the evidence from the other and it may be impossible to tip the scales one way or the other. In such situations the agent must draw on experience, judgment and common sense to reach a conclusion. As I have already stated, the benefit of the doubt will go to the claimant. This policy applies not only to people who quit their jobs voluntarily but to those whose employers claim they were fired for misconduct.

This commitment to making a fair decision may come as a surprise to some of the opposition party members who drafted the motion before the House tonight. They would have the House believe that the UI agents accept at face value any apparent evidence which could result in a person being denied their rightful benefits. This is just not the case.

There is also a comprehensive system of appeal and other services available to a claimant who may be denied benefits. If benefits are denied the claimant is given the reason in writing. The claimant is also told how to appeal to the board of referees. A pamphlet explaining the appeals process is automatically sent to the claimant. If the claimant asks for help the Canada Employment Centre gives it willingly.

The staff will explain the reason for the decision, the appeals process and its time-frames and give advice on preparing arguments before the board of referees. Copies of the Unemployment Insurance Act regulations, court decisions and commission policy on adjudication are available to claimants at CEC offices. Claimants are not faced with an adversarial or accusatory atmosphere when they indicate why they quit their jobs.

Giving the benefit of the doubt to claimants who believe they have just cause is a firmly established tradition within the administration of the UI program.

Any member of this House or anyone else who has taken the time to actually look at the administration of the UI act would be aware that it is interpreted fairly and in favour of claimants. Now the government has, particularly in the case of sexual harassment, come out even more vigorously on the side of those who leave work with what they feel is a just cause.

To characterize these amendments as regressive or unfair to those who quit with just cause or who lose their job through no fault of their own is to do a great disservice to what are carefully considered and necessary changes to our UI program. These changes are not an attack on the unemployed. They are an attack on unemployment. The only losers will be those who choose to be unemployed, not those who are unemployed through no fault of their own.

The changes reinforce the UI program's fundamental mandate to provide Canadians with temporary income and the option of special training while looking for work. Let there be no misunderstanding. It is these Canadians, including those who leave their jobs with just cause, who deserve to remain the priority of a more focused, more cost-effective unemployment insurance program.

I believe that the opposition is doing a great disservice to the country by using this mechanism of the House to propagate erroneous and misleading information.

Mr. Ken Hughes (Macleod): Mr. Speaker, I very much appreciate the opportunity to ask questions and make very brief comments on this important issue today.

Watching what is going on here today intrigues me. It is quite clear that the Liberal Party of Canada is playing a very transparent, shallow game of shameful, partisan politics. It is shocking and not worthy of what was once a great party in this nation. It is clearly stooping to very low measures.

When I went home to my riding in Alberta after the December 2 statement by the Minister of Finance, who also happens to be an Albertan, I heard from many people about the initiatives regarding the unemployment insurance system. The remarkable thing is that the most common comment I heard was: "You mean we pay people when they quit voluntarily?" Many people did not know that. They thought that was something which should not be done.

We are talking about the unemployment insurance fund. It is not for people who choose to cease working for a company or who choose to become unemployed simply because they want to. It is an unemployment insurance fund that should be there for people during times of need. There is plenty of need out there. This government is trying to ensure that the support is there for people who need it if the time comes and they lose the opportunity to be employed. It is a question of fairness, a question that is very important.

I am glad that we are debating this matter today. I wonder if the minister could add to the comments she has already made about what circumstances there are to protect people and make sure that they are dealt with fairly under the existing provisions. Could the hon. minister respond to those concerns?

Mrs. Browes: Mr. Speaker, I welcome those comments. We had a few weeks to be back in our constituencies to hear firsthand from Canadians how they feel about various issues. I have to agree with my colleague that I received the same kinds of comments that he did in Alberta.

People were surprised that people actually got paid when they just quit their jobs. The hon. member is quite right. People are saying: "Well, listen. It is a pretty tough market out there. I value my job and I am not prepared to pay for somebody who just decides that they are going to quit".

• (1640)

A person who does quit his or her job for those reasons I outlined—discrimination, mobility, looking after a child, sexual harassment, unsafe conditions in the work place, health reasons—do so with just cause. If you leave your job for any of those reasons and believe you should be getting unemployment insurance, you will. An application for a claim is made to the unemployment insurance office. As I mentioned, you are entitled to have an agent of the same gender to speak to so a woman who has been sexually harassed in the work place will be able to give her story to a female agent.

The claim is made. If there is a dispute with the employer, the benefit of the doubt goes to the claimant. If there is a denial, there is an opportunity to appeal. We are finding that the vast majority of cases can be handled with the agents. A very sensitive approach is taken in our unemployment insurance offices. The public servants administering this unemployment insurance program need to be commended for their outstanding work.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, I wonder if the minister could tell us what is wrong with the present restrictions imposed by this government back in 1990.

If someone quits or is let go, or quits without just cause—which is not synonymous with just reasons, what is wrong with the present law that says that you lose your unemployment insurance from seven to twelve weeks and your benefit also drops from 60 per cent down to 50 per cent for all of these borderline cases, some of which have been reversed by the Federal Court of Canada? What is wrong with the present restrictions? Why simply remove for all time unemployment insurance benefits for all of these borderline cases that are determined in our courts, a great many of which are under debate today in appeal to the Federal Court or to the Supreme Court of Canada?

Mrs. Browes: Mr. Speaker, it is interesting that the member brings this up. I was looking back at the *Hansard* debates at the time Bill C-21 was being debated, when the issue of just cause was being brought forward.

I notice that the members of the Liberal Party voted against the just cause issue. They voted against this being included in the bill, which I was really quite surprised about. I notice from *Hansard* that the member who asked the question did not vote that day. Perhaps he did not agree with his party on this issue, but the members of the opposition did not want to include just cause in Bill C-21, which is quite an unbelievable situation.

Mr. Baker: Supplementary, Mr. Speaker.

The Acting Speaker (Mr. Paproski): I am sorry, questions and comments are now terminated. Debate, the hon. member for Timmins—Chapleau.

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, it is a pleasure to enter into this debate to discuss the Liberal opposition day motion. For the record, in the opinion of this House the government's policy of denying unemployment insurance—

The Acting Speaker (Mr. Paproski): Order, please. I have just heard a comment from one of the members that the Chair is defending somebody. I am not defending anybody. The time was 10 minutes in questions and comments and she had her 10 minutes.

Mr. Samson: Mr. Speaker, I ask you to note the time on the clock and that my time would start now as opposed to a few minutes ago.

I rise in support of the Liberal opposition motion this evening because I feel that there are some great deficiencies in what the government is proposing to introduce. I would like to state for the House the wording of the motion we are debating.

> That, in the opinion of this House, the government's policy of denying unemployment insurance benefits to workers who quit their jobs or who are dismissed is "too severe", "too tough for people", "puts people in a desperate situation", "goes beyond fairness", is "extremist" and "right-wing" and is, therefore, unacceptable to the Canadian people.

It is interesting—more than anything else—to note where these quotations and adjectives came from. They came from the Quebec backbenchers of the Conservative Party. They are the members for Jonquière, Beauce and Abitibi, to name only three. There were others.

Of these three members—some of whom were here—one said: "Well, I am going to abstain from the vote". The other has risen to defend the position that we have to do something to "catch these cheaters", as they like to refer to them.

As far as I am concerned, when we talk about cheaters in a system I think we had better be very careful how we choose our words because in the majority of cases where these so-called cheaters have appealed their cases, the decisions have been overturned. In fact they were not cheaters at all.

This government, with the legislation that it is proposing to introduce at second reading, is going to cast a huge net into the ocean of workers. It might catch two fish.

Unemployment insurance is just that. It is a safety net for workers who become unemployed. They pay into it and they should expect and be entitled to get something out of it when the need is there. I do not think there are very many people in Canada who quit their jobs without just cause.

Let us talk about just cause. Is it just cause if a person wants to increase and better their lot in life by moving on to other employment? They leave their current employer and they go to another employer who perhaps is offering better opportunities for improvement, better wages, better benefits and better conditions.

Let us say an employee goes to a new employer and for some unforeseen reason is not there long enough to establish the number of weeks required to collect unemployment should the case arise. Let us say he does become unemployed. He cannot apply for unemployment under those terms because he has not been there long enough. He cannot go back and claim on the old claim from his old employer because he left without just cause. That is not covered as one of the five or six reasons for leaving for just cause. It is not covered. Shake your head all you want, but it is not there.

Employees do not have the right to try to advance themselves. Under the current conditions, they can do it because at least they will only be penalized 7 or 12 weeks. Under the other conditions, they will lose all benefits.

• (1650)

In terms of sexual harassment, the minister was here a few minutes ago and pleaded emphatically that the benefit of the doubt will go to the worker. However, for goodness' sake, what does the worker have to go through in order to state his or her case?

An hon. member: One must prove it.

Mr. Samson: Absolutely. The minister is back in the House and I am glad that she is. It is very important that we establish what it is that this worker has to go through. A person is sexually harassed by the employer. The employer sees that the employee no longer wants to co-operate with the sexual harassment and does not want to put up with it any more so he says: "You are gone. You are fired". Who fills out the separation papers? Oh my, gee whiz, it is the employer, is it not? It sure is. What do they put on there? They say: "I sexually harassed this employee and this employee no longer wanted to put up with my nonsense so I fired her for sexual harassment". Do you think the employer is going to do that? Of course not. Let us not be silly.

The employer will fill out the separation paper and write "fired". The counsellor at the employment office will look at this when the person applies for unemployment benefits and will say: "You were fired. Why were you fired?" This person now has to go through the indignation, the embarrassment and the degradation of having to bare his or her soul to a complete stranger and explain why they were fired or why they quit.

An hon. member: Shameful.

Mrs. Browes: It is embarrassing for the employer too.

Mr. Samson: The minister states that it is embarrassing for the employer. However, the onus of proof is on the employee, not the employer.

Therefore, we go through the whole appeal process which takes aeons. Ask anybody who has ever had a UI appeal. This person has to bare his or her soul again and again and again to any number of strangers. Give me a break. There is no way that a worker should have to go through that kind of indignation and embarrassment to file an unemployment insurance claim. It is insurance.

I would ask the members on the other side a question. How many constituents have come to your office and said: "I and my employer have paid into a long-term disability insurance plan and I am being deprived of it."? What do you do? You get on the phone and you start making calls on behalf of your constituent because this constituent is entitled to benefits from an insurance plan that he or she and his or her employer have paid into and you expect them to get benefits. If you say you do not expect them to get benefits, then I venture to say that you are not telling the truth. Therefore, why is it any different with unemployment insurance that people pay into?

Why are this government and these members trying to tell us that the victims of unemployment are the bad guys in all of this? They are victims. They do not want to be unemployed in most cases—in all cases as far as I am concerned—because if they quit or are fired the employer decides the reason and the employee has to prove otherwise. They are entitled to the benefits.

I held a press conference today in 130-S. I had witnesses at this press conference from my riding who have been victims of the unemployment insurance system. They have appealed the decision. Let me tell you that the whole process started last May and their first appeal was in November. That appeal has been denied. Now they have to appeal to the umpire. Their appeal, along with those of others, will go on the waiting list.

There is another case where I am entering into my second anniversary of waiting for a hearing with an umpire. These constituents are here. They are parents. They have five children and they have no income. The husband has been denied benefits. He has been denied welfare because he is on an OSAP loan. It was not a grant but a loan. He cannot collect anything. Fear not, the appeal system is there for you. Thank God there are not that many more waiting for an appeal. The fact remains there are far too many who have to wait two years for an appeal.

We had witnesses at this press conference today from *Action Chômage* in Montreal who brought four typical cases with them that they talked about. The people went through the appeal system and the original decision was overturned. They won the appeal.

It was asked at the press conference what the percentage was of wins and losses on appeals. They said they won about 80 per cent of them. In the meantime, the point is that people have to wait. They have no income. Also, as a result of being denied UI they are being denied welfare because the welfare system cannot subsidize UI.

One other witness there—a very important one—was the president of the unemployment insurance employees' union that represents the front line workers who have to administer these kinds of legislation. They are the ones who have to answer the constituents who come in and say they have case. The front line workers have to apologize and say their hands are tied. They have to cope with the legislation.

The minister said tonight that we should not fear. These people will be trained, coached and taught to cope and deal with these cases.

The problem is that their work force has been reduced by about 25 per cent. They are overworked. They are under extreme stress. They lose patience. They get short tempered. Let me tell you that they are people and I do not blame them. They are experiencing a lot of difficulty right now. There is massive unemployment in this country.

When we look at this piece of legislation and when we look at what is going on in the country, I think we should stop attacking the unemployed. The reason they are unemployed is thanks to the current government and its economic policies. Why does it not spend as much effort in job creation?

It wants to take shots at the unemployed. It wants to change legislation. It wants to reduce benefits from 60 per cent to 57 per cent. It is attacking the unemployed. Why does it not attack the problem of a lack of jobs?

There is another announcement from CP that they are going to lay off another 1,600. How many more companies are going to close? How many more thousands of people will be laid off?

I wonder what it is that this government really wants to do.

I heard two petitions being presented this afternoon and they interested me. One was from the Peterborough area, and one was from the Toronto area. The petitions were to encourage and ask the government to live up to its commitment of November 24 though unanimous consent in the House to seek the elimination of poverty among children. Two Conservative members tabled these petitions.

How can this government say on the one hand it is trying to eliminate poverty for children and then turn around and say that it is going to cut UI benefits for recipients from 60 per cent to 57 per cent?

What is that going to do to the buying power of those poor people who are on unemployment insurance? What is that going to do to my constituents who have five children and are losing 3 per cent? The real impact is 5 per cent.

• (1700)

In their words that means a bag of milk less or they would have to make a decision. Who is not going to eat this week?

Sounds pretty drastic. To us in this House, 3 per cent may not mean a whole lot. It might mean $20. To those people who are getting less than $300 a week, with families to support, rent to pay, it is an awful lot of money. Let us not downgrade the importance of maintaining the benefits we have.

Let me state one thing. Although I support this motion tonight, I do not forget the impact of the Liberal motion back in 1978 when the Liberals reduced benefits from 66.75 per cent to 60 per cent, with the full support of the current government. That was even more drastic than the present reduction.

We have to look at ways of trying to make things better for Canadians. We have to look at ways and means of ensuring that Canadians have an opportunity to work. The reason I am supporting this motion this evening is that these changes to UI will not do anything to create employment.

I have heard it said and I have read in *Hansard* from previous debates that this is a form of encouraging people to stay at work. Can you imagine, this is a form of encouraging people to stay at work because we are going to penalize them now. We are going to penalize them because they want better working conditions. They want to change jobs. They are being sexually harassed and they have to tolerate totally undesirable conditions. Now they are going to be forced to stay in those conditions.

It is true simply because of the indignation that they are going to have to go through to prove their case. You have to understand that. If you do not understand that you do not understand anything. They have got to go through the process. Tell me, show me and introduce me to an employer who will admit to sexual harassment and I will kiss your feet.

What about another case where an employee works and—

Mrs. Browes: That's not true.

Mr. Samson: Only the feet. What about the case where an employee in a unionized shop stands up for the rights of a fellow employee. He knows that his fellow employee is being discriminated against or for whatever reason, the employer is throwing a barrage of insults at him, totally uncaring about the employee's feelings. He stands up for that co-worker's rights. As a result, he gets fired. Do you think the employer is going to say on his separation slip that he stood up for the rights of his fellow employee. He is going to say: "Okay, give him his benefits". There is no way that an employer is going to admit that he or she was wrong.

I urge and I plead with all those Conservative members who believe as we do that there are strong wrongs in the language of the current Bill C-105. I urge them to support this motion to ensure that there is some fairness and some equality for unemployed workers in this country.

[*Translation*]

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, I listened carefully to the comments made by my colleague from the New Democratic Party and I must say that I am very surprised by some of his statements which I consider totally unfounded and which could be misleading for the public. I heard these allegations today and I am surprised to see my colleague participate in this sort of exercise.

For example, he made a statement to the effect that a worker who is employed for a period of eight weeks, then decides to change jobs to improve his lot or for any other reason and after eight more weeks, is laid off because there is no work or for any other reason, would not be eligible for UI benefits. I ask my colleague: Is he really serious when he makes such a statement? So far as we know, this is totally unfounded. This is not a true statement; it is utterly false. I trust that the hon. member was mistaken when he said that, perhaps because he is not familiar with this issue, and did not do this intentionally. I would appreciate it if the member gave us an explanation, because this is a totally unfounded statement.

Second, there is the idea that we are after the unemployed. Earlier, my colleague said, why are you going after the unemployed? Why not tackle the problem of unemployment instead? Has my New Democrat friend forgotten that, thanks to the initiatives taken by this government since Bill C–21, more than $3 billion are now available to the unemployed in this country for training which will help them find a better job? Those are concrete measures, not just empty words. Why have we done this? We did it because we believe that unemployed workers do not necessarily want UI benefits. Rather, they want to find a good job through proper training and this is what we, as a government, are trying to provide for these workers.

I now come to the third and last point. If my colleague was serious when he talked about sexual harassment, he would not insult the victims.

Basically, what the NDP proposes as policy to fight sexual harassment is to pay unemployment insurance to the victims so that they will shut up. The NDP wants to pay those people to keep silent. If my colleague was at all serious when he talked about sexual harassment, he would ask the minister to implement a process so that from the time UI benefits are paid to a victim of sexual harassment, this process would enable us to go to the root of the problem. If the causes of this sexual harassment are not dealt with by the employer, if no corrective measures are taken, then penalties should be imposed.

It is totally revolting to use the victims of sexual harassment to oppose Bill C–105. Incidentally, when my colleague asks us to reject Bill C–105, he is also asking us to vote against his salary freeze.

Mr. Samson: Mr. Speaker, where do I begin? We are not talking about my salary here this evening; we are talking about a part of this bill. You have included this in a bill which covers several issues, in order to hide the impact of this legislation on the workers.

You asked me a question at the beginning. I am not sure if I understood well but I will try to give you an answer. If I did not understand correctly, I apologize. For several years, the person I was referring to had a job where there was discrimination of one kind or another. That person decided to change jobs to get a better quality of life, better working conditions, better wages or whatever. For one reason or another, that person was laid off at the second place of employment, before having accumulated enough weeks to be eligible for UI benefits. On the one hand, the person could not work the required number of weeks in the second job to be eligible and on the other hand that person cannot go back to the first job because of leaving it without just cause.

Mr. Robitaille: That is false.

• (1710)

Mr. Samson: Well, if it is false, I apologize, as I said, but I do not think it is false. This is the situation as it exists.

[*English*]

An hon. member: It carries on.

Mr. Samson: No, it does not carry on. The fact is that if he does not, he cannot qualify in the second job because he did not work long enough. He did not leave for just cause. He has to prove that he left for just cause.

It is true. We can say it is true. It is not true forever and we are not going to agree.

[*Translation*]

That is the reason.

[*English*]

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I am very pleased that the hon. member for Timmins—Chapleau is supporting this motion. He gave his reasons why; because many of the quotes in the motion are quotes from hon. members of the Conservative Party. They made these quotes in their home province of Quebec and elsewhere. I think this speaks very highly of them. It means that there are some members on the other side who do care for the unemployed. To show credibility, I hope they will stand up with us tonight and vote for this motion.

I am pleased the hon. member gave the example of someone shifting to another job for a higher paying job or to improve themselves on the job. It shows he studied the motion and UI bill very carefully.

A young constituent came to me just last week. She is working in accounting. The employer very subtly is just adding on a number of hours. She is being asked to work in the evening. She is being asked to work Saturdays. She is now putting in 70 and more hours per week. She is at the stage where she wants to leave. If she does not, she may have a mental breakdown or something, the stress is so high. There is no union that will guarantee her time and a half after 40 hours. Here is a person is being forced to leave by the employer, a good worker, but she is afraid now that she will not be covered.

The minister did give us the five categories. I looked at the five categories and this person would not fall into any one of those five categories.

I wonder if the hon. member for Timmins—Chapleau sees a category that would cover this constituent who really is being harassed and persecuted by an employer, really has to leave and she will leave without any UI compensation.

Mr. Samson: Mr. Speaker, I thank the hon. member for his question. He is absolutely right. As we have pointed out time and time again, this is the case. One has to prove just cause.

The five conditions the minister outlined do not cover that particular case. It is going to be left up to the discretion of the counsellors when the employee applies for unemployment insurance. Those counsellors in some cases are working under a lot of stress. They are working long hours. They are trying to do their best. They have legislation. They have thousands of workers that they interview over the period of a year. They will not be able to cope. As the minister tried to indicate, they are going to give them training to cope with these situations. They are going to try to help them. It is not going to work. The people are overworked. They need more help. They need a break. They need some assistance in the legislation. They need some flexibility.

I can bring you cases, Mr. Speaker. If you want cases, I will give you cases, case after case after case, and you can settle it.

I am offering this to the minister: put your money where your mouth is. Help these people. Give some legislation. Give a break to the workers to help them. Do not sit there and try to convince us that they will be able to appeal, they will go through the system and they will qualify simply because they are trying to improve their lot in life and that will be covered under the UI bill. I am sorry, write it down. Put it in this legislation and then I will believe it, when it is written down. Until then, no deal.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, we have heard a lot of talk in the House today about how the unemployed will have a process of appeal. We heard a minister in the government defending her government's insidious attack on women and on minorities by saying if you are sexually harassed, you can lay a complaint.

They can go through the process. They can add their names to the list of 191,000 people who have already appealed under the unemployment insurance changes passed by this government only three years ago. The reality is that employees who are sexually harassed on the job often do not dare to put their careers and their futures on the line by laying a complaint.

I have a very good friend who was sexually harassed on the job. She worked for a very large multinational company in a senior position and was sexually harassed on the job on a daily basis. She went to the president of the company to lay a complaint, having documented with human resources all of the elements of harassment: including four-letter words on a regular basis, bum patting, et cetera.

When she went through the process and went to the president of her company she was told point blank: "This man is a good worker for our company. He produces and I am sorry but there is nothing I can do". That woman is now working for a different company. Her boss, who sexually harassed her on a daily basis, is still working for that company.

People might ask: Why did she not go and lay a complaint, which she had every right to do? The reason she did not lay a complaint is the same reason that there are probably women employed by members of Parliament who do not always lay complaints. They fear for their careers and want to avoid being labelled as whiners and complainers.

[*Translation*]

An hon. member: That's true.

Ms. Copps: That is what we are up against. I do not know if any men here in the House have suffered sexual harassment, but I am sure that most of the women would be able to describe specific incidents. One thing is certain. It is easy to say go ahead, lay charges and go to court, but there is no guarantee, first of all, that they will believe you. Second, if you are trying to make a career for yourself, do you want to have a reputation as a complainer?

[*English*]

They want to be team players. They do not always want to be the ones coming forward with complaints.

The suggestion on the government side of the House that women are protected under this legislation is absolute nonsense.

[*Translation*]

There are many reasons why people may have to quit their jobs. Did any members here ever have to quit their job? My father became ill and never recovered. I left my job because I was working in a city far from home and my father was dying. Was that a good reason? Should I have gone to court and waited three, six or nine months or a year to explain that I wanted to be with my father at that painful time in his life?

Some hon. members: No problem, that will be taken care of.

Ms. Copps: Some members are saying: No problem, that will be taken care of. After Bill C-21 was passed, 200,000 Canadians filed complaints, and it has taken months and months to settle them.

It is interesting to listen to the speeches of Conservative members who admit they will fight this bill to the very end, and I am thinking of the hon. member for Jonquière.

An hon. member: Oh, he is a real sob sister.

Ms. Copps: He said it was like using a sledge hammer to crack a nut, the nut being the average citizen. When the hon. member for Saint-Léonard proposed this motion, it was intended to highlight suggestions made by Conservative members during the parliamentary recess.

• (1720)

The Conservative member for Beauce said that MPs should attack the conditions that create unemployment and not the unemployed. I agree. We must attack the causes and not the victims. The Conservative member for Abitibi again said that he would abstain. He can be for or against, but he should have the courage to take a stand. Otherwise Mr. Speaker, he will remind me of a little dog that barks, but when the time comes, cannot bite. He is a little lapdog. The member is a little lapdog who cannot say either yes—

The Acting Speaker (Mr. DeBlois): Order, please. The hon. member for Terrebonne on a point of order.

Mr. Robitaille: Mr. Speaker, the hon. member for Hamilton East has just called my colleague a dog and a lapdog. You should consider that unparliamentary. I would ask you to ask the member to withdraw what she just said.

The Acting Speaker (Mr. DeBlois): On the same point of order, the hon. member for Saint-Denis.

Mr. Prud'homme: Mr. Speaker, we must not exaggerate. I was here. I listened closely to the hon. member. She did not say what the hon. member for Terrebonne just said. What she said may not be nice, but it is certainly not against the rules. She did not say that the hon. member was a dog. She has too much respect for all members. She said that he reminded her of a barking dog. That is not the same and it is certainly not unparliamentary. I admit that it may be embarrassing for the one who is the subject of the comparison, but it is not unparliamentary.

The Acting Speaker (Mr. DeBlois): On the same point of order, the hon. member for Abitibi.

Mr. Saint-Julien: Mr. Speaker, further to what the member said, I want to tell Canadians that I do not listen to criticism from people who have a bad attitude.

The Acting Speaker (Mr. DeBlois): On the same point of order, the hon. member for Richelieu.

Mr. Plamondon: Mr. Speaker, it is quite rare for me to fully agree with my colleague from Montreal who just spoke, but this time I fully agree, and no doubt—

The Acting Speaker (Mr. DeBlois): I am sorry, the hon. member for Richelieu has too much parliamentary experience for me to take his remark, which is not a point of order.

[*English*]

Mr. Shields: Mr. Speaker, with great respect, we have all learned in this House to recognize that the member for Hamilton East does not live by the criticisms she makes of others.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Would the hon. member for Hamilton East have something to add?

Ms. Copps: Yes. I do not want to insult dogs. I take back everything that has to be taken back.

Some hon. members: Oh, oh.

Ms. Copps: I think first of all that we absolutely must talk about it and deal with this issue. The reason I mentioned the comments of the members for Abitibi and Jonquière and others is that I was glad to see when Parliament was recessed that some Conservative members were going to join us in solidarity to fight this bill which is so unjust. Several of them—perhaps even a dozen—were going to vote against the government, but now that they have the opportunity here in the House, they do not have the courage to take a stand for or against. That is the important thing. The members for Abitibi and Jonquière cannot be professional crybabies. They must be here to do their duty for the unemployed.

[*English*]

The member says I am on my broom. When I read in the paper that members on the government side were coming to their senses and recognizing that this particular law penalizes women and the under-employed I was very happy to hear that at least six, eight, or possibly a dozen members of the Conservative Party might break ranks to join us in opposing this legislation.

An hon. member: Dream on.

Ms. Copps: The member says dream on. That is true, because one of the members who was the chief spokesperson of those in the Conservative Party seeking change has wilted before our very eyes.

He now tells us that he is not going to be for this amendment and he is not going to be against it, that he is going to abstain. I say to Conservative members that on this issue they either line up with the workers or ride with General Motors, to paraphrase a great Liberal who understood Liberal principles. On this issue, I am happy that my party can absolutely and categorically disassociate itself from the comments and attitude of the minister of employment.

An hon. member: They cannot have it both ways.

Ms. Copps: The minister of employment said:

[*Translation*]

"Some people want to vacation in Florida and I do not want to pay them for that." Another member, this one from Montreal, said right out that he had seen unemployed people from Quebec cash their UI cheque in Florida.

An hon. member: That's impossible.

Ms. Copps: Well, if it is true, they should charge them under the Criminal Code. That is fraud. If they have evidence, they should declare it instead of politicking. In Montreal, they say openly and on the record that they are totally against this bill. Then they come back here but stay away when the time to vote comes.

[*English*]

What is really sad about this initiative is that when the government introduced its economic statement we were looking for a new economic direction. We know right now that Canada has the highest level of unemployment of the G-7 countries. We know that the number of chronic unemployed in this country, the long-term unemployed, has doubled to almost a million people, 806,000.

We also know that the number of part-time workers who would like to work full time and who want to work has increased from 400,000 to almost 700,000. Therefore, the issue is not about penalizing those people who may have to leave a job for good reason but about creating an economic climate in which people who want to work have the right to work.

When the Minister for International Trade commented in the House of Commons on the 10,000 people in my area who have lost their jobs as a direct result of his bad negotiations he did not attack the source. He did not attack the unfair complaint levelled by the United States. He blamed the Canadian workers. He blamed the Canadian workers who he characterized as being unproductive and behind the times.

The Steel Company of Canada, the largest steel company in Canada, happens to be one of the most productive companies in the whole area of steel manufacturing, no thanks to this government. It is a result of the hard work of ordinary people and the policies of the previous Liberal government, which paved the way for modernization.

It sickens me that when the Prime Minister is going to Washington this week, and he should be equipped with the facts to protect Canadian jobs, his own Minister for International Trade is undermining our position before the ITC and is undermining our international position in that area.

[*Translation*]

The hard part is that it reflects a mentality. The minister of employment characterizes the unemployed as people who want to spend all their time in front of the TV or go to Florida and do nothing. The Minister for International Trade blames the workers for his lack of judgment in the free trade negotiations. This evening, another minister said that women would have every recourse in the appeal process for cases involving sexual harassment. That is false.

All we want from the Conservative members tonight is that they face reality, namely that the failure of their economic policies has brought us to this situation. The unemployed cannot be blamed. We must blame those who are responsible.

• (1730)

I am happy, that the members of the Bloc Quebecois, as well as the NDP, will be joining us this evening, especially because I am wondering if their leader protested when this government of which he was a minister introduced Bill C-21.

An hon. member: He did.

Ms. Copps: Did he speak against it?

An hon. member: Yes.

Ms. Copps: He did not do a thing at the time, because he was a minister in the government that introduced the first batch of bad changes to the unemployment insurance policy.

Bloc Quebecois members were even there for the vote, as I recall: Mrs. Venne, Mr. Plamondon, Mr. Leblanc, every one was there. They all voted in favour, and I am happy they have changed their policy. I hope that, with them and all the hon. members, we can all vote together. Let the whiners, if they are through whining, come and vote with us this evening to make sure that unemployed men and women cannot be blamed for our current economic situation.

Mr. Gilles Bernier (Beauce): Mr. Speaker, I would like to start by pointing out that members opposite—regardless of their affiliation, opposition members—have put my name forward as the member for Beauce who has taken a stand against Bill C-105, dealing with certain measures regarding unemployment insurance.

I must tell members right away, to dispel any concern or fear, that tonight I intend to vote against the motion in amendment of the opposition. Allow me to tell you why, Mr. Speaker, if the hon. member for Richelieu could find it in him to be polite and listen, because for one thing the wording of the motion is completely wrong, and I will explain why.

> That, in the opinion of this House, the government's policy of denying unemployment insurance benefits to workers who quit their jobs—

They have failed to specify, as the legislation does, "who quit their jobs without just cause". That is not mentioned in the motion.

Second, they add:

> —or who are dismissed is "too severe",—

They omitted "or dismissed for misconduct". That little phrase is extremely important. They go on to talk about a policy too tough for people, that puts people in a desperate situation and goes beyond fairness—

> —is "extremist" and "right-wing" and is, therefore, unacceptable to the Canadian people.

This motion is not aimed at improving this bill. My position is quite simple.

Over the past week, the Conservative members who are dissenting on certain aspects of the bill, have managed—the hon. member for Hamilton East can tell me if we were right as far as that is concerned—to call a special party caucus, a special meeting with senior officials and to defer second reading of the bill in the House of Commons for a week. It was essential to allow members of Parliament to sit down with those who devised this bill and to help improve it.

My concerns and reservations about this bill are still here. This evening we will simply be voting on a motion specifically designed to overthrow the government.

I am not interested in overthrowing this government. I am interested in improving a bill. Therefore, I will vote against it with pleasure. I am perfectly comfortable with that. I mentioned it to the media, at home, this morning and again at lunch time, and the reaction was: "Well, Mr. Bernier, you are absolutely right. Let us give them a chance to improve their bill." Would the hon. member for Hamilton East not say so?

I will never vote for the Leader of the Opposition and his party. I know his track record too well for that.

Ms. Copps: Mr. Speaker, this reminds me of those people who say: "Sure, I have strong principles, but if these do not suit you, I have others." What the hon. member said today runs directly counter to what he said on January 15, 1993, when he told—

An hon. member: Listen to this.

Ms. Copps: —the press: "Elected members of Parliament must strive to tackle the underlying causes of unemployment instead of attacking the unemployed." We must attack the cause, not the victim. Today he has an opportunity—

Mr. Saint-Julien: Not Liberals and bitches.

Ms. Copps: —to stop attacking the unemployed, but he will not take it. Why? Because he is a yes-man and a whiner and will not stand up for his principles. If I am wrong, he should at least support this motion which sends a clear message and repeats what was said by his own colleague, the hon. member for Jonquière, who now claims they do not make sense.

Those words were taken directly from a statement by the hon. member for Jonquière. If he has any trouble with reading or pronunciation, he should talk to his friend, the hon. member for Jonquière, who made all the statements reproduced today in the motion. It says clearly and distinctly that we are against this bill because this policy is "too severe" and "too tough", "puts people in a desperate situation", "goes beyond fairness", is "extremist" and "right wing" and is therefore unacceptable to the Canadian people.

[*English*]

If the member finds fault with the wording of the resolution he should find fault with his colleague, the member for Jonquière, who actually spoke these very words only two weeks ago.

[*Translation*]

Mr. Plamondon: Mr. Speaker, I heard the hon. member for Abitibi use a term that was entirely uncalled for. He said: "Not Liberals and bitches", while looking at the hon. member who had the floor. I think such language is unacceptable, and the hon. member should withdraw.

Mr. Saint-Julien: Mr. Speaker, on a point of order. You can check the blues. I have nothing to withdraw. When I referred to "chiennes", we can talk about a "chienne de travail", which is something you wear at work. A "chienne de travail" is a smock. The hon. member, however, is never in the House, so he does not know the meaning of the word "work".

Mr. Plamondon: Mr. Speaker, that is pretty far-fetched. What connection is there between a smock and this debate?

As far as my attendance is concerned, I have been here every time the House was sitting. I think my attendance compares favourably with his. In any case, the kind of language he used in referring to a great lady like the hon. member who was addressing the House is entirely unacceptable.

The Acting Speaker (Mr. DeBlois): In any case, if these terms were used, they were part of an aside, and I did not hear them from my chair. We will check as soon as we have the blues.

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, as far as inappropriate language is concerned, I must say I deplore the terms used by the hon. member for Hamilton East, and I wanted to repeat what I said before. I know that in the past the hon. member for Hamilton East did not appreciate certain things that were said on this side of the House. I would have thought that subsequently she would have set a good example.

The hon. member for Hamilton East says we are doing nothing to fight unemployment. Is the hon. member aware that in 1983, her Liberal government spent $225 million on manpower training? Ten years later, this government is spending more than $3.5 billion on training. These are specific measures to fight unemployment which benefit the unemployed, so we are not just giving them an unemployment insurance cheque. The Liberals would rather keep people on unemployment insurance, give them cheques and keep them poor, because people are easier to exploit that way.

However, this government has decided to provide the programs and resources to help people who often have trouble entering the job market owing to a lack of training. We have allocated the necessary funding and resources to give them that chance. That is a concrete measure that was not mentioned by the hon. member for Hamilton East. That is all I have to say.

Ms. Copps: Mr. Speaker, I remember that during my first year in the House, the first thing this government did was to cut the unemployment insurance program by 30 per cent. The last year the Liberals were in power, the unemployment insurance fund had $1.3 billion, and the first thing the former finance minister did was to cut it down to $700 million.

• (1740)

This works out to a 30 per cent cut, at a very difficult time for Canadian workers. Enough of these falsified figures. The fact is that 30 per cent of the cuts were already right there in the farmer minister's first budget in 1985.

Mr. Robitaille: Mr. Speaker, a point of order. The hon. member accused me of falsifying figures, but I want to make it clear that these are official figures and that I could table them at any time in the House of Commons.

[*English*]

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I would normally be pleased to participate in a debate in this House but I am not so sure about what is going on here today.

When I hear the volatile language going back and forth, I cannot help but wonder if there are people across Canada who are unemployed today, what they think about what they have been listening to here. They would be pretty destitute to be still listening, given the level of discussion that we have been hearing.

I do not know what this motion is doing, taking up a day in the House. I cannot help but see this motion as nothing but a cynical exercise in mischief making by our friends on the other side. Reportedly the motion includes quotes from a member of this side of the House who articulated some concerns with respect to proposed legislation. I would have thought it was the right and responsibility of that member.

The member raising the discussions has sat down with the minister responsible and discussed the proposed legislation which I would remind this Chamber has not even come before this House. That member of Parliament should be commended for speaking publicly and strongly about areas of concern that he has articulated. I am sure, when the legislation comes to this House, it will be very significantly improved because of the initiative of that member and other members in coming forward with their concerns.

What about this motion? How many people will this motion put back to work? Perhaps it is going to provide a day's employment for all the people here today, but that is not going to be of much benefit to Canadian taxpayers. There are a lot of serious issues which I would have thought an opposition that was genuinely concerned about this country might well have brought forward for debate today.

As I listen day after day in Question Period, those members are reaching in all directions, trying to convince Canadians that the country is falling down around us, notwithstanding the fact that this is probably the finest place in the world to live. Most of us are proud to be Canadians. Most people in Canada are anxious to find employment opportunities, if they do not have them. Most unemployed people are pleased to have the opportunities that are created through some of the measures of active unemployment insurance which this government has brought forward in the last few years, measures, I might say, that were opposed by my friends opposite.

I am sure members from every single riding are delighted to assist people in their communities to take advantage of section 25 programs, for example, which provide good work opportunities for unemployed people and the training and various other programs which have been made available through the Labour Force Development Strategy. They take full advantage of these programs in their ridings and then come here and scoff them.

The fact that the Liberal Party has brought forward this motion today is not only a manifestation of its mischief making but quite frankly, a manifestation of the bankruptcy of its own intellectualism and lack of substantive policies to bring forward to this House today.

We saw that when watching the Leader of the Opposition. I am looking forward over the next few months to seeing his policy pronouncements. He made one the other day that was a real winner. He told us that after two years today, he is going to scrap the GST. Then he told us that maybe he will not scrap the GST, maybe he will modify it. Then the next day, he will say, I guess the GST has got to stay. Now we have the definitive announcement that the GST is going.

Stay tuned, folks. One of these days, if he gets to be Prime Minister—that is a fantasy idea if ever there was one—he will tell us in his first budget where he is going to get the $15 billion, $16 billion, $17 billion worth of revenue that the GST is providing. Stay tuned, folks, we can have only one idea a year. That is it for now. Scrap the GST. It will take him another year to come up with an idea of what on earth we are going to do to replace it.

If we believe what we read in the news, what he is going to replace it with is a hidden tax on food. That is kind of a neat idea. It will go over really well, I am sure, with people from coast to coast. If my friends opposite were seriously interested—

Mr. Wappel: You're being a hypocrite, Peter.

An hon. member: They are scared, Peter.

Some hon. members: Oh, oh.

Mr. McCreath: Mr. Speaker, I thought I had the floor and I say to my hon. friends: withdraw.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. I ask the hon. member for Scarborough West to show more restraint. I heard the word hypocrite and I believe this expression to be unparliamentary.

Does the hon. member for Scarborough West wish to add anything else?

[*English*]

Mr. Wappel: If your ruling, Mr. Speaker, is that that is an unparliamentary term, then I of course withdraw it. I will let the people of Canada decide when they go to McDonald's and pay GST on their food to reflect on the comments of the hon. member.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I appreciate the hon. member's reaction.

I now recognize the hon. member for South Shore.

[*English*]

Mr. McCreath: Mr. Speaker, I was not at all offended by my friend's little bit of enthusiasm. I was digging a little bit too close to home with my comments. That might have been the problem.

In any event, to get back to the subject, since we have the subject of unemployment insurance before the House today, we might as well try to talk a little bit seriously about it. My friends opposite have made a great deal of noise about the whole business of voluntary quitters, for example, and sexual harassment.

I have not seen exactly how many cases have been brought in the area of sexual harassment. I understand it is a very limited number. What is important when we look at this issue is that we remember that what is exempted from that is the concept of just cause.

I believe the Minister of State in her remarks made reference to this question. Having sat many months on the committee on Bill C–21 and travelled coast to coast to hear a lot of people come before that committee and express their concerns with respect to the need for a definition of just cause, the committee, and I might say to give credit where credit is due on the initiative of the member for Ottawa West, brought forth an amendment. When that amendment which provided for that definition came before this House, what did my friends opposite do? They voted against it.

Earlier I heard the member for Hamilton East talk about members over here abstaining. She said, and I quote her directly: "You have either got to line up with the workers or with General Motors". When it came before this House to define this concept, where was she? She abstained or at least she did not vote for it. She did not vote against it. I have it here, the amendment and the definition. I guess she did not line up either with the workers or with General Motors on that particular occasion. It will be interesting to see when the legislation comes forth again where she lines up.

Why are changes needed? What is unemployment insurance? What has unemployment insurance become in this country? Originally the idea was to provide assistance to people should they lose their unemployment unexpectedly to tide them over financially until such time as they could find a new job. It is insurance in the unanticipated event of unemployment. In fact, unemployment insurance in Canada has gone away beyond that.

I remember some years ago when I was active in the teaching profession in the early seventies when changes were brought forward that allowed leave from your employment for a maternity benefit. It was something that was very much welcomed by the teaching profession which at that time was about 52 per cent women. It was a welcome benefit.

It really went against the concept of unemployment because the minute we start paying unemployment insurance to somebody who is on a leave of absence from their job, we have gone long beyond the concept of insurance against unemployment. There are a number of other circumstances for which unemployment insurance is paid to people. I guess we have to admit that what has happened in our society is that we have taken what was supposed to be an insurance scheme and really turned it into an income security scheme.

• (1750)

There are large sections of the country, like the one from which I come in Atlantic Canada, where in fact people who are employed part time for part of the year manage to sustain themselves and have their income supported in part by unemployment insurance throughout other parts of the year. This, of course, is true in the fishing industry where people cannot fish all year round, by decree of the government. That is how unemployment insurance got into the fishery in the first place. The government which ran the fishery closed it from time to time. Then, to make up for the fact that it was the government that would not let people work, it allowed them to draw unemployment insurance.

Now we have a whole scheme of unemployment insurance in the fishing industry. There are problems with that. I have had a number of people who know that I represent a constituency with a substantial number of people in the fishing industry say to me: Well, fishermen can go out and make a lot of money for a part of the year and then still be eligible to draw unemployment insurance, and that is not right. Certainly if a person makes a lot of money it is questionable whether they should be drawing unemployment insurance.

I think the point should be made in this House that there are an awful lot of fishermen in Nova Scotia who are eligible but do not draw unemployment insurance because they say their income is at a level where they should not. There are an awful lot of fishermen and plant workers who are seasonally employed who need that unemployment insurance in order to get by.

That is the way the thing has become. If we are going to have a scheme like this, should it be one that provides incentives or should it be one that provides disincentives? This is an issue that is often raised. I frequently have been approached by Christmas tree growers in my constituency who say they cannot get anybody to work, that they would rather sit home and draw unemployment insurance. That may be true or that may not be true, I cannot comment on that because I do not know. I do know that they would not come to my office if they were able to find people willing to work. Yet there are people in the same area who are in fact on unemployment insurance. Clearly there are problems with the system. It needs to be improved.

One of the improvements that this government made which I think is extremely important was the gradual shift of the concept from strictly a passive unemployment insurance system to an active one; the notion that somebody who was unemployed should just sit home until such time as they get a job. They visit the employment agency looking for work, but in the meantime they do not have an opportunity to improve their skills or develop further experience that will assist them to relocate themselves within the employment system. That lateral approach to me is a good one. That was the concept behind Bill C-21. Today we hear people talk, sometimes even from the other side of this House, about the need for adjustment programs as we as a country come to grips with the structural changes that are taking place in the world.

Some parties in this House do not want to acknowledge those changes, but the fact is they are there. This government has tried to move Canada toward the 21st century. That is why we have had the initiatives in the area of trade that are so debunked across the aisle. That is why we have restructured the Canadian tax system to improve the productivity and the competitiveness of Canadian industry.

Another element of that is providing support for employment adjustment for the people who, as my friends like to tell us on a daily basis, have had their employment disrupted or indeed lost because of the changes in international competition in marketing and selling in business and so forth. This move toward active unemployment, providing opportunities for people to prepare themselves for opportunities that will exist in the future, is the direction in which we need to go. We think this approach of constantly opposing, opposing, opposing is a sort of head in the sand approach that does not make any more sense than the approach they have taken with respect to coming to grips with world trade and with the need to move our economy in a more competitive direction.

That is the reality of the situation. The approach that this government has taken with respect to unemployment insurance is quite consistent with this concept of trying to make the system work to assist and support Canadians to prepare them for the 21st century.

The reality is that we have been through a real tough recession. A recession means that everybody has less money to work with and the government is right in there with everybody else. Government revenues are down and unemployment rises during a recession. That is a reality of the situation, not a pleasant reality but it is a reality. More people unemployed means more draw on the unemployment insurance system.

What the Minister of Finance was faced with a couple of months ago when he brought in his economic statement was how we would pay for that. I know our friends opposite oppose every cost-cutting measure made by the government. They come up with a thousand ways the government should spend more money but they are a little bit short when it comes to ideas as to where the government gets the money to spend.

We know what the current Leader of the Opposition did when he was President of the Treasury Board. He did not worry about it. In the two years he held that office he managed to hold rising government spending to a mere 29 per cent, a record of which he was quite proud. I may have to check my math but I do not think government expenditures have grown 29 per cent since this government has been in power. The average growth is about 4 per cent. My math may be a little off but actually I think that is pretty darn close.

We know that the solution of the Leader of the Opposition to these problems is to not worry about it. Just like scrapping the GST. I love that one. Scrap the GST and some time in the future we will figure out where to get the money. That is not the approach this government takes.

This government's approach is if expenditures go up such as the draw on unemployment insurance, we deal with it either by holding the line on expenditures or by increasing the premiums. That is what insurance companies do, is it not? This is supposed to be an insurance scheme, though as I said earlier it has also become an income support scheme.

One of the things this government felt would stimulate small business and would help the regeneration of our economy coming out of this recession is of course to try to make more money available to the business community by holding the line on UI premiums. That meant there had to be some cost-cutting measures.

I received a letter today from a gentleman by the name of Ron Burgess of Rose Bay, Nova Scotia. I have never met Mr. Burgess but he writes me frequently. I have to say in fairness and honesty to him he is usually pretty critical of me and the government and that is his right as a citizen. I always write him back because he usually has a good point and I try to present our point of view.

In his letter he was scorching me pretty good because he said we were cutting back the unemployed with this proposal to reduce the percentage from 60 per cent to 50 per cent. What Mr. Burgess does not understand and what a lot of people across Canada do not understand is that the amount of money to be received by the unemployed is not being reduced at all because the contribution ceiling is going up and the percentage drops a little bit. The net result is that the recipient gets the same amount of money.

That is called a freeze and the government has imposed a freeze on wages and salaries in the Public Service of Canada, on members of Parliament and indeed on the Prime Minister.

I was accused of nasty things by my colleague opposite. The fact of the matter is it is kind of bizarre when the people receiving payments from the Government of Canada but are not working get an increase and the wages of those working for the Government of Canada are frozen. Now is there or is there not a freeze?

Mr. Harvard: What is the difference in pay?

Mr. McCreath: My hon. friend from Winnipeg—St. James asks as to what is the difference in pay. Well obviously there is a substantial difference in pay. One understands and recognizes that. That is why the ceiling on UI grows on an annual basis.

I think it is important that we try to convey to the public the truth of what is going on and not try to mislead or distort the reality of the situation. When we talk about moving from 60 per cent to 57 per cent it is important at the same time to point out the rise in the ceiling so that people will understand what is actually taking place with respect to this situation.

The issue of fairness comes up and we hear a lot of talk about fairness. Is this fair? The proposed changes I would suggest are fair. They are fair in that they represent but one element of the minister's measures to restrain the deficit and finance new initiatives. They are fair in that they help to free up money for activities such as training and development for unemployed workers. They are fair to employers who will be able to hire new workers thanks to the UI premium holiday for small business. They are fair to premium payers who cannot be expected, particularly in these tough times, to support people who choose not to work. They are fair as well to future UI premium payers who without these changes would have confronted an extra $1 billion of UI deficit, a deficit which can only be paid up in the final analysis with their premiums. I would suggest that there is quite an element of fairness.

I would like to say a few words on the issue of voluntary quitters about which there has been so much discussion. There have been a lot of misconceptions sent across the land about this issue—is that all the time I have? What a shame, I am doing so well.

• (1800)

I want to reiterate what many of my colleagues have said. Voluntary quitters who quit with just cause will not be penalized by these proposed measures. Any suggestions to the contrary are mischief making. When my hon. friend from Scarborough West accuses me of hypocrisy I would suggest that one take a look in the mirror. If anybody is suggesting that people who quit with just cause will be imperilled by this legislative proposal they are wrong. The reasons are spelt out in the act. The Liberal Party voted against them. There have been a multitude of decisions by the Supreme Court of Canada and the Federal Court listing reasons. There are 50 pages of valid reasons, of just cause spelt out and binding.

[*Translation*]

The Acting Speaker (Mr. DeBlois): We now move to questions and comments for 10 minutes. First I will recognize the hon. member for Laurier—Sainte-Marie and then the hon. member for Winnipeg North.

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, I want to raise three points briefly so that my colleague can make more elaborate comments on Bill C-105.

First, it seems that work relations are somewhat ignored in this legislation, and this is evidenced in a letter sent by the bar to the Minister of Finance which says: "The outright denial of the right to benefits in all cases where workers voluntarily quit their job without just cause in the legal sense or in cases of misconduct would show a lack of realism regarding the conflictual situations that occur in the context of work relations." This is what the Quebec bar had to say.

Second, I want to submit the case of a CIP worker in Trois-Rivières, for example, who, after working and contributing to the UI program for 25 years, loses his job because the plant closes down. This worker does not want to be unemployed, he knows he must find a job. He does find a job by chance—I mean by chance—and works for three or four days before quitting because the work conditions are really not suitable for him. He then goes to the unemployment insurance office where he is told: "You quit your job, therefore you are not entitled to benefits." Do you not think that because of situations like this people will say: "I am not taking any chances; I would rather be getting UI benefits than make an effort to find a job and risk losing it all"?

My last point is this. It seems to me this bill is an example of two types of justice. Here is why. People accused of misconduct or of leaving without just cause are automatically denied any benefits. Therefore, these people are sentenced before being judged. They will have to appeal the decision and it will take weeks if not months before they are told that they were right or wrong. The sentence is imposed before a judgment is rendered.

Under the Criminal Code or the civil code, a person is not sentenced before judgment. For example, there are a number of Conservative members accused or convicted of fraud who still get their full salary and enjoy all their privileges because a judgment has yet to be rendered or because they have appealed the verdict.

Is the member not a little uncomfortable since, on the one hand, he wants to arbitrarily cut off thousands of workers, while on the other hand he is sitting here in this House next to people who have been accused and convicted of fraud and who still receive their full salary? Is this not an example of two kinds of justice, one for the rich and one for the poor?

The Acting Speaker (Mr. DeBlois): I ask the hon. members to be cautious when they refer to events or issues which are still before the courts. Again I recognize the member for Laurier—Sainte-Marie.

Mr. Duceppe: Mr. Speaker, I want to point out that I did not mention any names. Those are established facts and I did not presume that these people were innocent or guilty. Consequently, in no way have I violated the *sub judice* rule. Absolutely not.

Therefore, I believe my comments were pertinent because they refer to facts.

The Acting Speaker (Mr. DeBlois): I take note of the comment made by the hon. member but the Chair does not want to take any chance and is simply advising members to be careful in this respect.

Mr. Robitaille: Mr. Speaker, I wish to point out to the Chair that my colleague did suggest that some members had been convicted of fraud and were still sitting in this House. This is absolutely not true.

The Acting Speaker (Mr. DeBlois): I do not want this issue to drag on. I believe what I said earlier puts an end to this discussion. I simply want to say that it is a matter of being cautious and, as far as the Chair is concerned, the comment made by the member for Laurier—Sainte-Marie ended the debate.

[*English*]

Mr. McCreath: Mr. Speaker, I think I understood the intent of the hon member for Laurier—Sainte-Marie in that he was trying to illustrate his argument.

I noticed his reference to Bill 105, which in my understanding is not what is before the House. I too picked up his reference to purported allegations against members of this House and in particular, the reference he made to members of this party.

Some would suggest that there are many kinds of impropriety, one being to run for public office under the banner of a political party that stands for a strong united Canada, then walk away from that party, draw a cheque and represent a party that seeks to destroy and take apart this country. Some would suggest that is a fraudulent activity. I will not say that because I would not want to transgress the rules of this House.

I want to deal with the issue that my hon. friend raised. I think all members of this House are concerned about the fact that just cause is a meaningless concept if, when individuals leave for what they believe to be just cause, in fact end up not receiving the benefit to which they are entitled.

As I indicated earlier, my colleague from Ottawa West of the Liberal Party brought forward an amendment to Bill C-21. It was a good amendment in my judgment and I supported it, unlike her colleagues. It set out a series of categories. Since that time, we have had an abundance of decisions, 50 pages of decisions. I would be glad to make a copy of this available to my hon. friend who is raising what are legitimate concerns from his perspective.

These are binding definitions provided by the court. There are 50–odd different ones covering a tremendous variety of topics, which I would be glad to delineate for the record. Members may as well avail themselves of a copy because it is very interesting. The important thing is that we recognize what is here. If the system does not work, then we challenge it.

If people leave their jobs for a legitimate reason, then they should be supported. If they do not get satisfaction from their CEIC office, I would hope, if nothing else, they would go to see their member of Parliament and complain. Part of the function of a member of Parliament is to see that individuals get fair treatment from the system. That is what we are here about, however let us not throw the baby out with the bathwater.

I want to tell members that I have many constituents on the south coast of Nova Scotia who think that people who decide that they want to quit their jobs to go home and do something else, or as the minister suggested, go somewhere else, it is not on. It is not what the system is for. The system is to protect people who lose their jobs who do not want to lose their jobs. It is the voluntary quitter that is key. Just cause is a different ballgame altogether, and let us not forget it.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I would like to make a very short comment and pose a few questions.

When 19,000 of 191,000 UI applicants who were initially held to have quit their jobs without just cause subsequently were found to have just cause, could we accept a 10 per cent error in the magnitude of error in judgment? Could we? Is it fair?

Second, I ask the hon. member if it is fair that years of prior contribution by the employee will go down the drain under the clause without just cause. Is it fair? Is it fair that the burden of proof will be on the workers who cannot avail themselves of representatives and perhaps lawyers to argue their cases before a quasi-judicial tribunal. Is it fair?

Is it fair that the balance of power will be tilted to favour the employers and to the detriment of the employees? I ask: Does this member know how much it would cost to administer this particular change in the UI act?

Mr. McCreath: Mr. Speaker, I am not sure how much time I have to respond but I will certainly do my best.

With respect to the first point, and I am not sure exactly what he is talking about, but if the appeal process turned around 19,000 of them, then one must conclude that maybe the appeal process works. Maybe some others might conclude something else.

• (1810)

As for the business of prior contribution, every year I pay a considerable amount of money buying myself auto insurance. My wife thinks that with the way I drive it is a darn good investment.

I hope to never collect a nickel of it. I hope I never have to collect my life insurance either. The bottom line is that we pay into insurance schemes with the hope that we will never collect a claim from them. The system must be a fair one. My hon. friend from Winnipeg North may find that his constituents totally disagree and they think that anyone who wants to quit his or her job should be able to draw unemployment insurance to the end. That is fine if that is what his constituents think. It is not what mine think.

My constituents think that people who quit their jobs voluntarily should not be eligible for unemployment insurance. That is what my constituents think. As for the question of prior contributions, it is similar to any other insurance premiums. I pay and I think most people pay hoping not to collect.

I want to comment on his allegation that the balance of power is with the employer. That is a tough concept to deal with. How do I know that is true? How do I know that is not true? I do not. My hon. friends would have it so that people would walk into the office and say: "My boss sexually harassed me and he or she is guilty". There would be implied guilt to the employer with no opportunity to respond. It would be automatic. If someone walks in and says it is sexual harassment or any of the litany of other reasons it is supposed to be taken on faith. Nobody would ever scam the unemployment insurance system, would they? Everybody who goes in tells the absolute unequivocal truth. Why should there be a process to hear the other side of the story?

I do not know, maybe my hon. friends are against that. It is the same with the concept of the burden of proof. Is there not some expectation that if we are going to make allegations against others we should be able to sustain them? I submit that we should.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, in this motion we condemn this Conservative government—

The Acting Speaker (Mr. DeBlois): Order, please. I am sorry to interrupt the hon. member but I want to be informed. Will he split his time with another member?

Mr. Allmand: Mr. Speaker, excuse me. I am splitting my time with the hon. member for Kenora—Rainy River. I will speak for 10 minutes and then there will be a five minute period for questions and comments and then my colleague will do the same.

We are condemning the Conservative government in this motion for its proposal to completely deny unemployment insurance benefits to those who quit their jobs supposedly—I emphasize the word supposedly—without just cause. The government would completely deny unemployment insurance benefits to those who are fired supposedly with just cause.

This is where I take issue with the Conservative member who just spoke. If workers who have left their jobs can prove that they quit the job for just causes then they will get their unemployment insurance benefits. If people who are fired can prove that they were fired without just cause, for frivolous reasons, then they would get unemployment insurance benefits as well.

What is the problem? The problem is that workers who leave their jobs or who are fired are presumed to be guilty. They are presumed to have quit without just cause or to have been fired fairly. Workers then have the burden of proof. They must go through the very costly and time consuming appeals process to prove that they really had just cause. This could mean that the average delay may be two to three months.

People may have just cause for leaving a job. They might leave because of a personality conflict or a very subtle type of harassment, and not necessarily sexual harassment. It could be for a great number of reasons. It is not always completely black and white. They have just cause but they are presumed to be guilty as soon as they leave the job. They must go before the board of referees, which is a costly and time consuming process, and they then have two to three months with no benefits at all until they are able to prove just cause.

It is for this reason that we condemn the government. We think that completely denying benefits to people in that sort of situation is an excessively cruel and unnecessary penalty. I will go on to show it is also counterproductive economically.

I want to mention that in the package the government put forward in the economic statement before Christmas it is also reducing the benefits from 60 per cent to 57 per cent. We are at a time of excessively high double-digit unemployment for over a year and it brings in these kinds of measures which are against the unemployed. It makes it much more difficult for the unemployed. Benefits are reduced and it is much harder for those who are forced to leave their jobs and who are fired unfairly.

So that the Canadian public can be informed, we should point out that there have always been penalties in the law for those who totally abuse the system, who leave their jobs without just cause, or who are fired for misbehaviour. The penalty when we were in government was of one to six weeks and the average penalty that was given was usually about two or three weeks. This meant with the two-week waiting period there were about five weeks if you left your job without cause.

In Bill C-21, which we opposed, this Conservative government in 1990 increased that penalty from seven to twelve weeks. We opposed that for the same reasons we are opposing this. This is excessively harsh. We said that penalty was excessive. This penalty is excessive as well, especially when you consider that just cause is not always totally black and white. It is very often in the grey area and it is often difficult to prove. Because it is in a grey area and difficult to prove, to completely deny unemployment insurance benefits to those who have paid contributions for years and years is unfair, harsh and unacceptable.

We can all think of situations where you are working in a large shop, in a factory, or in a plant and you have a personality conflict with the boss, your superior. He is making you do this, picking on you, asking you to do things perhaps beyond the job description. A large number of people in this country do not have unions to fight for them. In a situation like that, finally the person quits. He is psychologically burned out, beaten down, and he quits. He is denied unemployment insurance under this law. First of all he goes to the Canadian Employment Commission and says he really had just cause and starts to prove his just cause.

If he is turned down at the CEC, he has to go to the board of referees. The average delay is about two to three months if you go through the entire process.

Mr. Della Noce: No, no.

Mr. Allmand: The hon. member will have a chance to make his speech. I checked with the government officials today and these are the figures from your government. I checked this afternoon. The average delay is two to three months.

Mr. Della Noce: You listen to my speech. You may learn something.

Mr. Allmand: I have not learned very much from you and you have been here nearly eight years.

There have always been penalties. I want to make clear that we believe in a reasonable penalty. We accepted the penalty of one to six weeks which we thought was reasonable. In 1990 when the government brought in the seven to twelve week period it was getting a bit more excessive. We opposed that. To completely deny benefits to people who have paid premiums is harsh and unacceptable, especially if it is not easy to prove and it is not clear-cut both on the firing side and on the quitting side.

What is going to happen to these people? They have to live. We do not live in a country where we let people starve to death. This government, and it has done it before, is shifting the burden to the provinces and the municipalities. These people will have to go on welfare. The government is doing that all the time, shifting the burden down. In Ontario and Nova Scotia the municipalities will have to pick up the bill to pay for these people who need to support their children and so on.

By the way, the figures show that with the quitters, the people who quit, who believe they have just cause or not, get jobs in a very reasonable period of time when conditions are good for employment. When conditions are bad such as during the last year when we were in a deep recession and unemployment is over 10 per cent people just do not quit their jobs. I have them in my office all the time looking for work.

• (1820)

There may be examples of people who goof off and abuse the system, but there are many more people who want to work. They come to our offices all the time asking us if we can help them find jobs. They do not frivolously leave their jobs. Most people do not do absolutely ridiculous things which will have them fired for cause, for reason of misbehaviour.

I described the process in the law. It came about as a result of an amendment from this side of the House, because I was the critic at the time. When the penalty was increased from seven to twelve weeks, we asked the government to at least put in a definition of just cause and it did. It put in certain things. It was not entirely what we wanted, but at least it was a step in the right direction. Now there are five reasons set out in the law.

That is good, but it is still hard to prove and the burden of proof is still on the unemployed person. In many cases it is very difficult to prove and to go to this excessive penalty is not acceptable.

Mr. Speaker, my time is nearly up, but let me say that these measures by this Conservative government are just another step in the gradual destruction of the unemployment insurance system.

We said during the free trade debate there would be a lot of pressure on Canada to harmonize social programs with those in the United States. Everybody knows that many states in the United States do not have any unemployment insurance. In some they have very low unemployment insurance. At the request of business this government has been trying to push down our social benefits, including our unemployment insurance system to make it similar to those in the United States.

In this bill the government is acting unilaterally in changing the program. In 1990 it did away with its contribution to the fund. Until 1990 the unemployment insurance fund had three contributors: the workers of the country, the employers of the country and the government which contributed 20 per cent. In 1989 the government had contributed $2.8 billion to the fund. It cut that out entirely. Now the fund is solely contributed to by the workers and the employers. They should have some control over the fund. They did not have any say whatsoever in the changes we are discussing today. The government did not discuss them with the workers and the unions. It did not discuss them with the employer association.

This is another example of this government totally disregarding the rightful interests in certain programs and policies in this country.

In my final remarks, let me say this. Unemployment insurance is good for the workers. In times of unemployment it sees them through. It helps them pay for their food, their rent and their basic necessities during hard times when they are not working. It also helps business because it keeps money in circulation. It reduces the number of bankruptcies. It means that people are spending money, money they get from unemployment insurance for the basic things of life.

It is not like the Great Depression of the thirties when there was no unemployment insurance, but that is the direction in which this government is going.

[*Translation*]

Mr. André Harvey (Chicoutimi): Mr. Speaker, I was in the habit of listening respectfully to the hon. member for Notre-Dame-de-Grâce when he spoke, in view of his long experience, but I can only deplore hearing him make comments such as those we heard a moment ago. It is absolutely unbelievable to claim that the federal government is passing its responsibilities for social assistance on to the provincial and municipal governments.

An hon. member: Demagogy at work.

Mr. Harvey (Chicoutimi): When you think that Gérald Larose used to say that our government should be criticized for being antisocial. The numbers speak for themselves: since 1984, this government has increased its social commitments by 50 per cent. These are the exact figures, the hon. member for Notre-Dame-de-Grâce will know there is between $44 billion and $66 billion to help the provinces meet their commitments for education, health, welfare, and so on.

Someone also stated this afternoon on behalf of the leader of the Bloc Quebecois that he was very sorry for the poor. To this gentleman who has a sporadic, intermittent concern for the poor, I might offer this piece of advice: do not live 500 kilometres away from your riding; visit your riding regularly, weekly, to address the issues affecting your riding; look after your municipalities.

It is our duty. These people having voted for our party, I feel under the moral obligation to do a good job at representing them in government, because the leader of the Bloc Quebecois is illegitimate.

I have also heard folks from the FTQ say that we should go after the companies. You may be assured, Mr. Speaker, that since our government came to power, 50 000 companies are paying their taxes regularly. We have brought the rate down from 2.7 per cent to 0.7 per cent, and this 0.7 per cent is made up of small businesses with 5, 10 or 15 employees who have had the misfortune of having deficits and which are amortizing them over a few years.

Let me tell you something, Mr. Speaker. Without trying to outdo the Official Opposition in wild statements, I can tell you some people will vote against Bill C-105 because of the freeze on their salaries. They will not admit it, because the bill does contain some very progressive measures. Let me tell you something else. The FTQ says that an area like ours will lose $60 million, but they left out a couple of things. They failed to mention that $4 billion, 20 per cent of the total amount, as taken from the unemployment insurance fund to also be invested in areas like ours. They also failed to mention that the contributions of many small businesses have been frozen, and that they will get tax credits when they hire new employees—

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member. The length of speeches being limited to five minutes, I must, in all fairness, give the hon. member for Notre-Dame-de-Grâce the opportunity to respond.

[*English*]

Mr. Allmand: Mr. Speaker, no wonder the government is at 18 per cent in the polls when you get the kind of statement we just heard from the hon. member. No wonder the government's credibility is almost zero in this country.

Who is the member trying to fool when he suggests to this House and to the Canadian people that the government has increased transfer payments to the provinces? There is no doubt in our minds that the decrease in transfer payments to the provinces is in the millions of dollars.

[*Translation*]

Mr. Harvey (Chicoutimi): On a point of order, Mr. Speaker.

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

Mr. Harvey (Chicoutimi): I am sorry, but I think that we are operating under a highly advanced system of ministerial responsibility and, to be as popular as the hon. member, all we would have to do would be to increase government spending by 15 per cent year after year, and the debt would rise to $850 billion in no time—

Mr. Prud'homme: On a point of order, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): The hon. member for Saint-Denis on a point of order.

Mr. Prud'homme: I simply want to submit to the Chair that a point of order should indeed be one. The arguments being put forward may be interesting and make for a fascinating speech, yet they do not constitute a point of order. It is the continuation of a speech. I would ask that my colleague be allowed to continue—

The Acting Speaker (Mr. DeBlois): I thank the hon. member for Saint-Denis, but the Chair had already realized that it was a matter of opinion. I shall give the hon. member for Notre-Dame-de-Grâce one more minute.

[*English*]

Mr. Allmand: Mr. Speaker, as I was saying, the statements made by the hon. member are totally false.

As a result of Bill C-21 in 1990, unemployment insurance coverage for Canadian workers was reduced from 70 per cent to 58 per cent. What happened to those workers who were not covered? They had to get welfare from the municipalities and the provinces of Canada. Welfare bills went up, and that is a fact. Ask any province. The government cut transfer payments for education, it cut transfer payments for health care and it cut transfer payments for social services. It is a farce. Nobody believes it anymore.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, I appreciate the opportunity to enter this debate.

I would like to start by reading the opposition motion which I think is very significant and should not be taken very lightly. The motion reads:

> That, in the opinion of this House, the government's policy of denying unemployment insurance benefits to workers who quit their jobs or who are dismissed is "too severe", "too tough for people", "puts people in a desperate situation", "goes beyond fairness", is "extremist" and "right-wing"—

Those are very damning statements to make about any particular government. I want to put this debate into context for a moment. It seems the debate we are having today is one dealing with quitters. Because we are entering into that debate it is necessary for us first to put into perspective how many people we are really talking about.

• (1830)

In 1992 the total of claims delayed or denied was 132,800. Out of that total 2,740 people were fired for misconduct and 16,710 quit their jobs. For the sake of this whole debate we are talking about 20,000 people.

One of the interesting parts of this whole debate is that out of the 20,000 people we are talking about 50 per cent of them quit their jobs because they were on their way to another job. As the mathematician that you are, it means that 10,000 people are removed from this debate. Of the remaining 10,000 people 43 per cent found a new job within 10 weeks. Therefore the whole amount we are debating today is 6 per cent to 7 per cent, in essence roughly 2,000 people.

If we are talking about 2,000 people in the whole system who are legitimately going to have to go through the process of dealing with just cause, we should put it into perspective. The reasons for these people quitting their jobs should be looked at. There are some very good reasons.

Let me give a good reason. The minister opposite who spoke not too long ago said simply that we were prepared to look at sexual harassment and the proof of sexual harassment. I checked this afternoon and last year in the city of Thunder Bay alone 10 cases of sexual harassment were reported to the UIC office. The fact remains that if a small town like Thunder Bay had 10 reported cases, one can suggest that across the board the number must be a lot higher. If we are only talking about 2,000 people in this whole process then I must question just what it is that the government has in mind.

If the government is serious about dealing with people who should not be on unemployment insurance for legitimate reasons then we should not be talking about the quitters. That is because statistics and our own people whom we hire for their professional abilities are saying that the amount of dollars saved by bringing in legislation to not give unemployment insurance to quitters is almost nil.

There is another interesting statistic and the government will confirm it. We lose roughly $200 million a year by people classified as cheaters. Obviously that is what seems to be the problem with the system and why certain members of Parliament are quick to jump to their feet and say: "Well, I know somebody who went to Florida and was on UI", or "I know someone who has a night job or is working on the side and is collecting UI". They of course are a different kettle of fish. That is the debate we should be having here today and not this one about quitters.

If you believe in fairness and if you believe that people as human beings are decent and care about society, themselves and their families certainly they are not going to quit for no reason.

Therefore this motion is something we should be very conscious of simply because of the roughly 2,000 people who are classified as quitters are quitting for very legitimate reasons. Now we are asking as parliamentarians through legislation which is going to be brought forward in the next weeks that the onus be on those people, that they are in essence guilty until proven innocent. Those 2,000 people we are talking about in this scenario are those being sexually harassed and are afraid in an unsafe work place.

It is important for members across the way to know another statistic. These are the latest figures from Statistics Canada. In 1990 for fatal occupational injuries there were 809 deaths. There were 592,824 non-fatal occupational injuries resulting in lost time and 438,449 non-fatal occupational injuries with no lost time.

One might ask what that has to do with this debate. The fact remains that there are a lot of people getting hurt and a lot of people dying on the job in this country. Now, for someone to go to a higher authority and suggest that there are unsafe working conditions, they are at risk of losing their job. If they are at risk of losing their job without some sort of ability to find another social safety net while they go through this process, they will be more reluctant to talk about the unsafe conditions in the work place.

I can tell you, Mr. Speaker, without blinking an eye that I believe with legislation like this we are going to see fatal occupational injuries in our country rise. Men and women need to survive. They need to pay for their children's education and put food on the table. They will, as they did in the past, allow for certain occupational risks in order to make a living. I am concerned that for roughly 2,000 people we are putting Canadians in these situations of risk.

We are one of the G-7 countries foolish enough to make these changes. Germany does not do it with quitters. Italy does not do it with quitters. Japan does not do it with quitters. The only countries I can find in the G-7 that deal with quitters the way we are proposing are France, and Heaven knows why, and some of the United States.

Let us go back to what I think this government is really doing. This is a very empty gesture of saving money by penalizing quitters and not letting them collect UI. As I said before 93 per cent or 94 per cent of them get a job right away or within 10 weeks. We are really talking about a very small number of people in desperate situations. That is the reason they quit in the first place.

If that is the case then really what the government is doing through the back door is creating a smoke-screen, why I do not know. It is reducing the amount of unemployment insurance people are allowed to collect from 60 per cent to 57 per cent which is going to save $2.5 billion. Of course we are so busy debating about quitters, about 2,000 people, that we are not talking about the roughly $90 a month this government is prepared to take out of somebody's unemployment cheque which is so small already that the day to day costs of living cannot be met.

If this is the best this government can do to improve its position in the polls, I think the party on this side of the House really does not have anything to worry about. People really see through this when they look at the numbers and realize that these changes do nothing for us as a country except pit worker against employer. It makes Canadians feel that they cannot be trusted, that there are bunch of quitters out there who really do not care about Canada. That is a misconception all Canadians are going to see through once they have an opportunity to look at the numbers as I have tried to state them today in the short period of time I had.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The hon. member for Laval-Est, on a question of privilege.

Mr. Della Noce: Mr. Speaker, if you will allow me, I heard the hon. member say, and if I am mistaken, my colleague can correct me.

[*English*]

When he talked about voluntary quitters, he said 4,000. My numbers are that in 1991 there were 225,000 and 80 per cent did not have a cause for leaving.

• (1840)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member, but this kind of mutual correcting is not, strictly speaking, a point of order but a matter of opinion or debate. The Chair cannot accept this as a point of order.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I listened with great interest to the hon. member's comments. I think he deserves to be commended for his even temper and the fact that he insulted no one. Furthermore, I thought he quoted some very interesting statistics.

We cannot deny the fact, unfortunately, that there are people who abuse the unemployment insurance system. It is a fact, and I think if I were convinced it was a serious and urgent problem, I would have no hesitation in voting with the government. But that is not the case. Actually, I was glad to hear some statistics, because they confirmed more or less what I read a few days ago in *Le Devoir*. This newspaper concluded that abusers of the system represented only 1 per cent of claimants. I was delighted to hear the statistics quoted by the hon. member.

One of the questions I would like to ask him is this: Instead of penalizing everyone, should the government not have put the emphasis on manpower training? Instead of paying people to do nothing, to stay home, because I assume Canadians would rather work, why not put the emphasis on manpower training as they do in other countries, especially in Scandinavian countries where I believe more than two-thirds of the amount is allocated to manpower training? Would he agree this would be a better way for the government to invest its money?

If the answer is yes, how does he reconcile that with statements by his leader to the effect that we need to increase centralization?

[*English*]

Mr. Nault: Mr. Speaker, I appreciate the comments of my colleague. First of all, I emphasize that this legislation in essence removes $2.5 billion out of the system, out of the hands of Canadians who of course spend that money. When we talk about unemployment insurance, I am sure not a portion of it goes into savings accounts. It goes right back into the economy.

With the talk about coming out of the recession and looking to stimulate the economy, this government has done something quite interesting. It has removed $2.5 billion out of people's pockets. Even though they are unemployed, they still spend that money.

It is difficult for me to understand why the government is doing what it is doing. Looking at the numbers, to me it is a smoke-screen to deal with the bigger issue. That is, this government lacks policy to deal with the unemployed.

There are a large number of unemployed Canadians. What should be asked and what we should be debating tonight are our suggestions as members of Parliament to get that large population of Canadians, 1.6 million who are unemployed, back to work. I would love to have that emergency debate, which is what we need in this country.

Instead we are pushed by this agenda of the government that there are so many cheaters, quitters and people who have to be pounded down to the ground by the government because they cannot be trusted. As opposition we fall into the trap of going with the agenda of the government.

We are spending our time talking about roughly 2,000 people who really are in desperate need of UI because they quit for sexual harassment reasons, they quit because they felt it was unsafe in the work place or they had tensions and pressures on them that are hard to explain to UI or a referee board or anything like that. Instead, we should be talking about how to create employment. I say to the member that I look forward to the day when we can have discussions in this House with more than a few members of the government sitting listening to us so that we can discuss in legitimate terms just how we can make this country a little better for all of us.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Resuming debate. I give the floor to the hon. member for Laval–Est and ask that he indicate to the Chair whether he wants to use all his time or share it with a colleague.

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State and to Minister of Multiculturalism and Citizenship): Mr. Speaker, I will share my time with the hon. member for Abitibi and I will take my 10 minutes. I thank the assistant whip who also gave me his speaking time.

First of all, I would like to say at the beginning that these things interest me and I want to talk about them. Unfortunately, we only have 10 minutes. I want to get to the point right away. As you know, almost all members' offices were invaded today by unions and groups that naturally came into our offices without appointments, without calling, by surprise. I find it very unfortunate that union members paid by the union, as was confirmed, who are not unemployed did that to the detriment of many colleagues and employees.

Nevertheless, I must point out that in my office, there were wonderful, polite, nice people who were surprisingly courteous with my staff. Still, they have taken over our riding offices and are deciding themselves when they will arrive and how long they will stay. I find that really deplorable.

The worst part is that at the offices of some of our colleagues here on this side of the House, there were violence and arrests, believe it or not. I find that even more deplorable. That was in Ahuntsic, to help you get an idea. I have just spoken with the police and I received confirmation that there were violence and arrests. I find that too bad because those people to whom I myself spoke today told my assistants that they left more enlightened than when they came in.

Perhaps some of my colleagues have not had a chance to talk or explain, since we were meeting in caucus this morning. We discussed all the points for two hours and we are finding the best possible solutions for our workers. We must not forget that the government has a big problem. This is also a question of dollars and cents.

I must tell you that now that we are at this point, there have even been threats against our homes and families. I called and asked the RCMP, who seemed unaware of certain things, to do their job. I must tell you that if there is no protection tomorrow, probably I will not be able to come to sit here. This is a notice to those concerned! When our families are affected because of a bill, we realize that members are no longer free to act in the House of Commons. Groups are now dictating to the government what to do. That is too bad. I am ready to meet those people at any time, but at least on my time, by appointment.

I also have in front of me a newspaper article where we see that there will be demonstrations and even violence. Some completely wrong announcements are made, and in the five or six minutes remaining to me, I would like to analyze them with you.

"Bill C–105 is one of the worst attacks on our rights." That is totally false. It is a measure to protect all workers and employers who finance our plan, and you and me who work. Our measures protect them from people who choose not to work. The unemployed will continue to benefit from our unemployment insurance plan. That is guaranteed.

Second, "the changes give employers too much power", the "damn" employers. I hear that again and again. It has reached the point that employers are blamed for everything, but they pay $4.25 for every $100 of salary and the employee pays $3. As someone who was an employer for 25 years, I personally had to deal with the blue forms. I find it rather a shame that it is always blamed on the employer. Once again, this is a false claim. The bill does not grant any power to employers. This is just not true. When a claim for benefits is submitted, UI officers give to both the employer and the claimant the same chance to provide the required information. The officer must hear both sides, that is the employer and the employee.

• (1850)

Moreover—and I did not hear this from the other side and I am sure some will intentionally avoid mentioning it—we give the benefit of the doubt to the claimant. Right now, things are not going well with the UI program. Bill C-105 will not solve all the problems which already exist. In his demagogic speech, the member for Notre-Dame-de-Grâce, who has been here for 25 years, said that employers could drastically change the conditions of employment for workers. That is false. It is false to claim that those measures will have that consequence. Such circumstances are already recognized in precedents as valid reasons for quitting a job.

All those who came to protest in our offices—and I must repeat that those who came to my office were extremely nice; in fact, I will meet them again on Monday—said that they were better informed when they left than when they arrived. They will probably come to see me more often. It is a pleasure for me to meet these people, as long as there are not 200 of them arriving together, because our offices cannot accommodate that many, not to mention the disturbance for our personnel.

Another one said all week that employers will be able to fire union people. This is what the ad says because it is those people who organize the protests. That is false. Any person fired for those reasons is entitled to UI benefits. Under the Unemployment Insurance Act, such union activities are not defined as misconduct. Unionization is a right. It is wrong to make such claims. It is in today's ad. In fact, it is in today's issue of *Le Devoir* and it says: "Let's fight unemployment, not its victims." That is pure provocation.

A fifth claim says that the victims of harassment—I often hear that one—and low income workers will not be able to leave their jobs to find a better one. That is false. Any victim of sexual harassment will be eligible for benefits. This protective measure was put in place by our government. When a person quits her job for a better one, it is not a voluntary termination of employment. Listening to all those who have spoken on this issue in the past week, you would think that all employers now engage in sexual harassment. I wonder about an employer who has 2,000 people working for him. He must really be busy. Sexual harassment is the only thing they can come up with. It existed before and it will probably continue to exist after Bill C-105 is passed. We only hope that there is less and less of it and that people do not make abusive claims of sexual harassment. It is always the bosses. Do you think that an employer with 2,000 employees has control over absolutely everything? He probably does not even know his employees. I was a boss for 25 years and I can assure you that I often did things to please my employees, even though at times we were at the limit of legality and the legislation protected the employee more than the employer. You know, sometimes you have to buy peace.

Certainly there has been abuse. I have witnessed it in my life. I was an employer. What can I say? That is how things were done. Some will say, like the hon. member for Winnipeg who has left: "It is a form of insurance." Or they will argue: "I have paid UI all my life. You have to pay me benefits even if I do not qualify." That is not true. You pay your life insurance premiums, but if you commit suicide, the insurance will not pay up. It is dreadful to hear people say things like: "I have been contributing to the UI plan for 25 years, and now I have been cut off. I have been paying fire insurance on my house for 25 years. Since there has never been a fire at my place, I never collected on the insurance. I inquired of my agent, and he told me: "Set the place on fire and we will pay up." He also warned me: "You better not get caught."

Mr. Speaker, I think the bill is sensible. The thing is to interpret it correctly and not to worry about it.

The government has a problem. It is collecting $15 billion, but has to pay out $22 billion. That is indeed a problem. I caution the unions looking to muddle the whole thing to be careful not to threaten our families which have nothing to do with this, our wives who have been alone for seven or eight days and our children who are truly defenceless. To these people, I say: "Watch out. Do not dare cross the threshold of my house, just in case—" One thing is sure, my family is not responsible for this bill.

The Acting Speaker (Mr. DeBlois): A five-minute question and comment period. The hon. member for Parkdale—High Park.

[*English*]

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I compliment the hon. member for Laval-Est, not for his contribution to this debate, but for being a good employer if he practised what he told us he practised. That is an employer.

The complaint I am getting from the chairman of metropolitan Toronto, Mr. Alan Tonks, is that the city is being killed economically by having to pick up the welfare costs, whether it is for the refugees that are coming or whether it is for people who are caught between jobs and unemployment. I have heard about that field process here and I heard about the just cause and not just causes. There will be people who either because of a waiting period or because they are not eligible have to live off something. They cannot starve to death in Canada.

In the Montreal area, just as in the Toronto area, I am sure these people will have to go on social assistance. I would like to hear from the hon. member whether the cities in Quebec are making the same complaint, that the federal government has abandoned its responsibility and is trying to shift the burden on to the local municipalities while at the same time it is looking very good because it says: "Look at what an efficient country we are running".

Mr. Della Noce: Mr. Speaker, I thank my hon. colleague. I must tell him that the same exists in all the cities in Quebec. In some places it is worse for many other reasons. I do not know if they have the same demonstrations with the unions that took over the issue.

"They are going to control" said the people who came into my office this morning. They have orders to stay there. I said, who do you represent? Are you unemployed? I was told: "I represent everybody who works in the union from your riding". They came from 50 miles north of my riding, which was a little bit surprising.

They said what about the people who do not work and that we should take care of? They are not the workers. The workers are responsible because they pay the invoice. It is the same question which I ask people in the city. Of course the city mayor complains on many issues not only on this issue. They always need more. They have their problems too.

We have to be careful because this UI system is not an insurance which will solve all the problems. We collect $15 billion and we need $22 billion. Where will we get the money? The deficit we can always play with, but that is not our intention. To pick up the tab from the city, of course there is some, but this is not due to what the government is going to do. Before we had people who were starving on the 17 or 12 weeks period. Are we now trying to tell the people that everybody who leaves their job will be penalized? Wrong.

This morning in our caucus meeting, without giving all the details because we do not know what could be changed, I heard a lot of good news. The benefit of the doubt is never given to the employer. It is given to the second party which is the employee. If the employer says that the employee went out because of misconduct and the employee says it is because the employer changed his hours or because of other reasons, I can guarantee my hon. colleague that I will fight for this person and he will not be penalized, he will not be starving. On the other hand I can say I am fed up with waking up at 5 a.m. A lot of my people and a lot of employers have said they want to pay for the people who really need it. They say it is 1 per cent. It might be a little bit more. It does not matter how much it is, it is still too much. My employers said they pay $4.20. To solve the problem what would it cost? I said $8 and they do not like it, "We are going to freeze that there and we have to pick it up".

• (1900)

In the city it is the same problem with the employers who are fed up paying the UI unless they really need it. I am in agreement to pay UI for the people who are really starving, who need a job or they have lost their jobs and not quit their jobs voluntarily.

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, to start with, I would like to respond to the unflattering comments the Liberal member for Hamilton East made about me. Usually, I do not pay attention to the criticisms coming from people who are misinformed, but today I will make an exception. It is true that I am not here to dodge criticisms coming from Liberal or other members, but I want to tell Canadians that I forgive the hon. member for Hamilton East for what she said. Forgive her, Lord, and let your light shine on her so she mends her ways. I consider the incident closed.

To come back to the motion of the Liberals which was tabled at the very last minute, this is not something which was proposed two or three weeks ago, or before the holiday season, this is a motion—and I want every Canadian to know it—which was tabled last night, five minutes before midnight, not fifteen, no, five to midnight. It reads as follows:

> That, in the opinion of this House, the government's policy of denying unemployment insurance benefits to workers who quit their jobs or who are dismissed is "too severe",—

Before Christmas, when Bill C-105 was tabled, I had consultations by phone from my office. During the holiday season I met in Amos, on December 23, people from la *Boîte à Copains*, ladies who were worried about Bill C-105. With my political assistants from Senneterre, Val-d'Or and Amos, we conducted a telephone survey and so on. During that period, I was quite apprehensive about Bill C-105. Therefore, I decided to tour my riding, and more precisely on January 12, 1993—

Mr. Prud'homme: I rise on a point of order, Mr. Speaker. I must say to my hon. friend that I have known him for a very long time and I know he would not want to mislead the House or the Canadian people. The motion he referred to was tabled in accordance with our rules. It became official yesterday evening at six o'clock pursuant to the Standing Orders. Maybe the member read it at five to midnight yesterday, that is always possible in our offices, but the rules are very specific: pursuant to the Standing Orders, a minister of the Crown announced at the beginning of the week that Wednesday, therefore today, would be an allotted day. Consequently, according to our rules, we had until five o'clock yesterday evening to prepare for this opposition day.

If there were any surprises, they came from the hon. minister. That is also in the rules. In accordance with the Standing Orders, the minister of the Crown announced only Monday that today would be an opposition day. We had until five yesterday evening to study the question we would like to debate. It was tabled. I see the clerks of the House; they know this motion was tabled before six o'clock in accordance with our rules; otherwise it would not have been admissible. Therefore, whether we agree or not with what you said does not matter; we must not mislead the Canadians.

[*English*]

The Acting Speaker (Mr. Paproski): I am sure the hon. member is perfectly right. It is a point of order. We have resolved that. I will carry on with debate.

[*Translation*]

Mr. Saint-Julien: I took note of the hon. member's speech; he is very experienced in the House. I also note that this motion was tabled after December and January, in fact it was tabled at the beginning of February, on February 1, two months later. Lord forgive the Liberals for being late in presenting this motion.

As I was saying, I held some consultations. Before I did, I informed the local media, the unions and the workers what were the issues concerning eligibility for UI benefits. I explained to them, in several pages, what the bill was about and what the position of the government was. In this January press release, I even told the workers of my riding that in 1978 the Minister of Finance of the time, who is now Leader of the Opposition, had reduced the benefit rate of insurable earnings from 66 2/3 per cent to 60 percent. This was a reduction of 6 2/3 per cent. It was a regressive measure because it applied immediately to everyone receiving UI benefits and all new claimants.

I also explained UI costs, the reduction of UI premiums for new jobs and that we had to invest in resources. I also mentioned just causes for dismissals and the reduction from 60 to 57 per cent. After these consultations, I said that I would check on all those things in my riding while continuing a tour of Amos, Malartic, Senneterre, Matagami, Joutel, Val-d'Or and Barraute. The tour lasted a few days. I listened and met people, workers, unemployed people, mothers, residents of my riding who told me: "We would like you to write a letter to the minister and tell him what we want him to know."

I would like to pass on to you some of the comments made by people of Abitibi to the effect that the federal government is not contributing a penny to the UI fund; that, as early as 1990, with Bill C-21, the federal government had extended the waiting period from 1 to 6

weeks to 7 to 12 weeks; that bringing the rate of benefits down from 60 to 57 per cent of the eligible earnings will severely penalize the middle class and the working poor; that the provisions of Part IV of the bill have to be amended; that it is the employers who fill in the reason for leaving on the record of employment, without any input from the workers; that the federal government will have to find another way to penalize those who abuse the system, perhaps with a system similar to the one for drunk drivers all these are things people told us.

I consulted the people in my riding, and my riding is the largest in all of the 10 provinces of Canada. I did not take any holidays. I spent my time in the field, because I wanted to hear what the people had to say and I will keep listening. They told me that the federal government should have consulted the people of Canada before introducing Bill C-105, that some employers, taking advantage of the fact that they receive piles of applications because of high unemployment, do not hesitate to give the boot to employees if they make the slightest mistake. The fact of the matter is that, in isolated areas north of Matagami, a foreman can summon an employee who is on his way out and assign him extra work to do before leaving. This happens. Five just causes are mentionned in Bill C-105. We learned this morning from the political assistants of the employment and immigration office that case law recognizes no less than 40 other just causes for quitting voluntarily.

Today, I did read the Liberal motion which was tabled two months late. The Bloc Quebecois did not even table a motion and the same goes for the NDP. On the other hand, we hear them criticizing us on television, like the member from the other side of the river who comes here once in a while. We did not see the member for Hull-Aylmer today. We did not see him rise in the House. He was not here.

I have been mandated by my constituents from Abitibi, whom I have met and listened to. I have been asked to have Bill C-105 amended at second reading, in the legislative committee and at third reading, because of the workers as much as the employers and the unemployed but not because of a Liberal motion which was tabled yesterday at the last minute. I am not bound by a Liberal motion, a motion from the opposition. I am going to tell you why I will abstain from voting. It is because this motion is false and demagogic. Tonight, in deference to my constituents, concerns in Abitibi, I am going to abstain from voting because I am looking forward to the study in the legislative committee and third reading. I am not doing it because of the Liberal Party of Canada, which has been out of the Abitibi riding for the past eight years.

• (1910)

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, I am pleased to intervene to ask the member for Abitibi a question.

Before asking him my question, I would remind him that I had the pleasure of receiving in my office Mr. Paul Robert, the provincial director for the reinforcing-steel erectors of the construction branch of the Quebec Federation of Labour, together with members of Local 777 who came to tell me about their total and complete opposition to this government bill which is very unfair to Canadian workers who, unfortunately, are losing their jobs.

I did tell Mr. Robert that the Liberal Party of Canada was opposed to this measure and when the bill is presented to the House, we will express our objection and opposition to it on behalf of workers in Quebec and throughout Canada. We will vote against it. We are not like some Conservative members who make statements denouncing this bill, but who go away so as not to be here for the vote.

I ask the hon. member for Abitibi this. How come he is trying to have the people believe today that this motion before us should not be? He should know very well that the opposition parties have only a few very limited opportunities to express their point of view, on opposition days designated by the government. Only when the government lets us decide what we will talk about in this House can we do that.

I ask the member, who sits on the government side, who determines the agenda. He knows very well that very often the government limits discussion on a bill. Why does he not let us vehemently oppose this bill? On behalf of the workers who may be affected in his own riding, will he have the courage to vote against this bill and support us this evening by saying that this motion condemning the government for this bill deserves the attention of this House and the support of all members, whether in opposition or on the government side, who really care about the interests of workers who at any time in their lives can become unemployed?

Mr. Saint-Julien: Mr. Speaker, I have not seen the hon. member for years. I am pleased to meet him tonight.

Further to his question, I would like to say that the motion now being debated fails to mention that the government's policy was not to pay unemployment insurance benefits any more to workers who quit their jobs or are dismissed. I remember that we voted on Bill C-21 a few years ago. Even some members of the Bloc Quebecois voted in favour of just cause, on Division No. 104. They forgot to mention just cause in their motion tabled several days or weeks later in Parliament.

The hon. member has a great deal of experience. Five reasons qualify as just cause, but they forgot to talk about those reasons. They tell the people, "If you leave your job, you won't get unemployment insurance."

I am not tied to a Liberal motion. I am not a partisan of the other party; I am a member of this party. I did say that I would be vigilant on second reading, in the legislative committee and on third reading for the people of Abitibi and not for the people in the Liberal Party of Canada.

[*English*]

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. He had a 10-minute speech and five minutes for questions or comments.

The hon. member for Papineau on a question of privilege.

[*Translation*]

Mr. Ouellet: Mr. Speaker, the hon. member started his comments by saying he had not seen me in a very long time. You know very well that in this House nobody is supposed to impute motives to members who may have responsibilities which take them outside the House of Commons.

I remind the hon. member that for months, with his colleague behind him, the hon. member for Outremont, I sat at the Bélanger-Campeau commission, and then at two parliamentary committees set up by his own Prime Minister to try to solve the constitutional issue, the Beaudoin-Edwards committee and then the Beaudoin-Dobbie committee.

I say to the hon. member—

An hon. member: Baloney.

Mr. Ouellet: —that his comment was quite improper. It denotes an ignoramus of the worst kind.

[*English*]

The Acting Speaker (Mr. Paproski): I believe that is sufficient. The hon. member for Abitibi.

[*Translation*]

Mr. Saint-Julien: Mr. Speaker, on the same point of order. I respect the hon. member. I am pleased to see him here. I apologize. I can see he is quite upset, he is furious. I absolve myself.

[*English*]

The Acting Speaker (Mr. Paproski): Questions and comments and points of privilege are now terminated.

Mr. Sid Parker (Kootenay East): Mr. Speaker, I will be sharing my time with the hon. member for Nickel Belt.

I welcome the opportunity to enter into the debate. We support the opposition motion. It is unfortunate that we must talk about unemployment insurance when we should be talking about employment programs. However we must do so because of the severe attack unemployment insurance has taken. It is especially directed against women and people who have left their jobs for various reasons. That type of attack is one that none of us from this side of the House can support. It is deplorable that the government should even consider it at this time.

Canada faces a severe unemployment crisis and I am shocked that this government has decided that the unemployed must suffer even more. The change to UI is a blatant attempt to blame workers who are scrambling for jobs in this difficult time of economic restructuring. Clearly the government should have instead focused its

efforts on creating new and lasting jobs by investing in people through training and skills upgrading. To simply cut people off from income support that they themselves have contributed to is not only unfair but it also places an enormous additional burden on the already strained unemployment insurance system.

There are more efficient ways to stem abuses in unemployment insurance than this blanket change, which will only cause more problems than it solves. Perhaps the government fails to realize that this change in UI is counter-productive. Such a policy option clearly reveals the Conservatives' short-sighted approach to economic development. The people who are cut off from UI will have less purchasing power, will pay less tax, and many will probably seek social assistance from the state.

How will this help build the future of the country? How will this measure save money and reduce the deficit? Shifting the burden to the provinces which must administer welfare from decreased federal transfer payments is a pretty weak and transparent strategy.

I would like to share with the House today the situation in my riding of Kootenay East. I am sure that the story in my riding reflects the larger picture across the country.

• (1920)

Since being elected in 1988, my constituency office has had over 800 complaints about the UI system. Such a statistic is by itself quite an indication of the serious problems that exist. Let me elaborate. These hundreds of constituents have needed to ask their member of Parliament for assistance with UI because there are major delays in simply processing their claims.

Some claims have taken up to 12 weeks to process. Other cases involve multiple requests from bureaucrats for the same information. Everyone in the House knows that there is a serious overload in the unemployment insurance system already. The effect of this latest change will only add even more appeals and the unemployed will have to wait even longer to find out their status. Such stress and confusion are the last things Canadians need right now.

I have asked the Minister of Employment and Immigration many times to increase the staff in my riding's manpower centre in order to deal with the increasing caseload. However the minister has failed to act and the situation worsens every day as more and more people find themselves unemployed.

It has even removed the toll-free telephone number so that people living 500 kilometres away from the manpower centre cannot even phone in to get the information that is required. It has cut back in the services at the desk. Adding this kind of bureaucracy over and above it is going to create even more for those who are entitled to their benefits.

In the Elk Valley area in my riding, there has been an economic shutdown for the last nine months. Radical restructuring in the coal mining industry has thrown hundreds of people out of work. The B.C. Supreme Court prohibited one company from reopening its mine because of bankruptcy. However, when the workers applied for UI benefits, the federal government ruled that they were ineligible. Finally, some months later when the company dissolved, the workers were given UI.

These workers then appealed for the lost benefits for the time the company fell into bankruptcy protection. Now, several months later, they have won their first stage of the appeal. The final resolution will take much more time because the government is going to overrule that appeal.

The government sent its top representatives from Vancouver into that area. One thousand workers lost benefits for over two and a half months and have been told by unanimous decision that they were entitled to it. I saw the member for Macleod get up. His riding adjoins my riding and has 300 of those workers. He stood up and agreed with the minister of state when she said the benefit will be given to the applicants.

I say to that member: "Why are you representing those 300 workers?" Those workers are having their houses foreclosed. Those workers have now lost their jobs, holiday pay and severance pay and the plant has gone into bankruptcy. A new buyer has come in and has said that it is not even going to rehire some of them. They are advertising in Alberta for new people and there are 1,000 of them sitting without unemployment insurance.

It was said that it was not a bankruptcy. The courts ruled that it was a bankruptcy. I wrote to the minister who oversees unemployment insurance and said that these people qualify. The minister said that they do not qualify. Finally, after the period from May 24 to August 25, it was decided that these people were entitled to it. They have now appealed and they have been notified

that their appeal has won a unanimous decision. Now the government is going to appeal that.

When I see and hear the Minister of state say in this House that the benefit of the doubt will go to the workers, I say to that minister and the member from Macleod that those 300 workers in the Macleod riding do not feel that they have been given the benefit of the doubt. This is a situation where this new bill is being brought in to deal with probably 1 per cent who are cheating the system. The whole unemployment program will become stagnant because people will be dealing with all those at the desk to find out whether they qualify or not. I say to each member of Parliament that they are going to have more and more of the unemployed coming into their offices and asking for assistance because of the delays that are taking place.

That is not acceptable. Canadians need a government that understands that the best way to increase productivity and competitiveness is by providing security and not by eroding the safety net. I implore the government to reconsider and retract this ill-designed measure.

[*Translation*]

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, I listened with great interest to the NDP member who said with much emphasis and emotion that this government was pushing the unemployment insurance system into bankruptcy. In fact, it is quite the opposite. According to the figures, if we set aside the proposed measures, the unemployment insurance fund will have a $8.5 billion deficit. If we do take these measures, we limit the deficit to $7.5 billion. We take this type of measure to keep the unemployment insurance system from failing.

It is very well for the opposition to rise and talk about bankruptcy. If you want to talk about that, you should look at what the New Democratic Party is doing in Ontario, a true example of a province about to go bankrupt. If you examine the measures taken by the NDP Government of Ontario, you will find that in some respects they are not all that different. When you assume power, you must make decisions and take on responsibilities. It is easy enough to come here and tell us that our measures are inadequate, that we must vote against Bill C-105.

Furthermore, let us not forget that Bill C-105 will also freeze the salaries of members of Parliament and civil servants. My question is quite simple. Since the hon. member states in this House that this initiative is unacceptable, the other option would have been to raise by 20, 30, or 40 per cent all the contributions of workers and the employers. It is all too easy to stand in this House and tell the Canadian people that what the government did is bad. How would the NDP members solve the problem? We have a real problem on our hands right now, but you never talk about that. My colleague never says a word about the unemployment insurance fund deficit. It is quite obvious that this government will never let it run out of control like the Liberals did.

[*English*]

Mr. Parker: Mr. Speaker, surely the member must realize that if these people do not get unemployment insurance they are going to go to their municipalities or to the province to request some assistance. They have paid for this. These workers I am talking about have paid for this unemployment insurance for the past 10 or 12 years and never collected it. Now they have an opportunity to collect their insurance.

Mr. Robitaille: Give us a solution.

Mr. Parker: I will tell you where the solutions are. When the member's government brought in Bill C-21 and removed itself as a contributor to the unemployment insurance scheme and put the burden on the workers and on the employers, you created the problem of the deficit of that situation. It had no right to turn that over to the municipalities and the provinces to provide social assistance to fulfil the unemployment insurance program that is supposed to be in place as a safety net. We should be creating employment opportunities for workers and not unemployment.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Debate. This is the second half of the 20 minutes.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I came to this House the same year you did in 1972. I am quite sure you remember. It is very important to have an historical perspective on unemployment insurance.

The Acting Speaker (Mr. Paproski): I would just like to tell the hon. member that I came here in 1968, but that is okay.

• (1930)

Mr. Rodriguez: I thank you for the correction, Mr. Speaker, but you were here when I came here and remember 1971 very vividly. There was a Liberal government and, Mr. Speaker, you sat on the same side of the House that I am now sitting on. Bryce Mackasey was the Minister of Employment and Immigration and was responsible for the Unemployment Insurance Act. Do you remember that well?

He sat there on the front rows, the right hand to Pierre Elliott Trudeau, and in 1971 he introduced a very comprehensive and expanded universal unemployment insurance program. It not only expanded the coverage for unemployment insurance to include the Armed Forces and school teachers who were not previously covered, but also expanded the social programs covered by the UI program.

That was when we got maternity benefits. We got sick benefits. Guess what? The program was funded by employers, employees, and the government.

Under the 1971 act the federal government picked up unemployment insurance costs when the unemployment rate was above 4 per cent.

At that time 4 per cent was considered full employment and the government picked up any costs to the unemployment insurance fund over 4 per cent. The member for Gander remembers that very well.

We had a very progressive program, probably one of the most progressive unemployment insurance programs in the world.

The Liberals were in power from 1972 to 1974 and from 1974 to 1979.

Mr. Marchi: We are coming back, Johnny.

Mr. Rodriguez: That is what really scares me, brother.

This is a swan song for a bunch of dead ducks over here. I am not concerned about them. I have my eyes focused on the Liberals and they are who really concern me because of what they have done to the UI program.

I have watched the debate on this motion, which calls this action of the government too severe, too tough for people and on and on. I want to put this in historical perspective because none of what is being done now came out of nowhere. In fact, as unemployment started to increase to 6 per cent there was a whole series of changes to the act. Bryce Mackasey was removed from the portfolio and given another one, the post office. Lo and behold because the unemployment rate was increasing to 6 per cent they introduced an amendment that said they would pick up the costs of the unemployment rate beyond 6 per cent. When unemployment went beyond 6 per cent they introduced another amendment to the act so that instead of requiring eight weeks of insured earnings to collect UI benefits they introduced a variable entrance requirement ranging from 10 to 14 weeks.

The member for Gander remembers that very well. He was there when they made the arguments that they were penalizing those Canadians who lived in single-industry towns or in parts of the country that were economically depressed.

Then in 1978 they appointed Bud Cullen to be Minister of Employment and Immigration. He was responsible for the unemployment insurance fund. That is when they started to stick it to the unemployment insurance fund. The Liberals started to cut the program back. I want Canadians who are watching to understand that.

The Liberals can saw on the violin all they want but Canadians must recognize that they are masters at cutting back the unemployment insurance fund. The Liberals were just as cruel to the unemployed at the time as the Tories are today.

What did Bud Cullen bring in? He brought in the change which said that the benefit rate was reduced from 66 2/3 per cent to 60 per cent. He went from 66 2/3 to 60 per cent. The Tories only brought it down 3 per cent. The Liberals brought it down a full 6 per cent.

I am glad the member for Notre-Dame-de-Grâce is here because he and I sat as the UI critics against this government in 1984, 1985 and 1986. All of the ideas to chop the UI did not start with Tories and Forget. They started over here. Once Bryce Mackasey left the portfolio, they started to chop the unemployment insurance program. Then they brought in Bud Cullen. He really brought in the changes to the Unemployment Insurance Act. He reduced it from 66 2/3 to 60 per cent. Then he required higher entrance requirements. Anyone who did not have 14 weeks of insurable employment in the year preceding the qualifying period was now required to have 20 weeks. We will remember the 20 weeks.

I have to make sure that people understand that the Liberals are not going to restore anything to unemployment insurance. Let us understand that perfectly.

The Whip for the Liberal Party is looking at me. I say to him: "I know, brother, you want to win and you are prepared to say anything and do anything". We saw that with the GST: "Do not call me now, call me after the election". They want to put a tax on food. We have got to reveal them for what they are. Chameleons, that is what they are. They started the cutback on the unemployment insurance program.

A repeater now had to work the variable entrance requirement plus one week for each week of benefits received in excess of the variable entrance requirement up to a maximum of six weeks. They dealt with the repeaters and here they are beating their breasts and being so farcical about their attempt to cut off workers who quit. In fact, the Liberals are the ones who started decimating the unemployment insurance fund.

I say to people who are watching tonight: "Look, they are the masters. Put the cameras on them. Let us reveal them for who they are. Let us show them up for who they are". They made sweeping changes from 1978 to 1979 with Bud Cullen. I remember the member from Gander and I shoulder to shoulder, cheek to cheek, fighting in the trenches, fighting these changes. The Tories on the committee were in favour of them. They were tacit in their opposition. We carried the fight against those changes.

I am here to see an amendment or a motion brought by the opposition Whip condemning Tories for all the things that they did. All the language that I used, if you read my speeches, Mr. Speaker, going back to 1978, said that the changes the Liberals were bringing in were too severe. I said that they were too tough for people. I said it puts people in a desperate situation. I said it went beyond fairness. I said it was extreme and that it was the right-wing Liberals that were gaining ascendancy in the Liberal Party and it was unacceptable to the Canadian people.

I said all those things about the Liberal changes to the Unemployment Insurance Act back in 1978. They have some gall. How can they look themselves in the mirror?

Mr. Speaker, I move:

That the motion be amended by adding the following words after the words "who are dismissed is", "an abandonment of the principle that unemployment insurance is an insurance program and thus is".

• (1940)

The Acting Speaker (Mr. Paproski): The Chair has no difficulty with this amendment.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I want hon. colleagues to observe that yesterday a member of the NDP asked us whether or not we would change a particular piece of legislation once we got into power.

Today, with the passion of the member who just spoke and admitting that the Liberals are likely to form the government, I take it that the NDP has conceded. I would want everyone to note that.

I wonder if my hon. colleague would care to comment on this. It seems to me that when I last looked at the policy of the NDP with respect to tuition fees, it was that they should not exist in Ontario. Could my hon. colleague tell me what Premier Rae did to students? Would he also refresh my memory—

Mr. Whittaker: A point of order.

Mr. Duhamel: No, no, I am asking him some questions. Please calm down.

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

Mr. Whittaker: On a point of order, Mr. Speaker. The member for St. Boniface is talking about something I cannot see has anything to do with unemployment insurance and I am sort of concerned about where it will lead us.

The Acting Speaker (Mr. Paproski): I am sure he was going to get to that point.

Mr. Duhamel: You are quite right, Mr. Speaker. My logic is sound. His intellect may not be, but I was about to get to the point.

I wondered whether my colleague would be kind enough to tell us what Premiers Harcourt and Romanow have done with respect to hospitals, colleges and universities.

My question to the hon. member, after he has taken the time to answer those very serious questions about the performance of NDP governments now in power and cut out the baloney and the crap, does he think that after all of the counselling that we have given the government, it will take some of the advice from both his party and my party with respect to unemployment insurance benefits for workers who need them? I hope he would be very serious in his response.

Mr. Rodriguez: Mr. Speaker, I know this is the way the old line parties do it: They ask a question, they answer it for you and then tell you, you are wrong.

I am going to answer his question. He prefaced his question by talking about the polls and how they are ahead in the polls. The arrogance of Liberals. I want you to know that after my speech tonight your polls are going down.

An hon. member: What?

Mr. Rodriguez: Your polls are going down. He asked me something about tuition fees. Let me put it this way. I am the federal member of Parliament for Nickel Belt. This is the federal Parliament. Liberals have sat over there. Liberals have had their hands on the levers of power for the best part of the last 25 years. Now they are over here and the Tories are there. When we get to power, if we do what you fellows have done then we deserve to be criticized. In the meantime, I do not want the hon. member drawing these red herrings.

The Acting Speaker (Mr. Paproski): It being 7.45 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 question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen

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

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

(Division No. 402)

YEAS

Members

Allmand	Althouse
Anawak	Angus
Arseneault	Assad
Axworthy (Saskatoon—Clark's Crossing)	Axworthy (Winnipeg South Centre)
Baker	Barrett
Bélair	Bellemare
Benjamin	Berger
Bevilacqua	Black
Blackburn (Brant)	Blaikie
Bouchard (Lac-Saint-Jean)	Boudria
Breaugh	Brewin
Butland	Caccia
Campbell (South West Nova)	Catterall
Chrétien	Clancy
Comuzzi	Copps
Crawford	de Jong
Dingwall	Dionne
Duceppe	Duhamel
Edmonston	Ferguson
Finestone	Fisher
Flis	Fontana
Foster	Fulton
Funk	Gaffney
Gagliano	Gardiner
Gérin	Gray (Windsor West)
Guarnieri	Harb
Harvard	Harvey (Edmonton East)
Heap	Hopkins
Hovdebo	Hunter
Jordan	Karpoff
Karygiannis	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Kristiansen	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Laporte
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
Lee	MacAulay
MacDonald (Dartmouth)	MacLaren
MacLellan	MacWilliam
Maheu	Manley
Marchi	Martin (Lasalle—Émard)
McCurdy	McGuire
McLaughlin	Mifflin
Mills	Mitchell
Murphy	Nault
Nunziata	Nystrom
Ouellet	Pagtakhan
Parker	Peterson
Phinney	Pickard
Plamondon	Proud
Prud'homme	Rideout
Riis	Robinson
Rocheleau	Rodriguez
Rompkey	Samson
Simmons	Skelly (North Island—Powell River)

Skelly (Comox—Alberni)	Speller
Stewart	Stupich
Taylor	Tobin
Tremblay (Rosemont)	Venne
Volpe	Walker
Wappel	Whittaker
Wood	Young (Beaches—Woodbine)—122

NAYS

Members

Anderson	Andre
Atkinson	Beatty
Belsher	Bernier
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Bosley
Bouchard (Roberval)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Casey	Chadwick
Champagne (Champlain)	Charest
Chartrand	Clark (Yellowhead)
Clark (Brandon—Souris)	Clifford
Cole	Collins
Corbeil	Corbett
Côté	Couture
Crosbie (St. John's West)	Danis
DeBlois	de Cotret
Della Noce	Desjardins
Dobbie	Domm
Dorin	Duplessis
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Holtmann	Horner
Horning	Hudon
Hughes	James
Jelinek	Johnson
Joncas	Jourdenais
Kempling	Koury
Landry	Langlois
Larrivée	Layton
Lewis	Littlechild
Loiselle	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming—French River)
MacKay	Malone
Marin	Martin (Lincoln)
Masse	Mayer
Mazankowski	McCreath
McDermid	McKnight
Merrithew	Mitges
Monteith	Moore
Mulroney	Nicholson
O'Kurley	Paproski
Porter	Pronovost
Redway	Reid
Reimer	Ricard
Richardson	Robitaille
Roy-Arcelin	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Siddon
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Tétreault
Thacker	Thompson
Thorkelson	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Van De Walle	Vankoughnet
Vézina	Vien
Vincent	Weiner
Wenman	White
Wilbee	
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—139	

PAIRED—MEMBERS

Cooper	Darling
Fretz	Friesen
Gauthier	Milliken
Parent	Vanclief

• (2020)

Mr. Speaker: I declare the amendment lost.

[*Translation*]

The next question is on the main motion.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

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

(*Division No. 403*)

YEAS

Members

Allmand	Althouse
Anawak	Angus
Arseneault	Assad
Axworthy (Saskatoon—Clark's Crossing)	Axworthy (Winnipeg South Centre)
Baker	Barrett
Bélair	Bellemare
Benjamin	Berger
Bevilacqua	Black
Blackburn (Brant)	Blackburn (Jonquière)
Blaikie	Bouchard (Lac-Saint-Jean)
Boudria	Breaugh
Brewin	Butland
Caccia	Campbell (South West Nova)
Catterall	Chrétien
Clancy	Comuzzi
Copps	Crawford
de Jong	Dingwall
Dionne	Duceppe
Duhamel	Edmonston
Ferguson	Finestone
Fisher	Flis
Fontana	Foster
Fulton	Funk
Gaffney	Gagliano
Gardiner	Gérin
Gray (Windsor West)	Guarnieri

Harb
Harvey (Edmonton East)
Hopkins
Hunter
Karpoff
Keyes
Kilgour (Edmonton Southeast)
Langan (Mission—Coquitlam)
Laporte
Leblanc (Longueuil)
MacAulay
MacLaren
MacWilliam
Manley
Martin (Lasalle—Émard)
McGuire
Mifflin
Mitchell
Nault
Nystrom
Pagtakhan
Peterson
Pickard
Proud
Rideout
Robinson
Rodriguez
Samson
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Venne
Walker
Whittaker
Young (Beaches—Woodbine)—123

Harvard
Heap
Hovdebo
Jordan
Karygiannis
Kilger (Stormont—Dundas)
Kristiansen
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacDonald (Dartmouth)
MacLellan
Maheu
Marchi
McCurdy
McLaughlin
Mills
Murphy
Nunziata
Ouellet
Parker
Phinney
Plamondon
Prud'homme
Riis
Rocheleau
Rompkey
Simmons
Skelly (Comox—Alberni)
Stewart
Taylor
Tremblay (Rosemont)
Volpe
Wappel
Wood

NAYS

Members

Anderson
Atkinson
Belsher
Bertrand
Bjornson
Bosley
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Corbett
Couture
Danis
de Cotret
Desjardins
Domm
Duplessis
Epp
Feltham
Fontaine
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
James
Johnson
Jourdenais
Koury
Langlois
Layton
Littlechild

Andre
Beatty
Bernier
Bird
Blais
Bouchard (Roberval)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Corbeil
Côté
Crosbie (St. John's West)
DeBlois
Della Noce
Dobbie
Dorin
Edwards
Fee
Ferland
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Horning
Hughes
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis
Loiselle

Lopez
MacDougall (Timiskaming—French River)
Malone
Martin (Lincoln)
Mayer
McCreath
McKnight
Mitges
Moore
Nicholson
Paproski
Pronovost
Reid
Ricard
Robitaille
Schneider
Scott (Hamilton—Wentworth)
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Weiner
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—138

MacDonald (Rosedale)
MacKay
Marin
Masse
Mazankowski
McDermid
Merrithew
Monteith
Mulroney
O'Kurley
Porter
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Wenman
Wilbee
Winegard

PAIRED—MEMBERS

Cooper
Fretz
Gauthier
Parent

Darling
Friesen
Milliken
Vanclief

• (2030)

[*English*]

Mr. Speaker: I declare the motion lost.

Pursuant to Standing Order 45(5)(a), the House will now proceed to the taking of the deferred division on the motion at report stage of Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992.

* * *

BORROWING AUTHORITY ACT, 1992-93 (NO. 2)

MEASURE TO ENACT

The House resumed from Tuesday, February 2, consideration of Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992, as reported (without amendment) from a legislative committee; and Motions Nos. 1, 2, 3 and 4.

Mr. Speaker: The question is on Motion No. 1. A vote on this motion also applies to Motions Nos. 2, 3 and 4.

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

(Division No. 404)

YEAS

Members

Althouse
Angus
Assad
Axworthy (Winnipeg South Centre)
Barrett
Bellemare
Berger
Black
Blaikie
Boudria
Brewin
Caccia
Catterall
Comuzzi
Crawford
Dingwall
Duceppe
Edmonston
Finestone
Flis
Foster
Funk
Gagliano
Gérin
Guarnieri
Harvard
Heap
Hovdebo
Jordan
Karygiannis
Kilger (Stormont—Dundas)
Kristiansen
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacDonald (Dartmouth)
MacLellan
Maheu
Marchi
McCurdy
McLaughlin
Mills
Murphy
Nunziata
Ouellet
Parker
Phinney
Plamondon
Prud'homme
Riis
Rocheleau
Rompkey
Simmons
Skelly (Comox—Alberni)
Stewart
Taylor
Tremblay (Rosemont)
Volpe
Wappel
Wood
Anawak
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Baker
Bélair
Benjamin
Bevilacqua
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Breaugh
Butland
Campbell (South West Nova)
Clancy
Copps
de Jong
Dionne
Duhamel
Ferguson
Fisher
Fontana
Fulton
Gaffney
Gardiner
Gray (Windsor West)
Harb
Harvey (Edmonton East)
Hopkins
Hunter
Karpoff
Keyes
Kilgour (Edmonton Southeast)
Langan (Mission—Coquitlam)
Laporte
Leblanc (Longueuil)
MacAulay
MacLaren
MacWilliam
Manley
Martin (Lasalle—Émard)
McGuire
Mifflin
Mitchell
Nault
Nystrom
Pagtakhan
Peterson
Pickard
Proud
Rideout
Robinson
Rodriguez
Samson
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Venne
Walker
Whittaker
Young (Beaches—Woodbine)—120

NAYS

Members

Anderson
Atkinson
Belsher
Bertrand
Bjornson
Blais
Bouchard (Roberval)
Andre
Beatty
Bernier
Bird
Blackburn (Jonquière)
Bosley
Bourgault
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Corbeil
Côté
Crosbie (St. John's West)
DeBlois
Della Noce
Dobbie
Dorin
Edwards
Fee
Ferland
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Horning
Hughes
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Masse
Mazankowski
McDermid
Merrithew
Monteith
Mulroney
O'Kurley
Porter
Redway
Reimer
Richardson
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Weiner
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—140
Brightwell
Cadieux
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Corbett
Couture
Danis
de Cotret
Desjardins
Domm
Duplessis
Epp
Feltham
Fontaine
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
James
Johnson
Jourdenais
Koury
Langlois
Layton
Littlechild
Lopez
MacDougall (Timiskaming—French River)
Malone
Martin (Lincoln)
Mayer
McCreath
McKnight
Mitges
Moore
Nicholson
Paproski
Pronovost
Reid
Ricard
Robitaille
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Wenman
Wilbee
Winegard

PAIRED—MEMBERS

Cooper
Fretz
Gauthier
Parent
Darling
Friesen
Milliken
Vanclief

• (2040)

Mr. Speaker: I declare Motion No. 1 defeated and I therefore declare Motions Nos. 2, 3 and 4 defeated.

Mr. Edwards: Mr. Speaker, I rise on a point of order. I think you would find a disposition within the House to apply the previous vote in reverse to the main motion.

Mr. Speaker: Is that agreed?

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. 405)

YEAS

Members

Anderson
Atkinson
Belsher
Bertrand
Bjornson
Blais
Bouchard (Roberval)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Corbeil
Côté
Crosbie (St. John's West)
DeBlois
Della Noce
Dobbie
Dorin
Edwards
Fee
Ferland
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Horning
Hughes
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Masse
Mazankowski
McDermid
Merrithew
Monteith
Mulroney
O'Kurley
Porter
Redway
Reimer
Richardson
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Andre
Beatty
Bernier
Bird
Blackburn (Jonquière)
Bosley
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Corbett
Couture
Danis
de Cotret
Desjardins
Domm
Duplessis
Epp
Feltham
Fontaine
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
James
Johnson
Jourdenais
Koury
Langlois
Layton
Littlechild
Lopez
MacDougall (Timiskaming—French River)
Malone
Martin (Lincoln)
Mayer
McCreath
McKnight
Mitges
Moore
Nicholson
Paproski
Pronovost
Reid
Ricard
Robitaille
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Tremblay (Lotbinière)
Turner (Halton—Peel)
Vankoughnet
Vien
Weiner
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—140
Van De Walle
Vézina
Vincent
Wenman
Wilbee
Winegard

NAYS

Members

Althouse
Angus
Assad
Axworthy (Winnipeg South Centre)
Barrett
Bellemare
Berger
Black
Blaikie
Boudria
Brewin
Caccia
Catterall
Comuzzi
Crawford
Dingwall
Duceppe
Edmonston
Finestone
Flis
Foster
Funk
Gagliano
Gérin
Guarnieri
Harvard
Heap
Hovdebo
Jordan
Karygiannis
Kilger (Stormont—Dundas)
Kristiansen
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacDonald (Dartmouth)
MacLellan
Maheu
Marchi
McCurdy
McLaughlin
Mills
Murphy
Nunziata
Ouellet
Parker
Phinney
Plamondon
Prud'homme
Riis
Rocheleau
Rompkey
Simmons
Skelly (Comox—Alberni)
Stewart
Taylor
Tremblay (Rosemont)
Volpe
Wappel
Wood
Anawak
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Baker
Bélair
Benjamin
Bevilacqua
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Breaugh
Butland
Campbell (South West Nova)
Clancy
Copps
de Jong
Dionne
Duhamel
Ferguson
Fisher
Fontana
Fulton
Gaffney
Gardiner
Gray (Windsor West)
Harb
Harvey (Edmonton East)
Hopkins
Hunter
Karpoff
Keyes
Kilgour (Edmonton Southeast)
Langan (Mission—Coquitlam)
Laporte
Leblanc (Longueuil)
MacAulay
MacLaren
MacWilliam
Manley
Martin (Lasalle—Émard)
McGuire
Mifflin
Mitchell
Nault
Nystrom
Pagtakhan
Peterson
Pickard
Proud
Rideout
Robinson
Rodriguez
Samson
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Venne
Walker
Whittaker
Young (Beaches—Woodbine)—120

PAIRED—MEMBERS

Cooper	Darling
Fretz	Friesen
Gauthier	Milliken
Parent	Vanclief

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 37, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

INFRASTRUCTURE IMPROVEMENTS

ESTABLISHMENT OF TRI-LEVEL FUNDING PROGRAM

The House resumed from Monday, November 16, 1992, consideration of the motion of Mr. Benjamin (p. 13363).

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I am pleased to speak at this late hour on the motion by the hon. member for Regina—Lumsden on the subject of infrastructure development. The motion, to remind the House, is that in the opinion of this House the government should join with provincial governments, and I presume municipal governments, to establish a tri-level program for the funding of infrastructure improvements, including improvements to sewage and water treatment facilities, road and bridge repair, and the construction of grade separations at railway crossings.

This proposal to develop a tri-level funding for a municipal infrastructure program has been the Liberal commitment for some time. Indeed, before the last election our former leader, the right hon. member for Vancouver Quadra, committed our party to a five-year $5 billion contribution to a program to cost share with provincial and municipal governments to rebuild roads, sewers, water mains and install anti-pollution equipment in towns and cities right across Canada.

That pledge was made to the Federation of Canadian Municipalities in a speech in 1986 and was a Liberal response to the growing recognition expressed by our municipal towns and counties across Canada that our municipal infrastructure was in bad need of repair. All across Canada our sewage systems, water mains, roads, bridges and anti-pollution equipment was falling apart and was badly deteriorated. For example, a study by the Federation of Canadian Municipalities found that in 1985 the average age of facilities was 20 years for roads and bridges, close to 30 years for water mains and sewers, about 20 years for storm sewers, 20 years for water treatment plants and 13 years for sewage treatment plants. Clearly, the municipalities were unable to meet this growing burden which was being imposed on their ratepayers.

Our party committed itself before the last election to work with the provinces and the municipalities to correct this growing deficiency in our country. Since that election we have continued to work on this program. Indeed, following the election our party carried out a national Liberal task force on municipal infrastructure under the chairmanship of my colleagues, the hon. member for Ottawa Centre and the hon. member for Nepean. These two members worked very hard to produce a report, travelling all across Canada and coming to my constituency of Cape Breton—Highlands—Canso to hear first-hand the views of our municipal leaders on the need for this infrastructure investment. Their report contains a long list of projects which are desperately in need of being carried out in our country.

That commitment was renewed as late as last week by our current leader. In a speech at Ottawa University last Wednesday, a week ago, he committed once again the Liberal approach to governing in the nineties which will begin to correct some of the gross deficiencies in the Conservative approach to governing in the 1980s. One of those deficiencies will be the lack of attention that has been given to the infrastructure needs of this country. The government has consistently denied this important responsibility and this opportunity to assist in creating jobs in this time of recession.

• (2050)

I am getting a lot of heckling from the Minister of Transport. If he was doing his job we would not be witnessing the deterioration of Canada's airline and railway systems.

Government members laugh but they will not laugh much longer. When the next election comes, as it will very shortly, they will be laughing, but not here in this House of Commons. Most of them will be paying the price for their negligence.

Mr. Corbeil: We have heard that twice before.

Mr. LeBlanc (Cape Breton Highlands—Canso): You will hear it this time I assure you.

Mr. Corbeil: With the same result.

Mr. LeBlanc (Cape Breton Highlands—Canso): We shall see.

We know that carrying out these improvements to the nation's infrastructure will not come cheap. It is a major investment program. The Federation of Canadian Municipalities estimated some years ago that the cost was in the order of $20 billion. I do not know what the bill is now but clearly there is a major price tag involved.

There is also a major price tag in not doing it because sooner or later, the work will have to be done. Because of the significant cost of this program whenever it is finally undertaken, one is inclined to say: "Well, we will put this off to another day". We should look at the opportunity that is inherent in dealing with our infrastructure problems and the opportunity to not only create jobs but also to create a new industry in this country.

One of the most prominent management thinkers in the United States, Mr. Peter Drucker, who has been writing on management for many years, has recently been saying that the industry of the future, the industry that will be the engine of growth in the 1990s and into the 21st century is going to be the rebuilding of the infrastructure, the communications, transportation, environmental infrastructure that exist not just in Canada but around the world. This is going to be the industry of the future.

In a report in *The Canadian Business* of last December, there was a very interesting cover story entitled: "Infrastructure: Why the World Will Beat a Path to Canada's Door". That story enumerated the hundreds of billions of dollars in investment opportunities around the world which are waiting for those companies enterprising enough to take on the challenge of repairing the existing infrastructure.

Let me quote some of the investment possibilities that exist. For example, in Taiwan, the government will spend $300 billion over the next six years. In Germany, $340 billion U.S. will be spent in transportation infrastructure. In east Asia, again it is the same story. In the United States, where the road system and communications are in disarray, there are plans to spend hundreds of billions of dollars on infrastructure. All of these are identified in this report.

This is an opportunity for Canada. If the government would take advantage and prepare Canada for this opportunity, we have a challenge to create jobs, investment and technology for the future. That is what we should be doing instead of the carping the Minister of Transport opposite is doing.

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, the globe is our house and our home. From it and within it we seek shelter, nourishment, refuge and security. The globe is a vast storehouse of rich diversity interlinking and interconnecting the chains of man's and nature's existence and very survival.

The earth summit looked to protect and preserve our home through atmospheric and biodiversity treaties. The new challenge is to find ways to live together in that global home to find shelter and protection within cities where traditional country values of clean air and water, green open space, product efficiency and productivity and transit can find a sustainable development balance and quality of life.

Faster than ever before the world is becoming an urban one. Near the end of this decade it is expected that more people will live in and around cities than in rural areas. In fact today 80 per cent of Canada's people live in or around cities. Explosive population growth and a flood of migration from the countryside are creating cities that dwarf the capitals of an earlier world.

By the turn of the century it is expected there will be 21 mega-cities with populations of 10 million or more around the world. It is necessary that all developing and developed countries keep this in mind. Infrastructure systems around the world must begin to adapt to meet the increased needs of the world's population explosion moving faster and faster into the major cities of the world.

The motion makes two basic points. One is about infrastructure, the other about co-operation between federal and provincial governments. Infrastructure implies appropriate structure. Before one can build infrastructure one needs the appropriate basic structures which are no longer really available for the next generation in the next century in the way our people live together.

Before we throw more money and ideas at infrastructure we need to recognize this is not just a problem for the Government of Canada. This is a global problem. In fact we in turn need to relate both our problems and our solutions to that global reality.

Old structures invented in 1867 to serve a rural nation are outmoded and outdated. These structures must now relate not to spanning Canada in the case of transportation but in fact to interlinking the world. Each of our major mega-cities are but terminals in that process.

We must work together with the United Nations and with other national governments to find these solutions. This newly emerging reality was clearly identified at the earth summit in Rio and more particularly when local governments met in Curitiba, Brazil. Canada again showed top leadership.

Mayor Doré of Montreal brought the mayors of all of the world organizations together and they in common, city by city, country by country, recognized the commonality of all outmoded government structures trying to deliver into the next century into a society totally different from the one we have built so far.

• (2100)

I am very pleased that sustainable cities programs are emerging. Local government authorities provided focus on that just last week by gathering at the United Nations. Sustainable cities programs are emerging at the World Bank, the UNDP and the UN Human Settlements Commission.

At the last session of the United Nations it was decided to follow up the earth summit with Habitat II in Turkey in 1996. It will examine the success of programs, such as human settlements programs, initiated at Habitat I in Vancouver, British Columbia, Canada.

The thrust of Canada's initiatives at the conferences last year in Toronto, Montreal and Vancouver and the recent appointment of Canada's Elizabeth Dowdeswell as the under-secretary for UNEP assures further Canadian leadership on these issues. As we move to Habitat II we need to learn the lessons that the members of this House have mentioned about the state of structures and infrastructures in Canada. We need to move co-operatively toward Habitat II and bring Canada's leadership from Habitat I into the world. We must bring our technology and our capacity, our human services and so forth, to the international community.

The motion needs to be expanded somewhat in its thought process. It must call for this global linkage of infrastructure resulting from new structural approaches in the relationship between international, national and local governments attempting to deliver, sustain and improve the quality of life for the burgeoning world populations pouring into our major cities.

The maintenance and upgrading of infrastructure is such a large problem, not just for Canada but for the world, that it cannot be financed under our current and existing structures. That is the reason that we must not only make our structures more efficient and more effective but also must make these structures more relevant to the electronic highways of the world and the interconnection of our mega-cities.

We also need to relate this global interest, need and demand back to where it counts, to those who are homeless in developed and developing countries, in the streets of New York, Vancouver, Toronto, Montreal or Bombay. In the new world we must work for the Shelter 2000 program and try to find basic shelter for the people of the world that is adequate and appropriate. We must relate this to homelessness, poverty and so forth.

In Vancouver we passed a charter outlining some of these problems. We presented it again to global parliamentarians on human settlements and development at the earth summit in Rio and we look forward to presenting it next month at the United Nations as we move toward the preparations for Habitat II.

This is the right kind of motion. It says:

> —including improvements to sewage and water treatment facilities, road and bridge repair, and the construction of grade separations at railway crossings.

These are significant problems but they are a small part of the larger problems of structure and infrastructure.

Certainly the intent of this motion is worth while and appropriate in this House of Commons. We should certainly study it further in our committees and work with governments through our committees to recognize the problems of local governments and international infrastructures and structures as we move into and demonstrate continuing leadership in the world.

Hon. William Rompkey (Labrador): Mr. Speaker, I too welcome this bill and congratulate my colleague for bringing it forward. I think it is a very important bill and I underline what my colleague from Cape Breton Highlands—Canso said about the attention that has been paid to this topic of infrastructure across the world, including in the recent U.S. election by the present President of the United States who emphasized the importance of investing in infrastructure.

Indeed, it is an investment that must be made and an investment that really can only be made as a public investment, although there is a role for the private sector even in public investment.

I want to point to an example of this which has been brought forward by the party across the way which presently forms the government and that is the fixed link to P.E.I. The fixed link to P.E.I. is an example of private and public co-operation in infrastructure that not only aids cities and municipalities but indeed provinces and knits together the country.

That model I hope to show is one that can be used elsewhere in the country. I am glad to see the Minister of Transport here this evening. I hope he will listen to what I have to say because I have some suggestions that I want to make to him. They involve a subject that is very dear to my heart, a very important matter of infrastructure that I want to talk to the Minister of Transport about if I can get his attention, and that is the trans-Labrador highway.

The trans-Labrador highway was mentioned by the government in the last economic statement by the Minister of Finance in the list of highways that the government is funding across the country. Unfortunately the only moneys that the government has committed to this so far is a paltry $10 million over two years shared on a 50-50 basis with the government of Newfoundland.

The government of Newfoundland is one of the less well off governments in this country. To force it into a 50-50 partnership seems to me is unfair. It is unfair because the government that is going to reap the most benefit from this road could be the Government of Canada.

Again I wish I had the attention of the Minister of Transport because I want to propose to him that a comparison between the trans-Labrador highway and the fixed link to P.E.I. is very interesting.

For example, the Minister of Transport now funds along the Quebec north shore $4 million to $5 million a year in subsidies for running ferries. On the Goose Bay to Lewisporte service he pays about $4 million to $5 million a year to run ferries. On the south coast service of Labrador he pays about $6.5 million per year to run ferries. On the Blanc-Sablon to St. Barbe run across the Strait of Belle Isle he pays $.6 million per year to run ferries. He pays subsidies on the gulf service and he pays a subsidy of about $14 million per year on the marine Atlantic service in northern Labrador.

If all of those subsidies were taken over a period of 25 to 30 years, as in the case of the fixed link to P.E.I., it is possible for the Government of Canada to fund that infrastructure, that highway, and to realize savings for itself. It can provide infrastructure. I say to the Minister of Transport if he were to take the model of the P.E.I. fixed link and apply it to the trans-Labrador highway, he could build that road. He could knit together provinces. He could have lower cost goods coming in. He could provide access for forestry development. He could increase immensely the potential for tourism by bringing traffic out of Quebec, through Labrador, down to the island of Newfoundland and back again to the mainland of Canada.

All these things are possible with that kind of infrastructure and it can be financed in the same way as the P.E.I. fixed link if the Government of Canada were to look at that along the model of using creatively subsidies that it is now paying out in ever-increasing costly marine subsidies.

These are things that can be done if the government is serious about and if the government is prepared to use its imagination.

These are important investments to be made. Only if we make investments such as this, shared equally and shared fairly across the country, are we going to put in place the kind of services that are needed to develop not only social transportation, but indeed transportation of an economic nature.

• (2110)

It is very important that the government take cognizance of this. I hope that it will take this bill seriously. I hope it will be studied seriously by the committee. I hope the House will approve the bill because it is something that we can build on and use to put forward plans such as the ones that I have mentioned tonight.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I welcome the opportunity to speak on the motion by my good friend, the member for Regina—Lumsden.

I think it is very appropriate that he has announced his retirement and suggests that he is having a few physical problems. His infrastructure is not as good as it used to be. I do not want to take the analogy too far, but the infrastructure of the country is also having its problems. We are confident that the member for Regina—Lumsden will make a comeback, rehabilitate himself and be as good as ever.

We are not nearly as confident that the government has any confidence or any foresight to get involved in a tri-level government funding of the rehabilitation of the infrastructure of this country. I know that the Minister of Transport is here this evening even though he is not paying great attention. However, I know that as an ex-president of the Federation of Canadian Municipalities, he was a staunch defender of the municipalities.

An hon. member: He was a former mayor.

Mr. Butland: He was a former mayor, indeed. He used to fight for the municipalities of this country on the forefront. He would say that it is important that we renew the infrastructure of this country. Now that he is a minister, there is not a whimper. We are somewhat disappointed.

Nevertheless, the member from Regina—Lumsden puts forth a proposal that has been put forth year after year after year. The price tag only gets larger. It was called the big fix. It was a $12 billion job that we could do to rehabilitate the sewers, the roadways and the bridges of this country so badly needed 15 years ago when we could have afforded it.

We could not do it in the good times. We cannot do it in the bad times. When exactly are we going to do it? We have missed the boat. It requires co-operation, which is something that is sorely needed among the three levels of government. We all say we cannot afford it. The municipalities certainly cannot afford it, but they are saying if the federal and provincial governments come on side, then we will find the money to participate.

It is a crime. We see the plight of the Innu at Davis Inlet, but I should point out that over 130 towns and cities in this country still pour raw sewage into the various waterways of the country. It is a crime in this day and age.

Regarding co-operation, the federal government has said to the province of Ontario: "Despite the fact that you put 40 per cent of your revenue into federal coffers, we will offer you a program and give you 15 per cent. You pick up the other 85 per cent of the tab". That is the kind of co-operation that this federal government has offered.

It is a historical problem. The federal government has always said that municipalities are the children of the province. The federal government should not have an involvement in funding municipal infrastructure, but it has chosen to do so over the period of time when it saw fit. It would do it on an *ad hoc* basis and take as much credit as it possibly could.

Now is not the time to say that it is his job, his responsibility or her responsibility. Now it is time for the three levels to get together and say it is the responsibility of all to make this better. How bad is it? I am reminded of Johnny Carson. Just how bad is it?

In Yellowknife, massive decay is not unique to old cities or to large ones. In the late 1940s in Yellowknife, the federal government installed a corrugated metal sewer system lined with moss for insulation. In the early 1980s work crews dug down to the pipes and found nothing left but a gelatinous tube of moss through which sewage still flowed, so we had a good system. Eventually we have to replace it.

In Halifax and Dartmouth raw waste streams through clay and brick sewers straight into the harbour, as it has for the past 100 years. Winnipeg needs $145 million to improve preventive maintenance at its sewage facility. It goes on and on. There are horror stories right across the country.

Why now? We have not come forward in the past with an obligation to improve the infrastructure. Why now? It is essential because people are looking for some kind of hope. It is one initiative that everybody agrees on, except for the federal government.

I can just see it. What a psychological lift it would be if we began to invest in infrastructure. It would create 63,000 new jobs every year for five years. I can hear the hum of activity across the country. Not only would it be an investment but it would be a psychological lift for people. These people would be back to work, not on a make-work job creation project, but on a real investment, something that when we were finished, is there and ready for the new prosperity that this government has said is coming soon.

I certainly hope it comes, but when it does come, after the Tories are gone, we have to be prepared to deal with it. We will only be prepared if we have the infrastructure to deal with it. People say it is going to be too costly. FCM says it will cost $400 million over five years. That is what it will add to the deficit. If we put 63,000 people back to work every year for five years, they will become taxpayers. They will become involved in the economy of the country. It is not too much to pay.

What are other countries doing? One of President Clinton's major platforms during the election campaign was an investment in infrastructure. The Japanese are investing $1 trillion over a 10-year period. Their debt is just fine, thank you. In fact there is no debt at all.

What does this government say? We have to get the fundamentals right before we proceed, before we spend any more money. God forbid. I was a teacher for 28 years. If anybody cannot get the fundamentals right in eight years, we have problems. Eventually we have to tell the student, in this case the government, it has failed, no more. It has failed and it does not have time to get the fundamentals right.

In maintenance versus reconstruction, investment is important. The longer one delays, the greater the cost. It is 10 times more costly to reconstruct than to maintain. What costs $15 billion now will cost $150 billion in 10 years. We will not be able to afford it then.

Everybody is at the ready. All we require is the government. Every municipality in this country is saying: "Just give us the go ahead". The projects are in place. The engineering is all set to go. In my municipality of Sault Ste. Marie it takes $15 million every year just for the maintenance of the infrastructure.

I beg the government to come onside and as an appropriate parting gift to the member for Regina—Lumsden join with everybody in this country and say yes to this motion.

[*Translation*]

Mr. Phillip Edmonston (Chambly): Mr. Speaker, it is with great pleasure that I rise today to speak to the motion moved by my honorable friend, Motion M-281 which reads as follows:

> That, in the opinion of this House, the government should join with provincial government to establish a tri-level program for the funding of infrastructure improvements, including improvements to sewage and water treatment facilities, road and bridge repair and the construction of grade separation at railway crossings.

• (2120)

We cannot expect that a federal contribution for repairs to infrastructures will make workers more competitive. This is not a panacea. It is not going to solve all our problems. It is not just a way to create jobs, because these jobs will be a relatively short-term proposition. The main purpose is to help the provinces and municipalities that desperately need to repair their infrastructure. Today, those repairs would cost about $20 billion, according to the statistics of the Federation of Canadian Municipalities. Five or six years ago, it was about half—not quite $10 billion. We have nothing to gain by delaying repairs to Canadian infrastructure.

It is not going to get any cheaper. This may seem incredible, but as the hon. member said earlier, it costs ten times as much to rebuild an infrastructure as it does to repair one. Ten times. Today, this is a Canada-wide problem. Across Canada, municipal and provincial authorities are asking us to help them repair their infrastructures.

It is a pleasure to see the former mayor of Ville d'Anjou in the House. In fact, not many people know he is the former mayor of Ville d'Anjou. His role is not that of a former mayor. He is now Minister of Transport, and I am sure that when the Minister of Transport was just a mayor, his people would ask him: Could you help us do

something about the infrastructure in our town? I am sure that as a responsible mayor, the minister would say: In that case, we need federal assistance. We need the federal government. Today, however, the mayor is the Minister of Transport, and as such will share the responsibility for implementing a highway improvement program across Canada. He should help us set priorities. He should also support Motion M-281 presented by my hon. friend, because when he was mayor, his people trusted him to help them.

Today, his perception is no longer that of a mayor but of a Minister of Transport, and as Minister of Transport, he should have a very good grasp of what is involved because of his experience as mayor. I am very pleased he is here tonight, although it is nearly 9.30 p.m., and I know he is dedicated because he is listening very carefully.

This motion is a good thing for Canada, at a time when we see a certain tendency by the government to dump its responsibilities on to the provinces and municipalities.

I think this is the right time to support a private member's motion, even if it happens to be a motion by an opposition member, because it reflects the most elementary and most important aspect of a bill, and I am referring to common sense. It made sense to U.S. President Clinton, who said in one of his election speeches that he would provide for repairs to U.S. infrastructure.

I am sure the government, whether it is this government or the next one—it will probably be an NDP government, or maybe another government, who knows, it might be a Liberal government—but sooner or later, it will have to deal with the problem of our infrastructure. If it is a New Democratic government, Mr. Speaker—I see I have your attention—it will be sooner rather than later. The problem is that every time a New Democratic government comes to power and opens the treasury to see what is inside, there was always either a Conservative government, as in Saskatchewan, or a Social Credit government, as in British Columbia, or a Liberal government—dare I mention it—as in Ontario, which had left the cupboard bare.

Even if the cupboard is bare, the problem still has to be dealt with, which is what they did in British Columbia, Saskatchewan and Ontario.

I know we will be blamed for not punishing people for the mistakes of the Liberals, the Conservatives and the Social Credit. I know they will say that, but the fact is, we have to do something about infrastructure. We cannot go on like this.

I think it is important to point out tonight that not many people said they wanted to vote against the hon. member's motion. They did not say they would vote against the motion. One Conservative member said it needed something more. One Liberal said: "We said this before. We already said this had to be done". Recently, another Conservative said: "It makes sense but I do not think now is the right time".

Good grief, if now is not the right time, then when is the right time? If their party cannot make the right decision, they should move over and let us make the right decisions. Come over here, and we will make the right decisions.

In concluding, I want to say that the hon. member's motion was not criticized by either the Liberals or the Conservatives. This goes to show there is a very real need to provide funding for infrastructure improvement. The benefits are threefold: First, for the environment, by cleaning up our waterways; second, for residential construction. People will still be able to own homes in locations with convenient access. Finally, there is a definite benefit for industry. Industries want to locate in places with excellent infrastructure.

It is really in our best interests to support a motion I see as a common sense motion, and the hon. member is to be commended for presenting it.

[*English*]

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

Some hon. members: Question.

• (2130)

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.

And more than five members having risen:

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

• (2150)

[*Translation*]

Before the vote:

The Acting Speaker (Mr. DeBlois): Following the adoption of the 24th Report of the Standing Committee on House Management on Wednesday, April 29, 1992, the recorded division will be taken row by row, starting with the mover. Then I will ask the other members who are in favour of the motion and on the same side of the House as the mover to kindly rise. Then the votes of those who support the motion and are on the other side of the House will be recorded. The votes of those opposed to the motion will be recorded in the same order.

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

(*Division No. 406*)

YEAS

Members

Althouse	Angus
Axworthy (Saskatoon—Clark's Crossing)	Benjamin
Blackburn (Brant)	Blaikie
Breaugh	Brewin
Butland	Crawford
de Jong	Edmonston
Fisher	Funk
Gardiner	Harvard
Harvey (Edmonton East)	Heap
Hopkins	Hovdebo
Hunter	Karpoff
Kristiansen	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Laporte
LeBlanc (Cape Breton Highlands—Canso)	McCurdy
McGuire	Mitchell
Murphy	Nystrom
Parker	Prud'homme
Rodriguez	Samson
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Stewart	Stupich
Taylor	Whittaker
Young (Beaches—Woodbine)—43	

NAYS

Members

Anderson	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Brightwell
Browes	Cardiff
Casey	Chadwick
Champagne (Champlain)	Charest
Chartrand	Clark (Yellowhead)
Clifford	Cole
Corbeil	Corbett
Côté	de Cotret
Della Noce	Desjardins
Dobbie	Domm
Dorin	Duplessis
Edwards	Fee
Feltham	Ferland
Fontaine	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hogue	Holtmann
Horner	Horning
Hudon	Hughes
Johnson	Joncas
Kempling	Koury
Langlois	Larrivée
Layton	Littlechild
Lopez	MacDougall (Timiskaming—French River)
Marin	Martin (Lincoln)
Mayer	McCreath
Merrithew	Mitges
Monteith	Moore
Nicholson	O'Kurley
Porter	Reimer
Ricard	Richardson
Robitaille	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Sobeski
Soetens	Sparrow
Stevenson	Tardif
Tétreault	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Van De Walle	Vankoughnet
Vézina	Vien
Vincent	Weiner
White	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—102	

PAIRED—MEMBERS

Cooper	Darling
Fretz	Friesen
Gauthier	Milliken
Parent	Vanclief

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

[*English*]

Mr. Murphy: Mr. Speaker, on a point of order, I know that this is a private member's motion on infrastructure in our municipalities across the country. It was a motion that all three Whips, including the Liberal Whip, knew about ahead of time. I would like to ask if the Liberal Whip informed his caucus as to whether or not this vote was going to take place tonight, because they are not here.

[*Translation*]

Mr. Prud'homme: Mr. Speaker, I must object vigorously to what my excellent friend is doing. He knows very well that the Standing Orders of the House expressly forbid commenting on a vote that has just been taken. However, I think that he has now gotten his message across, as usual, of course.

[*English*]

It is unbecoming of a member of Parliament. He knows the rules better than anybody else. He cannot comment. The vote was taken. He cannot comment on votes in this House. We shall see what took place. It is unfair and unbecoming of a gentleman to comment tonight just to make political points.

Mr. Murphy: Mr. Speaker, on a point of order, the member for the Liberal caucus challenged me in terms of being a gentleman. I am not challenging him in terms of being a gentleman. I am asking this. Did his Whip, did the Liberal Whip inform the Liberal members that we were having a vote tonight on the infrastructure motion?

[*Translation*]

The Acting Speaker (Mr. DeBlois): I think that, the vote having been taken, the question is settled, over and done with.

It being 10 p.m., the House stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 10 p.m.

HOUSE OF COMMONS

Thursday, February 4, 1993

The House met at 10 a.m.

Prayers

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 30 petitions.

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

* * *

[*Translation*]

TOBACCO SALES TO YOUNG PERSONS ACT

MEASURE TO ENACT

Hon. Benoît Bouchard (Minister of National Health and Welfare) moved for leave to introduce Bill C-111, an act prohibiting the sale of tobacco products to persons under the age of 18.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Bouchard (Roberval) 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*]

COMPETITION ACT

MEASURE TO AMEND

Mr. Don Blenkarn (Mississauga South) moved for leave to introduce Bill C-400, an act to amend the Competition Act.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Blenkarn: Madam Speaker, this bill amends the Competition Act as it pertains to the advertising of the price of goods.

When goods are advertised for a certain price and someone goes into the store to buy them, they do not know what they will have to pay because invariably there is at least the GST on it, there may be a PST on it, there may be a tire tax on it and there may be another charge on it of some kind. The charges go on and on and a person has no idea what they have to pay for the goods.

This bill requires merchants to declare the dollar value of every tax or charge on every item sold in the marketplace unless the item is declared to include all taxes and charges. In other words, if you want to sell you specify the taxes all the way down the line in dollar amounts or you sell tax included.

Madam Deputy Speaker: 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.

* * *

TERMINATION OF ASSISTANCE TO INDONESIA ACT

MEASURE TO ENACT

Mr. Dan Heap (Trinity—Spadina) moved for leave to introduce Bill C-401, an act to terminate Canadian assistance to Indonesia.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Heap: Madam Speaker, because the invasion by Indonesia of East Timor which was condemned and still is condemned by the United Nations, and the subsequent massive violations of human rights in East Timor by the military of Indonesia, I have presented this bill which would terminate Canadian governmental assistance to the Government of Indonesia until Indonesia ceases illegal occupation and human rights violations in East Timor.

Madam Deputy Speaker: Mr. Heap 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.

* * *

• (1010)

PETITIONS

MENINGITIS

Hon. William Rompkey (Labrador): Madam Speaker, I have the honour to present a petition that was circulated by Mrs. Wanda Quigley of Wabush, Labrador who is in the gallery with us today.

Mrs. Quigley had a son who died from meningitis. She has circulated a petition all across the country calling on the Government of Canada to immediately put on the market a test for meningitis. In this way children can be diagnosed early and this dreaded disease can be stopped from spreading across our country.

Hon. Herb Gray (Windsor West): Madam Speaker, I am delighted to present petitions today on behalf of thousands of Canadians who call on the Government of Canada to take every possible measure to ensure that a test kit for the detection of meningitis is developed and made available to Canadians as soon as possible.

These petitions have been certified by the clerk for presentation in the House. They represent large numbers of signatures from my own city of Windsor, Toronto, Petawawa, Thunder Bay, Marathon, Grimsby, Hamilton, Orillia and Ottawa.

In tabling these petitions, I also pay tribute to Mrs. Wanda Quigley for her splendid initiative.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, I wish to present petitions today on behalf of residents of Lumsden, Newfoundland, Summerside, Springdale, Catalina, Port Union, Corner Brook, Point May, Deer Lake, Grand Bank, Grand Falls and Fortune who join with the petitioners as represented by the members for Labrador and Windsor, calling upon the government to seek as soon as possible to develop and to distribute a test kit for the detection of meningococcal disease.

I too wish to pay tribute to Wanda Quigley of Wabush, her colleagues and confreres who raised this petition of 25,000 names right across this country.

Hon. Roger C. Simmons (Burin—St. George's): Madam Speaker, it is my privilege and pleasure as well to table similar petitions to those to which my colleagues have made reference. These petitions are on behalf of many thousands of Canadians, in this case people from communities in the province of Newfoundland, Gambo, Springdale, Stephenville, Sop's Arm, Jackson's Arm, Raleigh, Glovertown, Fortune, South Brook, Wesleyville and Burin.

A great deal of credit is due Mrs. Quigley of Wabush and her friends who have taken this important initiative on behalf of all Canadians to encourage the government to ensure that a test kit for the detection of meningitis is developed and made available as soon as possible.

This disease has taken quite a toll on the lives of Canadians. A test kit is now being developed that could detect meningitis. The government through the Department of National Health and Welfare must ensure the kit is available to Canadians.

I take great pleasure in supporting the petitions.

Ms. Mary Clancy (Halifax): Madam Speaker, I too wish to join with my colleagues in presenting a petition which has on it the names of thousands of Canadians, this time from Nova Scotia.

This petition was organized by Mrs. Wanda Quigley from Wabush. In this petition the citizens of Digby, Bridgewater, Pictou, New Waterford, Trenton, Sydney, Dominion, Scotsburn, Lunenburg, Dartmouth, Halifax and Sackville have joined to plead that the government take whatever steps necessary to ensure the test kit which is being developed is made available to Canadians so that lives may be saved.

I too compliment Mrs. Quigley for her work and everything that she has done.

Hon. Warren Allmand (Notre–Dame–de–Grâce): Madam Speaker, I also wish to present a petition on behalf of thousands of Canadians who call on the Government of Canada to take every possible measure to ensure a test kit for the detection of meningitis is developed and made available to Canadians as soon as possible.

Meningitis has taken and continues to take the lives of many Canadian children. Last year in particular, it was a serious problem in the city of Montreal as well as in Ottawa where several lives were lost.

A test kit is being developed that could detect meningitis and the government, through the department of health and welfare, must ensure that the kit is available to Canadians.

CANADA POST

Mr. Jim Jordan (Leeds—Grenville): Madam Speaker, I wish to present a petition on behalf of over 400 residents in the little community of North Augusta, Ontario.

After 152 years, the community's post office closed at the end of January. Closing post offices and turning their back on rural Canada is not something new but this closing is a little different.

Closing was bad enough but Canada Post failed to abide by its own guidelines of allowing 90 days for community dialogue. This really is a protest against cutting back on service and failing to respect the 90–day dialogue to which the post office was committed.

It is my pleasure to present this petition, this form of protest, on behalf of the citizens of that little community.

CANADIAN ARMENIANS

Mrs. Shirley Maheu (Saint–Laurent—Cartierville): Madam Speaker, pursuant to Standing Order 36, once again I have the pleasure of presenting petitions from the Armenian community of Montreal and indeed of Canada.

The Quebec National Assembly has introduced a motion that recognizes the importance of April 24 as the anniversary of Armenian genocide. Your petitioners call upon Parliament to urge the government to offer its sympathy to the Armenian people and especially to Canadian Armenians who survived the genocide on April 24, 1915, and support the international lobbying efforts aimed at compelling the Turkish government to recognize and acknowledge the events of April 24, 1915.

OLD AGE PENSIONS

Mrs. Shirley Maheu (Saint–Laurent—Cartierville): Madam Speaker, I have the honour to present a petition on behalf of the seniors right across our country and have presented many other petitions prior to today.

The present pension payments, even with the supplement, add up to a figure well below the poverty line. Overwhelming numbers of our senior citizens are living below the poverty line and are confronted with an immediate crisis due to the inadequacy of their incomes.

The petitioners are calling on Parliament to urge the government to re–evaluate Canada's old age pensions so that they truly reflect the needs of our Canadian seniors.

MENINGITIS

Mr. John Manley (Ottawa South): Madam Speaker, I am sure that you and other members will recall the outbreak of meningococcal disease in Ottawa in December 1991. Sadly the first death in this region was at Hillcrest High School which is in the heart of my constituency of Ottawa South.

I am pleased to present additional petitions today signed by petitioners not only in Ottawa and Gloucester which I represent but also Sudbury, Pickering, Marathon, Nepean, Petrolia, Arnprior, Mississauga, Toronto, Hamilton and Whitby, all in the province of Ontario and a few from the province of Quebec as well, especially close to the national capital region.

The petitioners urge the government to take every possible step to ensure that the test kit for early detection of meningococcal disease is made available for use to people in Canada so that lives may be saved.

Mr. George S. Rideout (Moncton): Madam Speaker, I too rise pursuant to Standing Order 36 to present a petition on behalf of thousands of Canadians, particularly Canadians in New Brunswick from Saint John, Rothesay, Oromocto, St. Stephen, Perth, Andover, Fredericton, Woodstock and the great city of Moncton.

The petitioners call on the government to take every possible measure to ensure that a test kit for the detection of meningitis is developed and made available to Canadians as soon as possible.

SERIAL KILLER BOARD GAMES

Mr. George S. Rideout (Moncton): Madam Speaker, I would also like to introduce a petition pursuant to Standing Order 36 with respect to serial killer board games.

The petitioners request that Parliament consider amending the Criminal Code so that violent and degrading materials such as serial killer board games can be kept from being distributed in Canada.

CHILD POVERTY

Mr. George S. Rideout (Moncton): Madam Speaker, pursuant to Standing Order 36, I would like to introduce another petition from constituents.

The petitioners call upon Parliament to take the necessary action to reaffirm the commitment to seek the elimination of poverty among children in Canada by the year 2000.

MENINGITIS

Mr. Rey Pagtakhan (Winnipeg North): Madam Speaker, I too would like to present petitions from the citizens of Canada, particularly from Newfoundland.

• (1020)

Meningococcal disease is very serious and can cause death if not diagnosed early. Hence the key is to develop an early diagnostic test. The key to prompt treatment is a test kit that will be safe and effective.

I therefore support this petition and ask the federal government to eliminate all barriers to the full and speedy development of this test kit. Human lives, particularly children's lives, are at stake.

* * *

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

Hon. Doug Lewis (for the Minister of Finance) moved that Bill C–98, an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992, be read the third time and passed.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Madam Speaker, I am pleased to have the opportunity to speak in support of Bill C–98 at third reading. I would like to have done it the other day but we had some amendments put forward by the New Democratic Party that would have eliminated the bill. Evidently under the rules of the House that was in order so we had to spend a day debating whether or not we should have the bill.

Today we can again debate whether we should have the bill. I do not know the logic or value of that but perhaps it is some indication of the degree to which my friends opposite really want to get on with the business of the nation.

Borrowing authority is extremely important—

Mr. Gray (Windsor West): Point of order, Madam Speaker. The hon. member is complaining that a day was taken to debate amendments to this bill offered by members of the House. I think it is against the rules of the House to reflect in this way on a vote.

I would respectfully request, Madam Speaker, that you remind the hon. member of that point.

Mr. Edwards: Madam Speaker, on the same point of order I am sure my hon. friend from Windsor West listened with care as we all did to what the member for South Shore was saying. I do not think he was suggesting that anybody was wasting the time of the House.

I think what he was suggesting was that it seemed peculiar that four amendments, each of which would have eliminated one of the four clauses of the bill would have been debated for an entire day. I think that is what he was suggesting.

Madam Deputy Speaker: The Chair would want to hold that nobody would be impugning motives to anybody else and that members would be careful in not giving the impression that they are impugning motives.

Mr. McCreath: Madam Speaker, I certainly would not wish to do that, but I do believe I am entitled to my opinion that what constitutes a waste of time is nevertheless a waste of time. I would submit that quite possibly there are many Canadians who would agree with me that our job here is to get on with governing the nation and not to debate the same thing twice.

I would suggest that people who disagree with this bill or any other bill brought forward by this government should simply speak and vote against it rather than force extra stages in the debate that are of no productive consequence whatsoever.

Speaking to the bill, which is what I intend to do, the specifics of this legislation will ensure the government can meet additional borrowing requirements of $8.2 billion over those granted by this House in April of last year.

The reason for these increased requirements is no mystery. The slow pace of economic recovery in Canada, the result of a global recession, has combined with lower than expected inflation to significantly reduce government revenues from what we had forecast. At the same time our spending obligations under unemployment insurance and transfer programs to the provinces have been pushed higher due to the same economic weaknesses.

I will expand on the details of the bill in a few moments, but first I want to address the broader issue of government borrowing and the vital importance of deficit and debt control.

Deficit and debt control are not subjects of great interest to my hon. friends opposite just in some of the suggestions put forward a few minutes ago. We continually hear suggestions from the other side as to how the government can spend more money.

At the same time we hear the Leader of the Opposition in an absolutely remarkable statement suggesting that he is going to eliminate the GST. He has absolutely no idea whatsoever where he is going to get the $15 billion to $17 billion in revenue that it accrues, unless of course it is through this hidden tax on everything including food and medical services that we understand is being considered. However, that is for next year because they can only come up with one idea a year it seems.

Meanwhile our hon. friends in the New Democratic Party seem to have no sense whatsoever of the concept of controlling expenditures. I sat here in the House the other day when the leader of the New Democratic Party got up and proposed that the way the government could accrue a whole lot more revenue was to eliminate expenses being claimed by businesses for things like lunches and dinners and hospitality which has been a long-standing practice in this country. Maybe my hon. friend is right, maybe those things should be eliminated. I might say I was rather amazed last night when I attended a reception hosted by the Canadian Food and Restaurant Association. I noticed virtually every member of the New Democratic caucus there, including the leader, enjoying themselves to the fullest.

Mr. McDermid: They were at the trough.

Mr. McCreath: Right there just having the most enjoyable time. I wonder what that says about the seriousness of those intentions.

The point I am making is that this government takes very seriously the idea of debt and deficit control. That is why this government has brought forward tough measures. These have made this government very unpopular at times because everybody likes to have services but nobody really wants to pay the taxes which pay for them.

Our predecessors found a solution to the problem. They did not pay for them. They let the debt and deficit simply grow. In fact, if the measures brought in by this government had not been put in place, this country's deficit would be approaching $100 billion today. That would be totally unacceptable by those of us on this side. I know that they have voted against every cost control measure brought in by this government during the four years plus that I have had the privilege of being here.

It is important for people to understand as we bring forward this legislation that there are different philosophies in this House. The guiding philosophy of our party is that painful as it sometimes is, you have to pay your way as you go. Really in the final analysis the idea that governments should spend and spend and spend and let their grandchildren pay the bill is simply not one that is acceptable to us.

In his statement, my hon. colleague, the Minister of Finance, powerfully summarized why this concern is so justified. He pointed out and I quote from his remarks of that day:

"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, 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 economy. This adds up to the economic damage done by the higher interest rates and higher taxes that resulted from higher government deficits".

Harsh foreign indebtedness. Severe restraints on government's ability to assist people and build economic strength. Higher interest rates and higher taxes. These make up the painful price Canadians are paying today because previous governments put deficit and debt control on the back burner or ignored it altogether.

That is why since coming into office the keystone of this government's policies has been spending restraint and deficit reduction. This has meant taking firm and sometimes unpopular actions and decisions, such as closing military bases, privatizing organizations as the post office has been doing, reducing the number of employees on the federal payroll and putting limits on the growth of some provincial transfers. Now that is not to say that governments cannot learn to be more sensitive sometimes in the way these things are done.

It is extremely important, for example, as Canada Post carries out its conversion process that there be full and adequate consultation with the people in the communities. A moment ago I heard an hon. friend opposite present a petition with respect to an impending closure in his area. As a rural member I can say it is a cause of great anxiety in small rural communities when the big machine comes in and says: "Guess what? Your postmaster or postmistress is retiring and your post office is gone". It is important for Canada Post to be sensitive to those communities, to listen to what the people have to say and to provide them with the reasonable assurances they are looking for that in actual fact they are going to be provided with the same quality of service under the new approach as under the old. That is the key thing.

• (1030)

The same thing is true with respect to base closures. We have an overcapacity of military bases by some 40 per cent to 50 per cent. We cannot ask the Department of National Defence to use up its budget completely by maintaining antiquated equipment or infrastructure. However, the government has to do some planning. If there is going to be a base phased out the government must know what ameliorative measures or plans it is going to put in place so as not to devastate the economy and social life of the community.

That is critically important in rural areas like southwestern Nova Scotia where there is tremendous concern today about the future of CFB Cornwallis. I was very pleased to see the new Minister of National Defence recognize this point shortly after she took on that important responsibility. I want to say to her and to the House that there are many people throughout southwestern Nova Scotia concerned about the future of Cornwallis. I look forward to some early indication from the Minister of National Defence and the government with respect to what the plans are for Cornwallis in the short and long term.

As I was saying before, the actions the government has undertaken have been difficult but they have produced results. Last year's deficit was still significantly lower as a share of our economy than that in 1984–85. That is even despite the impact of the recession. Between 1984 and 1990 we had the lowest real program spending growth of any of the G–7 countries. I might also say that it was significantly below the growth levels of any of the provinces in this country. Most important, we have achieved a major turnaround in the basic structure of government spending.

When this government came into office in 1984 it was the beneficiary of a $16.1 billion operating deficit that was a legacy of the predecessor government. It was paying another $22.5 billion in interest costs on the national debt for a total deficit of $38.5 billion.

As I mentioned before, had there been no change in the course, today that deficit would have just naturally grown. Following along with the inertia that had developed over those years it would have been close to $100 billion. This is totally, totally unacceptable. We would now be approaching the point where the World Bank would be saying: "We are taking over".

It is really an issue of sovereignty in the final analysis. The difficult measures this government has taken on in tackling the deficit problem is a defence of Canadian sovereignty.

At that time the government was spending $1.33 for every dollar of taxes it took in. Imagine how a household would do when a pay cheque of $500 is brought home every two weeks but $700 is spent. Boy, where would that leave you in the long term? That is what the previous government was doing.

In 1987–88 however we eliminated the operating deficit and transformed it into a surplus to the point that today the government is operating in the black to the tune of $6.6 billion a year.

We hear a lot of talk about deficits and about the amount of the deficit but it is important to understand and to recall the structure of that deficit and the structure of the debt. Our friends left not only a $16.1 billion operating deficit, but also a debt of over $200 billion.

While this government has been working to bring the operating deficit down to the point where it crossed the line and is now operating a surplus, the interest has still been accumulating on that $227 billion debt that was the legacy of the Trudeau government to the children of future generations of Canadians. If the interest that has accrued on that debt is combined, it is up to something in the order of $450 billion. This government has been operating in the black for the last four years. In fact we have been able to control the growth of that national debt to the point that it is more than $30 billion less than it would have been otherwise.

This is complicated stuff. Sometimes it is even difficult for members on the other side to understand, but it is not very hard for any Canadian to understand that if we annually spend more money than we are taking in then we will get ourselves into serious trouble. We can all understand and relate to that.

That is precisely what the Trudeau government was doing for years and that is precisely what has burdened Canadians not only for this generation and for the next generation but for our grandchildren. That is what it has come down to.

If the programs and the approach to deficit control that have been put in place by this government stay in place, as they will after this government is returned for its third mandate some time during the course of this year, we will eventually get out of that cycle and Canadians will live with money in the bank in future generations as they should. A country with the wealth and resources of this country has no excuse for having to operate in the red at all.

Meanwhile we still have to pay interest payments on Mr. Trudeau's debt. That means further deficits, still growing debt and the interest charges that the debt imposes. We face the added challenges of pursuing fiscal responsibility at a time of slow economic recovery when Canadians are looking to government to do what it can to bolster new growth and job creation. This means we need to do more to break that vicious deficit–debt cycle and also to free up resources for new government investment in Canada's economic growth and competitiveness.

As the Minister of Finance announced last December we are pursuing those investments. We are taking concrete action to aid small business, to improve R and D incentives, to lever better working training and to expand national investment in infrastructure.

To fund these investments while restraining this year's deficit and bringing it down more sharply next year we must reduce government spending in other areas. This too is being done. Let me remind this House and all Canadians of some of the actions announced in December's economic and fiscal statement. These are spending control measures that will contribute to savings of nearly $8 billion over the balance of this fiscal year and the next two.

Let me list a few. For two years salaries will be frozen for public servants and employees of non-commercial Crown corporations. A similar regime will be applied to commercial Crown corporations that depend on federal funding. This does not mean that our public servants do not deserve increases and it does not mean that they do not need increases. However the reality is that we have to pay from within the resources that are available. I suspect that we have the best quality public servants of any country in the world. They are dedicated people who serve Canadians. The reality is that we must cut the cloth according to the pattern.

Salaries will also be frozen for two years for the Governor General, Lieutenant Governors, the Prime Minister, cabinet ministers, members of Parliament, senators and the federal judiciary. Everybody is involved in this.

Operating budgets of government departments will be cut by 3 per cent. They are not getting an increase in their budgets. They are decreasing by 3 per cent. Including the wage freeze federal operating budgets will be 5 per cent lower than planned levels in each of the next two fiscal years. They are going to have to work hard to to do the jobs they must do with fewer resources available to do them.

The UI benefit rate will be reduced from 60 per cent to 57 per cent to ensure a freeze in the average benefit that is received. Nobody will get less money than they are getting now but there will be a freeze.

Grants and subsidies to most organizations and interest groups will be cut by 10 per cent in each of the next two years.

These actions will bring the estimated deficit down to $34.4 billion this year and $32.6 billion next year, compared to our budget forecast of $27.5 billion for 1992–93 and $22.5 billion for 1993–94. That is a result of the impact of lost revenues.

This slippage will totally be the result of the weaker than anticipated economy on revenues. With the action we are taking program spending over the next two fiscal years will be similar to that projected in the February 1992 budget. The government is not spending any more. This undesired and certainly unwelcome increase in the deficit is not a result of this government spending more nor is it a result of the dollar being out of whack because of the spending guidelines set down by the minister a year ago. It is a result of the revenue side being down. That is what has really put things out of whack and created a higher deficit. This is a result of weaker than anticipated revenues.

Again let me remind the House of what the minister said last year. He said:

• (1040)

> 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, stronger economic performance and lower interest rates. It remains the government's objective to attain zero financial requirements over the medium term.

Let me turn to the main provision of the supplementary borrowing authority bill. First, the amount of the supplementary borrowing authority being requested is based on currently estimated financial requirements of $30.5 billion for the year, up $10.8 billion from the February budget. This reflects the impact of the economy on revenues. There is an additional $1.8 billion requirement for loans to the CDIC but at the same time our total requirements have been partially offset by $4.4 billion relating to foreign exchange operations. As a result, the final net additional borrowing requirement is $8.2 billion.

Let me provide some additional information on the $1.8 billion that the CDIC will likely borrow from the Consolidated Revenue Fund. This reflects the financial difficulties experienced in recent years by two member institutions.

Some $500 million represents what CDIC paid out to cover insured deposits held at Shoppers Trust when it was liquidated last year. The remainder has been used for loans in respect of Central Guaranty Trust. This is to help fund the acquisition of certain Central Guaranty assets and all deposit liabilities by the Toronto Dominion Bank. The loan for Central Guaranty covers the shortfall between assumed liabilities and assets and is secured by the remaining assets of the firm.

Let me briefly review the impact of foreign exchange operations. These have worked in two directions. On the negative side there has been a requirement of $1 billion to cover gains in foreign currencies held in the exchange fund account and another $3 billion to replenish foreign exchange reserves. However, these additions have been more than offset by $8.4 billion in intervention operations. This has resulted in a positive balance that has reduced borrowing requirements by $4.4 billion. Therefore the final net need is $8.3 billion.

I should also explain that this bill contains two concluding clauses dealing with unused borrowing authority that was previously granted by this House.

Clause 3 ensures that all unused borrowing authority in excess of $3 billion granted under this legislation will be cancelled on March 31, 1993. This is a standard clause and allows a non–lapsing $3 billion contingency reserve to be carried forward into the next fiscal year.

Clause 4, the concluding clause, ensures that all unused borrowing authority granted under legislation earlier this year will also be cancelled on March 31, 1993. This provision makes certain that only the one non-lapsing reserve for $3 billion can be carried forward into next year.

I firmly believe that the government's expenditure control measures, those we have taken in the past as well as those announced in December, offer solid evidence that we are continuing to handle the nation's finances prudently and well.

It is also important to remember where so much of the government spending supported by this bill actually goes. Transfer payments to individuals, including unemployment insurance and old age security, represent the single greatest share of government program spending. These are followed by transfers to provinces, which include support for social welfare programs and education.

This is spending that plays an important part in helping disadvantaged Canadians deal with the difficulties imposed by slow recovery and widespread industrial restructuring. This bill will ensure that the government can meet its obligations while remaining committed to the action needed to bring Canada's fiscal situation back in balance over the medium term.

I apologize to the translators for speaking so quickly at times, thank the House for its indulgence and commend the bill to all members.

Hon. Herb Gray (Windsor West): Madam Speaker, I am pleased to be able to respond on behalf of the Official Opposition to the speech by the parliamentary secretary moving third reading of this bill.

In commending this bill to the House the hon. member attempted to blame the high level of borrowing authority sought in that bill on the weak government revenues which he said came about because of the weak economy. In this case, he has said something with which the House can be in agreement.

The weak economy has not only devastated the lives of more than 1.6 million Canadians who are out of work, it has not only devastated the lives of thousands of small business people who have been forced into unwanted bankruptcy, it has not only caused the loss of billions of dollars of production, but also all of this has meant weaker government revenues. People who are out of work do not pay taxes. Businesses going into bankruptcy do not pay taxes.

In trying to excuse the weaker than anticipated government revenues, to find an excuse for these revenues because of the weak economy, my hon. friend reminds me of the individual who was brought before the court accused of murdering his parents and then pleaded for mercy on the grounds he was an orphan.

This economy is weak and government revenues are weak because of the deliberate action of the Conservative government. This government boasted through the words of the Prime Minister that it had deliberately induced the current recession. If my memory is correct the Prime Minister not only said that the government deliberately induced this recession but he said that was as clear as spring water.

Canadians will agree that this was in large part the deliberate action of the government due to its high interest rate and high dollar policies. These policies brought this country into a recession ahead of the rest of the world. They also continued the recession longer than might otherwise have been the case.

At the same time that the hon. parliamentary secretary was in effect saying that he and his government deserved mercy for the higher borrowing authority being sought on the grounds of lower government revenues, he was also saying that he and his government deserved credit for what they had accomplished in carrying out their major objective of debt and deficit control.

It is true that when the Conservatives took office they said that bringing the public debt and the deficit under control was among their principal objectives. However the numbers show that in this, as in so many other things, the Conservative government has nothing more than a record of failure.

What is the accumulated public debt today? I was going to say it was $420 billion but I thought I heard the parliamentary secretary say it was in the area of $450 billion. That is more than twice as much as it was when this Conservative government took office. How can this government claim it has achieved its objective of bringing the public debt under control when after eight years of Conservative government that public debt is more than twice as high as when it took office?

What about its plea for praise on the grounds that the deficit, the annual difference between revenues and expenditures of the government, is being handled better than when this Conservative government took office?

In his December economic statement the Minister of Finance admitted that the budget deficit for the fiscal year 1992–93 would be $34.4 billion, some $6.9 billion more than had been forecast only a few months previously in his budget of February 1992. The Department of Finance is also saying that the deficit for 1993–94 will be some $10.1 billion above the $22.5 billion estimate contained in that budget of February 1992. If I am not mistaken, the budget deficit at the present time is at about the same place it was when this Conservative government took office. So this government has put the Canadian economy and the Canadian people through a high degree of pain for no real gain.

• (1050)

The government says: "Well, the reason that we have this increase in the public debt and this increase in the deficit is because of the high interest we are paying on our borrowing". Why does the government have to pay such high interest? Why did it have to pay such high interest on its borrowing? It was due to the policy that it helped put in place and supported and sustained for years, a policy of high interest rates which did tremendous damage to the economy of this country and also damaged the fiscal activities of the government itself.

I submit that it is not an accurate and open way of describing the operations of the government for its supporters to say that if we did not look at the interest being paid we would be doing okay. I doubt if that is really accurate, but even if it were, does this make sense to the average household or the average business? They would not say they were doing okay if they did not have to pay interest. Interest is a cost of doing business just as much as is the cost of merchandise or the cost of salaries. Interest is a cost that a household has to take into account, a household that has to make mortgage payments or payments on credit cards. It is just nonsense for the government to try and claim credit from the Canadian people and seek to be praised by the Canadian people if, as it claims, it would be doing all right if only it did not have to pay such high interest.

In recent months interest rates have, fortunately, come down, but we have to remember that they are still very high in real terms after deducting the rate of inflation. Our interest rates are still very high compared to traditional spreads between interest rates in Canada and interest rates in the United States. While they have come down since the jump up last fall, they are still higher than the low level they reached at the beginning of September. So there is still a long way to go in bringing interest rates down in a way that will bring some real encouragement to this all too weak Canadian economy.

This government is trying to take credit for something which the record shows as an abject failure. When you look at what it said was its primary objective when it took office, the control of the public debt and the deficit, then obviously it has nothing to praise itself for. It stands a failure by the very criterion it set for itself, by the very premise on which it asked to be judged by the Canadian people.

The government, according to the parliamentary secretary, is concerned about the ratio of debt to our gross domestic product. It is now in the area of about 65 per cent. At the time it took office, the ratio of debt to gross domestic product was only 42 per cent. Even looking at this very key measure, we see a serious deterioration in our position compared to the position that existed when this Conservative government took office.

The parliamentary secretary talked about the views of financial institutions and borrowers outside of the country. One of the ways in which this government has made our debt and deficit problem worse than was the case when it took office is the extent to which our debt has come to be held outside this country. When the Conservative government first took office, the debt of the federal government was at least held almost entirely by Canadians. Canadians owed that debt to themselves. Now some 20 per cent or more of that debt is held outside this country, certainly making us more vulnerable than we want to be to outside pressures.

This is another reason to criticize this Conservative government when examining its claim for praise on how it achieved its primary objective of bringing our debt and deficit situation under control.

Let me say again that if this government, through the parliamentary secretary or through anyone on the government side of the House, tries to take credit for what has happened with our debt and deficit situation, in effect it is turning reality completely upside down. If this government through the parliamentary secretary or anyone on the government benches attempts to be excused by the Canadian people for the degree of borrowing it needs on the grounds that the weak economy has caused a weakness in government revenues, again I say they are exactly like the person in the story I heard who, when accused of murdering his parents, came before the judge and pleaded for mercy on the grounds that he was an orphan.

What is the effect of Conservative policies on the prospects for the Canadian economy? If we look at the executive summary of the winter Canadian outlook of the Conference Board we will see that while the Conference Board predicts growth in the economy of some 3.3 per cent next year, it also says that our unemployment rates will remain very high. They will remain well above the 11 per cent rate.

The Conference Board says that the most recent economic statement of the Minister of Finance, rather than having a positive effect on the economy, will be of a restrictive nature. The Conference Board said: "The mildly restrictive nature of Finance Minister Mazankowski's most recent economic statement will also pull back on growth in 1993".

The Conference Board report goes on to say: "The over-all impact of the measures in that statement will be slightly contractionary, lowering real GDP growth by roughly 0.1 per cent in 1992 and by 0 per cent in 1993". The Conference Board also says: "Consumer spending will be the hardest hit as the most important cost-saving measures were cuts in unemployment insurance benefits and a freeze of Public Service wages".

As the Conference Board points out, when employment growth is weak this obviously discourages people from spending. Surely this helps explain why the recovery is so slow and so weak compared to recoveries from past recessions.

The Department of Finance in its background paper to the budget of last February confirmed that the recovery from the current recession is much weaker than has been the case for any of our previous recessions. It pointed out that the recovery period from the recession of 1981-82 saw growth rates of from 4 per cent to 6 per cent and certainly by 1984 strong recovery had already been having a positive effect on the Canadian economy.

In order to make a real dent in unemployment, in order to bring down unemployment substantially to create the substantial number of new jobs that we must have in order to get well below the 11.6 per cent level we have been seeing and to put hundreds of thousands of Canadians back to work, we need rates of growth well above even the 3.3 per cent predicted by the Conference Board.

• (1100)

We have to get up to the 4 per cent level of growth and above, otherwise we are going to go along as we have been with 1.6 million Canadians out of work with the damage that is doing to their lives, the lives of their families and the lives of their communities across this country.

By the way, it is interesting that while the Conference Board spoke of a forecast of 3 per cent growth next year, this is far more optimistic than the government itself. The Department of Finance in a forecast connected with the economic statement of December by the Minister of Finance talked about growth only at the 2 per cent level. Also, the Canadian Chamber of Commerce in a forecast a few weeks ago said that it looked to growth being only at the 2.5 per cent level.

Even if the more optimistic view of the Conference Board turns out to be correct, this will not be enough to bring down unemployment in any substantial way. We see therefore the cumulative and ongoing effects of Conservative economic policy not only in the continued all too high levels of unemployment and the all too low levels of job creation, but also in the figures we saw a few days ago regarding bankruptcies in this country.

The year 1991 was a record year for bankruptcies. Yet this Conservative government outdid itself because the total number of bankruptcies for 1992 set a new record. It was even higher than the record year of 1991.

The government says things are not that bad. Bankruptcies went down in December compared to what they were in November, the lowest level in four months. When you compare the number of bankruptcies in December 1992 with the number of bankruptcies in December 1991, they were actually higher than they were a year ago.

How can the government claim any real improvement in the business sector of this country when bankruptcies in December were no better? In fact, they were worse than they were a year ago. This government's policies are causing this country's economy simply to spin its wheels when the economy should be moving forward.

What is troubling about these bankruptcy figures is that the number of business bankruptcies has gone up much more than personal bankruptcies. This is serious. All of these represent tragedies. The increase in business bankruptcies does not augur well for a strong, quick recovery for the return to health of our business sector.

Something else troubling about these numbers is that we see that bankruptcies have actually gone up in three provinces which in the past have been engines of growth for the entire economy. We see that bankruptcies have gone up in British Columbia, Alberta and Ontario. These are provinces to which the rest of the country has often looked for support and strength in terms of a recovery for the entire economy.

These most recent figures for bankruptcies in this country are really troubling. They are really a matter of concern when one looks not only at what has been happening but what could be and may well be happening now and over the course of the next year in this country.

We have had some other numbers produced by Statistics Canada. Statistics Canada yesterday published its help wanted index. The help wanted index is often looked on as a bit of a forecast as to what is going to happen to employment in this country. This Help wanted index showed no improvement in January at all. In fact, it dropped eight points in Ontario and as well in western Canada. This help wanted index, as members may know, is a survey of help wanted ads in a sample of newspapers across this country. This survey, as I have said, does not indicate any real increase or improvement in employment over the coming months.

Similar results can be drawn from a look at the survey of manufacturers which Statistics Canada carried out and published recently. Statistics Canada questioned thousands of factory operators and owners. The conclusion of this survey, according to a report by Southam News, was that they expected more lay-offs during the next three months.

I want to remind the House that we have already lost 350,000 manufacturing jobs in this country in the past three years. The manufacturing base is crucial not only as a source of employment but as a foundation for the health of the entire economy.

To be fair, I should say that those surveyed expected increased output. More expected increased output than those who expected production to go down, but I repeat, on balance, according to the Southam News report, they expected employment would continue to fall during the next three months, although happily at a slower pace.

This Southam News report by Eric Beauchesne raises a very interesting point. It states:

> The survey results again raise questions about claims that a shortage of skilled workers is as big a problem as the shortage of jobs.

When we question the minister of employment about what is being done to create more jobs, he points to vacancies which need to be filled by skilled people. Certainly there are vacancies which need to be filled by skilled people. That is why we have been pressing the government to take more meaningful action to provide training and upgrading for our work force. However, if every one of those jobs requiring higher levels of skills would be filled, I think it is true to say that there would still be a million or more people out of work in this country and that is simply unacceptable. This is something that this government will have to deal with in the remaining few weeks or months that it is in office. Certainly, because it has not dealt with this problem, when the next election comes it is not going to continue in office.

What we have to recognize is that we not only need higher degrees of skill on the part of our work force, we need more jobs. There simply are not enough jobs in this country for the hundreds of thousands of people who want to work. We need policies whereby the government will work with the provinces and the private sector to create more jobs. We have to get away from the destructive policies of this government which have destroyed jobs rather than created them, which have driven businesses into bankruptcy rather than helping business to be healthy and to expand and move forward.

We need different policies than the policies of this government which have driven this country into the worst recession since the 1930s and have taken away hope and optimism from Canadians and replaced it with despair about the future. Canadians deserve better from their federal government, even from this Conservative government. They deserve much better than they obviously have received.

This government has asked, through the parliamentary secretary, for approval of a higher level of borrowing. I suppose it is true that as with business, government revenues do not always match the timing of its expenditures and governments have to borrow. However the parliamentary secretary has certainly not made a convincing case on behalf of the economic record and economic policies of this government.

• (1110)

A few weeks ago we were startled to hear an announcement by Statistics Canada that the recession was over. Canadians reacted to that announcement with consternation. Were there still not 1.6 million people out of work? Were businesses not announcing day after day thousands more lay-offs in coming weeks and months? Were businesses not announcing that they were going into receivership and closing factories and stores? No wonder Canadians were astounded by this announcement. No wonder there was no dancing in the streets and throwing hats in the air.

While technically it may be that the recession is over, the fact is that this is unfortunately only in the most technical sense, in the sense that perhaps the economy is no longer contracting and there are some signs of growth and movement.

How can we say we are in a recovery when there are still more than 1.6 million people out of work? Some of the so-called experts on the government side say that yes, it is a recovery but unfortunately a jobless recovery. What a contradiction in terms. How can there be a recovery in the economy of this country while there are still 1.6 million people out of work?

For the people who are out of work the recession is not over, in my own city of Windsor or anywhere else in this country, until people are back to work at permanent and satisfying jobs. For them, no matter what the government says or any of its experts and spokespersons say, the recession continues and the recovery is not really here while we have so many people out of work.

I would like to see a strong recovery under way. I take no real satisfaction out of noting the despair and the lack of hope on the part of hundreds of thousands of Canadians. I take no real satisfaction out of noting the continued statistics about unemployment, bankruptcy and economic weakness, but this is the reality.

I have an obligation on the part of the people of my community and on the part of Canadians generally to say what is really going on. The government can take no satisfaction from any declaration by Statistics Canada that the recession is over while more than 1.6 million people are out of work and respected forecasting organizations like the Conference Board say that they have little or no prospect of going back to work for a year and more.

We need a different approach to government, an approach which recognizes problems of debt and deficit but which at the same time has a commitment to economic growth and which recognizes the contribution which only economic growth can make both to the creation of jobs and yes, the containment of our debt and the controlling of our deficit.

As even the parliamentary secretary admitted when he presented third reading of this bill to the House, when you have recession and worse, governments must spend money on things like unemployment insurance and welfare and at the same time government revenues decline because people are not working. They have no salaries so they pay no taxes. At current levels of growth government revenues decrease. Businesses do not make profits and they do not pay taxes either. However, in a context of economic growth governments spend less on things like unemployment insurance and welfare. People who are working and businesses that are making profits, without any higher tax burden, are the source of higher revenues for government. Economic growth itself is a major tool, a major instrument in the control and containment and ultimately the rolling back of the public debt and the deficit.

At the same time economic growth provides the jobs required for satisfying lives for Canadians. Economic growth provides the basis for hope for the future, the confidence that there will be a better future for Canadians and their families.

This government deserves a severe indictment and, more important, a severe penalty from the Canadian people because, getting beyond the statistics, getting beyond the numbers, the fact is it has robbed millions of Canadians of their hope for the future. It has robbed millions of Canadians of the confidence they deserve to have and better lives for themselves and their families.

I say that we look forward to an early election so that the Canadian people will pass judgement on this government, remove it from office and give a new and better government a place in this House and this country. I believe it will be a Liberal government, one that will bring back hope and confidence for Canadians and help us to build a country worthy of its past and worthy of its future.

Mr. David Barrett (Esquimalt—Juan de Fuca): Madam Speaker, I welcome the opportunity to speak in this debate. The Conservative government is asking the people for authority through this House to borrow another $8 billion.

This debate offers a rare opportunity to talk about the continuing tragedy of the Canadian nation. What we have just witnessed today is a speech from the finance critic of the Liberal Party that could be found in the library, given by the Conservative Party when it was in opposition. This back and forth of blame between Conservatives and Liberals in the history of this country politically was once explained as the difference between, as Tommy Douglas said, tweedledee and tweedledum.

When they are in government they are tweedledum. When they are in opposition they are tweedledee.

Mr. McDermid: The tweedledummers are in opposition.

Mr. Barrett: The tweedledums are in government and the tweedledees are in opposition.

Mrs. Maheu: You have not got a hope.

Mr. Barrett: No, it does not matter. The cast of characters are essentially the same old record of attacking each other without offering positive alternatives or explaining to the Canadian people how they will get out of this mess.

An hon. member: Tell us about Bob Rae.

Mr. Barrett: I appreciate the interruptions made by both the Liberals and the Conservatives. It is guilt motivated and were I one of the priesthood, I would say forgive them for they know not what they do. In actual fact they indeed know what they do and they continue to repeat the same errors over and over again.

When the Conservatives ran for office they damned vociferously the debt and the deficits left by the Liberal Party. They promised that they would reduce the debt and the operating deficits. Just vote for a government under the Tories and all the problems will be resolved. Eight years later the same annual deficits are cropping up plus more demands for borrowing.

The gall is even worse for the Canadian taxpayers when they hear the Liberal Party suggest it has the answers when it left a massive debt and massive deficits when it was in power.

• (1120)

Tweedledee or tweedledum, take your pick. Neither has shown the innovation that the Canadian people demand. Less than 30 million people in this great nation have a cornucopia of resources, a cornucopia of wealth in terms of the ordinary people, the labour force, entrepreneurs and no leadership that is dramatic or imaginative enough to put together a package to pull this country up by its own bootstraps.

It is well enough for the members of the Official Opposition to look at the Gallup polls and see that they are leading. They decided the best approach is to come into this House and attack the government and say: "we will do better, trust us". They need to do more than that. It is the obligation of the Liberals to say exactly what they will do, not just stand up in this House and condemn the government. I too will present some ideas.

It is a dereliction of duty for the Liberal Party to come into this House and not tell us exactly where it stands on the GST, on the free trade agreement and on NAFTA.

The Liberals need to be concerned and heckled but I want to say right now that any suggestion that the Liberals go into the next election without defining where they stand on the GST and leaving the impression they will tax food must be put in writing as either a truth or a lie. They cannot escape the obligation to tell the Canadian people where they are coming from before the next election.

We know that the Tories have been failures. We know that they have philosophically pursued a course of action that has brought about devastation in this country. Built on that failure is a tacit implication that the Liberals will follow most of the Tory policies with minor changes. If we are going to make that suggestion then what we end up with is exactly this: A vote for the Liberals is a vote for the Tories.

A deficit of $35 billion caused by what? Yes, part of the explanation in my opinion was correct by the Liberal finance critic. Economic growth has been stifled. Yes, there has been a recession. However, part of the reason for the stifling of that economic growth has been the free trade agreement which has allowed Canada to lose jobs in the manufacturing base at three times the rate of what the Americans have.

Did the Liberals say they will cancel the free trade agreement? No, they will tinker with it. I will say right now that we would give the six months' notice of abrogation and that is on record. That is what politics is all about, to say clearly and honestly where you stand. I stand here and say that the New Democratic Party would cancel the free trade agreement by giving the six months' notice.

One must say honestly that the Tories are touting this as their policy and they support it. The New Democrats say it is wrong and we would cancel. What is more dangerous is that the Official Opposition refuses to say what side of the issue it is on with the free trade agreement.

The Canadian people have a right and an obligation to know exactly what they are voting for and voting against. If you want the free trade agreement, vote for the Conservatives. If you do not want it, vote New Democrat. If you do not know what you want except licking your finger and holding it up in the wind, vote for the Liberal Party.

I want to talk about the North America free trade agreement. I think the Tories are wrong. We agree in principle that they are wrong on this issue. There will be further erosion of the job base, causing more borrowing such as this bill. Where does the Liberal Party stand on the North American free trade agreement? Traditionally where it always has: North American free trade if necessary but not necessarily North American free trade.

Contradictory statements allow the Liberals to play both sides against the middle. We have a disillusioned public that is fed up with politics and politicians and they want a change of government.

Instead of giving leadership, the Liberal Party is back on the fence again. It created these debts and deficits. Now members make these swan-song speeches about how terrible it is, the Tories have done wrong but do not worry, big business will carry on the same old policies.

There has been a massive shift of taxation in this country away from the business sector, away from the corporate sector and on to ordinary people. Did the Liberals say they will put it back in a fair tax policy? In a pig's eye, they will. We cannot get three logical words of commitment from the Liberal leader when asked about tax policy. Have you ever heard of a man running for prime minister who stands up publicly and says he will tell us what he is going to do after he has won? That is like playing dice with the Damon Runyan character Harry the Horse. He throws the dice in the hat, holds it up over his head and calls out the numbers.

We do not need pig in the poke policies. We need honest statements by everybody in this House of what they intend to do to get this country out of the mess. The Tories have failed. They are gone. Nothing is going to save them.

The Liberals have an obligation to be honest with the Canadian people. Up to this date they have not been. They have an opportunity on this bill to tell the truth and they have not done so.

If you want Tory policies, vote for the Tories. For goodness' sake do not have a Liberal Party hiding behind Tory policy saying: "Oh, they are bad. Oh, they are wrong. When the Liberals get elected they will not change a darn thing.

Why do they not take memberships out in the Tory party because the Tories are doing the Liberals' dirty work for them while the Liberals are hiding behind the curtains on these issues.

Why do we not have a clear-cut statement from the Liberal Party? January 1, 1994 is the implementation date of the North American free trade agreement. Regardless of how the Liberals vote in this House, regardless of talking about renegotiating or abrogation, we are talking about a new feature, implementation date January 1, 1994.

The election will be held before then. The people of this country have a right to know. If you vote Liberal will they refuse to implement the agreement on January 1, 1994? We know where the Tories stand. They will implement. However, this polling is directly related to the loss of jobs because of those trade agreements and we have not had a statement from the Liberal Party to the Canadian people that it will not implement on January 1, 1994.

Liberals cannot hide forever. The Canadian people are fed up to the teeth with duplicity, dodging and weaving. As much as I disagree with the Tories, as much as disdain their policies but like them as persons, it is in my charitable nature to love all people. It is my charitable nature to love all people and respect the rules of this House more than anything else. Even though I love some Liberals as individuals, hypocrisy cannot and must not be allowed to play a part in the forthcoming election in this country.

We hear the Liberals saying naughty, naughty to the Tories. Do we hear the Liberals say that the corporations must pay their fair share so that we avoid this kind of debt? Not on your life. Do we hear the Liberals saying we will never take 10 cents from a big corporation so that we can implement policies?

We read the records of who gave money to the Liberal Party. It is listed in the accounts of corporations and banks that gave money to the Liberal Party. It is all there.

My dear friends in the Liberal Party think they can have it both ways. This government has been a failure. It is going to be thrown out of office. You cannot be thrown in on the basis of fooling the Canadian people. Come clean and tell us where you stand on the GST. Where do you stand on the free trade agreement? Will you implement the North American free trade agreement in 1994?

An hon. member: How about wage controls?

Mr. Barrett: What are some options? I have a few comments to make. My friend mentioned wage controls. I was the only premier in Canada who refused to accept the Liberal policy of wage controls. I went back to British Columbia and implemented a policy of price controls—under a Liberal government, and we should never forget that. Price controls on food and energy, so that ordinary people could be protected from rapacious federal governments.

• (1130)

Let us look at the expenditure of public funds. This bill forces us again to borrow and add on to the debt for our children and our children's children. It is the same old kind of borrowing that both the Liberals and Conservatives are committed to: making offshore lenders wealthier yet based on the 27 or 28 million taxpayers in this country who are indebted offshore and internally in massive amounts.

There has never been a serious attempt since the Second World War to mobilize indigenous Canadian capital to work in Canada for Canadians. Canadians are among the best savers in the world. During the Second World War, capital as an instrument was mobilized just as much as manpower and arms were mobilized to fight for the success and survival of democracy. Everybody sacrificed, everybody contributed. Imaginative options were created in the financial sector during wartime which permitted this country to move rapidly out of the depression into measured and sustained growth.

I know it is a four letter word that frightens the Liberals and the Conservatives plan. The Japanese plan an economy, the Germans plan an economy and the new administration in the United States is now going to plan an economy. The new president admitted it yesterday. Not the Liberal Party or the Conservatives—*laissez-faire* forever.

What are the options? One is to examine those Canadian savings. This government finally opened up a very small window of access to those accumulated savings. A very good policy initiating self-responsibility in savings with tax benefits was opened to the Canadian people under the RRSP program. Good for the Liberals, they brought it in. It gave ordinary people an option to protect themselves against both inflation and devaluation of their own hard-earned money in high tax times by moving it into RRSPs.

Currently there is $105 billion in RRSP money in this country. Half of it is in self-directed funds and the other half is not.

There are ideas out there begging to be implemented that have absolutely nothing to do with the Tories, the Liberals or the New Democrats. They are strange to politicians, they are under the heading of common sense. One of those common sense ideas has been presented by the Canadian Federation of Municipalities calling for access to low cost funds to rebuild the infrastructure of this country; roads, sewers, sidewalks, all jobs that do not require a Ph.D.

An hon. member: The Liberals did not show up for the vote.

Mr. Barrett: I talk about the need for higher education for jobs. Just recently the most highly skilled work force in all of Canada was laid off in Ottawa in the high-tech industry. The high-tech myth is a Lorelei that is used by politicians to suck people along into thinking there is a great future there. Not everybody has a Ph.D. Thank God for that. Not everybody has a university education. Simple, clear-cut manufacturing jobs and industrial related jobs are the foundation of a resource based economy such as we have in Canada. However, it takes leadership.

Of that $104 or $105 billion that exists in the RRSP funds, as I pointed out, half of it is not directed. With wisdom, prudence, caution and leadership, using the Canadian municipal federation's own plans, municipal bonds could be issued tax free based on the United States model of the Fannie Mae municipal bonds.

The municipalities have said that there is $15 billion worth of work that should be initiated right away. We should allow people the choice, the freedom and the option to subscribe to a government bond that pays two points less than the going rate available in treasury bills or other securities and allow them to buy those bonds directly from their RRSP funds. We should allow them to give 10 or 20-year commitments to those bonds, within the shelter of the RRSP, to protect all interest they earn on those bonds and allow them to take that interest out tax free at the time the commitment is over, be they either 20-year bonds or 10-year bonds.

Further, we would allow a bonus amount of approximately 50 per cent of the value of the interest earned on the money they loan the government for those bonds to be taken out in a lump sum. It would be one and a half times the interest they earned on their own money that they could take out of the municipal bond and then use the cash tax free any way they want.

It would allow the Canadian taxpayers access to billions of dollars at a low interest rate. They would be designated funds to create jobs and build roads, sewers, sidewalks, parks and other parts of the infrastructure across this country.

We would make money back in increased taxation and increased internal purchases and in procurement here in Canada. That would be part of the whole plan of the structure. We would mobilize Canadian capital and would begin to pull ourselves up by our own bootstraps in our own country.

Why borrow offshore? Why continue this tweedledee and tweedledum between the Liberals and the Conservatives? Why throw one out only to have the other come in to replace them? My challenge is to the Liberal Party. In the face of the Tory failure are we going to get the same old mess from the same old Liberals or are we going to begin to get some honest alternatives? Are we going to get some definite statements on the GST, some commitments to cancel the free trade agreement and to say no to the implementation of NAFTA on January 1, 1994 or are the Canadian people going to be fooled again by the Liberals as they have been in the past?

It is time for Canadians to reject both tweedledee and tweedledum and let us do things for ourselves.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Madam Speaker, I cannot believe what I just heard. I have many close friends who voted for the NDP in Ontario a year or so ago and they are the most disillusioned people in the world. If we want to talk about flip-flops on policies, if we want to talk about cutbacks—I see the hon. member is leaving the Chamber because he cannot listen to the response.

Many people of goodwill voted for the great NDP in Ontario. They have made fumble after fumble and gaff after gaff. They have cut back on promises and so on.

Talking about hypocrisy, this is a party that when there is no chance of achieving government says that everything is black and white. If it was honest with the Canadian people, and the hon. member was premier at one time, it would find that once it takes control of a government there are many grey areas. That is the reality. That is the truthful situation of life. Some things can be presented in extreme positions. If the NDP wants to be fair and honest with the Canadian people and it achieves office, as Mr. Rae has and as Mr. Harcourt and the NDP has in Saskatchewan, it would admit that there are many grey areas.

I fought the last election on the free trade agreement. I do not know where the NDP was in that battle. I was at all-candidates meetings in Montreal and NDP candidates were talking about other things. They were not talking about the free trade agreement. He talked about fighting free trade but it was our party, the Liberal Party, that fought the battle against free trade.

• (1140)

During the referendum campaign last fall the premier of British Columbia took off. We did not know where he stood on that issue. He took off on a holiday to the United States or somewhere and left the battle to one of his ministers. The people in British Columbia did not know whether the NDP Government of British Columbia was for or against the agreement. For God's sake, let us be honest with the Canadian people.

There are many things in the NDP platform that I support, but when the member talks with a holier than thou attitude, as he does, he is talking like someone who is not in touch with reality.

We have now seen NDP governments in Ontario, Saskatchewan and British Columbia. Look at the polls. The people who voted for those governments know that they have backed down on their promises and that they are not the great holier than thou paragons of virtue that they pretend to be. When I listen to that kind of speech I think I am listening to something from the 1930s.

Mr. Barrett: Madam Speaker, when the Liberal Party wants to get votes out of the centre-left population in this country it relies on the old cliché about the CCF/NDP just being Liberals in a hurry. When it appeals to the centre-left it always says: "Yes, the CCF initiated such things as medicare ideas and other social ideas". Part of what I said today included an idea about mobilizing Canadian capital. Is the member opposed to that?

To give the House a ranting diatribe against the Ontario government ignores the fact that the Ontario Liberal government lied about a deficit that was close to a billion dollars before it went into an election and only acknowledged it after election day. It left that mess for Bob Rae. Will the member talk about that? Will the member talk about the mess it left concerning Sky-Dome? The Ontario NDP government had to clean that mess up.

We can exchange insults and we can say "You said" and "I said" and everything else. We are facing an election now. I offered an economic alternative to this borrowing but the member did not comment on that offering. I also clearly said that the Liberal Party must state now, as the right hon. member for Vancouver Quadra bravely did in the 1988 election, its position on NAFTA. The right hon. member for Vancouver Quadra bravely said that he would abrogate the free trade agreement. I returned to politics because I was opposed to free trade. I spoke against it everywhere and had I been invited to Montreal I would even have tried to speak against it in French.

This is 1993. This is a borrowing bill by a government that has nearly bankrupted this country. The Liberal Party wants to be the government. Where does it stand on the GST? Will it cancel it? What will it replace it with? Will it answer those questions? Where does it stand on the free trade agreement? Will it abrogate that or has it abandoned its 1988 position? Where does it stand on NAFTA? Will it implement it on January 1, 1994? We can spend a lifetime saying "You said this" or "You said that when you were in government". This government is finished. The Liberals may be the government. People are not interested in what they did in the past or what I did in the past. What in the world do they stand for now? They cannot go into an election and lie to Canadians. Tell us where they stand. All of us have a right to know.

Mr. Ron MacDonald (Dartmouth): Madam Speaker, I have heard of lot of hot air being hissed around in this place in the past but today's example has been one of the worst I have ever heard.

The hon. member got up and for 13 of his 20 minutes attacked the Liberal Party. He stood up there so high and holy and he neglected his own past. He led a government in the province of British Columbia that was dumped very quickly. It was one of the most destructive governments that the people of British Columbia have ever seen. In British Columbia he led a government that was not only incompetent but was a government of chaos. It was a government that governed not by the light of the day but by the light of the moon. He knows exactly what I am talking about.

In British Columbia the NDP which this man led into power, into the provincial house in the province of British Columbia, and its ideology were so soundly and roundly rejected that the New Democratic Party had to rebuild from the bottom up. He sanctimoniously stands in this House today and says that he knows what is right and that he has a plan. That hon. member led a government that did the impossible. His government's record makes Bob Rae look good in Ontario, and that is a heck of a hard thing to do.

The member is very good on his feet. He is one of the greatest orators in this place. However, when he starts to give lessons to the Liberals and even the Tories by God, about how to run a government and about how to put forward plans then he has no credibility.

The hon. member opposite said he had a plan. I would ask him on behalf of the people of Ontario if he has such a good plan could he please call up his colleague the premier of Ontario and tell him what it is. Then maybe, just maybe the people of Ontario would give him the respect that the people of British Columbia did not give him when he had his last chance to implement the plan, because the people of Ontario know that the New Democratic plan has cost them $11 billion in the deficit this year.

Mr. Barrett: Madam Speaker, I enjoy listening to my colleague from the maritimes.

It is a selective memory but since he wishes to talk about it let us put the matter straight. The Liberal Party in British Columbia elected five MLAs. Within a year and a half it walked over and joined the Conservatives and Social Credit in representing big business in British Columbia against our government.

The Liberal Party abandoned its principles and changed its coat just by walking across the floor. Now it has dumped them with the coats.

I predict that the same coalition will emerge in British Columbia. The Liberal Party will coalesce under big business money with the remnants of Social Credit and the remnants of the Conservative Party and again form a coalition in British Columbia. Name one other provincial government that received 48.5 per cent of the vote and lost an election. That was my experience when the Liberals formed a coalition with the Social Credit Party.

Did the Liberals in British Columbia advocate abandoning our land policy, our tax policy, or our car insurance? Not on your life. They never abandoned one single policy except to change the labour code against ordinary working people. That is what the coalition in British Columbia did.

Let the record be there. Let us understand one simple thing in politics. Whoever pays the piper calls the tune. The same piper pays both the Liberals and the Tories and calls their tune.

Hon. Chas. L. Caccia (Davenport): Madam Speaker, the intervention by the member for Esquimalt—Juan de Fuca brings to mind the famous adage that when people sit in glass houses they should be careful when they throw stones.

That desperate intervention by the member for Esquimalt—Juan de Fuca brings to memory some of the issues that arose in British Columbia when he was premier. This opportunity cannot be missed considering the holier than thou attitude which permeated his intervention this morning.

I could not help thinking back to the times when the member for Esquimalt—Juan de Fuca was premier and about the way in which the forests of British Columbia were allowed to be pilfered under his administration in the same manner as they were pilfered before him and again after him. His record on that matter is not something to write home about.

The record of the former premier of British Columbia, now the member for Esquimalt—Juan de Fuca, is not great either when one remembers the opportunity he had while in office to rearrange land use planning in British Columbia to reduce the pressure on forest cutting in his own province and his failure to do so.

He did not pay attention to that key issue which has plagued the viability of forests on the west coast.

• (1150)

I am also reminded by the member for Notre-Dame-de-Grâce, who was a very distinguished minister for Indian and northern affairs, about the fact that when the member for Esquimalt—Juan de Fuca was premier, he did not keep the promise on the Nishga settlement. He was such a *cause célèbre* in the provincial legislature of British Columbia that the member for Nishga who had been elected as an NDP member, if I remember correctly, decided to sit as an independent as a sign of protest with respect to the then premier and now the member for Esquimalt—Juan de Fuca.

In his attack on the Liberals, the member for Esquimalt—Juan de Fuca is conveying the clear impression that after all he prefers the Tories, which is rather amazing considering the agenda of the NDP. However, that is his problem. He seems to be very upset about the fact that on the GST there is no clear statement being given by other parties. In our case, that statement certainly does not apply because our leader on behalf of the Liberal parliamentary group has taken the very clear position that if the Liberal Party is elected to office, the GST will be replaced by another tax.

At that point you can proceed in two ways. You can decide on the alternative tax as a government, as a decision made by cabinet on its own, or you can do that by way of consultation with the public through parliamentary means. It is the Liberal way to adopt a process whereby we would consult the public. We would engage in an over-all tax reform in which the GST would be analysed against which alternatives would be studied. The consultation process would be extensive and would then lead to the alternative to the present tax system which as you know, Madam Speaker, is tilted very much in favour of the haves and is heavier on the have nots.

In other words, what we intend to do after the next election is have a more progressive taxation system with hopefully less flat tax rates applied regardless of income and with rates of taxation which are heavier on those who have more and which are of course progressively lighter as incomes decrease. That is the Liberal view on the approach to taxation. We know that can be done.

Since 1984 there have been over 30 tax increases introduced by the present government. We will have to look at all of them and reorganize the taxation system in a fair and progressive manner.

The member for Esquimalt—Juan de Fuca also produced a lot of synthetic indignation on the subject of NAFTA and the free trade agreement. We had a debate in the House on that subject a few months ago on a Liberal opposition day. We took a very clear position. I do not know where the member for Esquimalt—Juan de Fuca was on that day. That position is on record. It states quite clearly that a Liberal government will want to examine the NAFTA proposal if it is in place in a manner that will ensure an improvement both on the labour side and on the environmental side of that particular agreement. This position has also been taken by President Clinton. We think that in co-operation with the present administration in Washington that approach will be possible and will be successful.

There is on the part of the Liberal Party a very clear position that has been taken in this regard. It is a reasonable one that will appeal to the majority of Canadians. It has been thought through because, as everybody knows, the weak aspects of the NAFTA agreement are definitely those aspects related to the environment, labour standards and labour input.

In this debate today we have to look at the performance of the government on a variety of fronts. We cannot of course spend too much time on calming down the boiling spirits of the hon. member for Esquimalt—Juan de Fuca. The agenda is much too important. We have to look at the bill as it stands before us today and say that there are a number of areas in which the performance of the government which is now seeking additional funds leaves very much to be desired.

A couple of days ago I attempted to deal with the social aspects of the government's performance. Today I would like to devote the few minutes available to the approach by this government to our natural resources. I will attempt to divide these remarks between water and energy, fully aware of the fact that the subject is so

immense that it cannot be covered adequately by way of just one intervention.

We find not just anomalies, as in the case of the GST application and its effects on the environment, but some very serious conceptual faults in the performance of the government.

First let me deal with the question of the GST and one specific example. I was stunned to receive on March 10, 1992, a press release issued by Treasury Board in which we were informed about the suspension of the goods and services tax, the GST, from certain products. On this list of products were fertilizers and pesticides.

The pesticides are as a result of a decision made by this government regarding packages costing $500 or more. If they are labelled in accordance with the pest control products regulations, having a purpose that includes agricultural use, they will be exempt from the GST.

I ask why on earth the government would take a step of this kind. Certainly it is a measure which will facilitate an increase in the use of pesticides. We know that some of the pesticides in commercial use are extremely damaging to the environment and particularly to the water systems.

One cannot help but ask this question. Why should books not be exempt from the GST when chemical fertilizers are exempt? What is the rationale behind this initiative? Why would the government do that when in the green plan, which is certainly not under the jurisdiction of Treasury Board but nevertheless is part of the over-all long-term approach of this government, there is a profound concern about the preservation and the protection of the environment. Here we have an indirect subsidy, an exemption from a tax which applies to a product which we all know ought to be used extremely carefully and possibly phased out in the long term. However, that is only a detail.

• (1200)

I would like to stress that after eight years of Tory administration we can begin to notice the emergence of initiatives that have been promised but not carried out. For instance, let me refer for a moment to the 1987 water strategy.

The federal water strategy was in a way launched by way of an initiative by the Liberal government before the 1984 election which set up a water commission under the leadership of Professor Pearse at UBC.

I believe that commission reported in 1985 or 1986. In 1987 a federal water strategy emerged and we welcomed it. We thought it was a good idea. It is a good idea because we need a federal water strategy for a variety of reasons. The only unfortunate aspect of that strategy was the fact that it remained silent on water diversion and water exports. That was because at that time some members of the Conservative government were in favour of some of the crazy ideas being proposed for massive water diversions between Canada and the United States.

That federal water strategy has remained virtually unimplemented. A federal water bill has been promised by several successive ministers of the environment. Six years later we have not seen any legislation introduced. What is going on? Why is this federal water strategy, admittedly a good concept, not being implemented? Evidently the chickens are coming home to roost. I do not doubt the intention at the time, but promises which are made must be kept.

Here we see an increasing need for a policy to be implemented in the interest of public health of Canadians and the long-term use of water which is being recognized increasingly as a commodity of increasing and substantive importance, not just in Canada but around the globe. A legitimate question to be raised during this debate would be when will this promise be delivered?

Again on the subject of water, I must raise the question of the abatement of persistent toxic chemicals entering the Niagara River and Lake Ontario.

In 1987 an agreement was signed between the then Minister of the Environment and his counterpart in Washington whereby a promise was made that 50 per cent of the persistent toxic chemicals entering the Niagara River would be cut in half. We do not know whether that promise will be kept with regard to the Niagara River.

At a meeting in Niagara Falls, New York, a few weeks ago scientists at that meeting indicated that this promise might be kept but it is not quite certain. At that time it became publicly known that 1,500 kilograms of persistent toxic chemicals are entering the Niagara River daily. Among them are arsenic, lead, PCBs and DDT. You name it, a soup of the most incredible variety of

chemicals is still entering that river. We learned that of these 18 toxic chemicals, eight are still unregulated. In other words, there is no regulation affecting eight of these 18 persistent toxic chemicals as of today.

We thought the highly publicized Canadian Environmental Protection Act was a good measure as a whole. It could have been stronger. It was debated in committee but we certainly felt that it was a measure that ought to proceed, although in four areas it could have been considerably improved. Yet that legislation is not used as expeditiously as it should be used in order to regulate toxic substances entering the environment.

While the legislation is there and the instruments are there, the government is reluctant to make the resources available to the Department of the Environment and to the scientific communities in order to broaden the scope and the coverage of the Canadian Environmental Protection Act so as to regulate more toxic chemicals the environment, the water system and the atmosphere.

This situation is going to reach emergency levels if it is not dealt with soon. Measurements in the Niagara River, as they are made right now by the scientific community, are to the extent of 1,500 kilograms per day of persistent toxic chemicals entering the system which includes a very high figure for arsenic which we all know is not something one drinks every day for breakfast. There is lead and DDT, as I mentioned earlier, and other dangerous substances.

I might add on that subject that while there is at least on paper an agreement between the two countries on reaching a certain target by the year 1996, namely by reducing the water pollution or the amount of toxic chemicals entering the system by 50 per cent, there is not a similar agreement or at least a target related to Lake Ontario.

In other words, we have an agreement for the river, but we do not have an agreement for the entire lake. This is a very important and urgent matter because reducing the entry of toxic chemicals into Lake Ontario has an important significance for the health of eight million people living along the shores of that lake, as well as the health and the condition of people living along the St. Lawrence River downstream.

Madam Speaker, you are indicating that my time is up. I regret very much that I am unable to continue my presentation.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Madam Speaker, I listened to the dissertation on the environment and water resources by my hon. friend from Davenport. While I found it very interesting, I had some difficulty drawing a connection between his dissertation and the bill that is before the House which is for borrowing authority.

In the initial part of his remarks he did speak a little bit about his party's approach to taxation. It is in that regard that I would like to ask him a question.

I must first compliment him for having developed the art of obfuscation to a level that has only previously been achieved by his leader.

He said that although they are going to get rid of the GST, that is for sure, they are going to wait and consult with Canadians before they decide what to do, if I understood him correctly. I am not sure whether this consultation is not also obfuscation, designed to get away from the fact that they really have not figured out what on earth to do, or if it is because they do not want to tell the public what they are going to do.

• (1210)

We are told they are considering a secret, hidden, business transfer tax that would be applied to everything, like food and medical services. That may or may not be true, I do not know.

I notice that in his references to the GST, he says that the taxation policies of this government have been targeted at benefiting the haves rather than the have nots. Therefore, I would ask him to explain how that coincides with the fact that this government in its income tax reforms has taken 800,000 Canadians off the income tax rolls. I wonder how he could say that about the GST, given that Canadians with incomes of less than $30,000 are in fact shielded from the GST by the GST credit. So his comments simply do not make any sense at all in that regard.

I would ask him about his own party's policy. Why will the Liberals not come clean with Canadians and say what they are going to do to replace the revenues now provided by the GST. Is it because they simply do not know, or they simply will not say?

Mr. Caccia: Mr. Speaker, this is a very fair question by the member for South Shore, for whom I have great respect, both for his intellectual and oratorical skills. I would be glad to offer him an answer.

First of all, on the borrowing authority and my intervention, the member for South Shore knows very well that whenever the government asks for money, you can deal with the over-all policy of the government in any way, shape or form. In this case it is a substantial amount, mind-boggling actually but understandable. I chose to focus at report stage on the social policies. Today at third reading I focused on natural resources.

Unfortunately I could not go on enlightening the hon. member further on the subject of the depletion of natural resources and the poor policies of the government. I could not cover, for instance, forestry for which this government has a pathetic record. We are now being haunted in Europe for our poor reputation in forestry management.

I could not deal with the question of the Canadian Environmental Protection Act in depth, as I would have liked to. I could not deal with the energy policies of this government. It has completely abandoned, in its vision for the future, the potential and the desirability of alternative energy resources, and the necessity of reducing our dependency on fossil fuels.

One has only to look at the estimates of the Ministry of Energy, Mines and Resources to see what has happened over the last eight years. There is a virtual decline, if not elimination, of grants and subsidies to renewable energy sources. The energy policy of this government in terms of the long-term outlook for Canada and the globe has been a complete disaster.

In answer to the other two questions of the hon. member for South Shore, perhaps he was not listening very carefully because I said that our position is one in which we say clearly that there will have to be an alternative to the GST. We know that the revenue of the state has to be assured and we think that the search for those alternative sources of revenue should be conducted in a transparent, visible manner, rather than behind closed doors. Therefore, we would engage in a public consultation by way of parliamentary and other means after the election, in order to find the alternative sources of taxation that will be necessary to replace the GST.

As a true democrat, the member for South Shore would applaud an initiative of this kind on the part of the Liberal Party. That is the way we prefer to do things. We do not want to impose our will and our preferences, but to do it in consultation with the people affected, as one should particularly in taxation methods. We can have a debate on the merit of that measure on another occasion.

The member is quite right when he says there are segments in our society that can qualify for a GST credit. I can tell him that there is increasing resistance, objection and criticism, particularly on the part of the seniors in Canada, to the fact that they have to fill out an income tax form which they did not have to do before and to the fact that their revenue is being scrutinized every year in order to qualify for this GST tax credit. They would prefer not to have to do it and they would prefer not to have to pay the GST.

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, I was interested in the public consultation aspects of the hon. member's answer. He said that the Liberals are going to have public consultations.

As I remember correctly, four parliamentary committees and two royal commissions held wide public consultations from coast to coast, over a 40-year period as a matter of fact. In each one of those reports it was recommended that the manufacturers' sales tax be abolished and that a value added tax be brought in. In those 40 years the Liberals were in power most of the time and most of those committees and royal commissions were brought to fruition by the Liberal Party.

What did that public consultation mean to the Liberals? Obviously nothing because they did not take any action at that time. This government did take action on the recommendations and brought in a value added tax which was the recommendation of those commissions and committees both of Parliament and of the Senate.

What different consultation does the hon. member think he is going to have this time? Why should the Canadian people believe that they will do anything after they have been consulted because they did not over the 40-year period to which I referred?

Mr. Caccia: Madam Speaker, you have no idea how glad I am for this question. It reveals that light does not penetrate the limited grey matter of the hon. minister. He has never been famous for shining very much, but today he has demonstrated his utter stupidity. I will explain why. It has not dawned on him that Canadians do not like the GST. This is the point. Canadians do not like the GST. That is a fact of life. That is a political fact. It now requires a public consultation in light of the experience of the last few years. It is as simple as that.

We have gone through several years of GST and Canadians do not like it. Therefore a consultation is essential. In a democratic system would the hon. minister not want to have a consultation? Is he against it because we had consultations in the past? We must have consultations all the time. We must go to the people frequently, particularly on the subject of taxes. Otherwise we lose touch.

This is why this government is so low in the public opinion polls. It has lost touch. It thinks it can govern when the public is mad at it. Obviously there is a need for public consultation. I am astonished that the minister would ask such a silly question.

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

I am willing to debate the hon. member any time in this House of Commons, but the quality of the debate is lowered when he stoops to calling names. It is unbecoming of the hon. member and totally weakens his argument.

Mr. Simmons: That is not a point of order. It is against the rules.

Madam Deputy Speaker: The hon. member for Burin—St. George's will please abstain. The hon. member for Burin—St. George's should know that screaming at the Chair will not change anything.

• (1220)

The hon. member for Davenport has used some terms which Beauchesne's may or may not consider parliamentary or unparliamentary. However, when the use of terms creates problems inside the House normally the parliamentary thing to do, the honourable thing to do, is to withdraw words which the hon. member does not normally use in the House. I am sure he would want to withdraw words which have been used in the last minute or so to enable us to continue with debate.

Mr. Caccia: Madam Speaker, I would—

Mr. Simmons: Point of order, Madam Speaker.

Madam Deputy Speaker: I have heard the hon. member. The floor had first been given to the hon. member for Davenport. I will certainly recognize the hon. member afterward. I cannot recognize two people at the same time.

The floor had been given to the hon. member for Davenport and he had risen to answer. The hon. member for Davenport has the floor.

Mr. Caccia: Madam Speaker, accuracy should prevail in this debate. The way in which I described the mental capacity of the hon. minister of state reflects an accurate statement on my part, which I do not think I can withdraw.

That is the assessment that I can make in all honesty from the minister's intervention and from the calibre of his question.

Therefore my statement stands.

Some hon. members: Hear, hear.

Madam Deputy Speaker: I will hear the hon. member for Burin—St. George's and I will continue after.

Mr. Simmons: Madam Speaker, on my point of order my intervention was not directed at the Chair. The minister was clearly abusing the rule. I flagged that to him and made no aspersions to the Chair, so save me the lecture.

Madam Deputy Speaker: I do not recall giving a lecture to the hon. member. I simply reminded him that screaming "point of order", which he did, was unnecessary. I could certainly hear him and I had given the floor to the hon. member for Davenport.

I would like the House to understand what I have said before. I agree with the hon. member that if we look at Beauchesne's the words "stupid" and "stupidity" in debate are not considered unparliamentary as such.

However, when we talk about decorum in this place I think it has been agreed among all members of the House that if an accusation or something that can be construed as an insult causes a disturbance then normally members do withdraw that statement.

Mr. Caccia: Madam Speaker, in commenting on what you have just said I would like to assure you that mine is not an accusation. It is simply a statement of fact.

Madam Deputy Speaker: I will read the "blues" and if necessary come back to the House on this point.

Ms. Mary Clancy (Halifax): Madam Speaker, it is with a certain amount of chagrin that I rise to join in this debate today. It is an honour for me to follow such experienced and illustrious members of this House as the hon. member for Davenport and the hon. member for Windsor West.

Mr. Lewis: Excuse me.

Ms. Clancy: I do not know why the hon. Solicitor General wants to be excused, but I will excuse him if he wishes.

In a discussion with the hon. member for Windsor West earlier this morning he made a point that I agree with whole-heartedly. He said in a borrowing bill such as the one we are debating today it is tantamount to irresponsibility of the highest order to give the government that has so mismanaged the Canadian economy over the last eight years another crack at it by giving it any more money. This government should realize what it has done and is doing to the Canadian people. Throw in the towel and do what the Canadian people want, which is call an election and call it today. No more borrowing bills. No more money to the government.

Mrs. Maheu: Increasing the debt.

Ms. Clancy: Issue the writ.

Mr. Bjornson: The public knows this is not an alternative.

Ms. Clancy: The Canadian people do not mind. I love the way the hon. member from Manitoba hurls an insult and leaves just as I love the way the hon. Solicitor General keeps wanting to be excused. I have excused him. He can go.

Let us look at some of the things this government has done to the people of Canada over the last eight years. In this year of grace alone the deficit has been revised from $27.5 billion to $34.4 billion. For average Canadians worried about their jobs, worried about their children's education, worried about whether their children will ever have a job, worried about whether they are going to have a job next week and worried about the economy generally, it is really wonderful to hear that the deficit has been, and I quote those anaemic not to say banal words, revised upward. It sounds so unthreatening to say that something has been revised upwards.

If we take $27.5 billion from $34.4 billion then we have a huge increase in the deficit from a government that has told us from the day of its arrival in power, a day that shall live in infamy, September 4, 1984, that it was going to deal with the deficit. It certainly dealt with the deficit. Oh, yes. We cannot deny that it has dealt with the deficit, revising it upward and upward every year, every day, every month. Every morning Canadians wake up and they are another $100 million in debt.

An hon. member: Shame. Shame.

Ms. Clancy: This is the government that wants to borrow more money and take us further into debt. This is the government that is looking for voters' confidence. It is amazing. This is a government that with this kind of record could not get a car loan from a chartered bank.

This same government over eight years has attacked and attacked the fabric of this country and the dreams of Canadians. It has attacked the simple things that every Canadian thought were his or her heritage.

• (1230)

It is absolutely appalling to look at the fiscal record of this government. It is appalling to think that in the 1990s Canadians are as ill-prepared for the future and in as bad a position financially as they are when we are facing the exigencies of the globalization of our economy.

It is beyond belief that a government that has created this snafu, that has created situations in which Canadians no longer feel that there is any hope for the future or that they can trust their government, then comes out with a whole load of theories that are tired and do nothing for individual Canadians. The government does not do the one thing that every Canadian from coast to coast to coast wants it to do: deal with the economy and create some real jobs.

That is what Canadians want in every riding in this country. Whether it is one of the major Toronto ridings, such as Broadview—Greenwood or Scarborough, smaller ridings in Ontario, ridings in the greater Montreal area, such as Saint-Laurent, Halifax, western Canada, central Canada, northern Canada, urban or rural does not matter.

What do Canadians want? We know what they want. They want jobs. They do not want jobs at fast food outlets that pay them minimum wage. They want jobs that give them hope for the future. They want jobs that give them a chance to provide for their families. They want jobs that give them a decent standard of living. That is the birthright of Canadians. What has this government done? It has taken away their birthright.

Not to pour oil on the fire, I am afraid that attitude is a stupid attitude. In this House, no matter where we sit, we must understand, as our neighbours to the south have understood and as maybe the Solicitor General who still needs to be excused will understand some day, that it is the economy.

There was a phrase said in the United States that I hesitate to use here in this House. I think we all know what it was. It is the economy. It has been the economy. It will continue to be the economy. It is the economy for every man, woman and child in this country. It has become a truism that the best social policy is a job.

In this country today young people come out of training courses, universities and vocational schools and they cannot get jobs. Whether they are trained to be skilled workers, whether they have a Ph.D., a law degree, an MD, an MBA, or a degree in engineering they cannot get a job. There are young people in this country today who have gone five, six, or seven years without anything that remotely approaches a real job. That is a disgrace.

That is something that every one of us should be giving our best efforts toward solving. In this country young people work hard, study hard, learn everything they can and get themselves trained but then there is nothing for them when they come out.

I do not know how many of us in this House have ever gone through a significant period of unemployment. I did once, very briefly. It was about a three-month period. I well remember the feeling of not being able to find a job. I remember the depression when one realizes that with one's skills and education one still cannot find a job. In this country today there are millions of people in that situation.

What is their government doing for them? Zip. Nothing. What is it doing for those people who have looked to the government for assistance? Nothing. This is not something that any Canadian of whatever political stripe can deal with. This is not something that they should have to deal with. This is something that calls for immediate action.

It is interesting watching our neighbour to the south, the things that happen, the desire for change that is roiling across this country as it roiled across the United States in the most recent election.

We look at President Clinton's announcement yesterday that he is going to immediately introduce an infrastructure rebuilding program. Is that not interesting?

Mr. Butland: You should have been here last night to vote.

Ms. Clancy: I was here to vote.

An hon. member: There were eight Liberals.

Mr. Lewis: A family feud.

Some hon. members: Oh, oh.

Ms. Clancy: Get out of here. There were more than eight Liberals. There were 80 Liberals here last night.

The hon. member for Sault Ste. Marie cannot count, among other things. The hon. member from Saskatchewan and, again, the hon. Solicitor General should not interrupt. It is rude.

The point is that the President of the United States will introduce an immediate infrastructure package. Who has been saying that in this House for two years? It was the hon. member for Beauséjour, the hon. Leader of the Opposition. He has been saying that, as have all of us in the Liberal Official Opposition—as opposed to those persons who have no official status and keep interrupting, and I promise the hon. Solicitor General that it will become more official as the sparks fly upward or should I say as the flames engulf—they are burning in Orillia right now.

At any rate, the point is that jobs, jobs, jobs are the answer. We know that is the answer. The time has come to do something about it. The time has come to relieve the anxiety and the out and out fear that is grabbing Canadians by the throat. The time has come for this government to do what governments are supposed to do in this country.

An hon. member: Resign.

Ms. Clancy: I agree with that too. However, if this government is not going to do what it should do, which is issue the writ now as we are four years and two months past the date of the last election, then it should create jobs for Canadians. That is what this government should do. Creating the climate for a good economy is what Canadian governments—

Mr. McDermid: Climate.

Ms. Clancy: I do not disagree with the hon. minister. He is saying to me "climate" and he is shaking his finger. I agree with him. Do it.

Mr. McDermid: Not create jobs.

Ms. Clancy: You could create a few jobs too. It has happened in the 126-year history of this country that now and again the federal government has tried to create a few jobs, though I admit not often in the last eight years.

Other governments have created jobs. The sky has not fallen and the capitalist system has not fallen into the ocean. Creating jobs, if it happens to be a by-product of creating the climate to create jobs, is not necessarily a bad thing for the people of this country, particularly when the people of this country are attempting to wend their way out of the worst recession since the Great Depression of the 1930s.

We are sitting here in this House today in one of the coldest winters physically and economically that Canadians have ever seen. There is rank and abject suffering out there in this country while we sit here in this House and see no programs being developed to assist people.

Instead we see the creation of institutionalized attacks on Canadian citizens. I refer to Bill C-105, which I understand is not going to be debated today. One can only hope that the government is seeing the error of its ways. I want to talk about that because if the government is not seeing the error of its ways maybe it needs a few stories with human faces about what this bill could do to the people of Canada if it is left as it was originally introduced.

• (1240)

When I first questioned the government on this bill before Christmas I mentioned the horrors facing Canadian working people who will no longer have the opportunity to be protected by the Unemployment Insurance Act if they quit "voluntarily".

From 1980 to 1984 I chaired the unemployment insurance appeal board in Halifax. I saw many cases of people who quit because of horrendous working conditions. The one I remember most was a man who was working—

Mr. McDermid: That is justification.

Ms. Clancy: I am getting to that.

I understand about justification. If the member will just be a little patient he will see the point to my story.

There was a man who quit his job and was disqualified by the Unemployment Insurance Commission. He came before us as the appeal board to explain the reason that he had quit. He was working on an underground project. Subterranean piping was being put in. It was winter and it was cold. He was wearing rubber protective clothing but because of the temperature in the hole in the ground in which he was working the rubber would freeze and it was very difficult to move. On top of that water from some place or other was pouring down his neck while he was working. He said that he just could not stay there. He was sick every night, he was getting a cold, he was going to get pneumonia and on and on.

In that particular case we allowed the appeal. It went on to the umpire and it lost. The umpire did not want to deny the appeal but said he was forbidden to allow it because of the provisions of the act.

If that situation is not sufficient to create just cause everyone of us can think of thousands of other situations in which working people are going to be at a disadvantage because of employers.

In the entire UI appeals process employers do not even have to show up. The person who has left his job goes to the appeal. If the employer does not want to show up, and it is nothing to the employer, he does not have to come. What about—and I am not going to discuss it to any great extent because I have talked about it before and I will talk about it again in a different context—the whole question of sexual harassment?

The Minister of Employment and Immigration responded by saying that sexual harassment is just cause. That is cods wallop. It is not just cause.

This government, this country and this culture do not yet truly recognize that sexual harassment is a creation of offensive behaviour against women. The vast majority of men still do not understand the point. The fact that women are forced to deal with what can only be described as an unfair burden of proof means that they are not going to get their just desserts under this bill. This is just another example of the way in which this government carries on cavalierly in the face of evidence to the contrary and attacks working people rather than creating the right climate, as much as the minister might not like it, and creating some jobs so that people can have a decent life.

Mr. Crawford: They do not care.

Ms. Clancy: I am afraid the hon. member for Kent is absolutely right. The Conservatives do not care. They will care soon. Within the next six months they will care, but by then it will be too late.

There are so many tragedies developing in this country from coast to coast. In my region of Atlantic Canada tragedies in the field of employment, and the lack thereof, are becoming so much the order of the day that they almost do not have any impact any more. People are becoming callous because tragedy is something they deal with every day.

The situation in Port Hawkesbury—am I out of time? I will leave the situation in Port Hawkesbury and just say that this is something the government could work on as well.

Hon. Doug Lewis (Solicitor General of Canada): Madam Speaker, I was probably one of the few people in the House who listened to my hon. friend's remarks. I did so because she represents a maritime riding and the estimates include moneys which will go, in part, toward the purchase of the new helicopters.

We have all sat here and listened in amazement as her leader attacked the fisherpersons of this country and attacked the military by saying that the Liberal Party when it is elected would eliminate or cancel the plans for these new helicopters.

In view of the fact that these new helicopters will be used in search and rescue missions, which is very important to my hon. friend's electorate, and in view of the fact that she has a military component among her electors I wonder if my hon. friend would like to take this opportunity to disassociate herself completely from the remarks of her leader, or does she want to suggest that her electors want to fly about in these 30-year old helicopters that will be 35 years old by the time they are replaced? This has been a devastating attack on people who require helicopters for rescue.

I notice my hon. friend did not participate in any of the questioning on the helicopter issue. I would have thought she would have, unless she really rejected her leader's position on this purchase. It would be good for her to set the record straight. She should start her personal election campaign by abandoning that position. Those helicopters are so old they have almost served longer than the Leader of the Official Opposition and they run the very real risk of becoming older than some of her leader's ideas.

I thought it would be appropriate to take this time to put on the record the fact that the member should abandon her leader's old ideas, abandon this nonsense about the helicopters and stand up for her electors in Halifax.

Ms. Clancy: Madam Speaker, it always gives me great joy to be questioned by the hon. Solicitor General because he gives me such wonderful material.

I am going to deal with the helicopters, but let me first say that I stood up for my electors about the possibility of putting the women's prison in the greater Halifax-Dartmouth area, where the facilities are. However the Solicitor General put it in Truro, where there are no facilities. That is all right. I am sure the hon. member for Cumberland—Colchester was happy but I do not know about the hon. member for Halifax West.

Allow me to deal with the helicopters. Disassociate myself from my leader? Never. First, Liberals do not do that and, second, my leader is right.

In my riding there is not just a significant military component, as the Solicitor General called it, but the largest military base in the country and we are very proud of that. We are proud of the search and rescue and we are proud of the Sea Kings, which may be old but they do the job. If they were refit and refurbished they could continue to do the job. It is only elderly solicitor generals who have a problem with being over 35.

• (1250)

Another very interesting point is that I have another component in my riding. In my riding and close to my riding I have five universities with the highest tuitions, the oldest physical plants and the lowest salaries in Canada. Why do we have this problem in our universities in Atlantic Canada and in my riding of Halifax? One of the reasons is the cuts this government has made to Established Programs Financing, and more so the cuts it has made to R and D.

The five universities in the greater Halifax area heard the Leader of the Opposition say that we would priorize moneys that would have been wasted on nuclear search helicopters that we do not need. I have a news flash for the government: the nuclear threat has reduced and the cold war is over. My leader said that he would priorize that spending and direct it into, among other things, research and development at Canadian universities.

At Dalhousie University, the Technical University of Nova Scotia, St. Mary's University, the Atlantic School of Theology, the Nova Scotia College of Art and Design and at my Alma Mater, which is outside my riding but on the edge of it, Mount St. Vincent University, people cheered when they heard that because they want more research and development. That is what we need and that is what this government will not give us.

If the Solicitor General is so interested in the helicopters can I also remind him about the submarines. His government was going to give us all these submarines.

When I was nominated in 1988 I built my nomination speech around the fact that we did not need or want submarines. Lo and behold I got elected and I am here now. It did not hurt me then and I suggest to the hon. Solicitor General that the people of Halifax know what is smart defence spending and what is not smart defence spending. They will be very happy when we have control of those kinds of budgets and we spend the money in places where it can be best utilized.

Mr. Steve Butland (Sault Ste. Marie): Madam Speaker, the Liberal Party and our colleague from the Liberal Party have trotted it out yet again: the Liberal policy is municipal infrastructure.

Ms. Clancy: You bet.

Mr. Butland: It is very important. They suggest that it is solely a Liberal idea.

Ms. Clancy: Of course it is.

Mr. Butland: It is the whole country's idea, with the exception of the people opposite.

Last night the Liberal Party had an opportunity to say in a vote that they support a tri-level, municipal infrastructure rehabilitation, yet the New Democrats were home alone. There were seven Liberals here to vote for the policy, a very important platform in the Liberal policy.

I know in questions and comments the response is often evasive so I am going to ask a specific question of the member and not get off track. Why were the Liberals not here last night to vote for a very important part of their platform, municipal infrastructure?

Ms. Clancy: Madam Speaker, it is very true I was not here last night. When I heard about it this morning I was at first horrified, but then I discovered that the vote last night was on a private member's bill of the New Democratic Party. That is fine. I am glad that party picked up our idea.

It is our idea. We have had motions and private members' bills, votable motions and opposition days on infrastructure. Indeed we even had the government accept some of our policy on the new home ownership project.

I remind my honourable, very kind and truly gallant friend from Sault Ste. Marie that I am awfully sorry we were not here last night. Believe me, if ever in the history of the world right after pigs fly they form a national government, I will be happy to support their infrastructure project.

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, I would like to ask my hon. friend a very brief question.

The Liberal Party is laying claim to what was instituted by the Minister of Finance with regard to housing policy as its ideas. Might I remind the hon. member that the ideas did not come from the Liberal Party or from the Conservative Party. They in fact came from the Canadian Home Builders' Association and the Canadian Association of Real Estate Boards. They did not come from the Liberal Party.

I wish she would quit standing up and taking credit for them. She should give credit where credit is due, to the associations that brought the ideas both to the opposition and to the government, and this government listened to them and brought them into effect.

Ms. Clancy: Madam Speaker, I say to the hon. minister that I am delighted to give credit where credit is due. I have even given some of it to his government.

I would like to add in closing that I wish the Conservatives would steal some more good ideas from anywhere so we could have a few decent programs that the people of this country so desperately need.

The hon. minister could steal a couple more good ideas. I will give them to him, and if he would implement them quickly and create some jobs I would not care if he ever thanked me. As a matter of fact I would not care if he did not even mention my name.

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, we are obviously debating the borrowing authority bill. It is quite interesting from the contradictions in the speech of the member for Halifax that she represents the party that is famous for its spending and overspending and famous for not attacking anything or going after any measure that would reduce our debt as a country. The Liberals are for spending more; they are never for spending less.

With regard to some of the specifics she mentioned when she talked about the government creating jobs, I think it is worth mentioning that the point we on this side of the House should make more often is that a government puts in place policies and legislation that create an atmosphere or a climate wherein jobs are created. Her solution is to borrow more money and throw more money at the problem, without attacking the very shaky policies they have had over the years that have created some of the problems we now face. If borrowing more money was a solution to the problem all governments would do it.

There is failed logic in the speech just given by the member for Halifax. She attacked the very thing they have supported for years and years.

A government has to get the fundamentals correct. It has to create a climate wherein people want to invest, businessmen want to take chances, and real jobs are created. I will go through some of the elements that must be present to create real jobs.

I remind the member there are 1.3 million more Canadians working today than when we took office. That is an established fact. There are over 12 million Canadians in the work force. Incidentally those 12 million Canadians in the work force—Canadians who are working today is the way I should phrase it—represent 89 per cent of all Canadians eligible to work who are working. We do have an unemployment rate which is higher than any of us in this House would like to see, but we still have 89 per cent of all Canadians working.

Obviously we would like to achieve 100 per cent. Can we achieve it? Maybe we can, but we achieve it by supporting the types of programs and the types of strategy we on this side of the House support. I want to remind the member what some of those programs are and what we have done with regard to the fundamentals.

Interest rates would be a good place to start. Some 10 years ago perhaps all of us in the House were in the work force, but Canada had 20 per cent interest rates under the leadership of a Liberal government. Interest rates went through the roof; inflation went through the roof.

In Canada today we have the lowest inflation rate we have had in 20 years. We have the lowest interest rates we have had in 20 years. This fosters a climate for investment and is why Canada is predicted to lead the G–7 nations in economic growth this year.

The fundamentals are there and they are working. They are going to create real jobs and real opportunity. That is what we on this side of the House believe.

Madam Deputy Speaker: I am sorry to interrupt the hon. member. He can continue his presentation after Question Period.

[*Translation*]

It being one o'clock, I do now leave the chair till 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*]

FIXED LINK PROJECT

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, it may be possible that I will not be here to participate in the debate on the fixed link project so I want to make my views and my strong support known for this 13-kilometre bridge.

As a member of Parliament and businessman in Atlantic Canada for years, I know for sure that the key to Atlantic Canada's economic future lies in the best possible transportation system available. Without proper highways and without this direct connection to the Island, we will never achieve our potential and share in the wealth of Canada.

Currently Prince Edward Island has an unemployment rate almost 40 per cent higher than that of New Brunswick or Nova Scotia. It also has a much lower average income. I believe that when the fixed link is completed, Prince Edward Island will be able to compete on a level playing field with the other maritime provinces. This, combined with a proper four-lane highway throughout the region, will allow the entire area to compete with anyone.

Not only will this project provide a competitive infrastructure, it will also attract hundreds of thousands of tourists to our area during construction and after completion. In the meantime it will create thousands of jobs throughout the Atlantic region in a time when we need them the most.

For those of us in the immediate area it is hard to believe that the project is actually about to begin. The concept of a fixed link has been talked about for a hundred years and even as late as two decades ago approaches were—

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

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, Progressive Conservative members from Quebec have once again ignored the needs of their fellow citizens by voting against a motion condemning as unfair, inequitable and far too severe a government policy that introduces cuts in unemployment insurance.

They continue to add to the already heavy burden on people who are in greatest need. They forget they have a duty to defend the interests of their fellow citizens who are barely coping in these difficult times. We must remember that when people lose their jobs and are not eligible for benefits, they have to go on welfare, which means the burden is shifted to the provinces.

We must also remember that the government administers a fund to which it does not contribute one penny. Since only employers and employees pay into the fund, they should at least have some say in the matter and have a chance to consider their future.

* * *

[*English*]

NATIONAL INFRASTRUCTURE

Mr. Rod Murphy (Churchill): Mr. Speaker, when the talking stops and action is required Canadians cannot find the Liberal Party.

The Liberals have changed their position on free trade. The Liberals have changed their position on the GST. On the gulf war they had three different positions over three different days.

Last night, when the House voted on an infrastructure and highways program, the Liberals did not attend the vote. The Liberals knew about the vote. Only six Liberal MPs showed up to support the motion presented by the NDP member for Regina—Lumsden, calling for a national infrastructure program and a highways program.

On 15 occasions since last November the Liberal Party has asked for such a program in this House. Yet last night, when there was a vote on this motion, the Liberals did not attend. Had they attended last night's motion, it would have passed.

S. O. 31

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, today *Le Devoir* reports that the École supérieure de danse du Québec in Montreal has informed its teachers and accompanists that there has been a change in policy and they will be obliged to work during a summer course held from June 21 to July 23.

The existing jurisprudence and unemployment insurance manuals refer to section 6.2(5): failure to renew a job contract. According to this section, most teaching contracts are automatically renewed from year to year. A teacher quits voluntarily if he decides not to renew his contract for the coming year.

Fifty per cent of the income of the École de danse du Québec comes from provincial subsidies. Here we see employers already tightening the screws before Bill C-105 has even been adopted. They are trying to intimidate employees into signing a contract for the summer so they can make more money. At this rate, we must have some amendments to Bill C-105.

* * *

[*English*]

ABORIGINAL AFFAIRS

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, children and adults in Davis Inlet have reached the depth of despair when attempts are made to end their lives.

There are 100 of these communities in Canada. We have a Third World problem within our own country. The pattern of disease among Canada's aboriginal people resembles the main killers of the developing world.

As Canada's legislators in this House of Commons we have a moral responsibility to take serious constructive action to address these critical problems. I cannot accept members in this House declaring that this situation is the fiduciary responsibility of a certain province or another. We can no longer allow the aboriginal community to be the ping-pong ball in the jurisdictional debate between the federal government and the provinces.

For years we have been hearing what needs to be done and how we can do it, yet we have continued to procrastinate. The economic and cultural base of native communities needs strengthening immediately. Action is needed now, not further study.

* * *

AGRICULTURE

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, I would like to commend our government and the province of Alberta for their co-operative efforts in signing the Canada-Alberta Environmentally Sustainable Agriculture Agreement.

The goal is to facilitate the conservation and protection of the natural resources that agriculture uses to minimize the impact of agriculture on the environment.

As the member for Wild Rose I applaud both the spirit of co-operation between the two levels of government and the long-range view toward protecting the agricultural environment of Alberta.

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INNU

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, this government just does not get it. The Minister of Indian Affairs and Northern Development keeps saying relocation of the Davis Inlet Innu is not the answer.

The minister does not understand the difference between a relocation forced on a people and a relocation requested by a people. Sending the children outside their home territory for treatment when they have to return to the same despair and hopelessness they are trying to escape is no solution.

Why will the government not believe the Innu when they say relocation to the site they have chosen on the mainland is their best hope for the fresh new beginning they so desperately need in order to heal themselves?

Time and time again aboriginal people in this country have suffered the consequences of government presuming to know what is best for their interests. This attitude has to stop now.

The government does not know what is best for the Innu. I urge the government to trust the Innu to propose the right solutions for their people. Listen to them and respond. Do not impose outside solutions. The Innu cannot take it any more and we will not stand for it.

[*Translation*]

OFFICIAL OPPOSITION

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, yesterday we saw the spectacle of an Official Opposition depending on political rhetoric and disinformation to satisfy its own partisan ends.

Just now we heard the hon. member for Gatineau—La Lièvre say that the federal government does not participate in any way in the Unemployment Insurance Fund. To a certain extent this is true, but it is not the whole truth, because the federal government has an obligation to make up the fund's deficit.

Even more obvious is the opposition's capacity for condemning and criticizing, without ever suggesting concrete solutions to the problems we are facing in Canada today.

The Leader of the Official Opposition is a case in point. One day he supports free trade and the next he condemns it. One day he supports the GST, the next day he is against it, and the day after he wants to introduce a value added tax. You can never tell what side of the fence he is on.

These people ignore reality and will not face the facts. Above all, they are abysmally ignorant about the taxpayer's ability to pay. And even worse, by spreading false rumours they help create crisis after crisis in this country.

* * *

[*English*]

BILL C-91

Mr. Jim Karpoff (Surrey North): Mr. Speaker, just when the new Clinton administration in the United States is starting to consider ways of controlling escalating drug costs including limits to patent protection, this government pushes ahead with the Senate passage of Bill C-91.

In Bill C-91 the Tory government has complied in advance with the North American free trade agreement. It has been aided and abetted by the Liberal Party that continues its waffling on free trade.

Last night in the Senate only 30 Liberal senators bothered to show up to vote against Bill C-91. If their full complement of 91 Liberal senators had turned out, this bill would have been defeated.

By their absence the Liberals ensured passage. Liberals once again followed Judy Erola, former Liberal Minister of Consumer and Corporate Affairs and now chief lobbyist for multinational drug companies.

Canadians deserve better representation to protect their rights to affordable health care.

* * *

HOUSE OF COMMONS

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I call upon members of this Parliament to abide by the expectations of our constituents wherein they require that this place be a more respectful place. My constituents have heaped scorn upon all political parties for their behaviour.

• (1410)

As we enter into an election period the tendency will be more and more to achieve recognition by the media and hence our constituents, no matter how silly it may be. Exhibitionist acts that appear to defy authority will likely be tempting some.

This Chamber has seen fish, crows, suggestive gestures, profanity and poor acts of righteous indignation, and I question, impressing whom?

If one is incapable of making one's point through the use of intelligence then surely silence should be considered. In respecting this place perhaps it would be wise to consider respecting those from whom we expect respect.

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LITERACY

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, in September 1988 the Prime Minister announced a $110 million initiative aimed at funding literacy activities over a five-year period. At that time he stated:

The time is now long since past when government can sit on the sidelines and leave the issue of illiteracy to the efforts of the voluntary sector.

These programs will come to an end in 1993. So far there is no commitment of government intention to continue funding these literacy programs. As we know, literacy is directly linked to poverty and to unemployment.

The government must act to remove the barrier facing the poor. It must ensure a proper funding policy is in place. The government must recognize that literacy is a right of Canadians and not a privilege.

I call upon the government to do the right thing and continue funding literacy programs in Canada.

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[*Translation*]

EATING DISORDERS AWARENESS WEEK

Mrs. Monique B. Tardif (Charlesbourg): Mr. Speaker, this is Eating Disorders Awareness Week, with the theme "breaking stereotypes, celebrating a healthy weight".

The National Eating Disorders Information Centre and other groups all across Canada will tackle the problem of the obsession with slimness and appearance, especially among women. The purpose is to draw attention to the social factors that contribute to eating disorders, like anorexia, bulimia or obsession with slimness. Information on eating disorders will be given to the public to dispel the myths and indicate where to find the appropriate resources.

I am pleased that the messages being conveyed this week are in keeping with this government's efforts to promote the concept of healthy weight. A healthy body can take many different shapes. Having a healthy weight does not necessarily mean being slim.

I want to congratulate the National Eating Disorders Information Centre for all its efforts to draw attention to this important health problem.

[*English*]

VIOLENT CRIME

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I rise today on behalf of the families of Sherri-Lee and Maurice Paul and Terri-Lynn Babb, three Manitobans who were murdered in the last month by men whom our justice system could not seem to stop by restraining orders from stalking them and killing them.

I also rise on behalf of Mrs. Sharon Jensen, my constituent, whose daughter Marilyn was killed under similar circumstances last year and who despairs about the political system ever reacting to the work that she has done to try to get this government and the Manitoba government to do something about these crimes. She has fought hard to prevent another mother from going through what she has.

On behalf of these families and all Canadian families whose relatives have been taken by or who live in fear of these kinds of acts, I call upon the Solicitor General to take action now to amend the Criminal Code of Canada to ensure that restraining orders are actually worth more than the paper they are written on, and that we as a society do everything we can to ensure that the system does not fail another family in this way.

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CRIME PREVENTION

Mr. Brian O'Kurley (Elk Island): Mr. Speaker, one of the most important concerns expressed by Canadians is the need for effective crime prevention in our communities.

In the riding of Elk Island citizens from all walks of life have joined together in organizations such as Rural Crime Watch in an effort to make our homes safer and more secure. As a result of many months of hard work these volunteers have set up a province-wide rural crime watch workshop which will take place this weekend in the community of Nisku.

Participants include representatives from municipal, provincial and federal governments, as well as police, judges, prosecutors and farm organizations. In addition student winners of essay and poster contests will be recognized. The theme of the workshop is working

together to prevent crime. Let us all work together for safer communities and a better Canada.

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NORTHUMBERLAND

Mrs. Christine Stewart (Northumberland): Mr. Speaker, the major concern of people across this country is the unacceptably high unemployment rate and the persistent economic recession.

Despite the government's insistence that good times are just ahead of us, my riding of Northumberland continues to face new job losses, business closures and bankruptcies. Federal government cutbacks to social expenditures and provincial transfer payments have resulted in Northumberland municipalities from Trenton across to Cobourg and Port Hope scrambling to meet new demands on social assistance programs.

Home owners and small businesses are already strangled by numerous federal tax increases. Consequently, our municipalities feel forced to cut necessary services such as day care, dental care, family counselling services, emergency child services and seniors care services.

This government's insistence on dealing with debt through the cutting of programs has increased hardship across this country. People are our nation's most important resource. The government must introduce programs which will encourage wealth creation in this country, introduce people-centred policies and stimulate a sense of hope in a nation with a great future.

Mr. Speaker, we cannot wait.

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COMMEMORATIVE MEDALS

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, one of the first and most significant events to take place in my riding in this or any other year was the presentation on January 3 of 101 Governor General's 125th anniversary commemorative medals to citizens of Fredericton—York—Sunbury who have distinguished themselves by their contributions to making Canada a better place in which to live.

These 101 medals were intended to honour not just those citizens selected to receive them, but also to reflect real tribute to the thousands of other men and women who regularly help to build our community and our country. In their own way each of them is truly an unsung hero.

It is fitting that this medal was commemorating our 125th anniversary and hopefully it will help us to dedicate ourselves to Canada's rich destiny in the 125 years which lie ahead.

I want to express my respect and appreciation to His Excellency, the Governor General, for his wise and sensitive judgment in striking these Canada 125 medals.

ORAL QUESTION PERIOD

[*English*]

TRADE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask a question of the Deputy Prime Minister.

The Prime Minister will be meeting with President Clinton tomorrow. President Clinton said he wants new agreements on the environment and on labour conditions to the NAFTA deal before proceeding with NAFTA.

Will the Prime Minister agree with President Clinton tomorrow that he is right in demanding changes to the NAFTA deal?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think my hon. friend has got it wrong. President Clinton has said the NAFTA deal will not be changed. He is seeking supplementary agreements to the NAFTA which have nothing to do with the text itself. These have to do with the environment and labour relations.

It also has to do with an arrangement he wants to make with the United States Congress that we have nothing to do with at all. He will ask Congress to increase the amount of labour adjustment policies that they have. That is with good reason because on a per capita basis the Canadian labour adjustment policies such as training and related matters are about two to three times better than those of the United States.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, when the President of the United States says that he will not proceed with implementing the agreement between the United States, Mexico and Canada until they have obtained satisfaction on the environment and working conditions, it is quite obvious that he wants changes to this agreement.

Since the President of the United States is asking for changes to the agreement, will the Canadian government take advantage of these discussions to ask that Canada obtain the same conditions as Mexico got with respect to energy policies?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the President has said quite specifically that he is not seeking, repeat not seeking, changes to the agreement. He is seeking some side agreements, what he has called supplementary accords, with Mexico and to an extent with us. He is concerned as much about Mexican cross-border environmental problems as anything else and those will not change the text of the NAFTA agreement.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I do not understand why the minister is trying to be technical. The President has said the United States will not proceed with NAFTA as long as it is not satisfied that it has the proper conditions concerning the environment and the labour conditions. It is clear that the United States wants some changes.

Will this government take up this occasion to make sure that in the matter of energy Canadians will be treated the same way the Mexicans are being treated by the Americans in that deal?

• (1420)

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I repeat again, the NAFTA text is not subject to change.

The President has said he is seeking changes with the environment and labour elements that are outside of the text. He is also looking for, as I said a minute ago, changes to the labour adjustment policies in the United States of America. It has nothing to do with Canada.

The fact is that we had been talking about the same type of accord on labour and on the environment with the outgoing administration. We are seeking to continue those discussions with the incoming administration when they are ready to discuss what the specifics might be.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, given recent U.S. trade actions against pork and steel we assume that the Prime Minister in his conversations with the President will seek from him assurances that that sort of trade harassment is now going to end.

Since President Clinton has said that he will seek two parallel or supplementary accords on the environment and on labour standards will the Prime Minister, for his part, now seek a parallel or supplementary agreement on subsidies and anti-dumping which would prevent the sort of harassment we have been seeing in Canada for the past month?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I responded to that question to my hon. friend two days ago.

What we have achieved through the Uruguay round negotiations, which I know he and I both sincerely hope will be completed successfully very soon, is a substantial improvement on the countervailing duty and subsidy arrangements that would affect all countries.

As regards the anti-dumping which is the subject of the steel problems, we and many other countries have tried but there is no willingness on the part of the Americans to change their anti-dumping laws. Their anti-dumping laws are the same as our anti-dumping laws. I am sure my hon. friend is not standing up saying that he wishes to see a reduction or elimination of the protection we have against some actions on the part of American companies hurting Canadian companies.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the minister knows in the Uruguay round, the long delayed Uruguay round which we would all welcome, there is provision for a subsidies code.

Will the Prime Minister seek from the President of the United States an assurance that the President will urge an early conclusion of the Uruguay round or if not, that the subsidies code in the Uruguay round be transplanted to NAFTA so we can end this sort of trade harassment we are getting in Canada?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend can be assured absolutely that the Prime Minister will be urging the President to proceed with a satisfactory conclusion of the Uruguay round as soon as possible.

That has been our position for some time now and I will be taking that message to Mr. Kantor when I meet with him. I am sure my hon. friend will be very pleased that will be the position of the Government of Canada.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, my leader is in Port Hawkesbury visiting the most recent victim of the Canada–U.S. trade deal.

While the Prime Minister said yesterday that the move by Premium Automotive was atypical of Canadian companies, he knows full well as does the Minister for International Trade that since the trade deal was signed over 400,000 manufacturing jobs have been lost in this country. He also knows that the United States administration is harassing Canada on softwood lumber, on steel and on hogs, simply to name a few.

When our Prime Minister visits President Clinton, will he indicate that the Liberal policy of renegotiating the contract is simply not on and that based on the FTA's dismal record Canada will cancel this deal and will not proceed with the North American free trade agreement?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me just quote from an objective analysis of the free trade agreement by the C.D. Howe Research Institute:

"It seems clear that the recession has not been due to factors directly related to the free trade agreement. Indeed, the facts so far are more consistent with the optimistic scenario of free trade supporters than with the views of detractors", like my hon. friend. "Free trade with the United States has helped the development of higher value-added industries that are crucial to Canada's economic growth. In particular, many of Canada's manufacturing sectors seem to have performed remarkably well on the United States market under the free trade agreement".

If my hon. friend needs any proof of this he need only look to the last Statistics Canada trade results for the first 11 months of last year when our exports to the United States were up 11.9 per cent compared to the year before.

If he goes back to 1988 when the free trade agreement started he will see that Canadian exports are up about double the rate as those from Japan, Germany or the United Kingdom into the United States market. Canadian companies are performing well. They are succeeding under the free trade agreement.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, the minister can say anything he likes but he should recognize that Canadians believe the real way to measure the effectiveness of his policies is by the number of unemployed which continues to escalate in this country.

The minister also knows that again and again we have heard that the Canada–U.S. trade deal was not going to lower our social programs to the lowest common denominator. However, we have an auto parts company in Nova Scotia that may be going to New Hampshire, a U.S. state with no income tax, lax environmental and labour standards and worst of all, an unemployment insurance system just like the one the government is proposing.

Is it a coincidence that this government's Draconian UI reforms conform to states like New Hampshire, or does FTA and NAFTA have something to do with it?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the mind boggles when it hears all the inconsistencies riddling the hon. member's question. If he goes right to the heart of the issue he will find that the company in Nova Scotia makes steel gas tanks. Not many companies are using steel gas tanks now. They are using plastic gas tanks. That is the fundamental problem that company has faced. It has not kept up with the marketplace.

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is to the same minister. The minister is always quoting favourable articles with regard to free trade and NAFTA. Can he explain how an American expert has said that the recent U.S. ruling on steel was an example of harassment, corruption and I quote: "reveals the hypocrisy and absurdity of U.S. dumping off"?

While he is on his feet can he also explain how Canadians can get a fair deal in Mexico when IBM officials say they were told to offer a $1 million bribe in order to get a contract that a Canadian company did not get because of the corruption in that country as well?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend and his colleagues in the New Democratic Party do not want to see the NAFTA proceed. They would like to see a country like Mexico kept at low levels of economic performance and low levels of wealth so that it cannot raise its standard of living, its standards of environmental protection, its standards of health care, not through hand-outs from other countries but through its own sources of wealth that will be generated by the free trade agreement.

Surely my hon. friend can take the blindfold off his face and try to look at the positive elements of this agreement on Mexico. Or does he want to see Mexico stay down so that the New Democratic Party can lord themselves over that country?

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PHARMACEUTICALS

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the minister of health. Yesterday the Tory majority in the Senate rammed through Bill C-91 which effectively harmonizes Canadian drug patent laws with that of the United States. At that very same time in Washington, a Senate committee issued a scathing indictment of U.S. drug patent laws, singling out those laws as the prime reason for escalating U.S. health care costs.

• (1430)

I want to ask the minister of health: Since it is clear that the U.S. Senate says that its system is flawed and since President Clinton of the United States says their system is flawed, why on earth are we adopting the very system that they are about to abandon?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I believe we had that debate a few weeks ago and we gave the arguments that should be given in terms of intellectual property.

When my friend talks about the health care system in the United States, he knows very well that it is not a question of drugs management. He knows very well that we do not talk about universality in the United States. We know that even if the Americans are not covered, the Canadian system remains exactly the same.

Once again, we had that debate. We showed the evidence that Bill C-91 was good and fortunately the Senate confirmed the decision of the House.

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

Arkansas Senator David Pryor, senior adviser to President Clinton, in commenting on this report yesterday said: "Well, what can we do about this situation?" In short, he says that we can shorten the patent life of drug products in the United States. In other words, they could adopt the Canadian system of compulsory licensing, the very system that this government killed last night.

Now that the deed is done, now that the government has killed compulsory licensing, whose interests was this government serving since it is clearly obvious now that it was not the interests of the Canadian public?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I would like to answer the member by what was said to me yesterday in his own province by a researcher at Dalhousie University. He told me that fortunately Canadian researchers will now be able to keep the property of what has been found in Canada and use it in terms of the way we work. In clinical trials, it will work in terms of the application of that research. It will not go to the United States; it will remain in Canada.

This is exactly why all of the science community is happy with Bill C-91. It represents a big victory for researchers in Canada.

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PREMIUM AUTOMOTIVE TANKS INC.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is for the Acting Prime Minister.

The rantings yesterday of the Prime Minister about the owner of Premium Automotive may make good TV but they do nothing for the unemployed workers who are left out in the cold as a result of his government's incompetence.

Will the Acting Prime Minister instruct the minister for Atlantic development to begin negotiating today with the province of Nova Scotia and with local authorities a plan to create lasting jobs in the Port Hawkesbury area and indeed in the entire strait area?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I am advised that officials from the Atlantic Canada Opportunities Agency as well as the province are meeting right now to discuss possible ways of seeking new investors and new ways of keeping that facility open.

My hon. friend and I are of the same mind, that if there is any way that we can keep this facility open and maintain those jobs then that is the objective that we both have.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, that is not good enough. The people in Port Hawkesbury deserve action from this government.

I ask the Acting Prime Minister again: Will he work with the local authorities to create a comprehensive plan to restore the economic health of that area which has been so sadly neglected by his government over the last eight years?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, now we have gone from the sublime to the ridiculous. I think my hon. friend must have a very, very short memory. He does not remember that the Cape Breton investment tax credit has been one of the important ways that we have seen jobs created in that part of the country. It has been a very generous tax credit that has generated jobs and has generated opportunities for the people of the country. I think my hon. friend should be reminding his constituents of this because this government has not ignored the plight of those people in his part of the country.

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, this morning *Le Devoir* reported that employers have already started to use Bill C-105 to tighten the screws on their employees.

My question is directed to the Minister of State for Employment and Immigration. When will she realize she has just opened the door wide open to employer abuse of employees and when will she withdraw Bill C-105, once and for all?

[*English*]

Hon. Pauline Browes (Minister of State (Employment and Immigration)): Mr. Speaker, yesterday we had a substantial debate on this issue. Bill C-105 has not come to the floor of the House of Commons for debate to this point.

Let me just remind the member that when we speak of this bill we are looking at whether it is fair that people who are working should be paying for people who choose not to work. Is it fair to restrain the deficit with these measures in terms of people who choose not to work? Is it fair for new workers that come on that employers are able to get those persons without paying UI? Is it fair that more training should be done because of the UI?

I say that this is quite fair.

[*Translation*]

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, through you, I want to say to the minister that unemployment insurance is something we all pay for and should not be used as an excuse to impose this burden on the unemployed. It is because of this government's policies that they are being laid off in the first place.

Furthermore, since the beginning of this debate we have heard the government say time and time again that the appeal process will restore the balance. I wish the minister would realize that—

Mr. Speaker: Please put your question.

Mr. Samson: —the process takes months and even years.

Again, I want to ask the minister: When will she withdraw the bill? That is the only thing we are waiting for.

[*English*]

Hon. Pauline Browes (Minister of State (Employment and Immigration)): Mr. Speaker, Bill C-105 will come to the floor of the House of Commons with an opportunity to debate. We look to the members of the House of Commons to make any improvements that need to be made at that time.

I want to stress to the people watching today that what this bill is all about is that those people who choose not to work will not get unemployment insurance. There is just cause. There are many reasons why people choose not to work and that would be covered under just cause and those persons would get unemployment insurance. There will be ample opportunity for the discussion of this.

* * *

INDIAN AFFAIRS

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Minister of National Health and Welfare.

There is still no resolution to the tragic situation of substance abuse at Davis Inlet. Local people feel that flying children to the United States is not a long-term answer.

I want to ask the minister today to tell the people of Davis Inlet whether he agrees that a treatment program must be culturally based and must be in the Innu language. If he agrees with those principles, will he respond favourably to a request that will come forward from Davis Inlet today or tomorrow based on those lines?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, what I announced yesterday was an immediate answer to an emergency problem with the kids who were involved last week in the gas sniffing problem. Obviously we are waiting for the community. As I said yesterday, no decision will be made which would be contrary to what the community wants to do.

I heard the vice-chief say this morning that they would prefer to have a treatment centre within—not the reserve because they are not reserve Indians—their community.

• (1440)

I do not turn down that proposal. However, tomorrow morning we have people from the federal level and the provincial level who will discuss with people in Davis Inlet. They will certainly come up with a proposal. If the nature of the proposal is the same one that my friend proposes, I will certainly consider that option.

Hon. William Rompkey (Labrador): Mr. Speaker, there is a location called Border Beacon just west of Davis Inlet which has an airstrip and facilities and which could be put in place at relatively little cost.

That I believe is the preferred option of the local people. I want to ask the minister whether he believes that is the best option with a holistic approach to treatment. When that proposal for a Border Beacon treatment centre comes forward, will he see that the finances are put in place immediately to fund such a treatment centre?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, my officials have been instructed to discuss that option with the people tomorrow.

However, I want to raise in the House the question of gas sniffing and the problem of suicide, particularly within the aboriginal community. In December I met with the chiefs from different provinces. I will again meet with them in March. The problem is one of the major mental health problems we have with aboriginal people in Canada.

The decision we make for Davis Inlet is very important for those people. We have to keep in mind that the problem goes beyond the people we are talking about. We have to consider all the communities we deal with across Canada.

* * *

IMMIGRATION AND REFUGEE BOARD

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is for the acting minister of immigration.

Earlier this week, there were serious charges from members of the Immigration and Refugee Board in Montreal that they were pressured by senior officials to make decisions on refugee applications contrary to the facts. This is a repetition of similar incidents in Toronto last year.

Considering that the Immigration and Refugee Board is supposed to be an independent tribunal, will the government initiate an independent public inquiry into these serious charges and take steps to stop these incidents immediately?

Hon. Pauline Browes (Minister of State (Employment and Immigration)): Mr. Speaker, the comments that the hon. member makes are serious. I would expect that he would be providing details himself of where there are incidents of some wrongdoing.

The Immigration Appeal Board and the Immigration and Refugee Board are independent bodies. They make decisions weighing the facts of the matter. If there is some specific information that the member wishes to share with the department or with me, I would be pleased to review it.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, the minister has not answered the question.

[*Translation*]

Last November, Dr. Sam Ifejika resigned from the board in Toronto, alleging that board members were under political pressure. There were also instances of racist remarks, ridicule and mismanagement.

When will the government start cleaning up this very important board and stop its appointments of incompetent political friends?

[*English*]

When will the government take these matters seriously?

Hon. Pauline Browes (Minister of State (Employment and Immigration): Mr. Speaker, you know that each of the members who are appointed to boards and commissions have the opportunity to be reviewed by standing committees.

I would say there are very few members who have been appointed to such commissions that members of the opposition have taken the opportunity to review. It has been the position of the government that there is an opportunity to review the qualifications of Immigration and Refugee Board members. You will find that the qualifications of those persons who have been appointed by Orders in Council to independent bodies have been excellent appointments. Indeed, we are very proud that so many women have been appointed to those boards as well as representatives of visible minorities in order to have proper representation of the Canadian population.

* * *

AGRICULTURE

Hon. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is for the Minister of Agriculture. First, I want to congratulate him on his new post. I see members scurrying about in their seats over there. That is how you get action in the House, Mr. Speaker.

Many of us, including the minister, were in Saskatoon last week for the rally of some 13,000 Saskatchewan farmers. The minister's own department says that Saskatchewan farm income last year was at the lowest level in constant dollars since 1938. I wonder if the minister can tell us whether he is ready to make an announcement on a third line of defence, an emergency payout to western farmers which would help not only the farmers but people in jobs in small towns, villages and cities across the prairies.

As a new minister is he willing to look at a new farm policy where farmers are paid a price based on the cost of production with a cap of 7,000 or 8,000 bushels of wheat? This would help the small farmer more than the large farmer. I am asking about the emergency pay out and a new farm program.

Hon. Charles Mayer (Minister of Agriculture): Mr. Speaker, what the hon. member did not point out was that the members who were scurrying around were from his side, rushing back to sit behind him so it would look like he had some support for what he was saying.

The member raises a serious question. No doubt there is concern in the farm community, especially on the grain and oilseeds side of agriculture, as Saskatchewan is the biggest producer of these commodities in the country.

If you look at the programs that the federal government has put in place, the majority of the money that has gone into special programs has gone into the province of Saskatchewan. He might be interested in knowing that the anticipation is that close to a billion dollars will be paid out in farm programs in this calendar year in the province of Saskatchewan.

It is not all bad news. Cattle prices are very strong. We had a larger than anticipated final payment go out from the Canadian Wheat Board at the beginning of the year. We will be monitoring the situation. We are always willing to look at new programs. What he is suggesting is that we adopt the NDP farm policy. We are not prepared to do that, Mr. Speaker.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I have a supplementary question for the same minister or the Minister for International Trade.

We heard the minister indicate there is no longer much interest from the government in maintaining its third line of defence policy which has been part of the agricultural promise for the last couple of years.

I want to ask what became of the support levels for the supply managed part of agriculture, which was made very firm last February 18 to a very large group of farmers in this capital. Now the international press reports often that Canada's position is tariffication. What became of the promise to those farmers who were gathered here last February? The government said it would not support tariffication but would support a strengthened article XI.

Why do all of our negotiators—

Mr. Speaker: I would ask hon. members to perhaps put some constraint on the length of their questions. The hon. minister.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the position has not changed. The position is precisely the same as has been stated for I think over two and a half years now. It is a balanced position in support of a clarification and strengthening of article XI, together with the position taken in support of the export interests particularly in the grain and red meat sector.

This is precisely the position our negotiators in Geneva have taken right up until the present time and will continue to take.

YOUNG OFFENDERS ACT

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, my question today is addressed to the Minister of Justice.

Many people in Wild Rose are concerned about the Young Offenders Act, particularly as it relates to age and repeat offenders.

I would like to ask the Minister of Justice if consideration is being given to revising the Young Offenders Act to lower the age from 18 to 16 years and to deal more severely with repeat offenders.

• (1450)

Hon. Pierre Blais (Minister of Justice and Attorney General of Canada and Minister of State (Agriculture)): Mr. Speaker, my colleague raises an important point. As we all know, this House approved Bill C-12 last year where young offenders who have committed crimes like first degree and second degree murder could be transferred to adult court. We have addressed that point.

The other point is repeat offenders, not only for young offenders but all criminals who repeat offences. There is a sense in the country that we should look at this more closely.

I should be ready to get back to the House later this spring to address the specific issues and make sure that people will feel more secure in their homes.

* * *

NATIONAL DEFENCE

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is for the Minister of Supply and Services.

Yesterday the minister flatly denied in *Hansard* at page 15326 that the former chief policy adviser to the Prime Minister was the lobbyist on the EH-101 helicopter contract.

I have in my hand a copy of the registry of lobbyists with the Department of Consumer and Corporate Affairs where Fred Doucet Consulting International is registered as a lobbyist. In addition, on checking the files I have discovered that the same company has written to

no less an authority than the director of the Liberal Research Bureau last June lobbying on behalf of the EH-101 contract.

Given that the minister was flatly wrong in his assertion yesterday with respect to the former senior policy adviser to the Prime Minister, I suggest that perhaps he was wrong as well in his assertion that all contracts had been signed.

Is the minister now willing to correct the record with respect to the senior lobbyist and also to table the contracts on this questionable expenditure at this time?

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, I thank the hon. member for putting this question. I reiterate and confirm what I said yesterday and what in fact he said today.

As a matter of fact Mr. Doucet is not a lobbyist for EH-101 but is a lobbyist for Paramax. That is a different thing.

Some hon. members: Oh, oh.

Mr. Dick: If the hon. member wants to be accurate, why does he not try to be accurate for a change instead of trying to mislead people.

If the hon. member would like to know about the contract, as he indicates for the record on television, since the contracts were announced or the announcement that they were going this way on contracts signed last October, why have you never asked for this matter to come before committee? We could have discussed the contents of the contract in general before committee any time, but you only do your grandstanding here.

Some hon. members: Oh, oh.

Mr. Speaker: We have a long tradition in this House of not addressing members or ministers in Question Period or any other time personally, but through the Speaker. I know that the hon. minister would want to stay consistent with that. The hon. member, a supplemental.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, we have a saying in Newfoundland that that kind of an answer really takes more nerve than a masked toothache to produce.

For the minister to suggest that Fred Doucet, the former senior policy adviser to the Prime Minister is not a lobbyist for EH-101 but is a lobbyist for Paramax, which is the main Canadian contractor on EH-101, is somewhat ridiculous and insulting to the intelligence of Canadians.

I want to ask the minister this. The Leader of the Opposition asked yesterday and I have asked again today for the government to table the contract, specifically to table whatever clauses have been inserted to try to impose upon a future government an obligation to carry on with this contract.

What is the minister afraid of? It is the taxpayers' money. They have a right to know.

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, I agree with your comments earlier and I will of course try to direct all comments through you.

It is unfortunate that the histrionics put on per usual by the hon. member who is asking a question derogate from the seriousness of the matter. If he was serious he would ask us to come before a committee and he has not. As far as I know, there has never been a contract tabled in this House of the type he has been asking for in the 20 years I have been here. He is aware of this fact. He is acting only for the television show.

* * *

[*Translation*]

CANADA POST CORPORATION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Deputy Prime Minister and concerns the administration of the postal service in Canada.

Can the Deputy Prime Minister say why the post office in Martintown, Ontario, with a population of 1,500, and the one in Saint-Clément de Rivière-du-Loup, with a population of 1,200, had to close when the postmaster retired, whereas Saint-Joseph-de-la-Rive, with a population of 600, and Bras-d'or, with a population of 121, still have a post office after the postmaster retired? Is it because they are in the Prime Minister's riding or is that a coincidence?

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, the hon. member for Glengarry—Prescott—Russell knows very well that Canada Post makes its decisions without any intervention from the government. However, I might remind him when he refers to the Prime Minister's riding, for example, that Canada Post changed the service in five municipalities in that riding. So that riding is not an exception; it is like all the other ridings in Canada.

[*English*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have a supplementary question. In one town, population 121, Canada Post tried twice to advertise to hire a postmaster. Nobody applied and the post office is still open.

I want to ask the minister, is that not a two-faced policy on the part of Canada Post? Why is there a set of rules for the Prime Minister and one for the rest of Canadians?

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, the hon. member knows full well that the government does not intervene in the operations of Canada Post. We do not intervene for any constituency, even for the constituency of the Prime Minister. If we did intervene the hon. member would be the first one up on his feet to blame us.

* * *

[*Translation*]

EXCISE TAX

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, my question is for the Minister of National Revenue and concerns Hibernia. We now know that some supermodules might be built outside the country. In that regard, Revenue Canada has already made a ruling that a 25 per cent tax which is normally payable would not apply. This decision could hurt our Canadian manufacturing companies. Can it be appealed?

[*English*]

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, an extensive survey was conducted, including sending out formal questionnaires to the industry, some time ago to determine whether Canadian companies were able to comply with the made in Canada provisions of the Customs Tariffs Act.

After careful consideration it was determined that the Canadian companies which had responded—and all were contacted—had indicated they were not. Only then was a decision and ruling made.

Having said that, I can assure the hon. member that if Canadian companies come up with new information I would be very happy to instruct my officials to meet with them to review their case and look at the situation again.

HIGHWAYS

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is for the Minister of Transport.

The economic future of Atlantic Canada depends totally on transportation. The most important aspect of transportation in Atlantic Canada right now is the completion of a four-lane highway. This is not a road issue, it is just simply our future because we cannot compete without it.

The commitment of the government of over $2 million to cost share and considering the urgency of the matter to the region, will the minister deliver this $2 million program over two years?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, the hon. member knows the Government of Canada has made generous contributions—if he allows the expression—to provincial highways over the past few years. As a matter of fact during the past 10 years we have devoted $230 million to provincial highways.

Out of the economic statement of my colleague the Minister of Finance in December, we have allocated $200 million to be spent in both maritime provinces. The discussions are ongoing as to the spending of this money over what period of time and in what provinces and we hope to make an announcement shortly.

* * *

• (1500)

NATIONAL DEFENCE

Mr. John Brewin (Victoria): Mr. Speaker, my question is to the Minister of Supply and Services concerning the helicopters.

In a letter to me dated October 14, 1992 the minister advised me that the prime contracts with Paramax were still under consideration and discussion so he could not tell me what the terms and conditions were. However, yesterday he told the House that the deals were completed on October 8. Even then the minister was trying to hide the facts on this misguided deal.

Will the minister not agree that whatever the cancellation costs on this deal, they are but a fraction of the costs to the Canadian people of this misguided transaction and that the deal should be cancelled now before more billions of dollars of public moneys are wasted?

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, in November 1990 the standing committee on national defence reported on maritime sovereignty.

In recommendation No. 9 the committee recommended that the Sea King be replaced. In recommendation No. 10 it recommended that air surveillance capability of the Canadian forces be increased. In recommendation No. 11 it recommended that the better equipment needed for search and rescue be provided.

I want to point out in a separate aside that the hon. member who just asked the question supported the replacement of the Sea King helicopter. Has he changed his opinion?

Mr. John Brewin (Victoria): Mr. Speaker, the minister will be quite aware that reference was to the deep sea fleet and since that report the cold war has ended. The Soviet Union has collapsed and is no longer a military threat to this country, a fact apparently the minister was not aware of when he signed this deal in October 1992.

Will the government not now concede that the Department of National Defence in seeking to justify this has misled Canadians and that the pilots who use these Sea King helicopters in search and rescue have advised the government that they are far better helicopters than these multimillion dollar helicopters the government is wasting its money on?

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, in reply to the hon. member's question I want to tell him that as far as I know the cold war was over long before 1990 when he agreed that we needed these helicopters.

All the evidence and all the options are here and the hon. member will get them in his briefing tomorrow. All the options are just as expensive as the option which the government has followed.

The government has not misled the people. We have talked consistently about the EH-101 since 1986 when it was one of two options then put before the government by those submitting tenders. The government announced its proposal in 1987.

Business of the House

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is to the parliamentary secretary to the government House leader with regard to the business of the House for the remainder of today and Friday and Monday and Tuesday of next week.

Perhaps while the parliamentary secretary is on his feet he might want to indicate what date the government is contemplating proroguing the House to bring in a new throne speech.

In addition I note that the Minister of Finance has left the Chamber, but perhaps the parliamentary secretary would share with the House the date the budget will be announced.

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, I will answer my hon. friend's question on behalf of the government House leader. This afternoon we will be continuing with third reading of Bill C-98, the Borrowing Authority Act. If time permits and with the co-operation of my friend and also my friend from Kamloops we have a number of pieces of legislation lined up: second reading for Bill C-93, the government organization bill; third reading of Bill C-69, the air and maritime safety act; and second reading of Bill S-8, the motor vehicle safety act.

Tomorrow we will continue with unfinished business from today, after which we will deal with the Senate amendment on Bill C-54, the farm products marketing act, and report stage of Bill C-73, the Canada Post Act.

On Monday we hope to complete second reading of Bill C-110, the Northumberland Strait Crossing Act, and second reading of Bill C-99, the small businesses loans act.

Tuesday will most likely be an allotted day and discussions will continue with the House leaders with regard to the business for the remainder of the week.

With regard to the other two questions asked by my hon. friend, to my knowledge there are no plans to do these things in the immediate future.

[*Translation*]

Hon. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I would like to ask the hon. minister a question. He knows that we worked for a long time together on amendments to the Parliament Act, but two other bills took a great deal of time of some members on all sides of the House. The first is on conflict of interest, which we have reported; the second, a very important one, is the amendments to the Elections Act which we reported in December.

Can the minister give us an indication as to whether the government intends to present at least one of these bills to Parliament, but especially the first part of our suggestion on amendments to the Elections Act, tabled in late December, at the last minute, when we were given all kinds of indications that we could expect this bill to be submitted to Parliament very soon and that it would be sent to the appropriate parliamentary committee so that we could have at least some of those amendments in place for the next election?

Mr. Danis: I thank my hon. friend for his question. Like him, I hope that hon. members will be presented in the near future with a bill to amend the Elections Act. My hon. friend knows very well that this kind of legislation requires a consensus of the political parties, and that is what we are working on now. But I am hopeful that we should be able to present a bill, as he suggests. I thank him for his suggestion.

[*English*]

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, earlier my colleague the opposition House leader asked specific questions regarding the throne speech and the new budget. Before Christmas we were told that this would likely occur in early February. Because of the uncertainty that exists around this issue I also pose the question to my friend. Could he at least give us some general indication when the government will introduce a throne speech and a new budget in the hopes of establishing some new direction for the country?

Mr. Danis: Mr. Speaker, as I told my hon. friend the opposition House leader my answer is the same for the NDP House leader. To my knowledge the government has no plans to proceed with that in the immediate future.

Mr. Rod Murphy (Churchill): Mr. Speaker, my House business question relates to the motion passed by the Standing Committee on Aboriginal Affairs earlier today which asks that the government not proceed with legislation on the Nunavut land claims settlement until the minister has had a chance to go before the committee and also to discuss this issue with the representatives of the Dene in Saskatchewan and the Dene in northern Manitoba.

I would like to hear from the government House leader that there are no plans to proceed with this legislation in the very near future.

Mr. Danis: Mr. Speaker, I will take the question of my hon. friend as representation and certainly pass it along to the government House leader.

[*Translation*]

Mr. Louis Plamondon (Richelieu): Mr. Speaker, I wish to ask the same minister a question. We know that Bill C-88 to amend the Copyright Act has been long awaited by all Quebec and Canadian authors. It only has to pass report stage and third reading. Can we hope that this will be done in the very near future?

Mr. Danis: Mr. Speaker, I thank the hon. member for Richelieu for his question. As with the previous question, I will certainly pass the hon. member's representations on to the government House leader as soon as possible.

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 on April 1, 1992, be read the third time and passed.

• (1510)

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, this morning I was going over some of the things we have done as government in terms of the fundamentals. I suggested that we have those well in place and positioned to do very well as the economy continues to grow.

I mentioned interest rates. Interest rates are the lowest they have been in 20 years, as is inflation and our productivity has grown remarkably in the last couple of years. In terms of the fundamentals we are in a position that our economy can grow. It has been suggested by the G-7 nations that of all the G-7 nations, and most economic think-tanks including many Canadian think-tanks are telling us that in 1993 Canada will lead the rest of the world in growth. It is simply because of the fundamentals we have in place that will allow our Canadian economy to grow.

Today we are debating a borrowing bill. We are talking of borrowing somewhere in the vicinity of $8 billion in borrowing authority. Those on the other side of the House are appalled by the fact that the Government of Canada has to borrow $8 billion. That is about the only thing we agree on, because none of us can take a whole lot of pleasure in knowing that the Government of Canada has to borrow money to keep going.

That is where our agreement ends because since I have been in this House, the other side has never offered any suggestions that would eliminate the need to borrow. That is what we want to do. We do not want to borrow money, but the reality is we are in the position that we have to. In fact, if the spending habits of the Liberals when they were in power had continued when we took office, we would not be talking about borrowing $8 billion today. We would be talking about borrowing $16 billion to just compare our numbers with theirs.

In other words, the amount of accumulated Canadian debt today would not be in the order of $400 billion. It would be pushing close to $900 billion, in fact close to $1 trillion if we had continued in the same line the Liberals practised during their regime back in the late 1970s leading into the early 1980s right up until the time we took office in 1984.

None of those individuals on the other side of the House have ever supported any of our measures in attempting to trim or reduce the size and spending of government. They are talking out of both sides of their mouths on this issue.

What comes to mind are some of the positions the leader of the Liberal Party has taken in the last number of weeks. I would like to read the entire editorial in today's *The Ottawa Sun*. It is entitled "Vanishing act". I think it very well sums up the position of the Liberal Party under its leader:

> Jean Chrétien has come up with his own Liberal brand of voodoo economics by promising taxpayers that a future Liberal government would simply wave a magic wand and make the nasty old GST disappear.
>
> Trouble is, when you see through the smoke and mirrors you discover the Liberals would actually replace the unpopular tax with a brand new business transfer tax of their own.

In this article he calls it a sort of Grit sneaky tax. He says:

> Make no mistake: This scam is little more than a hidden tax intended to fool taxpayers.
>
> Under the plan, businesses would be required to total their sales, subtract their costs, and then pay a percentage back to the government.
>
> The poor consumers would still have to pay higher prices, of course. They just wouldn't see it spelled out in bold print on their receipts at the checkout counter in the form of a 7% tax.

It goes on to say:

> Taxpayers aren't about to be tricked by the sleight of hand, not when their money rides on the cards.
>
> If Chrétien is to replace the GST, he must find a credible way to raise the $15 billion in lost revenue.
>
> But if a hidden business transfer tax is his idea of tax reform, then Chrétien had better do his homework before hitting the hustings.
>
> Taxpayers' memories aren't that short. They remember the GST was intentionally not buried into the price of goods and services so as to stop future governments like his from hiking it every time they need a fresh injection of cash.
>
> That was the one modest concession taxpayers received—an assurance that no future government of any political stripe could raise the tax without immediate hell to pay from the taxpayers.

In conclusion, it says:

> Putting the tax out of sight won't put it out of mind for voters, no matter what Chrétien thinks.
>
> For that reason he should think again.

Getting back again to the point which I am attempting to make, we do have a huge debt problem in this country. It is not going to go away by simply waving a magic wand. The Canadian people know that, the Liberal leader does not. If he is talking about eliminating the GST, he is fooling no one but himself.

There are only three basic ways for governments to tax. It can tax income, it can tax capital and it can tax consumption. If one of those areas is eliminated, which the leader of the Liberal Party is suggesting, the consumption tax, there are only two other areas in which he can tax. That is what he has to grapple with and that is why I am suggesting the Canadian people will understand when it comes time to vote. They do not want any more smoke and mirrors, they want the truth. The truth is the Government of Canada cannot forgo $15 billion in tax.

That is not the only thing the Liberals have said in regard to the tax over the last number of years. Originally they condemned us for having to deal with the idea of taxation. I guess they believed that if we did go ahead with that tax and if we did bring in a new GST that our political life would be threatened. They could march into office without having to say anything and without having to show their hand. That is exactly what they are doing.

A $400 billion debt is a problem for any government. It is a problem for ours. I am suggesting that if we had followed the course laid out and that is being laid out now by the Liberal Party, that debt today would have doubled and we would really be behind the eight ball.

There are many ways to measure debt. The way I would like to measure it today would be the measure of debt that we have in this country in relation to the goods and services produced in this country. In other words let us measure our debt against our gross domestic product and find out where we stand.

• (1520)

In 1984 when we took office, the debt or deficit when measured against the goods and services produced in this country was in the area of 9 per cent. In the last eight years, we have reduced it to the level of 4.5 per cent.

We are on the right track. It is going to be a long and painful recovery but we are not going to achieve results by attempting to fool the Canadian people and in a sense, fooling ourselves.

We will continue to attack the problem and we will continue to take the political heat for having done it. At the end of the day, the Canadian people are going to figure it out. They are going to tell us that we on this side of the House have done what was necessary. It was not popular but it was necessary.

I am going to leave it at that. I know that we have 10 minutes of questions and answers. I will be pleased to answer any questions from the other side of the House.

The Acting Speaker (Mr. Paproski): There are no questions or comments.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I know the previous speaker is very sincere in what he says. We believe that it is the wrong and inappropriate course to take. We will continue to attack. I suggest that they are attacking the wrong things. The Canadian public acknowledges the fact that the attack is on the wrong places.

His demeanour is a little bit better than the tenor of the debate this morning. It got a little bit rancorous when a pre-election type of mood was prevalent in the Chamber. This morning one hon. member indicated to the hon. member from Brampton that he was stupid. That is totally inappropriate. There is no place for that in debate. It continued to get worse and worse and really debased the House. At least I acknowledge that the hon. member is sincere in what he says even though he is probably totally incorrect.

An hon. member: And misguided.

Mr. Butland: I should add totally misguided. This is the borrowing authority where the government wishes the authority to borrow another $8 billion to expend in areas which it should not. Its priorities are totally misguided. We are talking big bucks here. Yet to bring it into total perspective, I was totally shocked that the Minister of Labour, in response to a letter from a constituent, came to tell me that the federal minimum wage is $4 an hour. Very few people know that. I could not believe it at first. I am incredulous that the federal minimum wage is $4 an hour.

In Newfoundland, the minimum wage is $4.75; in P.E.I. it is $4.75; in Ontario, not surprisingly it is $6.35. However the federal government's minimum wage is $4 per hour. The minister says he is going to take a look at it.

We are talking about borrowing millions of dollars and we cannot afford to raise the wages of those very few people who earn as little as $4 an hour. The government should give a late Christmas present to these people and give them an instant raise to about $6 an hour. We are looking to borrow millions of dollars and we cannot afford to give a person who is making $4 an hour any kind of increase. The last increase was from $3.50 to $4 in 1986. We are talking about priorities. That is the kind of misguided priority this government has.

We talk about deficit. We have a certain amount of sympathy for deficit reduction, but at the same time on whose back does the deficit reduction have to fall?

I know that Ontario has been hardest hit by the recession. Seventy-nine per cent of all job losses have been to Ontario; 54 per cent of the increase in unemployment is in Ontario; 37 per cent of Canada's population is in Ontario; 39 per cent of total bankruptcies are in Ontario. The federal government has continued to pass the buck but not the bucks. They have passed the buck to the province and the province in turn, without choice, has to pass the buck to the municipalities.

The latest initiative by the federal government, which has not come forward yet because there are discussions, are the grants in lieu of taxes. Federal buildings and properties in municipalities across this country are not taxed. The federal government will pay a grant instead of taxes. It may very well be appropriate.

However, right now the government is saying it might have to cut back on the grants to the municipalities. As a result, the buck will again be passed to the municipalities. This time the province is bypassed. The municipalities will have to increase the tax base within the municipality and the local politicians will have to take the heat for that. Once again the federal government chooses to pass on the responsibility. It is letting someone else take the heat of its actions.

I suppose there is a ray of hope. Government members say the recession is over, and I would be very happy if I completely believed it. One gentleman on Bank Street at the Camera Exchange has been in that location for 12 or so years. I do not think he would be concerned that I am mentioning the name of the business. He has a big sign saying: "I am sorry, I did not know the recession was over but I am now bankrupt". Many Canadians can relate to that.

Statistics Canada says the recession is over, but certainly we have no indication that it is. Statistics may say one thing, but reality says something else. There are a number of bankruptcies at present and the number continues to escalate. The number of unemployed remains at 11.8 per cent. In my community it is about 16 or 17 per cent. I suggest in some communities it is probably a lot higher than that. There is always somebody worse off than you.

I want to go back to priorities. The government continually looks for villains. It says to the unemployed that if you quit your job or leave it under circumstances which it does not approve, then it is going to have to cut your unemployment insurance. The villain in this case is made out to be the people who leave their jobs for one reason or another, but no one in this government ever talks about those other villains. Perhaps the terminology is inappropriate. Erase the word villains. Other individuals who could be responsible for part of this deficit that we have accumulated, all of us.

No one in this government has yet responded in any sensible way at least about the family trusts. The wealthiest families in this country are able to set aside millions and millions of dollars for their children. The previous government said it was going to give them 25 years and they could pay taxes on those millions and millions and millions of dollars in 21 years.

This government said that 21 years was not long enough to get their finances in order, so it is going to wait until the last child of that family passes away. They may need another 21 years. If you are a multimillionaire you may have 35 years to get your finances in order.

What happens when a constituent calls my office and says that Revenue Canada is breathing down his neck? Let us say he owes $1,200 and he cannot pay it. Revenue Canada is calling his place of employment saying if he does not pay soon he will be in trouble. That is the problem. We are not pointing to the people we should. Come on, get involved with the deficit reduction. We do not hear from this side.

• (1530)

Certainly not one of our big fans is Diane Francis who has written a book called *Controlling Interest*. I recommend this reading for the Conservative members who are here and those who are not here. It talks about the wealthiest families in this country. Canada has one of the greatest concentrations of wealth in the whole world. She says that fewer and fewer people are controlling more and more of the country's finances and if we do not force them to pay any income tax, they will continue to get richer and richer.

They are the paper entrepreneurs. There is not even any money exchanged, it is just paper, but they get wealthier and wealthier. This government says it does not want to tax them at this time. It wants to give them a little while longer.

One of the reasons the government gave was they may have a disabled child and want to provide for their future. If you are a multimillionaire and you have a disabled child, I would hope that you would care for that child. To say that you have to pass this legislation to protect this child is just not acceptable. It is incredulous. You would perhaps put a small little adjunct to a piece of legislation to say okay, if there is a disabled child in the family, allow them to do this but not to exempt everybody.

I would recommend this book. This is good reading because Diane Francis is a big supporter of these folks, a great friend, but in this she says something is dramatically wrong.

The government continually says we have got to have our fundamentals. The Prime Minister says every day we have to get our fundamentals right before we move forward. I keep repeating that after eight years of just about anything, if you do not have the fundamentals right you have obviously failed. It is obviously time to change direction. You have to get beyond the fundamentals.

An hon. member: Falling flat on them.

Mr. Butland: Falling flat on your fundamentals.

I was a teacher for 28 years. If I could not teach the fundamentals to somebody in eight years, I would have been on my head. You are an absolute failure as a teacher. Therefore you are an absolute failure as a government. You cannot blame the student and you cannot blame the residents of this country for your failures. Please get off that fundamental kick. You had better change the fundamentals.

I want to talk about Hibernia for a few moments. Hibernia is a massive project, $5.2 billion. We support the project but Canadians are saying we want our fair share of the contracts. The government is a shareholder and an investor. Last year Algoma Steel lost a contract to a Belgian steel company. I went to St. John's. Believe me, they were very hospitable. I think they had very good explanations at that time, but we were convinced that Belgium was dumping steel in Canada.

This past week MIL Davie of Quebec said it was not even allowed to bid on a contract for steel. It went to South Korea. It was not even allowed to bid.

The minister is up on this. He said yesterday that there are steel companies that are going to benefit from a rebar contract next week. I have been told on many occasions that if any other country had a megaproject of that size, there would be an absolute guarantee, not a target, a guarantee that there would be jobs created in that country because of such a project.

Trade deals? Obviously miserable failures. We are losing our manufacturing base. In 1990, of the jobs created in Canada, I believe 91 per cent were service oriented. I have nothing against service oriented jobs, but you cannot base a country's future strictly on service oriented jobs.

I am going to recommend more reading: *The Work of Nations* by Robert Reich who is perhaps the main architect of President Clinton's new economic policies in the United States. He is an individual with a very refreshing sense of a new direction for the country. I listened in on his confirmation hearings. He talked about labour law. He said he was going to introduce anti-scab legislation and there was not a whimper, not a whimper from Republican congressmen.

Yet the Ontario government talked about that and, lo and behold, we thought for sure the sky would fall and every business would leave Ontario, we could be assured of it. Surely, Mr. Speaker, you see the irony of this.

In *The Work of Nations* Mr. Reich talks about why the rich get richer and the poor get poorer. In the United States he said fewer and fewer people are in control of more and more money. That left the poorest fifth of Americans by 1990 with 3 per cent of the nation's total income, down from 5.5 per cent 20 years earlier. It is called the old trickle down economics. If we just leave it to the market to decide, it will indeed decide. It will decide to keep it to the upper level of the country, not to the bottom group. We have to learn to be more equitable in everything we do in this country.

The GST is the most hated tax ever brought about by any government. I did a survey of all the businesses in my community. I thought businesses were big supporters of the government. No. They said: "Scrap it. Scrap the GST because we cannot afford it, it is an administrative nightmare. Everybody who buys something from me says I am at fault for this." It has created more underground trade than ever before. It just was the wrong tax at the wrong time. It is a hated tax. Every single day and with every single purchase people are reminded. They have a genuine distaste.

Of course the government is going to say: "It is a lot of money. We make a lot of money out of the GST. What are you going to do? How are you going to get it?"

Neil Brookes of Osgoode Hall, a renowned economist, has identified a series of tax breaks that cost the Canadian treasury more than $8 billion a year and primarily benefits business and the rich. He said that we could scrap them without harming the economy. Rather than demanding lower taxes, Canadians should be demanding fairer taxes and a better social welfare system.

Again, if people are on any government assistance they are painted as being a freeloader, they do not want to work, they have no ambition and we should not be paying them what they are receiving. I say in many other countries in this world, in countries which have economies that are doing quite well, they do not point out these people as being free loaders. They say it is just fine. It is an acceptance and I give them credit. However, through a continual barrage of negativism we bring the load from those up here to those down here. It is misplaced, misguided, unfortunate and inappropriate. One would wish that we would stop on that kind of bent.

Municipal infrastructure I know has been a random shot. Let us get on with it. I think everybody but the government says: "Let's go for it". Sixty-three thousand jobs created almost instantly. It says it is going to cost us too much. It is going to cost us $400 million in the deficit over a five-year period. That is not too much.

• (1540)

I could see the psychological lift. People have given up hope. They say that if they get the fundamentals right any longer we will all be gone. There will not be a country, there will not be an economy left. For God's sake, do something. This is one thing that is a very positive step. Everybody is ready to go ahead. They have all the engineering. Every municipality is saying they have problems but they are prepared to get involved. The provinces are prepared to get involved.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I appreciate the opportunity to speak on this bill.

I want to begin by referring to some remarks that government members said repeatedly during their speeches today. I refer specifically to the member for Carleton—Charlotte and the member for Brampton who kept saying that the government is creating a climate where jobs can be created. They kept repeating that phrase "creating a climate where jobs can be created". The other sentence they repeatedly used was: "We are making sure the fundamentals are right; we are putting the fundamentals in place".

I say to the government that inflation, and I cannot debate this point with them, is under control. I give the government credit for that. I have said before in this House that I think its ratchet on inflation is too aggressive. I think that the expense in terms of the number of people who are unemployed is too severe. Having said that, I acknowledge that the almost zero inflation in this country is something that the government should get recognition for. I would also say that because of that we have lower interest rates. That is as far as I go with this government.

I happen to believe that the fundamental issue that the government has ignored has been the tax system of this country. This government came to power in 1984 with a very strong commitment to comprehensive personal and corporate tax reform. Here we are nine years later and we still have probably the most complicated, most complex tax act in the world.

Even the best tax lawyers and tax accountants in this country will readily admit that this tax act is an unmitigated disaster. The rules, regulations, exceptions and the exceptions to exceptions make it an instrument that only very few can use.

I believe, and I have believed this for three years, that this tax act is one of the most fundamental reasons why there is absolutely no trust and no confidence or spirit or very little spirit or confidence left in this country.

A tax act should be considered something that is good. The tax act is mostly built on trust and has to meet certain tests. It must be fair, it must be simple and it must be efficient. This tax act does not meet any one of those tests.

In fact, last year 80 per cent of the tax returns filed in this country had mistakes in them and they had to be returned to be corrected. What a waste of money. What an inefficient instrument. The only people who really know how to use this instrument are the corporations whose wealth, sales, profits and retained earnings are so large that they can afford expensive tax lawyers and tax accountants.

A senior official of one corporation in this country whose sales are in the billions of dollars told me: "I have 40 tax lawyers working for me. With this tax act I have orchestrated a situation so that I have not had to pay tax in 10 years". It is all legal. There is nothing illegal. It is just this 20-year document from budget after budget, Liberal and Conservative budgets. I am not saying that we have not played a part in building up this complex and archaic instrument. The bottom line is that this tax act has now broken the trust we have with average Canadians.

That is the reason that for the last three years I have been trying to advance debate with a constructive alternative to this tax act. The idea I have been proposing is the single tax system. This is not an idea that I created. It is an idea that has been debated for 15 or 20 years. Some would argue that the idea goes back 40 or 50 years.

My initial source of information on this idea came from respected economists at Stanford University, Dr. Robert Hall and Dr. Alvin Rabushka. They are Americans but the same basic principle applies here. In their presentation of the single tax system they basically argue that because the tax act has reached such a level of unfairness, complexity and inefficiency we must get back to basics. We must stop running the economy of the country through the tax act. We should go back to using the tax act as an instrument just for collecting revenue for the treasury, for collecting the amount we need to ensure that our health care system and our social security systems are all looked after.

The tax act should not be used for other economic instruments. In other words we should flush out all the loopholes, flush out all the corporation loopholes and all those exceptions and those exceptions to exceptions. If a particular corporation needs money from the Government of Canada, regardless of whether it is in the energy sector, the forestry sector or a manufacturing sector, let it come to the respective department of government and put forward its case. Make the corporation justify it in terms of job creation and let the line department grant it the money, whether through an interest free loan or a grant, and link it to job creation. Let the political fathers decide whether that taxpayers' money should go out.

• (1550)

Right now, we have a tax act under which between $30 billion and $40 billion worth of grants are going to business with absolutely no accountability. There are corporations in this country that are using tax preferences, some of them 15 years old. They were given it for a policy objective that was maybe relevant 15 years ago but is no longer relevant today. It is buried in the act and so they get that tax preference. It is nothing more than a grant to corporations.

We on this side of the House talk about examining alternatives to the GST, and my leader has stated unequivocally that we are going to scrap the GST. We are going to scrap the GST because the GST was a very poorly designed tax implemented at a very bad time. The concept of a consumption tax is not a bad idea but this government has designed the tax so poorly that it has really been the straw that has broken the camel's back, in terms of the spirit or the attitude of Canadians toward tax policy in this country. Nothing less than the scrapping of the GST will be acceptable to Canadians. Make no mistake about it, my leader is not fudging on this particular commitment. He is not fudging. It is not going to be a maybe yes and a maybe no. The GST is going to be scrapped.

The government is always asking, as are journalists and other so-called experts, where we are going to get the $15 billion to replace it. There are many areas in which we can pick up $15 billion.

An hon. member: Name a few.

Mr. Mills: I am going to name many right now. First, as a result of the current unfairness, inefficiency and complexity of this tax act, which this government supports, we right now have an underground economy in this country second to Italy. It is over $100 billion. If

members do not believe me then they should phone Professor W. E. Diewert at the University of British Columbia. He has spent the last 10 years of his life studying the underground economy in Canada. If we have a fair, simple and efficient tax system in this country some of that underground economy will come back on stream. That is one source of funds.

Second, I support the NDP 1,000 per cent with respect to trust funds. There are guestimates that there are anywhere from $20 billion to $50 billion in those trust funds. I actually know some people who have those trust funds and quite frankly I do not think some of them would mind. That law was an Edgar Benson law, it was a Liberal law made 21 years ago. Do not nail me today for something we did 21 years ago. We must change that trust law. There is probably $2 billion or $3 billion that we could take out of those trust funds without affecting those people in any way, shape or form. That is the second area from which we can get some revenue.

Third, last year taxpayers paid about $69 billion in personal income tax. Corporations paid about $11 billion to the treasury, and of that figure $8 billion was paid by small business. Only about $2.5 billion came from large business, mostly foreign multinationals. I cannot believe there is not a member on that side of the House who does not believe that we can find some tax preferences hidden in that $40 billion which we could redirect and redistribute without losing a single corporation.

Ultimately it is not corporations that pay tax but people who pay tax. The trade minister's point is that we must increase productivity. If we treat people fairly productivity will go up because people will make better products at better prices. That is where our exports come in and that is how we are going to reduce our current account deficit.

The only instrument this House of Commons has left with which to mobilize the will of this country, the only instrument this country has left with which to galvanize Canadians and to show Canadians that we are going to treat them fairly is the tax act. We do not need a pro-business tax policy but a pro-people tax policy. That is where the single tax comes in.

Are those enough examples of where we could get the $15 billion? I will just repeat them.

I want to repeat my examples of possible sources of the the $15 billion: One, the underground economy; two, the trust funds; three, let us look at the tax preferences; and four, efficiency and increased productivity because people feel they are being treated fairly.

I have had members on this side of the House and people on the street ask: "How come your party and your leader do not endorse the single tax?" My leader has said repeatedly that he is looking at the single tax idea as one of the options. However, I cannot stand up here today and say that the single tax is perfect because I do not have access to all the books and records on that side of the House. However, it is a doable instrument. It is something that can be done but we need political will to do it.

I am not even saying that the single tax is perfect but it is a viable instrument that allows us to advance debate. Canadians are no longer going to accept the status quo. The status quo is gone. I predict that if this Minister of Finance—and I happen to like this Minister of Finance, I like his style and his attitude and everything about him so this is nothing personal—brings in a budget with anything less than a pro-people tax policy then I guarantee that he is history.

• (1600)

Mr. Al Johnson (Calgary North): Mr. Speaker, first of all I would like to congratulate my hon. friend on the work he has done on the single tax, and particularly for coining the phrase single tax. This is a very important contribution to work in this area.

Although he may find it difficult to believe that members on this side may occasionally agree with things said by the other side, it is very important that we develop some kind of simple, visible, fair rate of tax, and particularly a system which is not a flat tax.

He may have noticed in *The Ottawa Sun* of February 4, there is a particularly ridiculous article saying that a flat tax is wrong, and it goes on to talk about work that he and I have been doing from time to time, completely misrepresenting it. It is an article by Rick Gibbons of *The Ottawa Sun*. I wonder if he could explain to us how his concept of the single tax would be a progressive or gradual tax.

In my own studies I have found that the principle of having an income support system connected with the single rate of tax and integrating those two is a very succinct and straightforward way of having a progressive tax system that takes people from the income support or welfare system right through to the highest incomes in a very fair and visible way. I wonder if he could tell us how his concept deals with progressivity.

I think there is a lot of misunderstanding about a single tax or a single tax system being simplistic. In fact many people say that things like RRSPs, the Canada Pension Plan, charities and child care, all of the things that we need to consider in a tax system, are not properly considered in these systems. I wonder if he could give us his ideas on those aspects as well.

I believe that is all I have to say, but I would like to again congratulate him for the work he has done in bringing the Hall–Rabushka ideas very much into the Canadian context.

Mr. Mills: Mr. Speaker, it is tough to accept a compliment from the government. I had better be careful.

An hon. member: Go ahead, take a bow.

Mr. Mills: I want to begin by saying that we have shared ideas on many occasions and we are committed to comprehensive reform. I thank the member again for his support and encouragement.

I want to first of all react to the article by Mr. Gibbons in *The Ottawa Sun*. A year ago the Sun organization and *The Financial Post* were the only two papers in Canada that substantially endorsed the work on the single tax. Maybe the Sun organization has switched its position.

For starters, he should not be calling it a flat tax so we are not even talking about the same thing. The single rate of tax is a concept which basically says that we are going to throw away all of the massive numbers of tax preferences that are in the act, but not without being sensitive to the notion of progressivity.

In the single tax that I have designed, and there is room for debate on this, there are progressive features for making sure there are very generous credits for senior citizens, families with children, charitable donations. We have not disturbed the RRSP structure. On the corporate side, we had a very progressive feature by making sure that the first $100,000 on the corporate side is a tax credit, which is extremely beneficial for small business in this country.

The original idea of a flat tax did not have any of those progressive features built into it. I have not read the article by Mr. Gibbons so I really should not comment.

Let us go to the hon. member's point. I know he is ahead of me on the notion of linking it to an income support system, which I totally support. I must confess that I have not figured out how to do it. Can he imagine if we could have an income support system which would do away with all the duplication and all the bureaucracies in all the provinces across this country.

I think we could win respect overnight if we ever did something like that. Once again the political will for this kind of reform is now the government's challenge. If it does not do it, then it will be ours.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, let me begin by congratulating my friend and colleague from Broadview—Greenwood, not only on his remarks in the last few minutes in this Chamber, but equally on the persistence he has shown on the single tax idea or more generally on the need to simplify, not make less effective, but make more understandable our tax system. I want to congratulate him and encourage him to keep up the work.

I have done my part rather publicly in spreading the gospel and taking his very excellent pamphlet on the single tax and distributing it to a number of people, to school groups and other groups that have a particular interest in this subject, including some groups that can promote the idea. I say to him, hang in there. It is a question of time.

We have before us another bill looking for more money. Can you think, Mr. Speaker, of any crowd that more deserves yet another licence to print money than the group which sits opposite as the government? It wants to borrow more money. I will come back to that.

Let me share a thought with you, Mr. Speaker. I suppose I do not have the right to have any real contempt for anybody or any group of people, so perhaps the word I am looking for is pity. If I do not have contempt, I at least have pity for a couple of groups of people in society.

My friend from St. John's East can rest easy. He is neither one of the individuals I am thinking about nor is he in any of the groups I am thinking about.

If I were capable of real downright contempt it would be for a couple of groups of people: those who trigger false fire alarms and those who make obscene phone calls. Both come from a discipline of cowardice, of meanness, not to mention that they inflict some pretty unfair cost on society when they pull that false fire alarm. They trigger a whole sequence of events, all of which cost money and in some cases a fair amount of anguish. Of course the obscene phone call is in a class by itself with respect to the human cost, the anguish that it causes.

Mr. Speaker, being the astute gentleman that you are, you are sitting there saying: "What does this have to do with Bill C–98, the borrowing bill". I do not want to suggest that anybody on the opposite side is either of the ilk that would make obscene phone calls or trigger false fire alarms. That is not my point. I wanted to get the attention of the House to a couple of the characteristics, rather disreputable characteristics, despicable characteristics involved in those two activities, the attribute of unfairness of inflicting undue cost, the characteristic of cowardice.

• (1610)

I want to put before the House a couple of very specific examples that have a lot to do with this borrowing bill. For example, take the matter we have just dealt with and will continue to deal with in this House, the unemployment insurance changes.

In particular, take the government's proposal that henceforth people who quit their jobs will forfeit their eligibility for unemployment insurance. I know the fine print and I know the nice words that accompany it. I will do the government a favour and I will mention those words too. It says if they quit without just cause. That is fair if it is stopped right there but that is not the signal it sends out.

We come back to the other two activities I mentioned. It comes back to the question of being unfair and mean. The government's intention to do that sends a far larger signal. If it wants to catch the work interloper, the person who only works when he or she has to in order to get a few bucks or a few stamps, if that is who it wants to catch, there is a way to do that. The government does not have to use a sledge–hammer. It does not have to cause a lot of anguish. It does not have to set up circumstances whereby people will be obliged to stay in occupations despite harassment.

I could set up examples where people whose basic instinct is to work have been put in situations where despite their best efforts, the relationship in the work place has been such, either from the standpoint of personal harassment or sexual harassment, that it has become untenable to work in that place.

Under the bill they have the option of quitting because as the rhetoric on the other side says: Well, it is only a matter of time and they can prove they had just cause. But in the interim, who buys the groceries during that month or that year when they are proving just cause?

I could equally talk about the category of people who get fired and the provisions for them under that bill. Again, without going into detail, that goes straight to the issue of cowardice on the part of the government. It puts the employers in the driver's seat and it lets the employee fend for himself or herself. It is cowardly and it is mean.

Let me give another example. I was talking with my friend, the minister of fisheries, only yesterday about this issue. We had an exchange here in the House during Question Period on Wednesday. I raised with him the circumstances involving people who have lost their groundfish licences because of a very arbitrary, a very cowardly, a very costly and a very mean stipulation about inactive licences.

As I have said to the minister privately, in a letter and in the House yesterday, I basically understand where he is coming from. He is again using a sledge–hammer. If the licence is inactive—emphasis is on the word inactive. If it is inactive groundfish licences he is talking about, these people who live in the Gaspé, the Magdalen Islands in Quebec, New Brunswick, P.E.I., Nova Scotia and Newfoundland, those thousands of people altogether totalling 2,800 to 3,000 people who will be directly deprived of their licences if this measure goes through unchanged.

What does the minister mean by inactive licences? He has defined it as if they have had no catches during the past two years, 1991 and 1992, then the licences are inactive. Well, are they?

Perhaps a couple of other circumstances apply. Perhaps there were people like those living in the Rose Blanche area or Isle aux Morts who have had a winter fishery for many years, dozens of years. During the last five years, starting in 1988 through to this year, they have found that their landings have dropped off. In the case of the community of Rose Blanche it is from four million pounds in a three month fishery down to 100,000 pounds.

Some of them in their wisdom and looking after their own pocket-books came to the conclusion it was not worth spending $50 on gas and food to go out and catch $20 worth of fish so they did not go. They kept in touch with a neighbour or two in the community who went out. They found out Joe did not get any fish yesterday or the day before so there was not much point in their spending the money on gas and food to go out and go further in the hole, or as the song says "another day older and deeper in debt".

So they did the prudent thing from the standpoint of their family budget. They stayed ashore. Why? Because they were lazy? No, because they were smart. They were smart enough to figure out that if you spend $50 to make $20 you are even further in the hole than you were before you went out that morning. So many of them elected to stay home, not to stay home because they were lazy, but to stay away from fishing.

They had no landings for those two years. Some of them because they had some initiative went a step further and said: "Since I cannot go fishing, since it does not make sense to spend $50 to make $20, maybe in the meantime I will look around for a job driving nails, painting buildings, working ashore for a few months". Does that mean they had abandoned the fishery? Not quite. The fishery had somewhat abandoned them at least temporarily, or the fish had abandoned them. So they went off and got other seasonal jobs and they had no landings during those two years.

Now had the minister said before the fact that if they did not have landings over a certain period of time then he would consider the licence to be inactive, that is a matter of fairness. However, to write the rules after the fact is very cowardly and unfair.

Mr. Speaker, if you think that is a graphic example let me give you a really graphic one. I spoke in the last 24 hours by phone to a gentleman in my riding in the community of Petites. Now Petites is an isolated community. You cannot reach it by road. It is literally a 15-minute boat ride from the community of Rose Blanche, Harbour le Cou which my hon. friend from St. John's East will know very well.

For the last 12 or 13 years this gentleman in Petites, every morning save maybe Sunday, but five or six days a week has gotten out of his bed at three o'clock or four o'clock in the morning and has taken the 15-minute trip over to Rose Blanche to join a boat crew of four other people. A total of five people. They have fished together for a number of years.

Now keep in mind that my friend from Petites is not the skipper of that boat but is one of five members who crew that boat. There is the skipper, my friend I spoke to yesterday, plus three others; a skipper and four crew. They have fished every year for many years, in the case of this fellow for the last 12 years.

For example, in 1991, one of the two years that the minister is using as criteria for cancelling a licence, that crew caught about 150,000 to 180,000 pounds of fish over a 10-month period. Last year they caught roughly the same. In the two year period they caught just over 300,000 pounds of fish.

The fish plant manager or the collector buying the fish knows when the boat comes in, it has one great pile of fish in the hole. There are five men on board. Who owns which fish?

The convention that has grown up over the years is to sell the fish in the name of the skipper. It makes a lot of sense. Another way to do it I suppose if you follow the Crosbie dictum is to say: "Okay fellows. Count all the fish out, we want five equal piles here". That was not the way it was done. If that was the way he had wanted it done I suppose they would have done it that way. God knows fishermen have done sillier things at the direction of the government. They made the mistake of selling it all in one pile in the name of the skipper.

Now then the question. If DFO bureaucrats go out to find how much fish the other four fellows caught, they are going to find the answer real fast. Not one single pound. Not an ounce.

• (1620)

Now then let us go back to the minister's brave words of December 18. "If they did not catch any fish we are going to take their licence". What he really said is: "If you cannot prove you caught fish we are going to take your licence".

So you sit there and think that example cannot be real. I will tell you how real it is. Just by coincidence this man called me three or four days ago and I just got back to calling him yesterday afternoon.

In the meantime, yesterday morning he had been visited by DFO. DFO went into the community and said to various people that some qualified for a licence and some did not. It said to one man standing beside my friend that DFO records showed he had caught six pounds last year and he qualified. Another man, my friend, was not on the list. He explained he was part of a crew that caught 150,000 pounds. That does not apply. He did not qualify for a licence.

It is now February 4. We are already one month into the year. DFO answers not to worry about it because he will be able to appeal it. He will and six weeks or two months down the road there is no doubt he will have his licence, come March, April or May.

Returning to my earlier comment about those who make obscene phone calls and those who trigger false fire alarms, this act is every bit as despicable because the sledge-hammer approach has inflicted unnecessary pain. This man I spoke to on the phone last night told me that if they took his fishing licence after 12 years, after fishing 10 months a year for 12 years, they might as well cut off both his arms. That is the kind of anguish that these cowardly, mean, costly policies of the government are inflicting.

So far, these are only my words on all of this. Let me give one other line of information.

I mentioned that these five people were fishing together and the fish were sold in the name of one person. All of that is true. Let me speak of something else that is true.

The Unemployment Insurance Commission over the years has actually figured a way to deal with this. It simply said the fishermen did not have to count their fish out in five piles. It was assumed if there were five people fishing together they each had one-fifth of the effort so the total value of the landing would be divided by five. Each one would be given credit for one-fifth of the landing. On that basis the men would be paid unemployment insurance.

Over the years the men I am talking about have regularly fished for 10 months. On the basis of that fishing activity they have drawn UI for a couple of months. What better proof does one need?

What do we have here? One arm of the government, UIC, acknowledges not only that they have fished but that they have done such a good job they qualified for UI for a couple of months so they can get back in the boat. Another arm of the government, in this case fisheries, is saying because there is no record they have fished they will be deprived of their licence to fish and will be caused anguish. A sledge-hammer will be used on them.

Government is about collecting money. It is about spending money. But surely there has to be more reason to have a government than that.

Government is also about reflecting our values as a people. We are not a mean-spirited people. Government should not get its jollies out of making life miserable for fishermen or people who are seasonal workers, or people who are in the work place and have to make agonizing decisions because of harassment. Government ought not to be in the business of reflecting that kind of meanness of spirit. That is not the values we project as a society, that we hold as a people. Government ought to set the tone. This government is setting a tone but what an awful tone.

One of our values in society is that we have a work ethic. You would never know it by listening to the rhetoric of this government. This government has the idea that somehow there are 27 million lazy hangashores, as we call them in Newfoundland. A hangashore is a person who stays ashore because he is too lazy to go fishing.

The government has the idea that there are 27 million hangashores and it has to be the policeman guarding them. It has to make sure they get out of bed in the morning. It sets their alarm clocks for them, gets them out to work and hustles them off because they might all stay home and get beer bellies.

It might come as a shock to that crowd over there but some of those people, about 99 per cent of them, actually do want to work. I know people on welfare. I know people on unemployment insurance. I know people who are just scraping by. The litmus question to them at all times is: "Would you rather be doing what you are doing or working?" Every time the answer comes back: "I would rather have a job 12 months a year".

Until we get a government that believes in people, that reflects the values we hold as a society including the work ethic, until we can get rid of a government that gets its jollies out of putting people down, of denigrating people and suggesting that people are lazy hangashores, until we can achieve that it does not matter whether we give this crowd another whit of authority to borrow. They are going to spend like drunken sailors anyway.

All we can hope is that the time comes sooner rather than later that we put people on that side of the House who reflect rather than undermine the values of Canadian society.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I want to thank my colleague from Burin—St. George's for his generous remarks in the earlier part of his speech.

I want to pick up on his point that there seems to be a lack of understanding about the way the dignity of people is affected by some of the programs and systems coming from this government.

One of the problems this government has is that it is really in the hands of the officials. I may be wrong on this but the political will has dissipated to a point where I get the feeling that the officials in finance are basically running this country. The lobbyists are the ones influencing these ministers and this government in terms of its direction.

I have worked with officials before. There are many fine bureaucrats in this government, but they have this favourite expression in officialdom, especially in finance: "It is not doable. It cannot be done". I think one of the problems is that this government has become a captive of officialdom and it is basically the people who end up getting the short shrift. I wonder if the hon. member could comment on that.

Mr. Simmons: Mr. Speaker, my friend from Broadview—Greenwood and I agree on many things, but I am not sure. I had better have a talk with him on this one. I hear where he is coming from. I will come back more directly to the point he just made. I basically believe that public officials are a pretty good lot. Some get led astray.

Mrs. Sparrow: But they are human.

Mr. Simmons: I hope all of them are human. I do not know why you are so shocked. I hope they are all human. On one occasion I named an official in this House. He is in the Public Service but is no longer working directly for the government except at arm's length. I will not name him again but he knows about whom I am talking. I thought he had forgotten he was a public official and began thinking he was a water boy for the Tories.

When they cross that line then there is a problem. I do not think the bulk of them are across that line. I believe my friend is talking about others who stray across that line, or cannot find the line, or do not know where it is.

• (1630)

This morning I was in a meeting where we were being briefed on some fisheries issues, specifically the issue of groundfish licences. I know the minister of fisheries. He is a man for whom I have a lot of respect. He is intelligent and quite fair. I tried to figure out why he got bamboozled—and that has to be the word—into this policy because this is really a sledge-hammer policy. When he wakes up he will realize what the officials have done to him. I do not believe this was of his own volition. If he had thought this through, he would not have done what he did the way he did it on cancellation because he caused a lot of pain.

I found myself saying, and I might as well say it because I have already burnt my bridges with that crowd anyway: I will tell you one thing. When and if we become the government the first thing we are going to do is run IQs on the whole crowd of you because somewhere among you there is a raving idiot who came up with this cock-eyed scheme. When we find who it is we are going to get rid of you because that type of person is doing a great disservice to this country and to those fishermen who are out there today anguishing and in emotional pain wondering if their livelihoods are being cut off by some person who is using a sledge-hammer to kill a fly, as it were.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I have been trying very hard to work on a paper here prepared by one of my colleagues which I think has the potential to address some of the real problems that the families in this country face. However, even though he is

an Albertan, he will understand I am unable to sit here and pass on it.

The comment that I would like to make relates particularly to the fisheries program. The member quite rightly comments on the intelligence and the dedication of the current minister of fisheries. While one may not agree with a number of the things that he proposes to do, he certainly had the courage to take action to address the concerns of the fishery.

One of the criticisms in the past has been that government has not consulted or discussed with those directly in the fishery the proposals that it puts forward. This is a flaw. This has been a flaw of all governments, including this one. I would argue that the current Minister of Indian Affairs and Northern Development attempted to change that process in responding to the crisis that we saw in 1989.

I would like my friend's comments on my observation that the licensing policy has been worked out in direct consultation and with very strong approval of what we call the union, the president of which I may point out is the former Liberal member of Parliament for St. John's West. I use the word former in terms of Liberal as opposed to member of Parliament I think to be fair and accurate. Certainly there has been broad consultation.

I say absolutely that there are parts of the licensing policy that I do not like, as it pertains to part-timers for instance. I do not think we fully understand part-timers. The current president of the union and I disagree on this and he has attacked me publicly on it. God knows he has attacked me enough times. However, I just want to point out to this House, and I know my friend will agree, that these licensing policies have been developed in consultation with the representatives of the fishermen.

The one point that I would add is that I think the emphasis here is to take the licence out of the system if the licence has not been used. I would share the concern that if the licence has been used and there has not been fish caught that we have to be very careful, but I think it is important to recognize that this process has been developed in consultation with a number of people and a number of people who have a long history in this industry.

Mr. Simmons: Mr. Speaker, I thank my friend from St. John's East. I hope he heard what I said specifically on the point he just addressed.

Let me repeat myself. I understand that there is a need to retire inactive licences. Where I disagree with the minister and the government, and I used the term before, is they used a sledge-hammer to get at a fly. They had a relatively small problem. They had ways, through their records, of finding out which licences were really inactive and instead of that they sit in Ottawa and they issue a blanket press release which causes more pain than it creates solutions.

The member talks about courage. The minister has got a lot of courage on many issues but on this one I would not classify it as courage to sit in Ottawa and put a press release out and cause the pain that it caused.

The member mentioned the president of the union, Mr. Richard Cashin, a good friend of mine over many years. Yes, he is a former Liberal member of Parliament. I think these days he has gone a bit astray and got tangled up with the NDP crowd and that kind of stuff, but he is also fairly close to that crowd over there. He was only recently honoured by being admitted to the Privy Council. As the member will know, not everybody gets in the Privy Council, but some do. He got in there on July 1. He has friends in all parties.

Cashin does a reasonably good job of protecting the interests of his members. I say to him publicly, and I will say it to him eyeball to eyeball as soon as I get a chance, if he was part of this scheme that has caused pain to men like those in Petites and Rose Blanche—they are just examples, there are many others—if he condoned that he needs his head examined. Richard, you need your head examined if you condoned this. But I do not think for a second you did. I think what you did is what I have done. You have condoned the idea of getting rid of inactive licences. I do not think Cashin is being properly represented here if it is suggested that he gave his approbation to the minister going out and causing the kind of pain to full-time fishermen in Petites and Rose Blanche that has been suggested. I do not believe it.

[*Translation*]

The Acting Speaker (Mr. Paproski): Order, please. 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 Halifax—Transportation; the hon. member for Don Valley East—Cyprus; the hon. member for Bonavista—Trinity—Conception—Government spending; the hon. member for Saint-Laurent—Cartierville—Visible minorities; the hon. member for Kootenay East—Water.

[*English*]

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, I think every member in the House today recognizes that this has been an interesting debate. It is probably because it is a borrowing authority bill. As such it has such a wide scope that members can get into their pet topics and really get some interest from both sides of the House. To ensure that we can accommodate all those who do want to speak on the bill, Mr. Speaker, pursuant to Standing Order 26(1), I move:

> That the House continue to sit beyond the normal hour of adjournment for the purpose of continuing consideration of Bill C-98, an act to provide additional borrowing authority.

Mr. Dingwall: On a point of order, Mr. Speaker. I heard the suggestion which was made by my hon. friend with regard to extending the hours. There have been no consultations with members of the Official Opposition with regard to this. In point of fact I was going to raise it during the regular question but the government House leader was unavoidably absent. We were given indications at an earlier time that the government would be proceeding with a bill other than Bill C-98, which is the borrowing bill.

Notwithstanding that I do wish the record to show that the hon. government House Leader did verbally indicate to me late yesterday that they would be proceeding with Bill C-98, but I have to tell the Chair and, through the Chair, members opposite that we were prepared to proceed with Bill C-93 as opposed to Bill C-98. As a result, I do not think we could give consent to the provisions that the hon. member has made reference to in terms of extending the hours today.

Some hon. members: Hear, hear.

• (1640)

And more than 15 members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 26(2), the motion is deemed to have been withdrawn.

The member who has just moved the motion loses his place as far as debate is concerned.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I would like to say a few words on Bill C-98, the borrowing authority, by which the government seeks authority to borrow an additional $8.2 billion which is in addition to the budget that was laid down last fiscal year, the fiscal year we are still in, and the additional borrowing that took place last fall.

This will bring the government's borrowings above the budgeted amount by the $10 billion or $11 billion that the government goofed in its estimates in the last budget. This is not the first time that it has messed up in its estimates of the deficit. The deficit this year is now predicted to be $34.4 billion, $7 billion higher than what it said it would be at budget time.

This deficit is $10 billion higher than it should have been using the projections the government used in the budget before last. According to the estimates from two years ago the deficit that we now have is twice what it was projecting. The projections have been away off. Ever since 1988 the ministers of finance have been predicting lower and lower deficits and every year when the year comes to an end we discover that we are still in the low $30 billion range and we have not shaken out of that in all of those years.

Yet the Minister of Finance, the member for Etobicoke, who was the Minister of Finance for most of that period was unshaken. He said that he has the fundamentals right, he understands the economy and he has the solution. Yet every time he makes a prediction he is wrong. He has been so busy getting the fundamentals right that we now owe twice the national debt that we owed when he first became finance minister in this country. The debt that we are all paying as a result will now be in the neighbourhood of $40 billion worth of interest every year to sustain the debt that he has brought upon the people of Canada.

We have listened to some of the government members say that opposition members and backbenchers are wasting the time of the government by this discussion because really all we have before the House is a piddly little idea of borrowing more money and they should not get excited about that.

The fundamental reason that members of Parliament are in Parliament is to watch over and agree to the expenditures of government and the taxation that governments levy. If we are going to stand idly by and not say anything when governments come to us for further borrowings, we are falling down in our duty. The only way that that further borrowing can be paid is by future taxation and that is right within the ambit of every one of these backbenchers, whether they are on the government side or the opposition side. Our duty, the main reason we are sent here, is to overview and give approval or otherwise to the government's estimates for expenditure and its methods of creating that expenditure and paying for that expenditure through taxation.

This has been the reason for parliaments since before 1215 and the Magna Carta and it continues to be the basic right of parliamentarians. To imply that we are wasting time by discussing a mere borrowing bill misses the point precisely. I cannot understand why a government member would be so callous as to raise that as a legitimate argument.

This government has been sitting with its eyes closed to a great extent, if we listen to its view of what it has done for the economy. I in my riding and many others across the country who represent different regions saw 76,000 individuals and small businesses go bankrupt last year. It was a new record. We have never before had that proportion of bankruptcies, even at the height of the Great Depression in the 1930s.

It is only recently that the government has even been able to say the *r* word for recession, but the sad fact for most Canadians is that they have been in a depression for quite a long time. The government has been busy fighting inflation and through that it has to a great extent induced the recession and the depression.

We have been hearing about averages, and we all know the problems with averages. A wit once said that the economist and the statistician do not seem to understand the pain of an average. For instance, if a person had one foot in boiling water and another foot in freezing water they would say that on average the man should be comfortable. We know that is not the way comfort works. We also know that using averages does not tell very much about the fight against inflation.

I represent a constituency in prairie Canada. I have watched the fight against inflation and I must say that it has been devastating. When I first came down here in 1980, farmland in my part of the country was considered to be worth about $800 or $900 an acre. Then governments began to discover inflation and decided that to fight inflation they would use extremely high interest rates, which they did. They put a lot of farmers out of business. They put a lot of villages out of business. They shut down a lot of farm suppliers. They depopulated parts of rural Canada. In the process they have managed to force the price of farmland and the value of all assets of the community from about $900 an acre down to less than $300 an acre.

The people I represent have paid a huge price in fighting inflation. The value of their assets has been cut by two-thirds at least. It does not matter whether they were home owners in one of the small towns or cities of my riding or farmers out in the country. If their assets were worth $1 million in 1980 and they have not increased the size of their business, farm or property, they are now worth $300,000. That is a tremendous contribution to inflation. In making that contribution they have less assets to borrow against and less assets to raise capital from.

The government has taken the view that everyone has to pay for inflation, and my friends and neighbours accept that. However they think they have paid a rather high price. They have paid an even higher price than just losing the value of their assets. They have paid a high price by losing their very incomes. For those who make their living on the farm there are numbers of ways of showing the losses in their farm incomes. I will use two methods that were put forward recently by the Saskatchewan Wheat Pool.

The first method of discovering what losses farmers have put up with in the province of Saskatchewan alone would be to take the realized net farm income between 1980 and 1984 on average—and we use adjusted prices so that we do not have to worry about inflation; these are in 1992 dollars—and compare it with the realized net farm income for the years 1992 and the estimates for 1993. The shortfall would be in the neighbourhood of $880 million to $1.1 billion; a $880 million shortfall already realized for 1992 and the estimates for 1993 would indicate a $1.1 billion shortfall from the average realized net income of the early 1980s for Saskatchewan farmers.

• (1650)

We could use another test. We could take the average net farm income for farmers in the years 1980 and 1981 and compare them per worker against the realized average industrial wage per worker in Saskatchewan at the same time. We would find in 1980 and 1981 that those figures were almost the same. The farm worker received $13,500 and the industrial worker received $15,500. They were almost the same, just a few thousand dollars difference.

When we make that same comparison now after all the farm support that has gone into the farm community, we find that the average farm income in 1991 amounted to $6,700.74 per farm. How did the industrial worker make out in that same period? In 1991 his or her average industrial wage was $24,197. There was a vast change in that period of time.

I submit that part of the reason for that vast change was not only the trade war which occurred but also government policy which struck out all or most of the assets farm people had with which to refinance or to finance other ways of making farm income.

The fight against inflation and trying to get the so-called fundamentals right has really been harmful to rural people in my constituency and across the country.

I have discussed a little about the income shortfall as seen on a farm-by-farm basis and when compared to the average industrial wage in my province. If we look at the effect of the trade war on those incomes, we can extract some of the costs that have occurred because of the trade effects of that war as a result of various actions of both the European Community and the American government.

In 1985 the President of the United States introduced a farm bill which included the right of Americans to grant export enhancement funds to exporters. This had the effect of driving the competitive price of international grains down as much as $80 per tonne. Right now farmers in my community do not net $80 per tonne for most of their grain. We have an idea of how devastating this action by the Americans was and what it could do.

If we use the pre-trade war average price of grain in Saskatchewan alone and superimpose that trend, we see that because of the actions of the Americans and the response of the Europeans farm income in Saskatchewan shows a shortfall. Even with the government assistance that has been provided there is a shortfall of $6.7 billion from 1985 to the present. In those seven years we have had a $6.7 billion shortfall of income from the kind of income we normally are used to out there. It was almost $1 billion per year on average.

We have seen farm debt increase from $21 billion or $22 billion in 1986 or 1987 to in excess of $24 billion. I cite that because the Europeans and the Americans have not had the same kind of news to deal with. They are our two largest competitors. We are among the third largest exporters of grain and oilseeds, yet our farm incomes are falling behind the net farm incomes of those countries because frankly those countries care more about their farmers than do Canadian governments.

Using 1981 net total farm incomes as a base, European incomes fell over the decade of the 1980s by 16.5 per cent. American farm income over that same decade rose by 23 per cent at the same time as Canadian net farm incomes fell by 51.4 per cent.

We can see that farmers in the United States have been much better cared for by their governments than has been the case here. Their net incomes over the decade rose by 23 per cent, while ours fell by 51 per cent. This was done in the name of getting the fundamentals right and in the name of fighting inflation.

Government policy has continued to put pressure on farmers and their families. In the financial statement before Christmas the finance minister said there would be even further reductions to the government expenditures on grading and inspections in meat plants and in processing plants. That was accompanied later by announcements from some officials indicating that it was to be the intention of the Government of Canada to reduce grading and inspection standards to standards equivalent to those of the country to which we might be exporting.

In other words we would lower it to Mexican standards if we were thinking of selling to the Mexicans, or even lower if we were exporting to some country with standards lower than those of the Mexicans.

There was no explanation of how to separate product that had been so graded if it did not go to the particular country but instead ended up in the refrigerator of a consumer in Canada. There was no explanation of how we were to respond when some of our international customers said: "We used to buy your product because you had such high grading standards and we could always count on Canadian product meeting those standards".

Those good customers will start looking at our changed grading standards and say: "We might as well buy from the Americans who have a much looser arrangement than you have. We used to prefer your product because we could be sure that the standards would stand up and that we were buying quality. But if you are going to abandon that then I guess we will find another place to get our product". We will have to start looking for other customers.

This is a stupid way to become world competitive, all in the name of having the fundamentals right. I have spent some time showing how misguided some of the fundamentals were.

In that economic statement as well we heard the Minister of Finance say that the Crow benefit which western Canadians used to think was almost part of our constitutional heritage was to be degraded a bit more. We watched in the early 1980s as the Liberals backed away from their commitment to freight rates to an area that is land-locked and was developed on the basis of a secure transportation system. They backed out of that and have been presenting some money to the railways each year. At the moment it stands at about $730 million. The government has shown that it is no longer considering that a firm commitment. It has decided to back off bit by bit. It is taking 10 per cent away this year. That will mean about 8 cents to 10 cents a bushel less in the pockets of farmers next year, thanks to that little announcement.

• (1700)

It also sends a signal to farmers that the Crow rate is no longer anything that can be counted on. If a minister of the Crown who is in charge of finance can stand up and take 10 per cent of it away on a whim with an announcement in the House then there is nothing to stop him from taking 100 per cent of it away at some future date.

The residents of rural Canada are feeling less and less secure with this government. They see that this government does not have the fundamentals right. It cannot produce projections. It cannot guess right. It cannot do anything right. It is then time we made it very clear that the government should resign so we can have an election and find a replacement.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

SMALL BUSINESS SECTOR

BUY CANADA PROGRAM

The House resumed from Tuesday, November 17, 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 in Canada by targeting more federal contracts to the small business sector and establishing a more aggressive Buy Canada program.

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, I appreciate the opportunity to speak today in this debate on the motion of the hon. member for Okanagan—Similkameen—Merritt.

The motion reads as follows:

> That the government should 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.

First, it must be said that the motion tabled by my hon. colleague is acceptable in principle. This government is always striving for a strong and diversified small business sector.

The government will always do its utmost for the thousands of hard-working business people who create

thousands of jobs that benefit all Canadians. Earlier in this debate, an outline of this government's many reforms concerning government procurement was given.

I must go back briefly to this outline so that we can clearly understand what the motion before us today means and, I might add, better realize the remarkable work done by the Minister of Supply and Services.

It is with the needs expressed by small businesses in mind that more than three years ago the Minister of Supply and Services decided to undertake a major reform of his department. Today, we are proud of our very fruitful co-operation with Canadian business people.

The new business practices of the department are based on five major objectives which I will briefly describe.

First is the use of a procurement system which is accessible and competitive. I am of course referring to the open invitation to bid, which allows any business person to tender for the contracts of his choice. Indeed, it is our small business people who select contracts based on their priorities and their potential, and do this using a personal computer.

The second objective has to do with the implementation of an impartial process to hear the complaints of suppliers, namely the Procurement Review Board, which is now part of the Canadian International Trade Tribunal. The board allows any contractor who feels he has been wronged to make representations. Some have successfully made their case.

Third, the support provided to the Canadian industry is confirmed by the new policy on Canadian content. Supply and Services Canada gives priority to procurement in Canada by limiting the competition to qualified Canadian suppliers of goods and services when there are enough of them to ensure competitiveness.

Fourth is a greater social and environmental responsibility. We are referring here to the employment equity, environmental protection and energy conservation requirements in dealing with suppliers.

Our fifth goal is to provide first-rate customer service, as is expected from a department like ours.

Our business partners are demanding and so are we of them. They understand our new approach and have expressed support for it.

In fact, this is the kind of offer that is hard to refuse: greater accessibility, improved efficiency, top-notch service and more chances of tendering for federal government contracts.

The competitive bidding system we have can be considered as a good tool for economic growth.

I am not saying that all suppliers should deal with the federal government. What I am saying is that those who choose to, for one reason or another, will be surprised to see how easy it is and will be able to improve their competitiveness.

As I read over my hon. colleague's motion, I must point out a minor aberration which shows the weakness of the motion being debated as it relates to public procurement.

My hon. colleague would like the small business sector to get more contracts. Fine, but let him know first that 80 per cent of our suppliers are small and medium-sized businesses at this time. That is right, 80 per cent. If you factor in contracting-out, it would be closer to 90 per cent. This goes to show that small and medium-sized businesses are truly major players in the area of federal government contracts.

I could emphasize other highly positive aspects of our reforms which are intended to be forward looking. The main thing is that Canadian entrepreneurs wanted a chance to compete and the government responded swiftly to this perfectly legitimate request.

This debate is an opportunity for me to reaffirm that this government is making every effort to assist our small and medium-sized businesses in looking for new markets, to promote their competitiveness by giving them more opportunities to compete for federal government contracts and to assert themselves on the international markets.

Therefore, the motion put forward by the hon. member for Okanagan—Similkameen—Merritt runs counter to measures that have been in place for over two years. Worse, it suggests that our small and medium-sized businesses lack vitality, that our entrepreneurs lack initiative and that risk is never rewarded. It also suggests that government ignores the demands of the Canadian small-business sector, when nothing is further from the truth.

This attitude does not surprise me but I must say that it does not at all suit the economic challenges facing this country. By the way, I want to assure the hon. member that any suggestion of his will receive due consideration, provided that it can foster the financial security of our fellow citizens.

Supply and Services' initiatives have been given a warm welcome throughout the country, and I can tell you that civil servants themselves are happy to work in a setting considerably more stimulating, although more demanding.

Day after day, we are happy to demonstrate that the Government of Canada can innovate and be efficient. This is great news for the taxpayers as well as for us who administer their tax money. The future depends on it.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, it is a pleasure to rise today to speak to this bill that has been brought to this House by the member for Okanagan—Similkameen—Merritt, a seat-mate of mine in the Chamber. He is the NDP critic for the small business sector.

The member for Okanagan—Similkameen—Merritt has been a very strong spokesperson for the small business sector in this House and to the government on quite a number of matters. The issue in this motion today is just one of the many that he has been able to raise. I am very glad to be able to speak both in support of this motion and in support of the small business sector that is being promoted in the member's motion.

• (1710)

The member for Okanagan—Similkameen—Merritt in presenting this motion to the House had a couple of very astute things to say, and I just wanted to briefly quote him before I enter into my own remarks. The member for Okanagan—Similkameen—Merritt said: "This government has given lip-service to improving the business climate in Canada and this would be an ideal time for it to show some positive action for the small business sector through its support of a buy Canada, buy small business program".

The member also said: "It is only by opening the bidding process and guaranteeing that contracts are awarded to small Canadian businesses through a buy Canadian, buy small business program that we will ensure small businesses continue to create jobs in the economy and help bring us out of our continuing recession".

Those are very important words for us and for the government to hear today as it is contemplating the various actions that can be taken to assist the small business sector in the work that it is doing.

I would also like to indicate to this House how important this matter is. I know, Mr. Speaker, that you are a very strong supporter of the small business sector and are aware of its importance to the Canadian economy. More than 97 per cent of businesses in Canada are small businesses with fewer than 50 employees.

In 1989 small businesses maintained a labour force of more than 3.75 million people, equivalent to over one-third of the total private sector employment in all of Canada. From 1981 to 1989 small businesses created 81.5 per cent of new jobs in Canada. At the same time this has been a very difficult time for small businesses.

Just yesterday the newest bankruptcy figures were released. In 1992 there were 14,317 business bankruptcies in Canada. That is an increase of 821 over the 13,496 businesses who declared bankruptcy in 1991.

The recession is very hard on the small business sector, which is a large employer and a major stabilizing factor in many of our small communities and major cities.

The Government of Canada can play a very important role in the development of programs that would be of some assistance to small businesses, and that goes beyond tax measures and other matters. We all know there are negative and positive tax measures that can be utilized to assist businesses.

The most negative tax measure has been the implementation of the goods and services tax that small business people right across the country have said has harmed them significantly. That is something that could be eliminated as soon as possible. It would certainly be eliminated if the New Democratic Party were elected after the next federal election.

There is another side to all of this too, and that is what the member for Okanagan—Similkameen—Merritt is getting at in the motion before us today. The Department of Supply and Services purchases about $8 billion in goods and services every year for the Government of Canada; 60 per cent on a competitive basis and 40 per cent on a non-competitive basis. This is a very important and significant component of the way in which government money, which is being spent anyway, can be targeted toward small businesses in Canada.

The buy Canadian program suggested by my colleague is a very important way for the government to adapt some of its current policies to assist the small business sector. Earmarking just a portion of this supply and services' contracted money specifically for Canadian businesses would be of great assistance, particularly to those businesses that operate in rural and remote areas.

I want to give a couple of examples from my own constituency about how significant this might be. Economic development in rural constituencies is a difficult task at the best of times. Sometimes the stabilizing force of a contract is all that is needed to get a rural business, particularly a manufacturing or a processing business, under way. A lot of activity is taking place on the drawing board in northwest Saskatchewan that could utilize some of this sort of kick-starting that is available from government policy and program development.

The Western Diversification Office has indicated that a program it would be able to fit in is one to assist with the production of ethanol from grain stocks on the prairies. The government should make a very strong commitment to ensuring that ethanol product is available for purchase by producers. It is the same thing with the production of energy. Governments can play a very important role in ensuring that the energy produced from co-generation facilities by independent producers in rural and northern isolated communities is purchased by the utilities.

More important is the whole area of aboriginal economic development. The government has paid a lot of lip-service to this area and in fact has put some programming in place to ensure that aboriginal communities can be involved in generating revenues which would be useful in helping the people who live in the aboriginal communities.

The most negative aspect about economic development in aboriginal communities is that the money can be put in place for capital but it is not in place for operations. You can buy equipment and set up a manufacturing or processing operation but the problem comes in being able to maintain that operation while the business person in the aboriginal community is out searching for markets, et cetera.

If this government established a set-aside program under a buy Canadian umbrella for aboriginal economic development, ensuring that 10 per cent of certain budgets, for example the national defence budget, was being used to purchase products from these aboriginal manufacturing plants, it would have a stabilizing effect on that aboriginal community and that aboriginal business. It would certainly ensure that all of the activities engaged in at that manufacturing plant would be enhanced and allowed to grow. We would have a guaranteed contract in place to produce the duffle bags for the armed forces or whatever the purchase might be. They would have the ability to finance operations while they are looking for the other contracts that would expand and ensure the success of those aboriginal businesses. To me that is a very important matter.

We have to make sure the rural business infrastructure is maintained. We have to ensure that we do have the ability to purchase at the local level.

Most members of Parliament in this Chamber will realize that we have very little ability to utilize our budgets for purchasing locally. Most of our stationery, as you are aware, Mr. Speaker, is purchased centrally in the House of Commons. It would be nice to be able to support local businesses through local purchasing.

I am quite concerned about the free trade agreement and the North American free trade agreement and how they affect the ability of the Government of Canada to enter into a buy Canadian program. The free trade agreement with the United States currently hinders the ability of Canada to have a buy Canadian program, a Canadian sourcing program of some kind, a Canadian government policy, a Canadian value-added profit policy, et cetera, because the free trade agreement prevents purchases over $29,000 from being set under those guidelines.

• (1720)

One of the very first things that this government has to do is cancel the free trade agreement so that we can have in place a complete buy Canadian program. It is even more important because we are about to enter into a new agreement with Mexico and the United States, the North American free trade agreement.

I was just having a look at the North American free trade agreement and found that article 1004 prevents Canada from having a buy Canadian policy. In fact, the effect of 1004—

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, this issue of small and medium-sized businesses is frequently discussed here in the House of Commons, as it was in Quebec's National Assembly when I had the privilege to serve there as MNA. As years went by, unfortunately, alot was said but very little was done for small and medium-sized businesses across the country. The facts show that small and medium-sized businesses create more jobs than all corporations put together. In fact, the number of jobs is even three to four times higher. But when we look at industrial subsidies in the country, we realize it is easy for big businesses to get all sorts of benefits from the government. However, the government keeps saying that it is encouraging small and medium-sized business which is creating jobs.

I would like to draw to your attention the fact that in the past organizations were established to defend small and medium-sized businesses. There was one in particular which I remember. It was called Business Warriors and was based in Toronto. I recall that they had the opportunity to defend their opinion that small businesses received comparatively less tax benefits or grants than large corporations. And they made their point with supporting evidence that small and medium-sized businesses were indeed penalized.

So, the case before us is still the same. How can we help small and medium-sized businesses? And the motion presented by one of the opposition parties brings back to the surface the kind of program we could set up in order to really help small and medium-sized businesses develop themselves and compete.

Competitiveness is the in word today. If companies, no matter how big, cannot expand, we cannot expect them to make great progress in being competitive. The suggestions I would like to make, after listening to numerous debates on this matter concerning small businesses, is that we should focus on programs in a concrete way and not on bills or regulations 200 or 300 pages long. The first thing we should do is visit small businesses. Some associations and individuals that are very articulate could tell us about the needs of small businesses, about the tools they need to expand and be really competitive. That is what they are asking for.

Just because they make those suggestions does not mean they will get *carte blanche* for everything they need. There is always some leeway. They know that. They can tell, with the evidence to prove it, what they need in order to expand. But if they do not have a chance to speak out on these things, we will never be able to find out what would help small businesses to grow.

Some of them have been very successful in this country. Over the Christmas holidays, I read Mr. Bombardier's story. It is amazing to think that he two of his brothers began the business in his garage. That gives you an idea of how important all that can be. I also read that many inventions do not come from laboratories at a cost of millions of dollars. In the past 50 years, most big discoveries, like Xerox, for example, were made by people working in their own basement or in a garage.

Entrepreneurship exists, but one must be watching out for it. I am convinced that if those people could say what they need, we on our side with the resources, experience and statistics available could easily show that there is some room to manoeuvre and we could write up in a few pages what is needed for them to develop.

That is extremely important, not only for confidence or competitiveness but also for encouraging other people. They would feel supported. You know that confidence is extremely important in international affairs or in other things.

I would like to give you an example of this. One of our colleagues here from the Liberal Party, the hon. member for Lambton—Middlesex, did a terrific job on the possibility of using grain to make ethanol and derivatives. Research has been done on this and it has been shown that this industry, which is now very small, given the required resources could become a major industry in our country, not only for the environment but also for the tremendous spin-off benefits.

However, if they do not have government resources to help them start up, we cannot expect miracles. Times are pretty tough, so that is all the more reason to give them moral support, financial support, of course, and technical support. Luckily, we have the National Research Council which has an international reputation and can help them.

We could talk about it for a long time and we know that there have been many discussions and debates on small and medium-sized businesses. First, because they belong to associations, they must speak out on the issue because they are out in the field, they know the needs. We can be guided by what they can do, what they know and especially what they want in setting up a real program. With that, I am convinced that the "Buy Canada" program mentioned in the motion could follow automatically, because if we enter a new field where no one has been before, we will certainly be the best and over time we will be very competitive. So we would buy Canadian not just out of pride but because it was a rapidly growing field and we would have the necessary skills and entrepreneurship.

Many ideas could be submitted. A famous saying of Einstein comes to mind: Imagination is more important than intelligence. Of course, we take it for granted that a certain amount of intelligence is required and I am sure it exists, but imagination is the key to advancement. Small and medium-sized business is the most important engine of our country's development. We are a nation of 27 million and we have shown that we can play an extremely important role on the world stage with our inventions and developments and so on. We have proven ourselves.

• (1730)

I could give examples of technologies, like fibre optics, where we were world leaders. However, that technology has been sold and today it is the Japanese who are developing it secretly. But that is another matter.

In conclusion, are should call on those who are in the field. We have public moneys to supplement what they do not have at their disposal in terms of research and funding. That program will be the real beginning. It will be the basis. I am convinced that it is the only answer, and the most needed one.

THE ROYAL ASSENT

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

Rideau Hall
Ottawa

Thursday, February 4, 1993

Sir,

I have the honour to inform you that the Hon. John Sopinka, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 4th day of February, 1993, at 5.30 p.m., for the purpose of giving Royal Assent to certain bills.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General

* * *

[*Translation*]

SMALL BUSINESS SECTOR

BUY CANADA PROGRAM

The House resumed consideration of the motion of Mr. Whittaker (p.15463).

Mrs. Gabrielle Bertrand (Brome—Missisquoi): Madam Speaker, I would like, first of all, to thank the hon. member for Okanagan—Similkameen—Merritt for introducing this motion about the contract awarding system of the federal government or, in other word, its procurement system .

Through the Department of Supply and Services, which awards $8 billion worth of contracts every year, the federal government gives small businesses the opportunity to prove their capabilities and to develop new expertise.

Like the abolition of the manufacturers' sales tax, like the free trade agreement, which was intended to create a larger and freer market for our small and medium-sized businesses, the policies of the Department of Supply and Services are specifically meant to develop a more accessible and more competitive Canadian market.

Like all my colleagues who participated in this debate, I think that the hon. member for Okanagan—Similkameen—Merritt underestimates what this government is doing for our small businesses.

My colleague should not consider solely the details of our policies, he should consider the whole consistent package they represent. I will not repeat what others have already said about the importance of the small-business sector for our economy.

Every single member of this House could elaborate on that theme, because small business is really part of everyday life. What is more important is to underline the consistency of our policies taken as a whole.

Supply and Services Canada has restructured its policies to take into account the need to find new prospects for small businesses with the constraints of a more demanding national and international economic environment. The department helps give our small businesses a chance to excel in this country and elsewhere in the world.

Since 1989, the minister has tried to give better access to federal contracts, to streamline its policies, to modernize its systems, to encourage competition and to give Canadians the opportunity to question the department's system for awarding contracts.

You can see that it was no easy task, but it was carried out, and small businesses know how to take advantage of it. Recently, for example, I had the opportunity to announce, in my riding—

* * *

THE ROYAL ASSENT

[*Translation*]

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

> Madam Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the Chamber of the honourable the Senate.

Accordingly, Madam Speaker with the House went up to the Senate Chamber.

• (1740)

And being returned:

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

Private Members' Business

Bill C-63, an act to dissolve or terminate certain corporations and other bodies—Chapter 1;

Bill C-91, an act to amend the Patent Act, to amend another Act in consequence thereof and to provide for other related matters—Chapter 2.

* * *

SMALL BUSINESS SECTOR

BUY CANADA PROGRAM

The House resumed consideration of the motion of Mr. Whittaker (p. 15463).

Mrs. Gabrielle Bertrand (Brome-Missisquoi): Madam Speaker, when the debate was interrupted, I was about to say that last week, in my riding, I had the pleasure to announce that a contract for $1,974,987 had been awarded by Revenue Canada Taxation to Imprimerie Montréal-Orford in Magog.

This is a reminder that more than 80 per cent of our suppliers are small businesses that can take advantage of these opportunities.

We have already heard detailed descriptions of the open bidding process which is the main component of the department's reform.

I would, however, like to stress two aspects that are a tremendous asset to the process, and I am referring to the Procurement Review Board and the Canadian content policy which some people seem to overlook.

The integrity and fairness of the procurement process must, in the final analysis, be able to stand up to a detailed review by an independent third party.

In the case of contracts covered by the free trade agreement between Canada and the United States, suppliers who feel they have been treated unfairly can bring their case before the Canadian Procurement Review Board. The board has proved to be a quick and inexpensive way to deal with complaints.

If the supplier wins his case the board may award costs and recommend compensation, including payment of a certain amount, or order a repeat of the procurement process on a competitive basis. This is a precedent for Canada.

When we talk about government openness, I think Supply and Services Canada and the Procurement Review Board are a case in point. I would even go so far as to say that it is up to us as members to inform small businesses of these mechanisms.

Many industrial businesses and associations have said that such a redress mechanism should be made available to Canadian suppliers for more goods and services purchased by the federal government.

Consequently, the government intends to introduce a bill expanding the mandate of the Procurement Review Board. Once passed, this bill will allow the board to review the purchasing of goods, and later the purchasing of services, in order to determine whether access to information was fair and if the evaluation criteria were clearly defined.

I am convinced that hon. members of this House will vote in favour of such a bill.

I want to draw the attention of the hon. member for Okanagan—Similkameen—Merritt to our Canadian content policy. We favour a "Buy Canada" approach, as evidenced by our Canadian-content policy.

For a long time now government procurement in Canada and elsewhere has been considered an instrument for industrial and regional development.

Supply and Services Canada is convinced that these goals will be better served by an open and competitive purchasing process. Competition on the domestic market ensures that Canadian suppliers can make it on the world markets. Government procurement will not be used to favour or support non-competitive suppliers.

Canada has played and continues to play a leading role by applying stricter business practices relating to preferential purchasing on the domestic market.

However, subject to our obligations under GATT and the FTA, Supply and Services clearly favours buying in Canada. This is done by restricting the competition to qualified Canadian suppliers when there are enough of them to insure that there is competition.

In order to take advantage of this preference, suppliers must be able to guarantee that the goods they have to offer are entirely made in Canada or, if they are made up of both imported and Canadian components, that the final product complies with the rules of origin.

Generally it means that a significant proportion of the manufacturing or processing must take place here in Canada in order to make a new product out of these various components.

In the case of services, the value of the work done in Canada by staff located in Canada must generally account for at least 80 per cent of the bid value. For big public projects or large purchases, review committees still make a detailed evaluation of the possible regional and industrial benefits.

• (1750)

I hope that my colleagues opposite will be able to appreciate the impact of the measures I just talked about. Personally, I am convinced that such a policy benefits our small businesses.

I will say again that the government is doing everything it possibly can to help our small businesses.

What I wanted to stress is how coherent, dynamic and innovative our economic policies are. Supply and Services Canada illustrates our commitment to meeting the present and future needs of our small businesses.

Consequently, I cannot but oppose the motion before us today as it contradicts the thrust of our policy on contracting.

Soon, the government will introduce a North American free trade agreement in Parliament.

Here is another example of a policy which, together with all the other existing policies, will provide better opportunities for small Canadian businesses, allowing them to reap the benefits of international trade and to grow and create stable employment for Canadians.

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, like my colleagues on this side of the House, I am happy to take part in today's debate on the motion of the member for Okanagan—Similkameen—Merritt. Let me remind the House that the hon. member's motion, as worded, seeks to develop a healthy small business sector in Canada by targeting more federal contracts to small businesses and establishing a more aggressive Buy Canada program.

Like all my colleagues in this House, I favour the development of a stronger small business sector in this country. However, the second part of the motion, the targeting of more contracts to small businesses, raises many questions, as we could gather from the comments made earlier by my colleagues.

I would like to stress one aspect of the debate that has been ignored until now. I mean the divergence of opinions when it comes to choosing the best way to support small businesses. There are two contrary opinions stemming from different points of view about today's economic realities.

My colleagues have detailed the policies in question. I will therefore refrain from repeating data and figures already known.

There is no doubt in my mind that the government is making all the necessary efforts to meet the needs of our small businesses in Canada. Everybody knows that this government's priority is economic growth and the creation of secure jobs.

Small businesses are largely responsible for the vigour of our economy and consequently for job creation in general.

Therefore, I remind my colleague opposite that the present restructuring of the Canadian and international economies turns out to be a major test both for the government and for our wealth-producing small-business sector.

This government has managed to put in place structures and programs adapted to the needs of our small businesses.

In an ever-changing environment, we have acquired what if takes to compete internationally and gain access to the most promising markets.

As the hon. member for Brome—Missisquoi indicated, the free trade agreement, the abolition of the manufacturers' sales tax, the North American free trade agreement and a host of policies and programs are all designed to help our small-business sector, and their consistency is striking.

Indeed, the government offers our small business sector the chance to become more competitive, to excel on lucrative markets, to develop new expertise and new technology, in short to thrive.

There would be no point in granting contract quotas to our small businesses. It is an outdated principle as our daily experience confirms.

Now more than ever, Canada must preserve and assert its status as a trading nation which can provide high-quality goods and services at competitive prices. To do so, we will have to face tough competitition and prove we are the best. Our small businesses know that and act accordingly. They have to if they want to survive. It is a harsh reality from which there is no turning back. The world will not wait for those who cannot face the music.

Protectionism still creates much tension between the major trading countries, but it is undeniably losing ground as more multilateral and bilateral trade agreements are negotiated. As far as I am concerned, I would rather believe that an increase in present and future business opportunities for our small businesses will bring us prosperity.

I want to commend the government for its efforts on behalf of our small businesses. I also want to congratulate in particular Supply and Services Canada and the hon. Minister of Supply and Services for the contract awarding system. In a situation where you are always asked to do more with less, the hon. minister was able to align his priorities on the needs of our businesses. Under his leadership, Canadian government procurement has become a more competitive, fair and accessible one. No doubt our business people will use this as a springboard to reach foreign markets. I do not think it would be going too far to call the hon. Minister of Supply and Services a reformer and innovator.

Right now, I doubt that my colleagues on the other side would agree with me. Their philosophy on change and economic growth points them in a direction leading nowhere: protectionism. As if Canada could isolate itself when it is one of the most powerful and most respected countries in the world. There is no reason to be afraid. We should be confident and rise to the greatness of this country.

Rejection and a wait-and-see attitude should be banished forever. Canada is a young country, it is vigourous and it has a great future provided it remains open to the idea of profound political and economical changes both on the domestic and international levels.

I would like my colleagues opposite to take note of the policies of Supply and Services, including those of the Procurement Review Board and then I would like them to meet the management of small businesses in order to hear their comments concerning those policies. The only way to really establish the value of a policy is to confront it with everyday reality.

Let me say that small businesses all over the country approve the actions of the Minister of Supply and Services and those of the government. They only want a chance to compete, to test the realities of the market and to be treated fairly. They trust themselves and want us to give them a real chance.

The motion debated is based on an outdated perception of economic development. It implies that the government can control economic development as it wishes and act as if other countries do not exist. I object to a statement that denies, yes, denies, today's reality. We should not conclude that the present government fully meets all the expectations of our small businesses. No government could attain that objective. But I say that the direction and the specifics of our policies are meeting the challenges of the day, and that the Department of Supply and Services is a concrete example of the common sense that guides this government with regard to awarding of contracts.

• (1800)

As you will have guessed, Mr. Speaker, I think that the motion as presented does not reflect what we should do to help our small businesses.

Therefore, I will vote against the motion of the member for Okanagan—Similkameen—Merritt.

[*English*]

The Acting Speaker (Mr. Paproski): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93 the motion is dropped to the bottom of the list in 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.

TRANSPORTATION

Ms. Mary Clancy (Halifax): Mr. Speaker, I rise pursuant to a question I put to the Minister of Transport on November 19, 1992.

On November 17 of last year Canadian Pacific Railway announced its intention to abandon all its rail lines east of Sherbrooke, Quebec. This decision means the loss of 358 kilometres of rail line in Nova Scotia, New Brunswick and eastern Quebec. It will also mean the loss of more than 300 jobs in a beleaguered region.

On the date in question I asked the minister to use his discretionary power through section 23 of the National Transportation Act to reverse this decision. The minister refused to act, stating he would wait until after representatives from all sides of the debate had made their opinions known.

Section 23 also stipulates that the minister's discretionary power must be exercised before these hearings take place. The move indicates the government is ready to forsake its already tattered commitment to regional development. This is not a local rail line into the maritimes, it is a lifeline to the rest of Canada.

The National Transportation Act is the key to regional and economic development and it is under this act that viable transportation links to all regions of the country are recognized. The minister's refusal to act signals his department's abandonment of Atlantic Canadians and it also shows something that we have already known for a long time, that this government has a dearth of a transportation policy.

Although CP Rail is a private corporation, it is still regulated by the federal government. The federal government has the responsibility to maintain essential links. Under the NTA regulations, once abandonment is applied for, the National Transportation Agency must decide whether or not the operation of a line is of economic benefit to the affected region.

Given the fact that this is the main artery into the maritimes, it is without doubt of vital economic importance. Without it Atlantic Canada must depend on the region's rapidly deteriorating highway system.

I once again call upon the Minister of Transport to take the initiative and reverse CP Rail's decision and maintain the federal government's commitment to regional economic development. The government's reluctance to act is yet another illustration of its lack of a coherent national transportation policy, one that is creating difficulty in my region and across the country.

Given the past investments made in CP Rail, the time has come to invest in the workers of this company and Atlantic Canada. Save the railway and save the jobs. Creating jobs entails saving jobs.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I rise to respond to the motion from the hon. member for Halifax.

Railway companies under federal jurisdiction have a legal right under the National Transportation Act of 1987 to apply to the National Transportation Agency for authority to abandon operations of any of their lines.

The legal and logical extension of that right means that the agency must accept and process all such applications for abandonment of rail line operations submitted in accordance with the rail line abandonment provisions.

It is also true that sections 23 to 26 of the act provide the Governor in Council with the power to issue binding policy directions to the agency. However, the hon. member opposite can appreciate that neither the Governor in Council nor the Minister of Transport can order the agency to ignore its statutory responsibilities. By giving notice of intent to apply for abandonment, CP Limited has initiated the statutory review process.

Those concerned over the effects of that abandonment or any abandonment of CP's lines may have on Atlantic Canada should, and I am sure will, use the provisions of the act to present their views about the continuation of rail services. Every party must also understand that the railway will and should have the right to equally represent its case.

CYPRUS

Hon. Alan Redway (Don Valley East): Mr. Speaker, have you ever been to Cyprus? I was there last November with the Canada–Cyprus parliamentary committee and I had an opportunity to walk the green line. The green line is the name of the United Nations buffer zone that runs through the city of Nicosia, which is a divided city. In fact it is the only divided city in the world. It used to share that honour with Berlin but now the only divided city in the world is Nicosia.

On one side of this green line there are some 35,000 Turkish troops and some 8,000 Turkish Cypriot national guards. On the other side there are some 10,000 Greek Cypriot national guards and about 900 Greek troops. Right in the middle are the UN peacekeepers including some 575 Canadians.

It is a really weird feeling to walk along that green line in Nicosia because it is as if time stopped in August 1974 when the fighting stopped. That was almost 20 years ago. There are abandoned buildings pock-marked by 50-calibre machine gun bullet holes. There is a car dealer with dozens of new 1974 automobiles. There are abandoned houses that have been vandalized and littered with 1974 newspapers. It is a very weird sight indeed.

What is the solution to the problem? I think the solution is a new federal constitution for Cyprus, a return of the property or some compensation in lieu of that for the refugees who have been expelled from northern Cyprus, the settlement of the boundary line reflecting the fact that in 1974 80 per cent of the population were Greek Cypriots and only 18 per cent were Turkish Cypriots, and the withdrawal of all foreign troops.

Is that achievable? The United Nations is about to sit down and try to negotiate such a settlement just 30 days from now. However, without waiting to see what the results of those negotiations will be Canada has decided to withdraw all of its peacekeeping forces this year. Are we just going to walk away from Cyprus after 30 years of trying to help keep the peace there? What else can we possibly do? Constantine Georgiadis, an associate professor of philosophy at McMaster University, wrote to me saying that it is time for Canada to put genuine pressure on Turkey to renounce its 18-year occupation of Cyprus.

I agree with Dr. Georgiadis and tonight I want to hear whether the minister agrees.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, my colleague is quite right. Last December we did announce that we would withdraw our troops from Cyprus beginning in June 1993, after 18 years of service there during which time thousands of Canadian men and women have made us very proud. They have done so under very difficult circumstances. After 28 years of both sides having an opportunity to come to some sort of an agreement—maybe they are unable or maybe they are unwilling, we cannot answer that right now—they have been unable to negotiate a political solution. It is really time that Canada withdrew from Cyprus.

Parties in dispute, whether in Cyprus or elsewhere, must understand that there are limits on the duration of peacekeeping operations for all countries.

The basis for any peacekeeping operation has always been and always will be, within the immediate future, an agreement by the parties involved that they will try to the best of their abilities to work out a settlement.

Our withdrawal does not mean an end to our involvement in diplomatic efforts to resolve the dispute nor does it mean an end to the UN peacekeeping missions in Cyprus. This is a decision for the UN to make.

With regard to the negotiations my colleague mentioned that they would resume again this spring. We look forward to attempts by the UN through diplomatic negotiations to try to resolve the effort. However, Canada has been there 28 years and neither side has been willing to come to some agreement. We feel that our commitment to international peace is so strong that perhaps it is time our troops served in other missions, either in Cambodia, Bosnia, Croatia or Somalia.

• (1810)

GOVERNMENT SPENDING

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I rise on a follow-up question regarding the EH-101 helicopter program. This is the program, as you know, that replaces the Sea Kings on our destroyers and our aging search and rescue fleet.

I asked a question of the minister when the program became a public interest and I was not very happy with the answer.

The program was approved in July for an expenditure of $4.5 billion. The position of the Leader of the Opposition was that we supported the replacement of these aging helicopters, the Sea Kings and the search and rescue helicopters, but we had major concerns with the expenditure of $4.5 billion, given that the economy was in rough shape, 1.5 million Canadians were unemployed, bankruptcies were at a record high and the federal debt was mushrooming.

What has happened since then has only exacerbated the problem. This is one of the reasons we are mounting this major attack, because of the concern that the public is showing and the concern that we have in the opposition.

In November the Auditor General issued his report and in the section on national defence he made two points relevant to this program. One was that the defence management program system that manages programs of this nature in his terms was ineffective and expensive. That is a serious indictment for a system that looks after $3 billion worth of capital acquisition programs a year, $3 billion a year.

The Auditor General made another observation that was more troublesome and certainly more relevant to this program. He said that of all the programs he looked at, none of them was directly related to national defence policy and those that had problems, most of the problems occurred in the early stages of the project, where the EH-101 project is now.

Another red flag was raised recently at the turn of the year when the Minister of Justice became the Minister of National Defence. She stated to the media that she had major concerns about this program when she was Minister of Justice and she sat in cabinet and presumably was privy to all the information that was discussed regarding purchase of these helicopters for $4.5 billion. If she was not convinced, how do we expect the public to be convinced that this is a good expenditure of taxpayers' money?

I questioned the minister on this and the Auditor General's concern. It is not necessarily my concern. It is a concern expressed publicly by the Auditor General. The minister did not respond to the Auditor General's concern, but she made reference to the fact that the EH-101 helicopter program was discussed at large and at length, was her term, by the defence standing committee.

The minister was not a member of that committee but I was and it was not discussed at length. It was not discussed at all. It appeared in the minutes of the report and the recommendation of the committee was that the Sea King helicopter is being replaced.

I want to make it clear that it is the position of the Official Opposition that the helicopters be replaced. But the expenditure of $4.5 billion right now is at a time when we have 1.5 million people unemployed, when we are closing hospital beds, shutting down transportation,

cutting transfer payments and the deficit is still the same as it was eight and a half years ago.

When that report was put together the deficit was projected at $27.5 billion. Today it is going to be $34.5 billion. That is $7 billion more. That is one and a half of those programs.

If the government thinks that it can ram this program through at this particular point in time when it has the economy in its worse shape ever and the program has concerns of the public at large, the minister herself and the Auditor General, if the government thinks that it can push through a program like that and expect the opposition to roll over and play dead, it is living in a state of advanced disillusion.

The public is looking for answers. It deserves answers. The opposition is looking for answers and we deserve answers. We are going to pressure the government until we get those answers.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, it is a pleasure for me to be able to respond to my colleague. I find the juxtaposition interesting however and I promise him that he will certainly get it.

It is my pleasure to respond. I think there is no one in this House more capable of understanding these issues than the hon. member, considering his past involvement in national defence. He certainly knows the role that this helicopter would play, particularly in its relationship to the frigates which have been such an important part, not only of our naval defence program but our over-all defence program and also in areas of search and rescue.

The jobs these helicopters will do in terms of environmental protection, drug interdiction, fisheries patrol and others are well known. I know the member would agree with me that it is incumbent upon us to provide the best equipment available to our service men and women serving on land and at sea.

I recognize that $4.4 billion is a lot of money. It should be recognized, though, that it is over an extended period of time. In fact the $358 million a year which it averages out to be is just over 10 per cent of the entire Department of National Defence capital budget, to which my friend across the way has just alluded. While defence expenditures reduce we are still capable of making this purchase.

It is obviously important to recognize that the purchase of the EH-101 will provide somewhere approaching 45,000 person-years of employment. That is not a small number. It is recognized that these jobs will be right across the country. Canada spends a little less than 2 per cent of its Gross National Product on defence spending when many countries are spending something approaching 4 per cent.

I do not think that anyone in the House would disagree, for instance, that the area of search and rescue is one of the fundamental purposes of this purchase; 15 of these helicopters will be allocated to protect those who make their living by the sea. This helicopter with its ability for longer distances, its greater capacity in terms of ice and inclement weather and its ability to stay in the air longer gives us that added edge we have so sadly needed for such a long period of time.

It is a big decision for this government and this Parliament to make. It is an important decision for all Canadians in terms of our over-all national and collective defence policy and it is not one that is taken lightly.

VISIBLE MINORITIES

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, I rose in the House last June to ask the government about the appalling lack of members of visible minorities and ethnocultural community members on the bench. My complaint is still relevant today.

[*Translation*]

Canadians are tired of endless studies on the relationship between visible minorities and the justice system. We know that the problem lies in representation in the system.

We need judges who share the experience of young people and visible minorities in our big cities. It is essential that our multicultural population be represented in our country's judiciary so that judges can understand the real situation in this country.

Last June, the Minister of Justice answered that Canadian judges are taking sensitivity courses on race relations and on women's issues.

However, that is not enough. Education programs are a good start, but the federal government can and must do better.

[*English*]

It is no longer acceptable that one of the most important segments of Canadian society remains almost exclusively the domain of white men. It is time that the judiciary and indeed the entire Public Service reflect the population they are meant to serve.

Employment equity cannot be shoved off to the side or equated with multiculturalism. These two policies are not the same.

Yesterday at the Standing Committee on Multiculturalism and Citizenship, the Department of Finance sent its administration ADM. While I am sure the assistant deputy minister felt he was the appropriate person to appear before the committee, he was there to talk about employment equity instead of multiculturalism.

Employment equity is not an end in itself. It is a means of making sure that the government is truly reflective of the population so that it can serve the citizens of this country more efficiently.

[*Translation*]

Mr. Speaker, even according to the figures given in June by the President of the Treasury Board, women and visible minorities are vastly under-represented in the Public Service. When will the government stop dragging its feet and take the necessary steps to improve the representation of visible minorities as well as women in the Public Service and in the judiciary?

[*English*]

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I would like to thank the hon. member for Saint-Laurent—Cartierville for her continuing commitment to the equality of all Canadians.

It is common knowledge that Canada's racial, ethnic, religious and linguistic diversity continues to grow. Already according to the 1986 census the visible minority population of Canada is over 6.3 per cent of our population.

A changing society presents Canadians with both a challenge and an opportunity; a challenge to develop inclusive policies and programs and an opportunity to draw on the strengths of a diverse society.

In working toward a more inclusive system of justice and in keeping with the Canadian multiculturalism act the Department of Justice faces a major challenge. This challenge consists of ensuring that all Canadians enjoy equal access to justice by identifying and meeting the special needs of multicultural groups where appropriate.

Lawyers and judges, indeed all justice system professionals must be sensitized to the various ethnocultural clientele they will encounter. The laws and legal process must be clear to all Canadians regardless of their first language or country of origin.

In order to achieve this goal the Department of Justice supports the National Judicial Institute and the Western Judicial Education Centre in their efforts to provide judges with training to sensitize them to the cultural differences of minority groups and their implications for contact with the judicial system.

Recent ministers of justice have worked hard to try to expand the range of people who sit on the federal bench. The commitment of this government when it comes to judicial appointments and visible minorities is clear.

For one, the Minister of Justice welcomes the advice of the special interest groups and informed individuals on particular appointments especially on the furtherance of the government's commitment to appoint more representatives of Canada's ethnic and cultural minorities to the bench.

In addition it is a clearly held and practised principle of the new judicial appointment process developed and implemented by this government as of January 1, 1989 that the judiciary should represent a broad cross-section of Canadian society. To achieve this the appointment of women and individuals from cultural and ethnic minorities is specifically encouraged.

With regard to the Department of Justice, which is a huge stakeholder in the provision of legal services in Canada, in October 1989 the departmental advisory committee on visible minorities was established. The mandate of the committee is to recommend the development or modification of departmental policies, procedures and initiatives as they relate to the recruitment, retention and career development of visible minorities.

Recruitment efforts have been expanded in the Department of Justice to include visits by members of the management team to the indigenous, black, and Micmac program of Dalhousie University.

An employment equity guide has recently been approved by the department executive committee and will be distributed to managers across the country. The purpose of the guide book is to inform and guide employees and managers in particular on the nature, operation and over-all aim of the employment equity program.

Awareness training concerning multiculturalism is also being provided to Department of Justice managers in order to enhance the notion of inclusive justice which means making the justice system more accountable, more responsive and more reflective of the interests and values of all Canadians.

WATER

Mr. Sid Parker (Kootenay East): Mr. Speaker, last summer I asked the government a question about the problems my riding of Kootenay East was facing because of the Columbia River Treaty.

I pointed out that under this treaty B.C. and Canada already have an alarming lack of controls over the Columbia River flow. This has caused serious economic and environmental damage in my riding.

I asked the government whether it would specifically exclude Canadian fresh water as a goods subject to export in the free trade agreements with the U.S. and Mexico. The minister chose to evade my serious question.

The NAFTA text has now been released and it unfortunately fails to exclude fresh water although some other items are notably excluded.

The government continues to claim that because the free trade agreements do not mention fresh water exports, water is therefore protected. However, a growing number of experts believe that this glaring absence of a written guarantee in the trade agreements leaves the door open for future water exports especially under the national treatment terms for resources in times of shortages. The NAFTA also allows non-energy pipeline transportation.

Constituents in my riding know exactly how the diversion of water severely affects local tourism, recreation, fish habitats and water quality. They understand that water is not just like any other resource for sale.

This is happening now. Canada's economic and environmental needs are already being affected under an international water treaty signed with the Americans in 1960.

I recently attended public hearings between Montana and Idaho concerning new proposals for their Columbia River reservoirs. I was surprised to learn that the multi-use plan far exceeds the original intent of the treaty which was simply for the purpose of flood control and hydroelectricity.

The Americans are taking major steps to increase irrigation, protect their fish and enhance their recreation and tourism. They want to reduce power production and increase environmental benefits. Such changes will reduce Canadian sales of power to the Americans and affect the environmental conditions on our side of the border.

Clearly, the Americans are already very much involved in sharing control of Canada's fresh water resources and are planning increased and different uses for it and the federal representative on the permanent engineering panel has done nothing to protect our interests. This is the situation now.

The NAFTA contains no specific provisions prohibiting large scale water exports. Under international law, international treaties supersede any domestic policy. These treaties are entrenching American rights to Canadian water.

Can this government which negotiated the free trade agreements please tell the Canadian people exactly how this country will be able to protect our precious fresh water in the face of growing demands on it? The citizens of Kootenay East who depend on the great waterway of the Columbia River want a real answer this time.

[*Translation*]

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Mr. Speaker, I hope that my comments will help ease the fears of the hon. member for Kootenay East.

The Columbia River and its tributaries of course cross the international boundary between Canada and the United States. Our two countries have long shared water and hydraulic resources, as the Boundary Waters Treaty officially recognized in 1909.

Water flowing to the United States from the Canadian part of the Columbia River is not covered or affected by the free trade agreement and will not be affected by the North American free trade agreement either.

The dams on the Columbia River are managed under the terms of the Columbia River Treaty by B.C. Hydro, the Bonneville Power Administration and the U.S. Army Corps of Engineers.

The Columbia River Treaty manages a common resource so as to ensure the most flood prevention and the most energy production. It does not deal with water exports.

As for water exports, Canada's position is clearly stated in the federal water policy adopted in 1987. This policy forbids large scale water exports from Canada through the diversion of lake or river water.

Furthermore, section 7 of the law implementing the free trade agreement between Canada and the United States clearly states that the agreement does not apply to water, except for bottled water to be drunk or stored in reservoirs. This law has been in force since January 1, 1989.

Similarly, the North American free trade agreement does not include large-scale water exports; the law implementing NAFTA will have a clause confirming Canada's sovereignty over its water resources.

[*English*]

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 38(5) the motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 6.28 p.m.

HOUSE OF COMMONS

Friday, February 5, 1993

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

BUDGET IMPLEMENTATION (GOVERNMENT ORGANIZATIONS) ACT, 1992

MEASURE TO ENACT

The House resumed from Monday, February 1, 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 on February 25, 1992, be read the second time and referred to a legislative committee in the Economics envelope.

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, like most of my colleagues, I would also like to comment on this bill, which concerns the implementation of certain government organization provisions of the budget tabled in the House of Commons on February 25, 1992.

The budget tabled by the minister on February 25, 1992, was an unsuccessful attempt to streamline federal government operations. In 1984 the Conservative government tried to convince us it could control public spending, reduce the deficit and reduce the debt. Today, eight years and several months after an economic recovery that is unique in this country's history, followed by 33 tax increases, we are now back where we were and even worse, because today the debt has at least doubled and the deficit is about the same as it was in 1984.

In February 1992 the Minister of Finance tried to reduce the deficit by restructuring a number of government organizations and agencies. We know from past experience that every time the government tries to reduce the deficit by making cutbacks, the opposite happens. That is why I find it hard to accept this plan to restructure agencies that have done good work and are in fact badly needed at this time. To cope with globalization, we need the advice of our scientists and economists, and we have to prepare our human resources for the fierce world competition they will have to face.

• (1010)

Unfortunately, in his budget the minister proposes to wind up a number of organizations, including the Petroleum Monitoring Agency, the Pay Research Bureau, the Law Reform Commission, the Canadian Institute for International Peace and Security and the Economic Council of Canada. This is unacceptable. The government also wants to close the Science Council of Canada and the Demographic Review Secretariat.

This government always seems to pick the wrong time to do things. It introduced the GST at the worst possible moment in our history, when we were getting into a terrible economic recession. The same thing happened with free trade with the United States. Now it wants us to enter into a free trade agreement with the United States and Mexico. This is one more example of bad timing.

On Sunday, there will be a big demonstration in Montreal to protest the unemployment insurance reforms proposed by this government. Today, we heard there are more than a million and a half unemployed workers in this country and now the government wants to make things even worse for these people. People who still have a job have something else to worry about, because if they lose their job, they might not receive unemployment insurance benefits. We saw a few examples yesterday in the media, where employers have already started to tighten the screws on their employees in anticipation of the new legislation. You can imagine the mental anguish of these people.

I would not say the government does it on purpose, but lately I have been trying to understand why, when they introduce new measures, they always pick the worst possible time. The government has plenty of advisers: it has thousands of public servants. I really fail tounderstand why this government always tries to make life more difficult for Canadians because that is what it is doing.

What it forgets among all the structures and systems it is trying to implement is that behind all that, the first consideration is a human being, someone with a human face. In everything we do and that must be done, we must always remember that we are dealing with people first and foremost. Every time we introduce a new measure in this House as an opposition member, a government member or a minister and every time we do something in a parliamentary committee or in caucus, that measure affects people. We should think of those affected first. Unfortunately we can see that in the past eight years we have forgotten the human element.

I come back to unemployment insurance. For those who leave their job voluntarily, let us say without just cause, the law already provided a penalty, a waiting period of one to six weeks. In 1990 the government decided to extend this penalty, this waiting period, and made it seven to twelve weeks. So someone who quit without just cause would be penalized for three months and I wonder who would deliberately leave a job to stay at home and receive nothing for three months. Is that really credible? This morning, I learned that another major Quebec institution opposed to this bill, the Legal Commission, says that this kind of abuse that the government wants to avoid or get rid of is almost non-existent; there is none. That is not the problem with our unemployment insurance system.

So again it is introducing a measure that does not correspond to reality, that does not solve our problems but creates more victims and places other people in a bad situation.

[*English*]

The Prime Minister is in Washington today. One of the slogans of the President of the United States in the last election was putting people first. I hope while he is in Washington the Prime Minister thinks seriously about that phrase putting people first because everything we do in this place, everything we say, whether in this House, in cabinet, in our communities or in our caucuses, affects people.

We are here to help people. We are not here to help big business; they have all the help they need. They have consultants, lawyers, accountants, lobbyists, whatever they want.

The people who really need unemployment insurance want to know it is there for them. However, that the law does not provide. Before, if they had to quit their jobs, they could count on unemployment insurance. As we saw in the December 2 budget and in the bill before the House, conditions are now applied, otherwise there is no unemployment insurance.

What are these people going to do? Those who qualify will go on social welfare, but many do not qualify. Some in my riding who lost their jobs more than a year ago have no unemployment insurance and they do not qualify for social welfare because they own a house. They worked so hard to buy a home and now there is no UI, no job, and they will have to sell their homes if they want to eat. That is the point we are at and Bill C-105 does not help the situation.

It makes it worse for some people who have jobs. If something happens that they have to leave their jobs, perhaps they do not get along with the employer, they will be in that situation as well.

We are not doing our job because we are not helping people. We are not putting people first.

[*Translation*]

Madam Speaker, you are indicating to me that my time is up. I would still have a lot more to say, but I hope that in this difficult period my colleagues on the government side will be able to put pressure on their ministers and that in making their decisions they will think of people first.

[*English*]

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I wish to speak on this bill this morning. In some ways I am delighted to do so because it gives me an opportunity to express my views, and the views of my party, which are very much in line with my hon. colleague from Saint-Léonard.

Frequently in speaking on these issues there is difficulty trying to follow the pattern of the government with its arrogance and insensitivity in pursuing its economicpolicies, particularly as they pertain to eastern Canada and particularly as they pertain to the maritimes.

The purpose of Bill C-93 is to implement certain changes made by the budget tabled in February of last year. The bill is divided into 10 parts and rather than speak on each of the parts, I want to restrict my comments to the Atlantic Canada Opportunity Agency and particularly the Enterprise Cape Breton Corporation which the government is proposing be closed down.

I want to put this in the perspective of where we are sitting on this side of the House and the kinds of things I have heard in the last four and a half years. In the case of my colleagues to my immediate left, some of them have been listening a lot more than eight years to the economic policies of the Conservative government.

When I was campaigning during the election before I came to this House, I recall the general promises that were made in philosophical terms. As the country is now struggling out of a recession, the Conservative government member, in preparing for an election, will be going back and asking Canadians to elect them at a time when they have failed miserably in the essential elements of their four-pillar policy. I am going to quote it because I think this has to be done in the backdrop of this policy. They talked about economic reform, social justice, national reconciliation and constructive internationalism.

• (1020)

They asked people, either philosophically or specifically, to put aside their personal concerns and make further sacrifices in the name of global competitiveness and long-term prosperity. As I speak today, the kind of prosperity I see around me in Newfoundland and in Atlantic Canada, in the western part of Canada, and indeed in all of Canada, is jobless prosperity.

My colleague from Toronto tells me the difficulty that one has. My colleagues from the west tell me the difficulty that we have. I do not have to speak to anybody to tell of the difficulty we have in Newfoundland. I am sure I speak for my colleagues from Nova Scotia and particularly from Cape Breton, and I know that part of the country very well, when I tell you the difficulties that they are having there which are not unlike those difficulties we are having in Newfoundland and that were epitomized and highlighted to such a pathetic degree in the last couple of days by the unconscionable action that is being taken in Port Hawkesbury. There was the fly-by-night closure of a plant by a person who got grants from this government and is now getting out of business and leaving 79 people dismayed, out of work and very angry.

There are a lot of angry people in Atlantic Canada. I think there is a very good reason for it. Having made the promises of the four pillars that I just spoke about on October 3, 1988, the Prime Minister told the Saint John Board of Trade: "We will not have one Canada that is prospering at the centre while the other regions do not receive their fair share of the economic opportunities".

That was in October, 1989. Shortly after that, both the west and Atlantic Canada watched in dismay as in the April budget western diversification was cut drastically and ACOA was essentially cut by 25 per cent. The term used, and I remember it so well, was reprofiling. Reprofiling to ACOA meant a reduction of 25 per cent.

Not only that, but we saw a reduction in regional development and forestry agreements. Military bases were closed, ports were closed, post offices were closed, VIA Rail service was vastly reduced, and it is almost disappearing right now, freight rates were altered and UI regulations were changed to the detriment of most. It includes certainly all fishermen and seasonally employed individuals.

I talked in generalities there. So much for all parts of the country being treated equally. Let me just talk about transfer payments that have happened since 1989 to this very day.

With the implementation of Bill C-20, by the year 2000 the federal government will have essentially kept back from Canadians, according to the best figure I can get, $97.6 billion worth of services and resources that are essentially provided in health care and post-secondary institutions. Federal transfer payments, I would remind hon. members, account for, in a rough order of magnitude, 50 per cent. It used to be. It has now been reduced from 49 per cent to 45 per cent.

With regard to the federal government transfer to Newfoundland, let me put it in a term that can be understood very clearly. From the time I arrived in this House until this very day, the cost to Newfoundlanders, because they had to pick up the tab, in the transfer payment reduction by various bills has worked out to very close to $200 million. When you are dealing with a budget that is in the $3 billion plus range, $200 million isa lot of money and Newfoundlanders are hurting because of it.

I could speak of other examples; the deficit, the goods and services tax being introduced as a bad tax at the wrong time. I could talk about the closing of post offices that are inequitable in various parts of the country. I could talk about any number of things and it would not be a happy message. Let me talk more directly to this particular aspect.

The idea in one of the 10 parts of this bill is to close down Enterprise Cape Breton and move its function and staff to the main office of ACOA.

We are opposed to this move to kill Enterprise Cape Breton for a number of reasons. In the budget speech the government stated that this, along with some of the other organizations, were being eliminated because they had served their purpose and were no longer needed. Nothing can be further from the truth. Enterprise Cape Breton is probably needed more now than it was before.

As I said at the outset of my presentation, the Cape Breton economy is still extremely troubled, as epitomized by the example of Port Hawkesbury. Special programs to address it are certainly needed more than ever but we do not see any programs coming around the corner.

The unemployment rate in Cape Breton right now has reached 25 per cent and is certainly climbing. The rate was only 16 per cent when the corporation was created. Now all of Atlantic Canada, but particularly Cape Breton's economy, faces great challenges today. I would suggest that it faces more challenges today than it did when the corporation was created in 1985.

Why is that? It is just because of the general state of the economy that all Canadians are suffering, or because the unemployment rate is high in all of Canada and is much higher of course in Cape Breton, but because of other factors that have occurred since then.

The business of Cape Breton apart from coal is very much in the fishing business. I am familiar with that and I do not have to tell anybody on any side of the House of the difficulty that fishing has suffered in my riding, which has been closed for the last year, will be for the next year and God knows for how long. It is a very dismal and grim situation.

In Cape Breton the NAFO zones surrounding the Cape Breton littoral have been vastly reduced and now we are in the business of actually reducing the number of licences that bona fide fishermen held through some fluke of the way the catch is organized and the way the catches are credited to the licences. It has not hit my riding yet because very few people are fishing but in the rest of Atlantic Canada and Cape Breton this is a major source of concern.

I believe we have a major problem on our hands. Essentially those who suggest that voters' expectations have become unreasonable or that they are asking for more is a myth. In this particular case, the closing of the Enterprise Cape Breton Corporation is not in the interest of Cape Breton and I would suggest it is not in the interest of Canada.

It is not Canada or the political system that is at fault here. In fact it is the government and its policies that are found wanting.

Mr. Dave Worthy (Cariboo—Chilcotin): Madam Speaker, listening to the last speaker, no matter how much I recognize the contribution he has made in the time he has been here in Ottawa, I wonder if he realizes how absurd it sounds and why in my opinion the people of Canada, in spite of their current popularity, will never put another Liberal government back in.

An hon. member: How can you say that?

Mr. Worthy: The absurdity is that they promised more. They promised more and more and yet their leader has said that fiscal responsibility and restraint, remarkably, has become one of his number one priorities.

An hon. member: It was yours for the last eight and a half years and you have not done anything about it.

Mr. Worthy: If the Liberal Party, the people opposite, are serious about restraint and fiscally responsible government, they should be encouraging the moves that we have made.

The member talks about regional disparities and how we are being unfair to the regions. In my lifetime in Canada, which is now approaching 58 years, I have never seen a Canadian government that has been as fair to the regions. I come from the opposite end of the country from the member. I come from British Columbia. In spite of the restraint that has been required by this government, the fairness we are seeing has never been seen before.

• (1030)

The premier of Alberta was in town just two days ago attesting to the fact that this current Conservative government is finally giving some fairness to the people of Alberta. The prairies are having terribly hard times but we have never seen a Canadian government that has been prepared to try to help as much as this government has.

We all know that the province the previous speaker comes from is suffering terrible hardships but we also know that this government is doing everything it can to be of assistance.

The Hibernia project is not there to take away jobs or wealth from the regions but to provide wealth and provide jobs. The members of our party from central Canada are frantically trying to find solutions for the people in those parts of the country that are suffering the most.

The measures contained in Bill C–93 are part of this government's program of fiscal restraint. Streamlining government will not only save money but it will also increase the efficiency of government and the services it provides to Canadians.

The Liberal leader recently said that deficit control is essential and that fiscal restraint should be and would be one of his number one priorities. However, we have seen the people opposite again and again block, vote against, and do everything they can to prevent any of these fiscally responsible moves which the government is taking.

It is time for the people opposite to match their rhetoric with action. It is time for the Liberals in particular to stop their obstructionist and filibustering tactics and allow Canadians the benefits of fiscally responsible government. Therefore, I move:

That the question be now put.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I have three questions, which I will answer. They are: Why is the government proceeding this way? What hashappened since the government made its decision? Finally, have there been proposals from some agencies, advice or recommendations to the government that could help it if it wanted to look at them carefully and responsibly?

[*English*]

Why is this being done? There have been suggestions that it might be because the government wants to realize savings but it has backed off a bit because we have said: "You put the figures on the table and we will look at them. Let us see how much money is really being saved".

Then it attacked it from another angle, efficiency. Then of course we said: "All right. If you say it is going to be more efficient then show us how it is going to be more efficient". That has not been done and I think that is really quite unfair. Let us look at the real reason. We know that there were a number of those organizations that were no longer functioning and had not operated for a number of years. We know that there were minimal savings in some particular cases.

I will give governments the benefit of the doubt on the questions of savings and efficiency but I want some proof before I can say: "Yes, you are right". Until I get that proof I am not going to accept it.

Let us examine what is probably the real reason. We know there are a lot of people out there who say, with some justification, that there is too much government and that it is too costly. What has the government done? It has taken these organizations and tried to give the impression that it has done something rather large and significant.

My colleague is nodding his head and saying yes. I know he agrees with me.

[*Translation*]

It is as if the government were trying to give the impression that it was doing something very important, but that is not the case at all. It was to respond to a certain constituency in which it wants to be re-elected.

[*English*]

It has lost a certain number of supporters and it is trying to get them back. Let us be very, very frank. That is why this decision has been made.

The second question is: What has happened since this decision was made? I do not want to talk about each organization, I want to focus on one, the Social Sciences and Humanities Research Council, which is being folded into the Canada Council.

We all know it has been operating since 1977–78 and has been doing very well. We also know that it was set up because there was a vision at that time that Canada's major challenges were social problems. Economic development is a social issue. What about the 1.6 million unemployed and the almost five million who are living either at the level of poverty or below the level of poverty? Most of them are women and over one million of whom are children. What about the 2.3 million Canadians who receive social assistance? What about the more than two million Canadians who will be fed at food banks this year?

We often talk about abuse in our society. This is a social issue that social scientists can study. They can give us precious and valuable advice so that we can find solutions that are meaningful, creative and put our country in the forefront of nations.

Since this government's decision we have received literally hundreds of letters, as many petitions if not more, and roughly the same number of calls. A number of important meetings were held where people have asked us to please make the government understand that the Social Sciences and Humanities Research Council is not better off folded into the Canada Council. Please make the government understand that its major challenges today are social issues such as unemployment, abuse, food banks and aid to various people. Please make the government understand that this is a step backward, not a step forward. This is what these people have said in their petitions, their letters, their telephone calls and in the meetings which they have had with me and many other colleagues.

People want the government to understand there will be virtually no savings and no additional efficiency. The fact is that there may be no savings whatsoever. No one sees any efficiency here.

I challenge the government. The government thinks it is right and it has had a number of speakers who have made that point. I ask the Conservatives to find one credible man or woman who has laboured long and hardin the social sciences to stand up and say that what they are doing here, the folding in of the Social Sciences and Humanities Research Council into the Canada Council, is a progressive step. I challenge them to find one Canadian, one man or woman who has credibility in the social sciences to say that this is a step forward. If they can, I would be really quite shocked and surprised because I do not think they could find one person. If they can, I am quite willing to acknowledge that, but they will not find him or her and that speaks loudly of this government's decision.

These organizations that have written, sent in petitions, made phone calls and have had meetings have put forward proposals to government. A number of organizations have told us, with some justification, not to do it. It has been working since 1977–78 and we have been making some progress in attacking those social issues and finding creative and meaningful solutions for Canadians. Do not take a step backward. That was one group of people.

When these organizations felt that the government would probably not want to review its decision in spite of the evidence that they had put forward that it was not a good decision, what did they say? They said that they had not been consulted. The government could stop this part and defer it until Canadians have been consulted thoroughly. Subsequent to that study and consultation, if the government feels it is a good decision for Canadians, that it is going to help us resolve much more significantly than we have in the past our social problems, then and only then make the decision.

There has been another group that felt that the government would not even do that.

• (1040)

[*Translation*]

That is, let them consult Canadians and try to find out if it was really a sound decision. So they proposed something else. They said, "If you cannot stop this bill, if you do not want to consult, we will propose some amendments."

[*English*]

I would ask the government to check very carefully the amendments that have been proposed. I have proposed some. I would be the first to suggest that there may besome that are useful. There may be others that are less useful.

We have amendments from the Social Science Federation of Canada. I saw one set of amendments coming from a group representing 15,000 social scientists in this nation. We have amendments from major national organizations, AUCC, CAUT and others. I would ask the government at the very least to examine those amendments before ramming this bill through. It is the least that it can do.

[*Translation*]

I will close by saying this. I understand that the government wants to make some changes. I believe that it is quite natural for a government to want to make certain changes, but I would really like it to say honestly that it is making these changes because it wants to try to recover its losses in recent months and years. It is not a matter of efficiency, of streamlining or saving money; it is really to win back some of its lost followers.

[*English*]

That is what I would like the government to do, to put forward its agenda in a truthful, honest way. It is to attract those people it has lost. It has very little to do with anything else, with savings or efficiency. There are a number of proposals on the table. At the very least it should stop this part of the bill and consult Canadians. Then and only then should it decide whether or not this is the best way to proceed to ensure that our social scientists have the tools and the infrastructure in place necessary to attack our grave social problems.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, I believe my colleague from St. Boniface has opened up a very important and very useful line of concern about Bill C–93. I was particularly struck by his description of the serious social problems affecting this country and the need to begin developing serious solutions.

If we ever needed more evidence of that problem, we saw it in the figures that were released this morning dealing with the serious problem of unemployment and joblessness in this country. When we talk about a drop–out rate of 56,000 people who have totally and completely given up any hope of getting a job in this country, have dropped out of the labour market, are no longer even convinced that the chance of finding a job is there, then they are going to become part of a large, broad subterranean grouping of Canadians who are forgotten, neglected, creating a two–tier society, a split–level country. We are setting in place major structural problems for years and years ahead and there is no will, no interest, no concern about dealing with that problem.

This bill talks about reorganizing government to make it more efficient presumably. Efficiency is not the only criteria. Effectiveness, the ability to achieve serious results in terms of the issues and problems facing Canadians is also a prime responsibility of any government.

The tragedy we see today is figures that talk about the continuing sorrow of young Canadians, where the unemployment rate is close to 20 per cent of people under the age of 20. That is becoming a permanent, continuing fact of life in Canada. It is not temporary, not transitory, but one that is becoming part and parcel of the Canadian scene. We have a government that is indifferent to that plight. It refuses to take any action.

It is so ironic that today the Prime Minister is visiting the new President of the United States, saying we have to start on a new foot. We have to get new beginnings and we have to begin establishing new frameworks. The irony is that just two days ago, that new President announced a stimulative program to inject into the economy of the United States $31 billion, which is a much stronger economy than ours. The program will create jobs in infrastructure, public works and deal with the problems of structural unemployment in the cities. These are the very same problems that my colleague from St. Boniface talked about.

Our Prime Minister and our Minister of Finance reject any opportunity to co–operate with the Americans to develop a stimulative economic package that would help us develop a response to give some hope back to those 66,000 people who dropped out of the work force today.

We can only hope and pray that perhaps on the way to Washington, like Saul on the road to Tarsus, the Prime Minister will have a revelation and will come back with some understanding that this economy needs a stimulus, that young people need hope, that Canadians need jobsand that we have to come to grips with a kind of underlying burden of unemployment in this country.

Perhaps the new President of the United States can use his persuasive powers to convince and overcome the stubbornness of our present administration. It is time for a change. It is time for a change in direction to deal with this serious problem.

I want to point out one other aspect of this bill that again is tinged with enormous irony. We are talking about a need to reorganize, presumably to make things work more effectively.

One of the aspects of this bill which will not demand headlines but certainly concerns me is how it will affect Canada's representation abroad. It has become a cliché to say we live in a global economy. What is important about that fact of life is that so much of our trade, our relations, depends on how Canadians are perceived.

In a recent Angus Reid poll, taken in 15 other countries, unfortunately the prominent perception of people abroad is that the Canadians are far too dependent on the foreign policy of our southern neighbour.

We have to try and change perceptions and realizations. One way is to ensure that there is an effective understanding of the culture and education of this country. We have tried, even though it has been poorly financed and not properly supported, through the external affairs department, to set up Canadian studies programs in countries around the world, where in universities, high schools and educational institutions there would be a greater understanding of what Canada is all about, our concerns and our issues.

In Bill C-93 that program is being folded into the Canada Council. The program is being eliminated from external affairs which already has the structure abroad to make that case and it is being folded into the Canada Council.

To make some genuflexion in that direction, the amendment to the Canada Council Act reads:

> In performing its international functions and duties, the council should take into account the foreign policy of the Government of Canada.

To begin with, there is a fundamental problem. We have to discern what the foreign policy of Canada really is.

• (1050)

More important, why are we creating a duplication of effort in setting up the Canada Council, which will have to establish people to work abroad at the same time as we are eliminating that function in external affairs? Is that what we call an efficient use of resources? Do we take with one hand and set up a new institution with the other?

I can foresee in the days ahead that we will now have Canada Council representatives in various countries abroad, duplicating what the external affairs department was already doing but not being part of an integrated, coherent activity. It will be fragmented and separated, trying to discern what should be the foreign policy of Canada.

It becomes a matter of serious credibility when a government says that these measures are being taken to save money and to get more efficient delivery of services. If we look at what is going to happen, it is duplication of services and the recreation of a function. It adds on to another agency a task that is already being performed. There is simply no rhyme or reason in this proposed reorganization. It simply does not make good common sense.

Surely we are dealing with scarce resources and trying to find out the best way of ensuring that Canadian interests overseas and in the international environment are effectively and properly carried forward. At the same time they are once again disrupting the functioning of an active program, turning it over to another agency, thereby creating a new function, hiring new people, getting them trained and trying to integrate it with what is already taking place.

One has to ask: Where is the common sense in that kind of approach? Again to use the remarks of my colleague from St. Boniface, it totally disrupts the ability in a very important way to come to grips with the understanding of these issues. The social sciences and humanities is the study of people. We must look at how the problems of people have to be dealt with.

It is a different set of intellectual, academic and research concerns than dealing with the arts. A totally different set of judgments has to be made. Different players have to be involved. Yet they are also being folded in without any particular coherence being given for their function.

It is very difficult for us to say that we can support a bill which cripples the ability of this country to come to grips with its economic and social problems, which duplicates its functions abroad and which ends up in my view costing more money, fragmenting our functions and duplicating something that is already being done. That simply does not make good common sense.

Mrs. Christine Stewart (Northumberland): Madam Speaker, I am pleased to have the opportunity to speak to Bill C-93.

I must say at the outset that the bill reminds me of the historical reality—and we can us it as a metaphor—that while the emperor fiddles, Rome burns. In this country we see the government spending a lot of attention fiddling with organizations, small departments, and so on. Perhaps some change is justified, but while attention from the government is focused on these small issues which have great significance and impact on certain people, our country's major issues are not being dealt with.

My colleagues spoke very well about some of those issues, but the biggest problem is that we are forced by this government to pay attention to this bill and what it is that the government is proposing to do. The government has not really rationalized the content of the this bill and told us, explained clearly, or allowed the public to have adequate input into why this bill is good for this country.

As has been mentioned by some of my colleagues, I certainly have great difficulty with the parts of this bill which wind up the Social Sciences and Humanities Research Council and transfer its function and staff to the Canada Council and, as my colleague before me eloquently stated, transfer certain functions and staff of the Department of External Affairs concerned with the promotion of Canadian culture to the Canada Council.

I have heard many people express deep concern about this move. They have expressed very strongly that this move is not advised. Particularly with the winding down of the Social Sciences and Humanities Research Council into the Canada Council, it is pitting different groups against each other instead of trying to promote their individual functions, which are very different but very important to the future of our country. Specifically it is those functions which fall in the Social Sciences and Humanities area versus those that are more focused upon Canadian culture. They are two different functions but both are very important to the future of this country. They are not pitted against each other.

Another colleague spoke very eloquently about the winding down of the Enterprise Cape Breton corporation without having a full review and a full understanding on the part of the Canadian public about the implications. It goes on and on.

A colleague on the other side of the House said this was just another example of a fiscally responsible government. However we are not assured at all, in reviewing and analysing the actions planned by this bill, that what we are doing thereby is going to be more efficient or more economic. Sometimes when we see bills like this one it appears the government is panicking in its desperate desire to find ways to free up money. It does not appear that it is actually accomplishing its stated goal of doing that, but instead, in a panic it is just rushing to cut programs without good rationalization.

In my riding of Northumberland people are suffering grievously from the cuts this government has made to various programs. The whole emphasis of this government for the last eight years has been to cut in the name of debt and deficit reduction. We on this side of the House support that as well, but we simply cannot irrationally cut programs without a good analysis of the consequences of doing so. We are now living with the consequences of this government's irrational cuts.

Besides being very concerned about debt and deficit reduction, we should be equally concerned about increasing wealth and about increasing our Gross Domestic Product so that we can analyse where we are going as a country. Indeed as government we always have to review what programs and policies we are supporting and what the rationalization is.

There are some very good programs in place, specifically our social safety nets. We should not be getting rid of them as we have been. We must maintain national programs of communication which we see being eroded day after day, be it Canadian National Railways, VIA, the post office or the CBC. We see irrational cuts of programs being done to reduce debt, but we have not looked at how we can, instead of cutting, improve those programs, make them more efficient, make them more economic and at the same time put a very strong emphasis on other programs and investments that can bemade by this government to increase the wealth of this country.

One of the main factors of growth are our small businesses. Major employers in this country have been hurt grievously by the cuts of this government. We see so much unemployment and so much misery, and the bottom line is that our municipalities are having to bear the great burden for that, that this party cannot support the in many instances unjustified cuts in this Bill C-93.

STATEMENTS PURSUANT TO S. O. 31

• (1100)

[*English*]

YOUNG OFFENDERS ACT

Mr. Ross Stevenson (Durham): Madam Speaker, while this government has made substantive improvements to the Young Offenders Act, I was pleased to learn that this and related legislation is to receive further consideration this year. To help provide greater peace and security for our Canadian homes and families, there are two additional changes I would recommend to the Minister of Justice and the Solicitor General.

First, sentencing for repeat offences under the Young Offenders Act should be more meaningful and consistent with the severity of the crimes committed. Second, after conviction, the names of those found guilty should be made public so that people can have a clear understanding of what is going on in their community.

I am sure these changes would be welcomed by my constituents in Durham, and most certainly by a great majority of Canadians.

* * *

CANADA POST

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, since the adoption of its corporate plan in 1986, Canada Post has shut down over 1,200 post offices under a so-called natural opportunity policy. Under this policy all 5,221 rural post offices are scheduled to be closed down over a 10-year period. Individual post offices are shut down when the natural opportunity of retirement, resignation or death of a postmaster occurs.

Recently there were six cases of post offices in and around the Prime Minister's riding where the postmasters had retired. Instead of opening the natural opportunity, new postmasters were hired and post offices remained open in five of six cases.

Why is it that a post office serving 121 people is kept open in the Prime Minister's backyard, while those serving thousands of people as in Spaniard's Bay and other Newfoundland communities are being shut down?

The minister responsible for Canada Post says that Canadians favour the closing and privatizing of post offices. If this is the case, why are post offices in the Prime Minister's riding being kept open? It seems there is one rule for the Prime Minister and another for the rest of us.

* * *

HOUSING

Hon. Alan Redway (Don Valley East): Madam Speaker, once again I wish to congratulate the Prime Minister, the Minister of Finance and the Minister responsible for Canada Mortgage and Housing Corporation for the decision last February to allow first-time home buyers to purchase a home with a 5 per cent rather than a 10 per cent down payment.

During the first year of this program it has been utilized by 68,806 home buyers. When it was first introduced 12 months ago, the minister estimated that it might help some 20,000 home buyers over the entire two-year lifetime of the program. Yet the combination of lower house prices and stable mortgage rates in most parts of Canada has more than tripled the demand for the 5 per cent down payments in the first year alone.

Obviously the program has been a smashing success, not only because it has directly increased home ownership and indirectly increased the supply of rental accommodation, but also because it has increased consumer spending—

Madam Deputy Speaker: I regret the hon. member's time has expired.

GRANDPARENTS

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, across Canada thousands of grandparents live with the agony of never being able to have contact with their grandchildren. They live with the daily despair of knowing their grandchildren may think that their grandparents no longer love them or want to see them.

David and Madeleine Bremner are two such grandparents. For three years since the tragic death of their young daughter they have not been allowed to visit, write or talk with their grandsons in Nova Scotia. Their cards, letters, Christmas cards, Christmas presents and birthday presents are returned unopened.

Quebec law ensures that the loving bonds between grandparents and grandchildren cannot be broken without cause, yet this government has refused to consider the same measures.

I ask it to please listen to the petitions of despairing grandparents. People who want to support grandparents may request a petition from my office.

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[*Translation*]

THE LATE FRANÇOYS BERNIER

Mr. Charles A. Langlois (Manicouagan): Madam Speaker, today, all of Canada, but especially the people of Quebec, mourn the loss of Françoys Bernier, this great musician who was carried off by a long illness that he fought bravely until the end.

Françoys Bernier started his career at Gravelbourg College, in Saskatchewan. Later, he was musical director for the Montreal Festivals, artistic director for the Québec Symphony Orchestra and Chairman of the Music department at the University of Ottawa.

Françoys Bernier has put on the Canadian and Quebec charts unique performances that reflected his great talent.

He was a pioneer in interpreting works of Canadian composers, including Roger Matton's *Te Deum*, when he was the director of the ORTF Orchestra, in Paris.

The crowning achievement of his career was certainly the Domaine Forget of Saint-Irénée, his music school, an establishment located in beautiful Charlevoix which will continue to honour the memory of Françoys Bernier.

To his family, we extend our deepest sympathies and the assurance that his works and achievements will perpetuate his memory.

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[*English*]

TRADE

Mr. Rod Murphy (Churchill): Madam Speaker, I rise today to again express concern about the American's use of their anti-dumping provisions to harass Canadian companies. Today it is Canadian farmers whom they are harassing. We have been harassed on softwood, we have been harassed on steel and now we are being harassed on grain.

Yesterday in Question Period I asked the minister of trade a question related to an American expert who talked about the corruption and the harassment that is behind the U.S. anti-dumping laws. I quoted that this reveals the hypocrisy and the absurdity of the U.S. dumping record.

We are being treated as patsies by the American government and by American special interests. It is time for this government to stop allowing the Americans to run railroad rife over all Canadian industries. It is time for this government to stand up for Canadians and say enough is enough.

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GARBAGE DISPOSAL

Mr. René Soetens (Ontario): Madam Speaker, after the last provincial election, the residents of Ontario riding expected a new approach to the serious problem of landfill and garbage disposal in the region of Durham and metro Toronto.

The previous Liberal government had trampled all over the rights of the local residents and was about to impose its wish on the residents of Pickering.

The new NDP government has released its reports and will now consider allowing garbage to be dumped in four locations: in Pickering and in one mega-dump site right on the border of the Rouge Valley watershed. The residents of Pickering and in particular Whitevale deserve better.

I call on the NDP Government of Ontario to open its mind, allow garbage to be dealt with in new ways, investigate new technologies and widen the geographical search for potential landfill sites.

* * *

BILL C-76

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, yesterday in a legislative committee meeting on Bill C-76 where we were to have examined, among other subjects, the government's imposition of its decision to increase interest on student loans, the government's desire to impose registration fees possibly on the poorest of organizations and the government's changes to the Small Businesses Loans Act, government members refused to allow even one outside witness per clause of the bill.

When the opposition left in protest, government members snuck out, found another Tory robot, a yes person, and rammed the bill through.

Organizations such as the Canadian Federation of Students and the National Anti-Poverty Organization are outraged by the government's contempt for the democratic process and its total disdain for openness and public participation in the political committee process.

Will this government ever learn that it simply cannot treat Canadians unfairly?

* * *

TRADE

Mrs. Edna Anderson (Simcoe Centre): Madam Speaker, the NDP has been resorting to their old tactics of scaremongering as they try to frighten Canadians into believing that free trade is bad for Canada.

In fact Bob Rae has hit a new low in using this well-worn tactic. It has been reported recently that at the World Economic Forum in Davos, Switzerland, politicians from other countries travelled far to boost their countries and their regions but only in Canada did they go abroad to tear down the country. And Bob Raewonders why the recovery in Ontario is so slow in coming.

* * *

BILL C-105

Mr. Cid Samson (Timmins—Chapleau): Madam Speaker, the Conservative government is continuing to breach the wall of the unemployment insurance plan built to protect the unemployed from the effects of job loss.

The Liberals began to take away the bricks from that wall in 1978 when they reduced benefits by over 6 per cent.

The legislation proposed through Bill C-105 seeks to bring down the wall entirely to establish a level playing field between Canada and the United States. The legislation is a violation of labour standards and human rights. An employer can commit any act of discrimination, order extremes in working conditions, literally get away with almost anything because the results of quitting or firing are total income loss.

* * *

• (1110)

LOCKPORT BRIDGE

Mr. David Bjornson (Selkirk—Red River): Madam Speaker, I rise today to commend the government. It was not many months ago that I was up in this House representing the citizens of Lockport in my riding of Selkirk—Red River.

It was at that time that the status of the Lockport Bridge was in question. The government by way of the Minister of Public Works has responded in spades. The St. Andrews lock and dam and the Lockport Bridge will be refurbished at a cost of $20 million.

This will extend the life of the 82-year old structure well beyond its 100th birthday. On behalf of the citizens of the riding of Selkirk—Red River I thank the government for a quick positive response.

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CANADA POST

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, yesterday I brought to the attention of the House how Canada Post has what could best be considered a duplicitous policy on the shutting down ofrural post offices. Today I would like to expand upon that a little bit.

Guess where St-Irénée is? The population, 363, lost its postmaster but kept its post office. Baie St-Paul, population 3,000, still has a post office even though the postmaster retired on March 12, 1992. Forestville still has its post office. St-Siméon, St-Joseph de la Rive. Where are all those places, my colleagues ask? In the riding of Charlevoix.

An hon. member: Who is the MP for that riding?

Mr. Boudria: The government says it does not interfere with the operations of Canada Post. I would like to ask this government across the way why is it then that the Minister of Public Works was able to get a freeze on the closure of the Westville, Nova Scotia post office?

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QUEEN'S COMMEMORATIVE MEDAL

Mrs. Barbara Sparrow (Calgary Southwest): Madam Speaker, tomorrow in Calgary I will be presenting 38 Calgarians with the Queen's commemorative medal marking Canada's 125th birthday. It is indeed fitting that we pay tribute to those citizens who have devoted so much time and energy toward making their country and indeed their communities a better place to live.

Many more Calgarians are equally deserving of recognition and I would like to take this opportunity to extend my sincere gratitude and appreciation to all of them as well. Once again Calgary has proven itself to be truly the city of volunteers and we thank you.

* * *

CRUISE MISSILE TESTING

Mr. John Brewin (Victoria): Madam Speaker, in the next few weeks the current Canada-U.S. agreement in respect of cruise missile testing will come to an end. With the Prime Minister meeting today with President Clinton there is an historic opportunity to end cruise missile testing not only in Canada and the United States but around the world. President Yeltsin has made a standing offer to stop cruise missile testing if the Americans will do the same. There are only two countriesstill testing cruise missiles, Russia and the United States.

Security in the world depends on using this historic opportunity to negotiate and to bring to an end the arms race while these countries are co-operating. I would call on the government and the Prime Minister to end cruise missile testing now by refusing to renew the Canada-U.S. cruise missile testing agreement.

* * *

VIOLENCE AGAINST WOMEN

Mr. Lee Richardson (Calgary Southeast): Madam Speaker, recent surveys in Calgary Southeast show an increasing alarm in violence against women. A growing number are demanding that we strengthen the laws which protect Canadian women from so-called stalkers and predators.

I am encouraged that the Minister of Justice is taking immediate action. We have the opportunity to demonstrate to Canadians our commitment to protecting women and our families. I urge the minister to press forward with measures designed to combat the terror which faces too many women in our country.

* * *

REFUGEES

Mrs. Beryl Gaffney (Nepean): Madam Speaker, according to the Geneva convention any person who has reasonable fears or valid reasons for believing that he or she will be subject to persecution on the basis of their ethnic background, religious belief or political and social activities has the right to seek refugee status. People seek refugee status in Canada precisely because the legal system in their own country of origin has not been able to protect them. The Immigration Refugee Board recently rejected a claim by a young woman from Saudi Arabia who faced deportation on the grounds that she should "respect her father and submit herself to the religious views which govern her country".

Had this woman returned to Saudi Arabia she would have in all certainty been imprisoned or put to death for criticizing Islamic beliefs.

It is obvious that women who are lucky enough to have escaped from lies and total subjugation should qualify as refugees. Rights should be gender blind. I ask theminister to place a moratorium on the deportation of women until new guidelines which incorporate the category of persecution on the basis of sex can be established.

TAXATION

Mr. Scott Thorkelson (Edmonton—Strathcona): Madam Speaker, while the Liberal Party of Canada ponders a business transfer tax to replace the GST, I ask the Liberal critic for consumer and corporate affairs to publicly raise his objections to a tax that would tax basic groceries, a tax that would tax rent, a tax that would be invisible to consumers, a tax without rebates to low and modest-income Canadians, a tax that governments could raise without consumers knowing and a tax that is ultimately hurtful to consumers.

Where does the Liberal consumer critic stand on his party's very cynical replacement tax for the GST?

ORAL QUESTION PERIOD

[*Translation*]

THE ECONOMY

Ms. Sheila Copps (Hamilton East): Madam Speaker, my question is directed to the Deputy Prime Minister. Now that the Prime Minister is meeting his new friend, his best friend, President Clinton, will the Prime Minister emulate Mr. Clinton's policy as reported in *The New York Times* today and stimulate the Canadian economy? Or does he intend to stay on the same course, with policies that are strangling our economy?

[*English*]

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, the Minister of Finance delivered a financial statement in December and made many proposals to help the economy of Canada. Today we were pleased to note that the unemployment rate dropped a full one-half percentage point, from 11.5 per cent to 11 per cent.

That is not reason to celebrate wildly by any stretch of the imagination because there are still too many people unemployed in this country, but all the indicators are extremely positive. We have the basics in place and we are expecting a modest but steady recovery in this year 1993. The statistics from the first month of January arevery positive, indicating that we are going to have a good 1993.

Ms. Sheila Copps (Hamilton East): Madam Speaker, it is a very sad day when the Government of Canada can congratulate itself on the unemployment of more than a million and a half Canadians.

It is a sad day when there are more than a million children still lining up at food banks.

I want to ask the minister a very direct question. Why is it that this government continues to pursue a stand pat do nothing policy on the economy when our unemployment rate is 11 per cent while in the United States at a 7 per cent unemployment rate President Clinton is prepared to act forcefully? Why does the Prime Minister not take a page from President Clinton's book and stimulate the Canadian economy?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, the Liberals one day are knocking the Americans and praising them the next. One of the reasons people of this country will not elect them is because they are all over the map talking about what comes into their minds at that particular moment.

I must say that in the last nine months we have had 161,000 new jobs created in this country. That is very positive. Second, every economic think tank is saying that Canada will lead the G-7 in economic recovery this year. President Clinton has seen that and he does not like to see Canada leading in the G-7. That is why he is doing what he is doing. We made our economic statement back in December, long before President Clinton was even sworn in and we are starting to see some of the results of that economic statement today.

Ms. Sheila Copps (Hamilton East): Unfortunately Madam Speaker, Canadians have not gained jobs. What they have done is lost hope.

• (1120)

More than half a million young people in this country cannot get a first job. We have a drop-out rate that should scare every one of us who wants to provide hope to a new generation. The unemployed cannot find work and the government is not even prepared to protect those people with jobs.

With all our problems in the steel industry, will the Prime Minister at least return from Washington with the commitment that U.S. harassment on steel will stop? Can the thousands of Canadian steel workers who are infear of losing their jobs have some comfort about fair trade between Canada and the United States?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, Canadians must be watching the television play of this and saying: "Poor Sheila, just like Bad Luck Schlepprock in the comics, always looking for bad news, always looking for things that can hurt the hope and the confidence that people want to have in the economy today".

Surely, my hon. friend is aware of the 161,000 jobs in the last number of months that are helping people get to work, jobs that are being created by the policies that this government is following.

In specific terms on the steel agreement with the United States, my hon. friend knows this is something that the Prime Minister has already taken to the President in the previous administration and will be doing so with this administration as well.

I will be meeting with Mr. Kantor, the new U.S. trade representative, on Monday. I will be taking the same message.

* * *

EMPLOYMENT

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, I want to address the same minister with a very precise question.

The statement from Statistics Canada this morning said that out of the 63,000 people that counted for the decline in the unemployment figures, 57,000 were people who had totally dropped out of the labour market because they have no hope. Is that the way we are going to solve the unemployment problem by having Canadians simply drop out of the labour market because they know they cannot get a job?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, my hon. friend from Winnipeg is twisting the facts.

We have never expressed any degree of satisfaction with the level of unemployment today. That is why theMinister of Finance has done the things he did in the last economic statement and in the budget of a year ago.

What my hon. friend must realize is that since September we have seen 161,000 jobs created in Canada. Surely my hon. friend would say that is good news and stop going around looking for bad news like the little Bad Luck Schlepprock next to him.

Hon. Lloyd Axworthy (Winnipeg South Centre): This party is looking for good news. That is why it is asking when and if the present government will begin to take measures to provide good news for Canadians.

I come back to the fundamental question. We have an increase this week alone of 6,000 on the welfare rolls of Toronto. In my own city of Winnipeg there are over 30,000 people on the welfare rolls, a 200 per cent increase over a few years ago. These are people without hope.

I want to ask the Minister for International Trade while the Prime Minister is down in Washington today: Is he going to understand for the first time that what the Americans are doing is what the Canadians should be doing and that is putting money into the economy to get people back to work and to create hope?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, the hon. member mentioned Ontario and he mentioned Manitoba in his question.

Let me tell the hon. member that in the month of January, employment grew in Manitoba by over one half of 1 per cent and 43,000 new jobs were created in Ontario.

For Heaven's sake, when will the Liberals accept some good news instead of standing up here and bad mouthing the results that are happening in this country today which are positive and are leading to a recovery in 1993?

* * *

PREMIUM AUTOMOTIVE TANKS INC.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, my question is for the Acting Prime Minister.

This week when Premium Automotive Tanks of Port Hawkesbury in Cape Breton closed and the owners, like thieves in the night, brought in trucks in the middle of the night, loaded them up and took the equipment downsouth to New Hampshire, they did not just take away the equipment. They took away the workers' pride, dignity and livelihood.

This company received a large amount of government grants totalling almost $2 million and there are still some outstanding funds to be repaid. What steps is the government taking to get the repayment of the $500,000 of taxpayers' money that is still owing? Has the government given financial aid to Spectra Steel, the purchaser of this company?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, my hon. friend has acknowledged that Spectra Steel which is a company from Longueuil, Quebec has acquired the plant and will operate the plant in Longueuil, Quebec according to an agreement between Premium and Spectra.

The position of the Government of Canada is that officials have not allowed the repayment of the debenture by Premium to the Government of Canada until they are absolutely sure of the particulars of this transaction. This is to make sure that any transaction we have done is in accordance with the agreement they had made with ACOA. Officials from both the Government of Canada as well as from the province are actively working on this at this point.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, the company, as the minister points out, has been sold to Spectra Steel and really had a terrible record. Certainly, that has been acknowledged by everyone. The company lied to the workers. One week before closing it was doing training with the workers and praising them for their productivity. When I spoke to workers yesterday they had one message and one message only for Ottawa: "We do not want a handout, we want a job".

The mayors of Port Hawkesbury and the surrounding area have written to the government asking if it will do a full investigation into this situation given the implication of federal funding as well as the effect on jobs in the area. Is the government prepared to undertake a full investigation in Port Hawkesbury as requested by these elected officials?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, we on this side deplore the way this whole thing has happened. The Prime Minister spoke of that, the minister responsible for the Atlantic CanadaOpportunities Agency has spoken about that and I have spoken about it. We deplore what has been done and how it has been done. As far as an investigation is concerned, there are officials working on this matter right now.

Rather than looking for all the bad news she can find, surely when my hon. friend goes to Nova Scotia she could visit the Michelin Tire Company which makes 12 per cent of the tires in North America, or Purolator Courier. Has she ever visited that company in Moncton which opened a service centre last October? It employs 100 people now and 400 people will be employed there over the next three years.

Did she ever congratulate Canadians who are providing the successes behind the 11.9 per cent increase in exports, many of whom come from communities like Moncton and Port Hawkesbury right across this country?

* * *

TRADE

Hon. Audrey McLaughlin (Yukon): Madam Speaker, the last thing I need is a lecture from this government on respecting the workers of this country. The workers have built this country and if the government respected them it would not have signed the trade deal and it would not be contemplating following through with NAFTA.

It is clear as we look at what happened in Port Hawkesbury that job requirements for companies are absolutely essential when funds are involved.

There is another issue related to that. Through the NAFTA agreement we will not have the ability as a government to put those kinds of conditions on foreign companies that wish to take over Canadian plants. Under Articles 1106, 1107 and 1109 of the NAFTA agreement the government would not have the freedom from government imposed performance requirements or the freedom to repatriate dividends or royalties.

How on the one hand can the minister of trade condemn poor practices by companies and on the other hand sell out Canadian workers by signing a NAFTA that does that same thing and encourages it?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, no one is selling out Canadian workers. If she would look at the facts she would see that there has been an 11.9 per cent increase in exports to the United States last year compared to the year before. There has been close to an $18 billion increase in exports to the United States since the free trade agreement came into force. That is double the rate that the Japanese, the Germans or the United Kingdom have increased their exports to the United States. Surely my hon. friend should see some good news in this.

• (1130)

I would ask her one thing. When in the last four or five years has she ever celebrated success in this country by going to some of these companies and hearing how they have increased their exports to the United States and asking them what impact the free trade agreement has had in that increase in exports which is creating jobs in Canada?

* * *

EMPLOYMENT

Mr. Maurizio Bevilacqua (York North): Madam Speaker, I certainly do not believe it is time to uncork the champagne bottles yet. There are still 1.5 million Canadians unemployed.

What is of extreme concern is that the unemployment figures released today reveal an alarming trend. Unemployed Canadians are giving up hope and are dropping out of the labour force. While this government claims we are in an economic recovery, the unemployment rate today is higher than it was in January 1992.

When will the minister accept that the unemployment situation in Canada is in crisis? When will he restore hope for those Canadians who have lost their jobs?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, I find it interesting. The hon. member does not recognize that there were 161,000 new jobs created over the last eight or nine months. That is a good, positive trend. The unemployment rate is dropping. That is a very positive thing as well. The hon. member must understand that.

The hon. member gets up in the House week after week and talks about youth unemployment. Let us talk about youth unemployment which is still unacceptably high. We are not popping open any champagne bottles. We are not celebrating anything, but the trends are very positive.

The youth unemployment rate fell by 0.6 per cent. This accounted for a large drop in the unemployment rate. I might say that since over-all employment peaked for the fourth quarter of 1990, youth employment is becoming positive again. That is a good sign and is something the hon. member wanted all along.

Mr. Maurizio Bevilacqua (York North): Madam Speaker, if the minister is going to talk to us about statistics then perhaps we can respond. Canada lost 500,000 jobs during this recession. So far we have recovered only 161,000, a far cry from the 500,000 new jobs the finance minister predicted would be created in 1992.

What measures is the minister going to take to have an impact on this so-called jobless economic recovery?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, I think the hon. member was in the House when the Minister of Finance delivered his economic statement in December and his budget earlier in the year.

There are provisions in there to help the economy, although modest, because of the limitations we have with the economy in the shape it is and with the income that the government has. We have taken some very positive stands and the statistics are showing.

The hon. member will not accept the positive good news. Housing starts are up 7.7 per cent. Employment in the construction industry in January was up by 18,000 jobs. Take the good news and run with it so that Canadians will build confidence in their economy and it can go on to recovery in 1993. Do not go around with a little black cloud over your head all day.

Mr. Bob Speller (Haldimand—Norfolk): Madam Speaker, the minister had better check his facts because his facts are wrong about youth.

The minister must be aware that the number of youths now employed in the labour force has fallen by 103,000 in the past year. In the past five months alone, 90,000 young people have left the labour force. They are losing their jobs.

What concrete action will the minister take to create jobs for these young people?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I do not know where the hon. member is getting his figures but mine show that I have employment has risen 0.6 per cent. The unemployment rate fell six percentage points for youth in the month of January. The jobs are starting to be created and we saw 161,000 new jobs over the last eight months.

They are getting back into the labour force and the jobs are coming back. That is what recovery is all about. It is going to continue in 1993 and Canada is going to have the best recovery of the G-7 in 1993. We have the basics in place with low inflation and low interest rates. The jobs are coming back.

The hon. member should be pleased about that and should encourage people who do the hiring in this country to continue to grow and expand.

Mr. Bob Speller (Haldimand—Norfolk): Madam Speaker, one month does not a statistic make. We have a mammoth youth dropout rate; 44,000 more in the past month alone and over half a million young Canadians who have never held a first job. That is a 48 per cent increase since before the recession.

When is this minister going to give these kids a break? It was not their fault that there was a recession. When is he going to come forward with some concrete steps to put them back to work?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, the Minister of Finance has come forward with concrete steps and the hon. member knows that. We are starting to see the results of that. For heaven's sake, I just mentioned that in January—

An hon. member: One month.

Mr. McDermid: One month, but the unemployment rate is dropping. The hon. member is obviously not happy with that. I could hear them today if the unemployment rate had gone up. Oh, my God, it would have been wild around.

They cannot stand good news over there. One of the problems is that the nonsense being spouted by the opposition does not give confidence to a country. They should start talking positively because the trend is increased employment and the creation of jobs, and the hon. member should be happy about that.

TRADE

Mr. David Barrett (Esquimalt—Juan de Fuca): Madam Speaker, my question is for the Minister for International Trade.

Some months ago I raised in this House with the minister the aggressive pursuit of Canadian investment by the benefits of reduced taxes and lower electricity rates in the state of Texas. At that time the minister admitted that there was no method under the free trade agreement by which he could stop the Americans from this kind of procedure, regretted it and said he would look into it.

Today I would like to bring to his attention an even more aggressive move by the Americans, after the free trade agreement, into Canada through recruiting Canadian investments.

Here is a letter sent to Mr. B. M. Done, president of the Reliance Foundry Company in Surrey, B. C. It says to come to Iowa: "No property taxes for three years. No corporate state income tax. Fifty per cent of your employees' wages for one year while on-the-job training. A 1 per cent rate for unemployment costs. A non-union business community in a right-to-work state" and workers compensation down to $2.62.

What action will he take to stop this kind of raiding of Canadian investment, many in the United States, under the free trade agreement that is giving away our jobs to the Americans?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, the facts speak for themselves. Prior to the free trade agreement we had a net inflow of investment of about $3.5 billion. Since the free trade agreement came into force we have had a new inflow of over $5 billion. I believe the figure for the first nine months of last year was a net inflow of $5.1 billion for a nine-month period.

Those facts speak for themselves and I think are a good attestation to the benefits of the free trade agreement.

Mr. David Barrett (Esquimalt—Juan de Fuca): Madam Speaker, this government refuses to stand up for Canadians. We have lost tens of thousands of jobs to the Americans, and even the Toronto Blue Jays cannot hire a Cuban because of American regulations.

What is going on? Who is running this country? Is it the United States or Canada?

This kind of enticement is attracting thousands of jobs into the United States. How is the government going to handle it when Mexico says: "Come down to Mexico. We only pay 80 cents an hour in the Maquiladora, no pollution standards and no environmental health safety standards. Come on down under NAFTA"? We will be sold out again by that minister.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, there is such a babble of misinformation from the hon. member—

Mr. Barrett: Here is the letter. Last time you told me to table the letter.

• (1140)

Mr. Wilson (Etobicoke Centre): There is a lot of bluster down there but little information. Let us look at some of the facts here.

We had an increase of exports to Mexico of about $190 million over the first nine months of last year. Clearly Canadian companies are able to export successfully into the Mexican market.

With the NAFTA we are going to see an elimination of non-tariff barriers and an elimination of tariffs which run as high as 20 per cent. This is going to create a level playing field between Canada and Mexico because 80 per cent of Mexican products came in last year to Canada duty-free.

The NAFTA is going to be a major benefit to Canadian companies to open up the market in Mexico, which is a middle income market of about 25 million or 30 million people. This is a very good-sized market for the size of Canada.

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UNEMPLOYMENT

Hon. Herb Gray (Windsor West): Madam Speaker, I have a question for the minister of state on today's unemployment figures.

How can the minister characterize these figures as good news when the only real reason that the unemployment rate seemed to drop is that 56,000 people gave up looking for work? They decided it was hopeless and dropped out of the labour force.

How can the minister and the government take any satisfaction from driving people back to the welfare rolls rather than putting them back to work?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, I knew my hon. friend would get up before Question Period is over, because he is Mr. Negative of the Liberal Party; always has been and always will be. There is no question about that.

Improvement in employment over the last few months has been sustained. There are 161,000 new jobs created. The hon. member for some reason does not like that. He dismisses that as not good news? That is not good news at all.

I might remind the hon. member that the participation rate in our labour force in Canada is one of the highest in the world and continues to be. With the unemployment rate dropping one-half of one per cent for January, that is good news.

Some hon. members: Oh, oh.

Mr. McDermid: Poor Herb cannot even hear the answer because his members are yelling too loudly behind him.

Hon. Herb Gray (Windsor West): Madam Speaker, Canadians will remember how the then Minister of Finance refused to even say the *r* word, recession, when it was under way. Everybody but him and his government knew that they were in a recession because of the policies of that Conservative government. The weakness of the Conservative approach is that they have no answer for unemployed Canadians except useless quips about other people in this House.

How can the minister of state claim that there is good news when the rate of unemployment this month is a full point higher than it was a year ago before the government claimed the recession was over?

I ask the minister: "Why don't you get real and know what is going on when it comes to jobs and misery for ordinary Canadians?"

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, I am prepared to use the *r* word today: recovery, recovery, and it is happening. It is happening in Canada. All the statistics that are coming out are leading to a sustained recovery, not-spectacular, but a sustained recovery. I am prepared to use it and I will use the *i* word too: interest rates.

Remember a member of Parliament who said he would resign his seat if interest rates went up. Oh, sure you did. We all saw it on television. Don't tell us you did not say that. You are still here, for heaven's sake. Don't start throwing those quips over to our side without taking a look at yourself first.

* * *

METROPOLITAN TORONTO

Mr. Sergio Marchi (York West): Madam Speaker, my question is for the Minister of Employment and Immigration.

Despite a public relations visit by a caravan of federal ministers to metropolitan Toronto, this federal Conservative government has completely ignored and abandoned the economic devastation that has been allowed to happen in metropolitan Toronto.

Why is the federal government, together with its friends at Queen's Park, holding up on some $9 billion of local projects in Toronto which would create over 100,000 immediate jobs?

Mr. Wilson (Etobicoke Centre): A point of personal privilege, Madam Speaker.

Mr. Marchi: How can the minister stubbornly refuse to initiate a stimulative package that would help spur job creation and economic confidence in Toronto and across the country?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, I stood up and said "a point of personal privilege" when my hon. friend referred to our "friends at Queen's Park". There are limits to how far the rhetoric can go in this House. With friends like that, no one needs them.

My hon. friend reminds me of those folks in Queen's Park. We should both be directing some comments to our friends down at the other end here. Here we have a premier going over to Davos, Switzerland, and saying things in front of 800 financiers and business people from around the world that will turn off investment in Canada and turn off investment in Ontario. It is ridiculous.

We have a premier of the province of Ontario who says that his number one priority is beating the Government of Canada by defeating it in the election.

Mr. Axworthy (Winnipeg South Centre): They are the only friends you have.

Mr. Wilson (Etobicoke Centre): I cannot believe what I am hearing. Surely the premier of the province of Ontario has more problems than he can handle that are within his own jurisdiction: problems with health care, problems with welfare, problems with transportation. He should listen to *The Globe and Mail*. It said that if he wants to be prime minister, he should seek the job. If he does not, he should do a better job with what he has in his own home province.

Mr. Sergio Marchi (York West): Madam Speaker, the only person in government that is more unpopular and more incompetent than the premier of Ontario and his government is this crew. The *r* words are resign and ridiculous. Those are the real *r* words.

I return to the minister of trade who very cutely abandoned any response on the responsibility that a national government should have for one of the key economic sectors in the country which happens to be the temporary riding of the minister on the other side.

Given that the economic situation in Toronto has reached such an alarming proportion that the municipal leaders of that city have had to call for an economic summit on February 19 and given that his government is a key participant at that summit, is this government finally prepared to recognize the need to stimulate the Toronto economy?

Is it prepared to commit and announce an infrastructure program that would assist a kick-starting of the economy rather than having Ontarians and Torontonians watching this ping-pong game between federal Conservatives and provincial New Democrats?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, first let me remind my hon. friend that last month 43,000 new jobs were created in Ontario.

Let me also remind my hon. friend that this government was a participant in the saving of the de Havilland corporation. Many of the defence industry productivity-grants go to the metropolitan Toronto area. Bill C-91, which the Liberal Party and the New Democratic Party—

Mr. Marchi: There are 85,000 fewer jobs in Toronto than at the start.

Mr Wilson (Etobicoke Centre): Madam Speaker, if my hon. friend will not listen to the answer, he should not put the question.

The answer is that with Bill C-91, which the Liberal Party did not support, the result has been the creation of a number of substantial volumes, about $600 million of investment in the pharmaceutical industry in Mississauga and in Scarborough, just to name two particular places. With regard to the airport, my colleague and I just announced the privatization of the airport which will result in about $300 million worth of investment in the airport facility.

I could go on. There are many things this government has done to support the economy of metropolitan Toronto. I look forward to discussing these further at the meeting on February 19.

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THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Madam Speaker, my question is for the Minister of the Environment and is about the criminal pollution of the St. Lawrence River by Tioxide Canada and the sweet political deals that allowed it to happen. I am sure the minister is aware that since 1985 Tioxide has been forced to clean up its plants in Italy, Spain, Britain and France but during the same period of time, those same eight years, no efforts were taken to get Tioxide to clean up its plants here in Canada and now it has chosen to run rather than clean up.

• (1150)

Will the minister assure this House that he will order a thorough independent examination of the cosy relationship between Tioxide and certain ministers of the Crown here in Ottawa and in Quebec City and make sure that any illegal activity that is turned up brings about immediate prosecution both here and in the province of Quebec and that he will make the results of the investigation known publicly as soon as it is completed?

Hon. Jean J. Charest (Minister of the Environment): Madam Speaker, let me first correct one false assertion by the member. In regard to at least 50 plants identified along the St. Lawrence River in accordance with the St. Lawrence action plan, and that included Tioxide, the government has undertaken to reduce the toxic effluent of these plants by 90 per cent in the life of the St. Lawrence action plan. There was a lot of work being done on all of these 50 plants, including Tioxide.

Furthermore, as I mentioned before in this House, and the member will know this, charges have been laid and some evidence gathered. The courts will deal with that matter in the case of Tioxide. Those charges are laid under the Fisheries Act.

As to his further allegations, I have no idea what he is talking about.

Mr. Jim Fulton (Skeena): Madam Speaker, I am sure the minister is aware that while Tioxide was upgrading and rebuilding its infrastructure everywhere in the world except in Canada, the plant here was running downhill. It was during that period of time that the government should have been taking steps to force Tioxide to march in lock-step to clean up its plant here and do in Canada what it was doing everywhere else in the world.

My supplementary question is this. Since Canadians want to know that the owners of Tioxide will be punished for their actions before they run off under the protection of the free trade agreement to Louisiana, will the minister assure this House that the Tioxide polluters will be held in custody if necessary so they will face the music with their assets frozen, which they are not at the moment, and that a special bill will be brought before this House to ensure that all those responsible, including bureaucrats and ministers who fail to enforce and uphold the laws of Canada and Quebec, will be brought before the courts and properly punished?

Hon. Jean J. Charest (Minister of the Environment): Madam Speaker, I think the line of questioning of the member for Skeena in so far as his last comments are concerned is not very solid. I am not sure what he is referring to. I assume he will want to step out of the House and put forward whatever case he may or may not have.

As far as the charges are concerned, charges have been laid and it is for the courts to determine what will happen. It is not for us to go beyond what the courtsmust do and assume their duties in examining the evidence and determining what will happen after.

If I may add in respect to the responsibility of dealing with Tioxide, if the hon. member looks at the record, he will find that both provincial and federal governments worked with the company in good faith in dealing with their pollution problems. There were many contracts and agreements entered into at both levels of government, more specifically with the provincial government, in dealing with these issues and with the results that we are now faced with.

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REFUGEES

Hon. Alan Redway (Don Valley East): Madam Speaker, I have a question for the Minister of Employment and Immigration. He is aware of reports that a refugee claimant who is the wife of a Somalian warlord has been visiting her husband in Somalia while at the same time receiving welfare payments here in Canada.

Will the minister advise the House whether this report is correct and if it is correct what the government is doing about it?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, as the hon. member must know, because of the Privacy Act I cannot discuss the particulars of any individual cases in the department.

I can assure the hon. member and members of the House that the changes we have brought about to the Immigration Act which were staunchly opposed by our friends on the other side will give us the tools to allow us to prevent that kind of abuse of the Canadian taxpayers and we will be proceeding with the implementation of Bill C-86 to avoid that kind of abuse.

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WINNIPEG WATER QUALITY

Mr. David Bjornson (Selkirk—Red River): Madam Speaker, my question is to the Minister of the Environment. Earlier this week I got up during statement period to voice my concerns about the water quality for the city of Winnipeg. As you know the Ontario government has not put forward an environmental review of a miningoperation which is about to begin on Shoal Lake, which is the water supply for the city of Winnipeg.

I know I and many members of this House have had representations from the citizens of Winnipeg about what the Canadian government should be doing. I would like to ask the minister what he plans on doing regarding this issue.

Hon. Jean J. Charest (Minister of the Environment): Madam Speaker, I understand that both Ontario and Manitoba support an integrated management plan so far as Shoal Lake is concerned.

I also understand that Ontario and Manitoba ministers have already met to determine the nature of such a planning process and my department has offered whatever assistance that we may be able to put forth in terms of conducting that process.

Now whether or not an environmental assessment may be done will be determined according to what projects are put forward. We will follow all of this very closely to see whether or not federal intervention may or may not be necessary.

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[*Translation*]

UNEMPLOYMENT

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, my question is directed to the Minister of Employment and Immigration. Twenty thousand workers lost their jobs in January 1993 and the unemployment rate is almost 2 per cent higher than it was last year. What will the Minister of Employment and Immigration do to help these people in need, other than condemning them with Bill C-105?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, we must find ways to help Canadians across the country who are struggling with these economic problems, but without raising taxes and without necessarily increasing the deficit, because in the final instance, the taxpayer has to foot the bill. We must find ways to do this with the resources we have now.

In December, we increased the amounts allocated to help people receiving unemployment insurance benefits get new training and get back into the labour market. We included $260 million to develop what I call an unemployment prevention program for these people, which helps them identify human resources requirements in certain sectors of the economy. All thesemeasures—a total of $3.8 billion—are commitments under programs financed by the Consolidated Revenue Fund and the unemployment insurance fund, to help these people get back into the labour market. This is all part of our economic recovery and job creation plan.

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, doing something about preventing unemployment does nothing for the 1.6 million people who are already unemployed. We cannot prevent them from being what they already are.

On the weekend, the Quebec Liberal Caucus will join thousands of workers in a protest march against Bill C-105. Will the minister have the courage to meet these people and explain why he is launching an attack against the unemployed?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, the Liberal Party should honestly tell these people that it does not have a plan, that it objects to Canadian workers and employers paying for the benefits of a person who voluntarily, without just cause, decides to quit their jobs. It costs workers and employers $1 billion annually. The Liberal Party of Canada can strut its stuff with these people, but I think Canadian taxpayers ought to know where the money comes from to pay people who choose not to work.

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• (1200)

[*English*]

SOVEREIGN LIFE INSURANCE COMPANY

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, in the absence of the Minister of Finance, I have a question for the minister of state about the Sovereign Life Insurance Company.

He will know that the federal seizure of the company on December 21 will affect adversely about 240,000 Sovereign policy holders, 1,000 Sovereign brokers, 250 head office employees, 300 in-house agents and $810 million in company assets. Will the minister tell the company why he seized the company?

Since I am to combine the two questions, the minister was present on November 30 when the company asked for an 80-day extension to produce audited 1992 financial statements and an unqualified actuarial opinion. At all times there was in excess reserves of $52 million. He had in support an independent actuarial opinion signed by two former presidents of the Canadian Institute of Actuaries. What does the government intend to do now to minimize the damage done by this grossly irresponsible action done to a major financial institution in my part of Canada?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, I can assure the hon. member that everything was done over a fairly significant period of time to try to preserve Sovereign Life as a company.

Many requests were made of Sovereign Life by the superintendent which were not met. Every effort to find other purchasers for the company to extend its life was made. That was unsuccessful.

It received a fair and full hearing. At that particular time a decision was made to wind up Sovereign Life. We have support from many areas within the insurance industry, especially those who are responsible for paying out and ensuring that the policy holders are protected.

We feel that we gave them every opportunity and it was the decision of the Minister of Finance upon the recommendations of both myself and the Superintendent of Insurance that winding-up procedures take place.

That went to court, as the hon. member knows. The case was heard in court and the decision of the court was to wind up the company.

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SOFTWOOD LUMBER INDUSTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, my question is for the Minister for International Trade.

The minister will know that next Thursday and Friday panel hearings resume on the softwood countervail tariff dispute between Canada and the United States. Included on the agenda of that panel meeting are two among

other important items. One is the ongoing ridiculous allegation by the Americans that Canadian laws regulating the export of raw logs is countervailable in Canada. There is some question as to whether one of the commerce department's verification team members, who came to Canada to snoop through our files and verify their ridiculous allegations, was a member of a previous U.S. lumber lobby coalition attack against Canadian softwood exports.

Can the government assure this House that this government will use every opportunity to tell the Americans, including the Prime Minister's meeting with the President today, that this countervail action should be thrown out, in particular the ridiculous allegations over our raw log export policies?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, I appreciate very much the support of the hon. member. That is precisely the position of the Government of Canada. It is a position that we have taken right the way through this whole debate and it is one that we will continue.

As my hon. friend knows, we have taken this matter to a dispute settlement panel because we disagree with the actions taken by the United States. That panel process is running its course. I will take the opportunity next Monday when I meet with U.S. trade representative Kantor to bring him fully up to date with the views of Canada on this so that he understands fully the seriousness with which we hold this issue and the importance that it represents both to our relationship between the United States and Canada as well as to the economy of very important parts of the country.

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 26 petitions.

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

* * *

TABLING OF DOCUMENTS

STORM LAKE AREA DEVELOPMENT CORPORATION

Mr. Rod Murphy (Churchill): Madam Speaker, during Question Period the member for Esquimalt—Juan de Fuca quoted from the Storm Lake Area Development Corporation in Iowa. On his behalf I would like to table this document.

At the same time I ask the Minister for International Trade, who quoted from a document in response to our leader's question, if he would table that document in the House as well.

Madam Deputy Speaker: As far as the first request by the hon. member for Churchill is concerned, he knows this is not part of our rules. Unfortunately the Minister for International Trade is not in the House at the moment. I am sure someone will let him know of the hon. member's request and he will, or not, respond to the hon. member's request.

Mr. Murphy: Madam Speaker, then I ask unanimous consent of the House to table the document that the member for Esquimalt—Juan de Fuca quoted in Question Period.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: No.

Madam Deputy Speaker: Consent is not given.

* * *

[*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 report of the Canadian section of the International Assembly of French-speaking Parliamentarians on its activities at the meeting of the *Bureau de la Commission politique et de l'administration générale* of the Assembly, held in Paris from November 12 to November 14, 1992.

[*English*]

BILL C-76

REPORT OF LEGISLATIVE COMMITTEE

Mr. Brian White (Dauphin—Swan River): Madam Speaker, I have the honour to present, in both official languages, the report of the legislative committee on Bill C-76, an act to amend certain fiscal provisions of the budget tabled in Parliament on February 25, 1992, with an amendment.

Mr. Rod Murphy (Churchill): Madam Speaker, the member just reported Bill C-76. I understand that government members on the committee would not allow any other witnesses except representatives of the Minister of Finance. Representatives of students, who are affected by this legislation, were not given any opportunity whatsoever to appear.

I ask, now this report has been tabled, if the Speaker would look into what happened within the committee and determine why witnesses of the public were not allowed to appear before the government ensured that this matter went to clause by clause study.

I understand that only Department of Finance officials were allowed to appear, no student representatives were allowed to appear before this committee.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I would like to point out for the benefit of the House and my hon. friend from Churchill that regardless of what the facts may be with reference to the witnesses before this particular legislative committee, that since the reforms of Parliament in the second phase of the McGrath reforms, the practice of legislative committees is to hear witnesses who have expert status and would be able to contribute to the refinement of the bill by pointing out drafting errors and that sort of thing.

On the other hand, if a bill is referred to a standing committee, then the scope of that committee is much broader. It is capable of hearing witnesses having to do with the policy aspects of the legislation before the committee.

Mr. Murphy: Madam Speaker, I do not know what the parliamentary secretary is trying to do. We have had any number of legislative committees which have had witnesses who are not technical experts. That is certainly the truth.

It may not be what the government wishes to be the truth, but legislative committees have heard from witnesses on all aspects and all clauses of a bill. That is the history. That may not be what the government would like to be so, but the history is that legislative committees do that.

If he wants to imply that the only experts with regard to Canada student loans are Department of Finance officials, I would suggest that perhaps the students themselves are technical experts on this.

• (1210)

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, on the same point of order, I think it is important for the government Whip to understand that not only did Bill C-76 deal with Canada student loans, it also dealt with a variety of other things, including imposing registration fees on lobbyists.

At the same time as that committee was sitting, there was a full inquiry into the lobbying industry, complete with witnesses, in another room on Parliament Hill and those people were not even asked. They could have gone to the legislative committee at a moment's notice to explain how this bill affected them. The decision by the government members was not only wrong, it was unreasonable. The people were right there. There was no delay involved if that was the fear of the government.

That is why it is important for the government Whip to understand what was done and to hopefully take steps to rectify the wrong that has been created.

[*Translation*]

Madam Deputy Speaker: As usual, the Chair is very reluctant to get involved in the business of a committee, and I think that is as it should be, a committee being master of its own business and proceedings. Since the bill has now been reported back to the House, the Chair will review the various points made by hon. members and, if necessary, I will report to the House on the committee that examined Bill C-76.

[*English*]

HOUSE MANAGEMENT

60TH 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 60th report of the Standing Committee on House Management regarding the selection of votable items among Private Members' Business. Pursuant to Standing Order 92(2), this report is deemed adopted when laid upon the table.

Madam Speaker, while I am on my feet, I move:

That the House do now proceed to Orders of the Day.

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 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. 407*)

YEAS

Members

Anderson	Andre
Bjornson	Charest
Cole	de Cotret
Desjardins	Dick
Duplessis	Edwards
Fee	Ferland
Hawkes	Hicks
Horning	Hudon
Hughes	Johnson
Landry	Langlois
Layton	Malone
Martin (Lincoln)	Mayer
McDermid	McKnight
Monteith	Moore
Redway	Scott (Hamilton—Wentworth)
Soetens	Sparrow
Stevenson	Thacker
Thompson	Thorkelson
Valcourt	Van De Walle
Vien	Weiner
White	Wilson (Etobicoke Centre)
Winegard	Worthy—44

NAYS

Members

Althouse	Axworthy (Winnipeg South Centre)
Baker	Barrett
Bellemare	Benjamin
Bevilacqua	Blackburn (Brant)
Catterall	Copps
Foster	Fulton
Gagliano	Gardiner
Gauthier	Gray (Windsor West)
Harb	Jordan
Karpoff	Karygiannis
Kilger (Stormont—Dundas)	Kristiansen
Langan (Mission—Coquitlam)	Lee
Manley	Marchi
Mifflin	Mills
Mitchell	Parker
Phinney	Prud'homme
Rideout	Rompkey
Samson	Stewart—36

PAIRED—MEMBERS

nil

• (1250)

[*Translation*]

Madam Deputy Speaker: I declare the motion carried.

Motion agreed to.

GOVERNMENT ORDERS

[*Translation*]

CANADA POST CORPORATION ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-73, an act to amend the Canada Post Corporation Act, as reported (with amendments) by a legislative committee.

SPEAKER'S RULING

Madam Deputy Speaker: There are four motions in amendment listed on the Notice Paper for the report stage of Bill C-73, an act to amend the Canada Post Corporation Act, all four standing in the name of the hon. member for Churchill.

[*English*]

Motions Nos. 1, 2, 3 and 4 will be grouped for debate. A vote on Motion No. 1 will be applied to Motions Nos. 2 and 4.

An affirmative vote on Motion No. 1 will obviate the necessity of a vote on Motion No. 3 while a negative vote on Motion No. 1 will require a vote on Motion No. 3.

Mr. Karpoff: Madam Speaker, a point of order. With respect to the bill that has been called, I wonder if we could have a minute to get copies from the table since this was called without any notice to the opposition.

The government had indicated that it might be calling a number of other bills today, including Bills C-98, C-54 and C-69, but had not indicated that this bill would be brought forward today. I wonder if the table has additional copies of the bill and the amendments.

The hon. member opposite is getting worked up because he has to admit the government has become sneaky.

[*Translation*]

Mr. Gagliano: Madam Speaker, I may add that the government gave us no notice whatsoever that this bill would be considered after the vote. We are trying to reach the Official Opposition critic, in order to make this debate as reasonable and intelligent as possible, so that people can hear both sides. However, if the government keeps acting the way it has done since this morning, there is no telling what will happen this afternoon.

[*English*]

Mr. Andre: Madam Speaker, on a point of order. I understand, and I am sure the Chair understands, that this is not a legitimate point of order on the part of the opposition but I did want to correct the record.

Every Tuesday afternoon I meet with the House leaders. I lay out my legislative plans and what I would like to get through. I look for co-operation and support in proceeding with the nation's business in an orderly way.

I indicated that Bill C-73 was one of the bills I would like to see passed today. I had hoped we would get borrowing authority done. Of course it was not done. Ihad hoped we would get Bill C-93 done but it was not done.

We have had a clear indication, threats today to move concurrence. In fact the tactics of the opposition are simply to not agree to anything and to delay everything. We unfortunately have responsibilities to the country to proceed. This legislation was signalled on Tuesday. We did not expect to have to call a motion to move to Orders of the Day today. We thought we would proceed in an orderly fashion.

Unfortunately we were driven to it by the tactics of the opposition. I regret any inconvenience caused to the spokespersons of the opposition but frankly if they are looking for somebody to blame, they might look to the leadership of their own party.

[*Translation*]

Mr. Gagliano: Madam Speaker, the government House leader just said there are weekly meetings, and of course the bills are discussed at those meetings. We made it clear that we were prepared to co-operate with the government on certain bills.

The minister said just now that we refused to consider Bill C-98. Well, we were supposed to start debate on this bill this morning, but the government decided at the last minute to proceed with Bill C-93. The government moved a motion to revert to Orders of the Day, there was a vote, and we have just wasted 30 minutes. I hope he is there now, but a few minutes ago when the Clerk read the order for resuming debate on the bill in question, he was not even here. So how can you expect us to co-operate when the government acts this way? It is customary for us to be notified, to give our critic enough time to get here and respond to the government.

Madam Deputy Speaker: I just want to inform hon. members that in the Projected Order of Business for today, Bill C-73 was included with other bills. I am now told that copies of the bill are available, and unless the hon. member for Mission—Coquitlam really has something new to contribute to the debate, I would like to move the four motions in the House so that we can proceed with debate.

[*English*]

I will put the motions to the House if I may.

• (1300)

MEASURE TO AMEND

Mr. Rod Murphy (Churchill) moved:

Motion No. 1

That Bill C-73 be amended by deleting Clause 1.

Motion No. 2

That Bill C-73 be amended by deleting Clause 2.

Motion No. 3

That Bill C-73 be amended in Clause 3 by adding immediately after line 32 at page 4 the following:

"This act shall not be fixed to come into force any sooner than the first day in the year 1997 A.D.."

Motion No. 4

That Bill C-73 be amended by deleting Clause 3.

He said: Madam Speaker, I did not have a chance to get up on the point of order with regard to how this bill was called so quickly, without any consideration to the process that normally exists when there is going to be a change in the Orders of the Day.

I spent three and one-half years as whip for the New Democratic caucus and I know there are courtesies. Effort is made to make sure that the parties know what the legislation is so that the various critics and various government spokesmen are able to be here.

I find it very regrettable that the government, in its haste to make sure it gets this legislation through the House, has ignored those common courtesies.

I resent it as an individual but I also resent it for those other people whose time has been inconvenienced. They may have appointments with me and with others and now are in a situation where those appointments cannot be kept. It affects people from in town and from out of town as well. I find this regrettable.

I am suggesting in the motions before the House that clause 1 be deleted. Through the day I am going to move that all the clauses in the bill be amended or changed. It is important that we have a debate on this at the appropriate time. I do not think this is the appropriate time.

As well, there is another debate that has to occur, that is about what is happening with the postal service across this country.

I have been the critic in this area, among my other critic roles, for a number of years. I am always receiving complaints from small operators, from employees, from communities right across this country about how mail service is being ruined by this government and by Canada Post.

I have found it offensive the way Canada Post officials deny information to members of Parliament and to the parliamentary committee that is responsible for reviewing the estimates for Canada Post. I have accused the top executives of Canada Post of misleading the House of Commons, the Senate and of being evasive when it comes to providing information which the public deserves.

The government has allowed this to happen. The government has allowed Canada Post to break its word. The government has allowed Canada Post to destroy our postal system in this country. There are all sorts of examples that could be cited as to why this is happening.

Why does the government want to destroy Canada Post? Why does it want to make sure that the various communities across this country do not get the postal service they deserve? Why is it in the community in which I live outside of Ottawa, there is about a one-half mile stretch that does not receive rural postal service? The mail people come from one end of the road to one area. They come from the other end of the road to another area. There are about 10 to 15 houses in between that do not receive regular service. They have to go to a different community to get their mail. It is ridiculous.

Just before the Christmas break I revealed a leaked Canada Post document about how they were going to force various franchises to pay up front for stamps and the various articles they sell on behalf of Canada Post. That document stated they were going to tell only some MPs about what was going on. They were not going to give this information about what was happening in the ridings to all MPs.

This document also pointed out that as a result of this change in strategy a number of those small businesses that are carrying on service on behalf of the public, on behalf of Canada Post, were going to go bankrupt. The Canada Post document pointed that out.

There was no concern for small business. There was no concern for the communities involved. There was no concern for the people who have to go and get their mail. This is the problem. I know that my good friend from Timmins—Chapleau is going to point out later in the debate that this is a serious problem.

We have hurt the handicapped. We have hurt the seniors. We have made it ridiculously hard for people to get their own mail and we are doing it for some ideological interest which Canadians cannot understand.

We are told that Canada Post often surveys these communities ahead of time and that 97 per cent of the people want this change. This is very interesting. You can go into these same communities, as I and others in this House have done. Half of the population comes out to a meeting demanding that the post office be kept open.

I really resent the way the government has tried to handicap the opposition on this debate. Therefore I move:

That the debate be now adjourned.

Madam Deputy Speaker: I have listened very carefully to the hon. member for Churchill. The House at this time is debating a motion which stands in the name of the hon. member for Churchill. Henceforth the hon. member may not move that during debate on his own motion. The motion is not receivable.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I listened to some of the remarks of the hon. member for Churchill and none of them to my hearing pertained to the bill in question.

He went off talking about mail service, small towns, a whole lot of things that are not dealt with at all in this legislation. Parenthetically may I say perhaps the House leaders might discuss some day whether or not we should hold ourselves to the relevancy of debate in this House. Perhaps we will cause those who are looking down on us and watching on TV to have a little less disrespect than they now have because of those kinds of antics.

• (1310)

Fundamentally, this bill provides the opportunity for the provision of employee stock savings plans for employees of the post office. The hon. member for Timmins—Chapleau said privatization. In fact if he reads the act he will see that his accusation is totally false. There is no privatization involved here.

Mr. Samson: Not yet.

Mr. Andre: Not yet he says. That is right. A new bill would have to be brought in to privatize. That is a new bill. It sounds very strange. Vote against this bill because a new bill might come in sometime in the future. I know the New Democrats are scared of the future, but they should not deny everything in the present because of fear of the future.

I thought this might interest him. I received a letter earlier this week with some information about the Swedish post office. The Swedish post office is no longer a monopoly as of January 1, 1993. Other companies are allowed to compete in terms of delivering first-class letters. On January 1, 1994 the Swedish post office is to be privatized. That is the law of Sweden, a country glorified by the New Democratic Party as the example the world should follow. So Sweden is privatizing its post office.

The member for Timmins—Chapleau shouts back there that we should not proceed with this bill because some time in the future some government might bring in a bill to privatize the post office and hence we should vote against this bill. The logic speaks for itself.

This bill does a very sensible thing. It provides for employee stock ownership. Is employee stock ownership a good idea? The fact of the matter is that some two-thirds of the companies on the Toronto Stock Exchange provide for this sort of thing.

The group GBB Buck Consultants did a survey of companies with these kinds of provisions of employee stock ownership programs. It said that 90 per cent of employers and 75 per cent of employees said the plans had a positive impact in their companies and over 90 per cent of surveyed employees took pride in owning company shares.

Canada Post in the last few years has gone from running a deficit of $300 million to $400 million a year, where its service was atrocious, where it was a drain on the taxpayer and the laughing stock of the users to running a surplus and is recognized by other post offices around the world as the most efficient post office in the world. That is a tremendous accomplishment.

This bill seeks to build on that because employees of Canada Post now do feel pride in their corporation. They do feel that it is doing a good job and they do want theopportunity to participate. It is not compulsory. They are not required to. They are simply given the opportunity to.

The idea of employee stock ownership programs is so revolutionary that the current Government of Ontario has said it intends to bring in a plan like this. The current Government of British Columbia says it intends to bring in a plan like this to promote employee ownership of enterprise.

I find it not surprising, but a little bit strange that the federal New Democratic Party says this is an outrageously avant-garde idea that must be opposed by all means possible. That really does not make common sense. This is simply in keeping with modern business practices. It has been a success when it has been tried. More and more companies are doing it. The majority of companies do it. Even socialist provincial governments are adopting legislation to facilitate it.

An hon. member: I would be nervous about it if all these NDP members like it.

Mr. Andre: The hon. member has a point. If the socialists are now starting to like it maybe we had better re-examine it.

I am sorry, I said the B.C. government was considering it. It did it in 1989. The Ontario act was tabled in 1991 and of course Manitoba proclaimed its act in March 1991. It is a modern idea in keeping with modern corporations. It is something we ought to proceed with. This bill simply makes it possible.

I repeat, the amount of the equity that would be offered to employees is 10 per cent. That does not represent privatization in anybody's concept. The other 90 per cent rests with the Crown. If in fact that was to be changed and the Crown was to sell its shares, a separate new bill would have to be brought before Parliament.

The hon. member from the New Democratic Party and anyone else who thinks private ownership is an outrageous concept that should be fought at all times could in fact have their fight at that point in time.

I ask them to put aside their partisan interest, look at what this bill does, recognize it as it allows the continuing progress of Canada Post as a useful thing to do. The employees who choose to participate can. Those who do not will not. Ninety per cent of employers have found itsuccessful when they have put it in place and 75 per cent of employees have found it very useful.

With that kind of experience, that kind of evidence that it is a useful thing to do we ought to adopt this bill and allow the post office to carry on making the progress it has been over the last few years.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, I certainly disagree with what the hon. minister stated a moment ago, that the motions moved in this Chamber were not relevant to the bill or the debate before the House.

The reason the motions moved are relevant and the reason the remarks of the chief Whip of the Liberal Party before this debate started are relevant is that the bill itself is not relevant to Canada Post. The minister states: "Oh, we are now going to give employees shares in the corporation". I wonder what kind of shares.

First of all, they cannot have any more than 10 per cent, according to clause 27.1(5). We notice that the shares held by the minister have the exclusive right to vote at meetings of the shareholders of the corporation. We also note in clause 27.3 that the employees' shares will be non-voting shares. The employees' shares will be of a different character, a different class.

An hon. member: Second class.

Mr. Baker: Just like the employees of the corporation now are considered to be second class by the government and by the corporation.

When the Liberals were in, what a service we had. When the Liberals were in, we had post offices. We had post offices in rural areas. We had mailboxes in the post offices. There was a Canadian flag over the post office. The post office was the community centre. That is what happened when the Liberals were in.

When the Liberals were in we did not have calls in our offices that mail had just disappeared. We did not have every medical school and law school in this country rewriting their requirements so that they do not say that applications have to be postmarked on a certain date. It says the application has to be received in that university. That has been an intentional change by our professional schools in this country.

It has been intentional since this government took over and since the service has so deteriorated in this country, where a firm is hired to gauge the amount of time it takes for a letter to go from point A to point B. Itthen brags about it but does not explain of course that the letter it is passing judgment on has to have the address perfectly in the centre of the envelope. It is no good to have it written by a mother who is writing to her son overseas somewhere or in another part of Canada in pencil or pen.

• (1320)

This debate is relevant. The bill is irrelevant. That is why our chief Whip a moment ago asked me to move a motion. Of course I am going to do it because I never disagree with the chief Whip. The motion is this.

I move:

That the debate be now adjourned.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

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

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

(*Division No. 408*)

YEAS

Members

Althouse	Assad
Baker	Bellemare
Benjamin	Bevilacqua
Boudria	Catterall
Copps	Fulton
Gagliano	Gardiner
Gauthier	Harb
Jordan	Karpoff
Karygiannis	Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)	Kristiansen
Langan (Mission—Coquitlam)	Manley
Marchi	Mifflin
Mills	Mitchell
Murphy	Parker
Phinney	Prud'homme
Rideout	Samson
Stewart—33	

NAYS

Members

Anderson	Andre
Bjornson	Charest
Cole	Desjardins
Dick	Duplessis
Edwards	Fee
Ferland	Hawkes
Hicks	Hudon
Hughes	Johnson
Landry	Langlois
Layton	Malone
Martin (Lincoln)	Mayer
McDermid	McKnight
Monteith	Moore
Redway	Scott (Hamilton—Wentworth)
Soetens	Sparrow
Stevenson	Thacker
Thompson	Thorkelson
Turner (Halton—Peel)	Valcourt
Van De Walle	Vien
Weiner	White
Wilson (Etobicoke Centre)	Winegard
Worthy—43	

PAIRED—MEMBERS

nil

[*Translation*]

Madam Deputy Speaker: I declare the motion lost.

Motion negatived.

Madam Deputy Speaker: Resuming debate, the hon. member for Glengarry—Prescott—Russell.

[*English*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I am pleased to have the opportunity to participate in this debate this afternoon.

We have to remember the backdrop against which we are addressing this important issue today. First of all, the government changed the House order eight or nine times in the last 18 hours or so, including probably 10 seconds before it commenced the deliberations today.

• (1400)

I notice that the member whose riding is in the Brampton area seems to be upset by the fact that he has had a hard time following the agenda of the government as well. That is unfortunate.

Mr. Edwards: Madam Speaker, on a point of order. I think it is very important that the House and the country understand, as Your Honour has already said, the order of business for today was agreed upon.

Mr. Kilgour: It is not a point of order.

Mr. Edwards: It was stated by the Minister of Labour yesterday in response to a question from the opposition House leader and appears on today's Order Paper. I think my friend would be diligent in correcting the record.

Madam Deputy Speaker: I can hear the hon. member for Edmonton Southeast saying it is not a point of order but I had to listen to what the parliamentary secretary was saying before I could in all fairness rule. The hon. member for Glengarry—Prescott—Russell has the floor.

Mr. Boudria: Madam Speaker, since of course we did not hear a ruling, we must assume that in fact it was not a point of order after that diatribe was stated, which brings us to an interesting point.

Mr. Edwards: I hope you withdraw your allegation.

Mr. Boudria: Withdraw my allegation. Well, if we must debate that then let us. Let us do that simply because yesterday the government was telling us it wanted to debate Bill C-93 and then it changed its mind to Bill C-98, then to Bill C-93 again. Today it stopped its own members from tabling petitions and brought forward Bill C-73. That is supposed to be an allegation. Those are facts.

Mr. McKnight: Open the book on your desk. Read the Orders of the Day.

Mr. Boudria: I am sure the minister opposite who used to be the minister of agriculture and is now the minister of energy knows all of this but let us move on to Bill C-73.

We are talking of the post office and it pleases me to no end to talk about the post office today. Particularly today, because yesterday Canadians discovered to their astonishment some of the Canada Post policies. Here is how it works roughly.

If you are an ordinary garden variety MP and the postmaster retires in your riding, your post office is closed, period. Now, if you are the member for Charlevoix, the Prime Minister, and the postmaster retires in your riding, there is a different rule. Here is how it works. When the postmaster retires Canada Post refers to that as a natural opportunity. I suppose getting old or dying is natural. That natural opportunity is seized upon by the Tories opposite to shut down the post offices right across rural Canada.

In rural communities the post office is the only building with the country's flag on it. That is the post office in many rural villages in Canada.

What did Canada Post do? First of all it removed the coat of arms from its insignia. Then it removed the Canadian flag from its insignia. Not content doing that, now it is removing the post office altogether and there is nothing left. No more federal presence in rural Canada, no more Canadian flag. It is gone.

The member opposite is telling me to be careful about Canada Post. I do not know if he is going to send Don Lander after me if I am not careful or perhaps some of his spin doctors who are having lunch across the street in the National Press building. Half a dozen of them are trying to instil a message in the press different from the truth that we all know, to put it kindly. Nevertheless here is the truth.

[*Translation*]

The village of Saint-Irénée, with a population of 363, lost its postmaster, but it kept its post office anyway on December 1, 1992. Some of these villages are in the riding of the member opposite, others are in the Prime Minister's riding, like Baie-Saint-Paul, with a population of 3,733. I will even admit that if my riding had a community of 3,733 people, it might have kept its post office. In any event, the post office in Baie-Saint-Paul stayed open. As the hon. member knows, the same thing happened in Forestville: the post office stayed open. Saint-Siméon has a population of 1,020, which is not a lot. The postmaster resigned on February 4, 1991. It had an acting postmaster until March 9, 1992 and another one was hired. The post office stayed open. Good for them.

But why does the same rule not apply to other Canadians living in rural areas? As the member opposite knows, Saint-Joseph-de-la-Rive has a population of 225 and 35 houses; the postmaster quit and a notice was issued to hire another. The new one has not even been hired, but the post office is still open and it has been announced that a new postmaster was being hired. As we know, Bradore Bay is a Group 1 post office, the smallest kind there is in Canada—

Mr. Langlois: It's in my riding.

Mr. Boudria: I know that it is in the riding of the hon. member for Manicouagan.

The postmaster retired, Canada Post advertised the position within the Corporation and no one applied. No one. What did it do? It advertised it a second time throughout the system, in the same region that time, not just at the local post office. Once again, no one applied for the position. It tried twice to fill it.

In Glengarry—Prescott—Russell, in Stormont—Dundas, in Avonmore, in the riding of my colleague, the member for Gatineau—La Lièvre, what did it do? It closed the post office the first chance it got! It has tried twice to keep it open in Bradore Bay. What did it do? It has still not found anyone who wants that job. It announced it would close the post office and it is still open today. So much the better for the people of Bradore Bay! But why a different rule for the Prime Minister's neck of the woods than for the rest of Canada and other members from rural areas?

[*English*]

Yesterday the Minister of Labour replied in this House that his government did not interfere with the operations of Canada Post. Tell that to the Minister of the Environment who is sitting across the way. Ask him about Lennoxville. Is the post office not still there in Lennoxville even though Canada Post announced that it was closing? The Minister of the Environment is in his seat. I do not hear a heckle. Ask the Minister of Public Works what happened in his riding. It is the same thing.

There has been plenty of interference in the operation of Canada Post. Some ministers, particularly the Minister of Public Works and the Minister of the Environment have convinced the postal authorities to change their minds.

The Minister of the Environment knows it only too well, very well. He knows of the representation. The constituent in question was phoning him and me minutes apart trying to convince both of us to do our best to keep the post office open. That is not necessarily wrong.

What is wrong is that yesterday the minister gave us an answer that was less than accurate, to use parliamentary language. He said that the government did not interfere and the government Whip replied to that moments ago precisely. The government does not. He just repeated it.

• (1410)

Yet, Madam Speaker, I have indicted to you twice that that was not the case.

I know all of my colleagues will want to talk about this because it is an important issue for all of us.

Mr. Cid Samson (Timmins—Chapleau): Madam Speaker, it is with a great deal of pleasure that I take the opportunity to speak on Bill C–73 this afternoon. I do not think there is anything I would rather do than debate this bill today.

The minister responsible for Canada Post got up a little while ago and made reference to the comments of the member for Churchill who happens to be the critic for the New Democratic Party for Canada Post. He said that he talked about everything except the bill.

I want to inform the House that anything we say about Canada Post and the changes that are taking place in Canada Post do refer to this bill. I will demonstrate in a moment what I mean by that. The minister went on to say to me as the member for Timmins—Chapleau that in Sweden they have moved to privatize their postal services and that we in the New Democratic Party are always quick to refer to Sweden when we make a comparison between the working conditions and the conditions that exist there as they compare to the conditions that exist in Canada.

I would simply like to say to the minister that if he wanted to follow all of the examples that Sweden put forward in terms of protecting their workers and the working relationship they have with their employers maybe we would want to look at this a little more favourably. Until he is ready to do that I do not think we are ready to support this bill.

This bill is the employees' share savings plan. Its intention is to try to instil a little more pride and a little more partnership between the employer and the employee.

Plans have been tried before where they gave watches and they gave gifts and clocks and pieces of jewellery and what-have-you to try to improve the relationship between the employee and the employer, Canada Post. It did not work. It failed completely because it seems certain people within Canada Post Corporation are content to create a little empire to rule over and act like little dictators. Until that problem is addressed, these little gimmicks are not going to work. They did not work before and this gimmick is not going to work this time.

If Canada Post wants a share savings plan to work between the employer and the employees, why is it that prior to the introduction of this plan, it was never discussed with the employees that Canada Post wants to participate? The employees were never consulted during two years of negotiations prior to the introduction of this bill. Why is that? Is it because it does not matter what the employees have to say? Is it because Canada Post wants to throw this at them and say take it or leave it?

The minister is quick to say it is voluntary. Employees do not have to participate if they do not want to. That is fine but what does it mean? It means that only those at the higher levels will want to participate. They are the ones who will benefit the most from this because they have the most to invest. They have the most opportunities to take part in this program.

For those employees who will perhaps want to participate we are going to see a situation even worse than what exists now in terms of spying on each other and watching what is going on, trying to cut measures in order to create higher dividends.

That is the name of the game and that is what this corporation is heading for. It is heading for more profits and it is asking the employees through an employees' share savings plan to loan money to Canada Post in order for them, and I quote the minister, "to improve service". Does it mean Canada Post is going to maintain employment? Does it mean it is going to create employment? No, it does not. It is going to improve service. We are going to ask the employees to participate in a plan to lend the employer money in order to buy mechanisms and technology machines to put them out of work.

Mrs. Sparrow: It's called productivity.

Mr. Samson: Productivity? Give me a break. It is called putting people out of work. The hon. member knows it.

This plan will not improve the situation at Canada Post. It will not do anything to improve the conditions that employees at Canada Post have to face day after day.

In my riding there is a small rural post office in a little town called Foleyet. The postmistress cannot even take lunch. She cannot even take a coffee break. Why? Because Canada Post eliminated the person who used to come in and help her for 20 hours a week. Canada Post has told her to close the wicket, just close it down. Never mind the people who are waiting outside. Never mind if it is a rural post office and people come from miles around to get their mail. Just close the door. Ignore them, do away with the service.

That post office is still open. Do you know why? It is making money. It is showing a profit. Do you know why it is showing a profit? Because there is no bank in that town. There are no other means for people to access any kind of a financial institution and they are using this post office instead. That is why Canada Post cannot close this post office down.

There are hundreds of these post offices in the riding of the member for Churchill, the critic for Canada Post. He has numerous situations under the same conditions where if the corporation would only realize that with a little bit of co-operation, with a little bit of help, these post offices would not only create jobs but they would also create profits. Are members opposite listening? They create profits. That is something the government knows about. That is something it wants. Along with profits, it creates jobs. What is wrong with that? What is wrong with jobs and profits? You can have it both ways, just try a little bit.

Mrs. Sparrow: Move into the next century.

Mr. Samson: Give me a break. Zip it up. This member is astounding. If you want to speak, get up and speak.

The employee share savings plan will work if Canada Post has the co-operation of the employees. The employees have been left out. They have been left out of all of these negotiations and therefore they will not support it. They do not want it. All the unions that represent the workers at Canada Post Corporation have said they do not trust this corporation and this is a move toward privatization. The minister has said it is not a move toward privatization. If it is going to be privatized, it has to have legislation introduced.

Again today he said that he admires Sweden for privatizing their post office. In the past he has said that he would welcome privatization of the corporation at a future date. All it needs is legislation.

With this government anything is possible. It has such a large majority it can jam anything through. Is privatization out of the question for this government? Absolutely not. Is this the way we want to go in this country? Is this what this government wants? It wants to privatize and put all these people out of work.

We cannot take the approach of cleaning up the problems that exist in Canada Post because if we get into this kind of a mess with employee share savings plan it really does not do anything other than loan the government money to put their employees out of work.

Perhaps it would work if these were at least voting shares and if they would actually produce a dividend. In 1991 the corporation lost $128 million. How much dividend would the employees get? How much return would they get?

The government will retain 90 per cent of the shares. We have to assume that it is going to do that at this point simply because it is issuing 10 per cent. Obviously this must mean that there are 90 per cent left. What is the government going to do with them? Will these be sold to the private sector? We do not know. The government has complete control. It does not need legislation to sell those shares. It is not necessary. These are voting shares and it can do with them whatever it wants. If they vote and decide to sell them, they can do it.

• (1420)

This whole bill is a disaster. It does nothing to address the problems that exist at Canada Post. It does nothing to enhance the lives of the employees at Canada Post. It does nothing to enhance service. It only creates more problems and it is certainly something that Canada Post does not need.

Bill C-73 is as much a disaster as some of the conditions that exist at Canada Post Corporation and this bill has got to fail.

Mrs. Christine Stewart (Northumberland): Madam Speaker, I am pleased to have the opportunity to speak to Bill C-73 which proposes to make amendments to the Canada Post Corporation Act.

The operation of Canada Post and mail delivery service in general is a very large issue across this country. Since I have been an elected member I have heard nothing but complaints about what Canada Post is doing. Certainly long before I was elected I heard similar complaints. In my own riding we have had the closure of several post offices which have been very controversial. My local constituents have had a lot of difficulty in accepting some of the changes which have been made.

As has been raised by others of my colleagues here, it is of more than passing interest how the Canada Post Corporation, which the government says operates at arm's length from the government, happens to go across ridings, such as mine of Northumberland, closing small rural post offices which have in the past, and those that remain today, provided a very important and valuable service to the rural constituents. I do not want to belittle the important service that has been provided by our postal service over the years in this country.

A country as large as ours has to put a very special emphasis on maintaining very high standards in all of its communications and certainly our post office services are very important.

It is puzzling how Canada Post Corporation, operating at arm's length from the government, closes post offices and reduces postal services in a constituency such as mine, yet the constituency of the Prime Minister just happens to be able to maintain its usual services. We do not have constituents complaining in his riding as they might in mine.

I have tried my best to defend the interests of the constituents in my riding. The staff at Canada Post have done their best from time to time, but we know they have orders as to what they are to do and what they are not to do. It seems very obvious that this corporation is becoming more and more a private enterprise with profit as its main motive, not service to constituents across this country.

Yesterday a few members of our caucus had the pleasure of speaking to the National Pensioners and Senior Citizen's Federation. We had a chance to discuss with them many of the issues that are of great concern to them across the country and certainly postal service was one of their major concerns.

Their position is as follows. I would like to excerpt and have on record what they have to say about our Canadian postal service. I think it is relevant to the bill that is before us today.

The National Pensioners and Senior Citizens Federation wants the government to reconsider its decision to close all rural post offices. It reminds the government that almost 30 per cent of the membership of their group lives in rural areas. The government decision to close rural post offices has had a negative impact on those seniors' lives.

The Alberta Council on Aging stated in its brief to the federal government in 1990 that "seniors we talk to tell us the new services are much less satisfactory that the ones we had before when we had a knowledgeable, helpful and friendly staff in a rural post office".

The United Seniors of Ontario, said: "The rural mail delivery is an excellent service which should neither be reduced nor abolished. The supermailboxes are for the most part inaccessible to many seniors and should never be allowed to replace rural mail delivery at the rural post office". I have to say that in Northumberland I have had several problems brought to my attention by seniors who have had a lot of difficulty accessing the superboxes that exist in their communities, not just in the rural areas but in the suburban areas of my riding as well.

According to Rural Dignity of Canada, over 3,000 of Canada's small towns have concentrations of seniors, over twice that of the national average. I have many small towns in my riding of Northumberland. One-third of all Canadians 65 years and older live in communities of less than 10,000. As many as one-third of those 65 years and older do not drive.

Certainly the latest problem that I have had in my riding has been in the community of Hope Township where a post office was closed because of the very fact that many of the seniors do not drive and have to rely on others to help them. It has been a burden for them.

There was an attempt to try and set that closure of a post office right, but it does cause a lot of concern and change in a community that is at times very difficult with long-term impacts.

National surveys by seniors' networks show postal service to be among the top five issues of concern to Canada's elderly population. I bring that to the attention of our government because certainly it ought to be very concerned about the needs and desires of our senior population. When this is one of the government's five-most important priority issues, it should certainly be stopping to listen to them.

The impact on seniors has many aspects, one of them being higher risks of physical danger. Outdoor boxes are placed in unprotected roadside locations without proper lighting or regular snow removal and seniors are at higher risk of physical danger. They create a loss of independence for seniors. In rural areas public transportation is non-existent. I can say that is certainly the case in most of my rural constituency. The superboxes and retail postal outlets may be split into two locations.

Those seniors without transportation are now required to depend on others to send or receive their mail. There is a loss of social contact that arises out of the closure of so many of our rural post offices. This was a contact that was very important to our seniors and allowed them to know that there was somebody who on a regular daily basis was there to check up and to follow what was happening lest there be some illness or accident that had befallen a senior citizen.

There is also a loss of a support network and the general lack of communication not just between a postal courier and a constituent, but also a constituent and neighbour. Since this government has undertaken the measures it has in the past to make changes to the Canada Post Corporation, communication across this country has suffered greatly.

The proposals that come forward in Bill C-73 today appear to me to be just one further step toward the privatization of Canada Post. As that occurs we have problems of loss of employment, loss of service to seniors, as I have just outlined, and loss of service to citizens of all types.

Other members have raised the issue of just how students who are trying to make application to get into university are hampered by our failing Canada Post Corporation's services across this country.

This is a vast geographical nation. We cover a large, large territory and it is imperative that we try to increase and improve our postal service. However, with the new and improved technologies that we have in the world today and with which Canada in particular is blessed, we find that instead of improved service we are paying more today for less and less service. Any moves in that direction which are going to exacerbate an existing problem I cannot support.

• (1430)

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I greatly appreciate the opportunity to participate in the debate this afternoon.

Bill C–73 concerns Canada Post Corporation and gives the opportunity to employees of the corporation to share participation in the company. As has been noted, the availability of share participation has been deemed by responsible surveys to be a productive mechanism in 90 per cent of the cases. Indeed, 75 per cent of employees who have participated in such plans have favoured them as well.

While there is no way of knowing the extent to which Canada Post employees would take up this particular opportunity, the freedom for them to take it up or to refuse it is always there. I believe that the issue that is before us requires a good deal of debate.

In order to give an opportunity for all members of the House to participate, since we have had some interruptions today, I would move pursuant to Standing Order 26(1):

> That the House continue to sit beyond the normal hour of adjournment for the purpose of continuing consideration of Bill C–73, an act to amend the Canada Post Corporation Act.

And more than 15 members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 26(2), the motion is deemed to have been withdrawn.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I am going to be splitting my time with my colleague so I have only five minutes, I believe.

I want to be on the record to make just a few points. Number one, I have always been a strong supporter of the postal system in this country. In fact, I remember being part of a study in 1982 when we discovered that the postal corporation, Canada Post, had an efficiency rating of close to 96 per cent.

In terms of efficiency, that is something that is unheard of. This was when we had post offices all over the country. This is something where philosophically I am on the other side of the spectrum from the government. I believe that the post office system of this country was a great instrument of federal presence.

I can remember the period of the referendum. The postal service in Quebec was a tremendous agent in helping to keep this country together. I think of rural Canada and the number of postal offices that were closed there in the last few years. It does not really contribute to galvanizing the will of this country in pulling it together. From a federal presence point of view, Madam Speaker, I say through you to the government that I am totally opposed to all of these post offices that it is closing. A lot of Canadians do not realize that these postal offices provide services beyond mail in rural Canada and even in urban centres. They have been access points for senior citizens in terms of getting their pension plans and other programs organized, and so it is wrong to be chopping up that federal presence across the country.

The other point is that it is not just rural Canada. In my riding there were two post offices which were running most efficiently in downtown Toronto and which were closed in the last six months. I received complaints from small businesses, people who run home–based businesses and use the post office box system as part of their business practice. The fact that we shut down these main post offices and turn them into franchise units where they do not have the facilities to provide the same level of service I think is wrong.

With regard to the relevance of this bill, I have absolutely no problem with the concept of equity participation for employees. This is a good thing. What I am really concerned about in this particular bill is that there is a non–voting share. There does not seem to be a code of shareholders' rights attached to this bill.

How do you value these shares? We all know that the postal service of this country is actually showing profits, not out of its operating system, but it has actually been liquidating assets in terms of land and buildings. I am sure in my riding where it has shut down the post office that the next step will be to basically sell the land or sell the building so it can get some quick cash to beef up the financial statement so it can ultimately turn it into a totally privatized operation.

In business, people have a system of earnings per share per quarter where the bottom line is all that business looks for. In government, we are in the business of servicing people. I think that the direction thegovernment is taking with this act is working against service to the public.

Mr. Sergio Marchi (York West): Madam Speaker, Bill C–73 which is an act to amend the Canada Post Corporation Act, has one great fallacy. It fails to address the service of Canada Post to Canadians. Of all the things that Bill C–73 purports to do in terms of giving the shares of Canada Post, or an opportunity of those shares to employees, the government seems to be missing the biggest need and that is to address the postal service to Canadians in both rural areas and in urban centres.

We have tried to document with this government that closing stations, putting up supermailboxes, doing away with door–to–door delivery and removing the presence of the Canadian flag at postal stations across the country is not furthering or enhancing the sense of Canadianism and the important role that Canada Post has played traditionally through the many years. Not to even mention that there seems to be one rule in the ridings of regular members of Parliament and a completely different rule in the riding of the Prime Minister where the Canada Post stations are not being closed when in fact stations of greater service and of greater importance elsewhere are being closed.

The other point that I certainly want to dwell on in the few minutes accorded me in this debate is the way that Canada Post and the government approach public input. A postal station in my riding of York West was closed just a few days ago, Postal Station Downsview C in the Jane—Finch community. Canada Post officials late last year approached me because they were thinking of redesignating that postal service delivery. They had come at it from the standpoint of: "We wish to let you know this is what we are thinking of doing". I objected to that because I thought within the equation of that decision there was no thought given to what the clientele might think of redesignating or closing that particular postal station.

• (1440)

I suggested to them that it would only be legitimate and proper to delay any decision until they heard from the users, the clientele, the public, the community that had used that station for many years. Canada Post agreed with that process.

Then early in the new year I received a call saying that the building in which the postal station was located was sold and therefore they had to expedite their decision without public consultation. That decision was negative-because the decision was to close Downsview Postal Station C.

When we talk about indifference, cynicism and Canadians not believing in their institutions and governments any more and use this one classic example, is there any wonder?

The users of Downsview Postal Station C had absolutely no input and not one word to say about a post office that their taxes sustained and supported. I do not believe that is the way we should conduct public business. Canada Post is a public service to Canadians. Therefore we are having a public meeting next Thursday after the decision has been made.

Obviously there is going to be unhappiness and concern. It could have been managed and should be managed differently, not only for my riding but for the entire country. They should take Canadians into their confidence and allow Canadians the partnership to build and to redesignate and compromise so that both the community and Canada Post win. They should not shut out the communities. They should not agitate communities. They should not incite community activism which obviously will be organized now because of how things were done.

It certainly left bitter feelings in the community surrounding Downsview Postal Station C. It is not only a question of the stations that have been closed in the rural communities of Canada where it has taken on additional importance, but also in urban centres like my own city of metropolitan Toronto.

A lot of Canadians are dissatisfied with the postal service they are getting. There is a great deal of dissatisfaction that the user, the public, has no say. This is what we should be addressing in legislation before the House and not missing the mark and only talking about shares to employees. Let us talk about how we can improve this service for the benefit of all Canadians.

Mr. Jim Karpoff (Surrey North): Madam Speaker, I will be splitting my time with the member for Vancouver East.

North Surrey has the largest postal sorting service outside the city of Vancouver. About 18 months ago the postal station was informed that it would be closed and consolidated with the city of Vancouver. The local councils objected. The GVRD objected. The mayor of Vancouver objected. It is the wrong location. The services should be located in the suburbs where the people are. Surrey has a much better transportation corridor than the city of Vancouver. It is against the officialcommunity living plan of the GVRD to consolidate employment in the downtown core.

I met with senior people in the post office, including the vice-president for mail operations. About that time they found out that the Vancouver post office was structurally unsound. They realized that they could not consolidate safely into the city of Vancouver. I was informed that was off and they were now going to look for property in the Fraser Valley, probably in Surrey, to consolidate a postal sorting service. As recently as the last two or three months I have been informed that this was continuing and was even told about potential sites.

About a week ago a letter was delivered to my office by fax, addressed to me, not to the post office workers or to the unions. It was addressed to me. It was announced that the government was going to close the Surrey postal service as of May 31.

I would like to read one paragraph from this letter because I think it shows what is happening with this corporation. It says: "Any potential impact on employees will be dealt with in accordance with their respective collective agreement. Canada Post Corporation will consult fully with affected unions. No employees will lose employment as a result of the new network processing system although some will be accommodated in other locations".

The three-paragraph press release that went with it contained other interesting points, saying: "Canada Post is consulting with all affected bargaining unions to fully discuss this change. Canada Post will continue to update employees on a regular basis as more information becomes available".

This letter was faxed to my office at seven o'clock in the morning. At ten o'clock I phoned the local union to get its reaction and found out that Canada Post had not informed the employees and had not informed the union. I was put on the speaker phone and that is how 100 workers in Surrey found out that their jobs were gone.

Then it came back and said it wanted to work co-operatively with the union and the workers. It did not even have the courtesy to inform them. It sent a letter, not addressed to the union and a copy, but it sent a letter to the MP because the MP had been on its backside for a year and a half insisting that it treat employees fairly and keep the services in Surrey. It felt it had to pacify me but it did not have any regard for its employees.

Later that morning I talked to the local manager who told me that the letter was inaccurate, that 20 people would lose their jobs. Out of the 100 employees, 20 of them would actually lose their jobs in spite of the fact that the letter to me said this was not so.

Here the corporation went ahead in spite of local governments, the GDRD, the city of Vancouver, all pointing out to it that downtown Vancouver was not the place to locate the service. The transportation corridors were more appropriate to airport, rail and road in Surrey.

Then it had the audacity to go in and say it wanted the co-operation of the employees and it did not even follow common courtesy, let alone personnel practices and it ended up with the member.

This is repeated over and over again and I am sure my colleague from Vancouver East will have other comments along the same line.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I oppose Bill C-73 because it is the first step in selling off Canada Post. This post office, which has been so undermined by this government and by the Canada Post Crown Corporation has been an essential public service since the beginning of Confederation. As other speakers have said, post offices were the heart of most communities.

Privatization is deeply resented by most Canadians. The bill is misleading to employees. It is an attempt to undermine collective bargaining. It will not give real power to workers who purchase shares. It will not promote labour-management peace but will increase hostilities.

It does nothing to improve or maintain effective postal services in Canadian communities, communities that have been decimated by this government's inhumane privatization policies and action.

In my constituency of Vancouver East, a multicultural multi-ethnic riding, Canada Post has closed every post office. I have received frequent complaints about the services in the small franchised units which they have been attempting to develop in small stores. The importance of skilled and informed postal workers providing services to the community rather than having untrained,

overworked, underpaid and often part-time clerks in stationery or drug stores is very apparent in my riding.

Vancouver East is home to large Chinese, Korean, Italian, Latin American and other international communities. A thorough knowledge of international postal systems is vital for the maintenance of family communications. Sometimes it can mean the very survival of family members in the country of origin.

Yet with this new system it is understandable that part-time clerks who are untrained and underpaid do not have the skills to communicate with people of different cultures and to understand foreign procedures. Many franchise unit staff members simply do not seem to know postal procedures. The result is that people are forced to chase their parcels across the city and the country. Seniors, parents with young children and physically disabled people find the services inaccessible and sometimes impossible to use.

It is outrageous that this government has allowed this devastating deterioration of essential public services. I could go on and on, but in the time remaining I would like to move:

That the House do now adjourn.

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 yeas have it.

Motion agreed to.

Madam Deputy Speaker: The motion has been adopted and the House is adjourned until Monday morning at eleven o'clock.

The House adjourned at 2.54 p.m.

HOUSE OF COMMONS

Monday, February 8, 1993

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-227, an act to amend the Criminal Code (desecration of the flag) as reported (with amendment) from the legislative committee.

SPEAKER'S RULING

Mr. Speaker: There are three motions in amendment on the Notice Paper for the report stage of Bill C-227, an act to amend the Criminal Code (desecration of the flag), standing in the name of the hon. member for Scarborough East.

[*Translation*]

Motions Nos. 1, 2 and 3 will be grouped for debate and voted upon as follows:

A vote on Motion No. 1 will apply to Motion No. 2.

Motion No. 3 will be voted upon separately.

[*English*]

MEASURE TO AMEND

Mr. Bob Hicks (Scarborough East) moved:

Motion No. 1.

That Bill C-227 be amended in Clause 1 by striking out line 5 at page 1 and substituting the following therefor:

"one who, in a public place, wilfully burns, defaces, defiles,".

Motion No. 2.

That Bill C-227 be amended in Clause 1 by striking out lines 6 and 7 at page 1 and substituting the following therefor:

"mutilates, tramples upon for the purpose of desecrating the national flag of Canada, is guilty".

Motion No. 3.

That Bill C-227 be amended in Clause 1 by adding immediately after line 9 at page 1 the following:

"(2) For greater certainty, the national flag of Canada does not include a representation of that flag."

• (1110)

He said: Mr. Speaker, I would like to make some very brief comments on these amendments. First of all I would like to thank the many individuals and organizations that put so much time and thought into improving this bill.

I recognize that the first draft contained many loopholes in its definitions but I believe that the definitions have been made clear and the loopholes have been filled as a result of the amendments which have been read by the Speaker.

One of the most important and enduring symbols of our national identity is the Canadian flag. However, one of the difficulties in addressing this is in adequately defining what we mean by the flag as the representative symbol.

Without these amendments children could possibly lick the maple leaf off a lollipop. Individuals could stamp out a cigarette in an ashtray which had a reproduction of the Canadian flag. This is precisely the reason why these amendments have been submitted today.

It is my opinion that the majority of Canadians have a great deal of respect for the Canadian flag and wish to preserve it as their national symbol. When people speak of the Canadian flag, they conjure up an image of a red flag of the proportions two by length and one by width containing in its centre a white square the width of the flag bearing a single red maple leaf which is flying proudly on top of a flagpole. This piece of cloth, this flag, our national symbol, is what we wish to protect.

May I say that I am not alone in feeling this way. That epitome and pillar of excellence, that monument of

righteousness, the profound and anointed purveyors of public opinion *The Toronto Star* naturally ran an editorial opposing this bill.

The Toronto Star thought it would reinforce that by having a telephone poll. On January 28 it ran a telephone poll over a couple of days and well over 400 people responded. Sixty-nine per cent said that the flag should be protected; 31 per cent said no.

This endorses and underlines the results I had from my own riding in which well over 80 per cent of respondents favoured some type of protection for the flag.

I thank hon. members once again for their input in these important amendments. I think everyone will agree that the bill is much better now as a result of them and I look forward to the debate.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I appreciate the words of the hon. member and I congratulate him on his sentiment toward our flag.

Our flag is a symbol of our country, a symbol in which we take a great deal of pride. As such we look to the Canadian flag with a great deal of deference, a great deal of pride, and a great deal of respect. Therein we see our country and what our country stands for.

It is the flag of our country and not our country. The flag of our country, although it represents the honour which we feel toward our country, is a symbol. It is a symbol as the beaver is a symbol, as the CBC is a symbol. The fact is that our country must develop a respect for itself and see in the flag a respect for itself.

I would like to be able to support the private member's bill of the hon. member. I feel, however, to do so would add concern and problems to the law we have. At the present time the Criminal Code already contains laws that we are not following, to which we are not giving proper approval.

Mr. Hicks: On a point of order, Mr. Speaker. I was of the opinion that we were in the House today to address three specific amendments which have been offered. The hon. member opposite is speaking with regard to the bill itself, a bill which passed this House by unanimous consent at second reading.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The hon. member for Scarborough East points to the relevancy of the debate. I would prefer to give the benefit of the doubt to the hon. member for Cape Breton—The Sydneys. He was indeed speaking to the point, and I think it may be a little premature to raise a point of order.

Mr. MacLellan: I agree with you, Mr. Speaker. I think it is premature to claim, as the hon. member did, that my speech is not relevant to the debate. I therefore wish to go on speaking on the same subject.

[*English*]

I was talking about the Criminal Code. The Criminal Code contains laws which we must uphold. We have to be able to apply our Criminal Code to particular incidents and say that these laws have been broken.

If we put into the Criminal Code a law pertaining to the desecration of the Canadian flag, we will be causing problems. We are going to bring our flag more into more disrepute than if we left this situation alone.

In that regard, I want to follow up what the hon. member said. I want to deal with the first motion which says:

> That Bill C-227 be amended in clause 1 by striking out line 5 at page 1 and substituting the following therefor:
>
> "one who, in a public place wilfully burns, defaces, defiles,"

This situation happened in the United States. It was against the law in the United States to desecrate the American flag. In the case of Texas v. Johnson, in 1989 I believe it was, the Supreme Court of the United States stated that this law could not apply.

This situation arose when a young man protesting outside a nuclear installation burned the American flag in public. The Supreme Court in a decision of five to four, of which three were opposed in one way and one was dissenting for another reason, said that this law could not be upheld because it conflicted with the first amendment of the United States, which protects a person's right to self-expression and to free speech. The U.S. Supreme Court said that setting the flag on fire was a message. People might not like the message but in conjunction with the first amendment that person had the right to give the message. It was not necessary that the message be spoken words or written words only, there were various ways to convey the message.

What we would be doing, even with this amendment which is on all four with the case before the Supreme Court of the United States, is bringing into the Canadian law something which the Americans after decades of having that law in place had termed unconstitutional. We would be putting in a new law which the U.S. Supreme Court had just said was unconstitutional.

My feeling, and I do not want to attribute motives and feelings to the Supreme Court of Canada, is that it would likewise find this law unconstitutional.

• (1120)

I do not say for a moment that we should be making laws in Canada with one eye on what the Supreme Court may or may not do. What the Supreme Court does in interpreting our laws is its role. Our role is to make the laws we think are justified and right. If it is blatantly realistic that this law would be overturned it seems a folly to proceed.

The second amendment says:

That Bill C-227 be amended in clause 2 by striking out lines 6 and 7 at page 1 and substituting the following therefor:

> mutilates, tramples upon for the purpose of desecrating the national flag of Canada, is guilty.

Once again, this is similar to the recent situation in Texas *v.* Johnson in the United States.

The third amendment says:

That Bill C-227 be amended in clause 1 by adding immediately after line 9 at page 1 the following:

> For greater certainty, the national flag of Canada does not include a representation of that flag.

What are we going to call a representation of that flag?

I have no objections to the amendments themselves in that they are inoffensive. The bill is completely inoffensive. I would like to think the bill would help. No one in this country thinks more of their country and its flag than I do. However, I do not want the flag looked upon as a source of embarrassment, of concern, of caution as to how Canadians should express their feelings toward the flag in a very strong and positive way. I do not want that to happen. Canadians respect their flag and the example has been that they do.

While these amendments do not cause any problem, I do not think they change a bill which would be a mistake to implement in this House. Canadians know how they feel toward their flag. If we start attributing motives to Canadians we are not going to help their feelings toward the flag.

By telling Canadians we trust them and to love their country and to honour its flag is the greatest safeguard we can attribute to the Canadian public.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, my friend from Cape Breton has said many of the things I would say.

The hon. member from Scarborough East was right when he said this bill had passed unanimously in the House at second reading. I want to tell him that had I been in the House I would not have given it unanimous consent. I do not know what the members of the House were thinking about. They should have tackled the principle of this bill and turned it down. I will tell you why and I want to speak to the amendments while doing so.

We have so many things to do in this Parliament and this country. Surely, low in our priorities is to enact another law which is an amendment to the Criminal Code to deal with the desecration of the flag.

We have 11 per cent unemployment in this country. Does the hon. member bring forward a bill that has anything to do with unemployment?

We have plants closing in this country. We had the plant in Nova Scotia, the fly-by-night, leave the other day and the workers rebelled. What if the Canadian flag had been waved and they had said they were so angry at the government for not doing anything? What if some worker had torn up the flag expressing anger at the government in a moment of demonstration?

What would this government have done? It would have gone down there and not prosecuted that employer which threw the people out of work, nor tried to put the people back to work, nor tried to tackle the trade deals which are causing all these problems. It would have gone down there and put the poor person in jail for tearing the flag.

Where is the priority? We have a crisis in this country. In my riding in Coquitlam, a suburb of Vancouver, British Columbia, there is the Crane factory, a division of the Canadian company Crane Company Inc. It is B.C. pottery and makes toilets. The factory is closing, putting people out of work. Why? Because of the trade deals it is being flooded—pardon the expression—by American, Mexican and Chinese toilets.

There are so many factory closures and unemployment and we get a private member's bill on a flag as a priority from this Parliament. This country has a crisis in education. Do we get a bill about retraining workers, especially young people? No, we get a bill on the flag and the Criminal Code. Do we get proposals to help put young people back to work? No. This country has a crisis in its health care system. Do we get a far-sighted measure, a private member's bill that would deal with that issue? No, we get a bill about a flag.

It is said that patriotism is the last refuge of scoundrels. I am not saying the member for Scarborough East is a scoundrel. In fact, he is a very gentle and good man in all the dealings I have with him including a television debate on this very issue. I know he is trying to do the right thing.

I say to the hon. member, to you, Mr. Speaker, and to the country that Canadians are looking to us for leadership. Is this really the kind of leadership we want to give? This is easy to do.

That is why we had quick unanimous consent because it is unthinking and not really getting to the root of the problems in this country. Indeed, it has some negative implications and the bill itself is unclear.

This is not going to help our police. This is going to hurt our police and make more work for them. I look at the amendments in the bill. We have to look at what is a public place. If it happens in a mall, is that a public place? It may be defined in certain instances that it is a public place and in other instances that it is a private place. For example, for labour demonstrations a mall has been defined as a private place.

The second amendment is for the purpose of desecration. What if the flag is torn? What will happen? The poor police will have to go to a demonstration where some kid rips or burns the flag in the height of the demonstration.

Mr. Bjornson: You think young children should do that?

Mr. Waddell: It will be a young person who some day may be prime minister when he grows up and matures and becomes more acceptable. He is angry. He is young. He is at a demonstration and this goes on. These demonstrations happen and they go away. It is called free speech. That is what we call it in Canada and in democracies. That is what it is about.

The police will now have to go and charge this guy.

Mr. Crawford: And so they should.

Mr. Waddell: They will go to court. It will cost the taxpayers money. This is for the purpose of desecration. The Crown will have to prove that he intended to desecrate the flag. It will go on and on and on. Some will be convicted, most will be acquitted. They may be overruled by the Supreme Court. As my hon. friend from the Liberal Party pointed out the Supreme Court of the United States overruled it. The Supreme Court of Canada may overrule it.

We are going to be in all this mess. For what? To show that we are patriotic?

I believe those of us who oppose this bill are patriotic as the hon. member from the Liberal Party said. The hon. member who is making comments will get his chance. He can get up after me and speak on this bill. He can just listen for a moment. To be patriotic, the flag does not have to be worn on one's sleeve. I am an immigrant and deeply believe in this country. I have travelled all around the world with a Canadian flag and I believe in it.

We have a more mature level of nationalism than the United States for example. We have always seen it as a more chauvinistic country where there are these kinds of laws. In Canada, we are more mature. We do not have to wear our nationalism. It is there. It is deep. We do not need laws to show we are chauvinistic and we have to protect our flag.

• (1130)

The reason Canadians like the flag and the reason it is respected is because Canada has respectful policies around the world, for example, our peacekeeping role to which all have agreed in this House and has been implemented by all parties. We have had some differences in our foreign policy, but by and large we have had a progressive foreign policy in this country. We have a social safety net and we try as best as possible not to have homeless people in the streets or sick people not getting medicare.

That is the essence of Canada. That is why we are proud of our flag. We do not need to add another law. We have enough laws surely.

If the hon. member wants to change the justice system, because this is what his bill does, how about a bill on the Young Offenders Act to deal with the young offenders people are complaining about? Or what about the the Parole Act?

Mr. Hicks: Mr. Speaker, on a point of order, once again I am enthralled by the eloquence of this hon. member, but I have listened carefully to his over-all philosophy of justice in general. I am wondering when he is going to address the amendments which are on the Order Paper this morning.

[*Translation*]

The Acting Speaker (Mr. DeBlois): It is always a sensitive issue for the Chair to assess the relevancy of the debate. Of course, with a bill like this one, members are bound to deal with the principle of the bill already approved by this House at the same time as the amendments. Again, I am willing to show tolerance.

[*English*]

Mr. Waddell: If the hon. member recalls, I have said that his first amendment is going to give rise to litigation in its uncertainty. The second amendment is going to give rise to more litigation and possibly more acquittals than convictions.

Finally, I have been saying that if you want to amend the Criminal Code, there are so many other areas. Dangerous offenders. My constituents want to know why convicted paedophiles are getting out of jail and are out committing the same offence. We get a bill on the flag. The crossbow incident. Why do we not have a bill making crossbows illegal in this country like guns? According to the police, at the British Columbia Institute of Technology in Burnaby last week a young woman was killed by a crossbow, like there was in Ottawa. Why not have a bill dealing with violence against women?

Instead this bill shows a complete lack of imagination. It is going for the easy hit: I love the flag. That can be sent out to constituents. Someone has to get up as I am trying to today to tell the House that this is nonsense.

I think my friend from the Liberal Party covered most of the other matters. I will conclude by saying that the problem with the bill is there is some question about the amendments, whether they are workable in law.

There are so many other things to do where we could amend the Criminal Code. This bill will hurt police, not help them. It will make difficult work for police in demonstrations and like incidents. It is going to make martyrs out of people, rather than ignore them and show how stupid they are in the way they treat the flag. Just ignore them and they will go away. Real patriotism goes a lot deeper than a quick-hit bill to amend the Criminal Code.

Mr. Jim Edwards (Edmonton Southwest): Mr. Speaker, this is Private Members' Hour. We have a private member's bill before us. I certainly am not going to criticize the motivation of the sponsor of this bill. I think his motivation is most sincere. He believes with real justification that he has a lot of public support for the bill. He certainly has demonstrated that he has support in this House.

I am on my feet during Private Members' Hour as a private member. I want to share with my hon. friend from Scarborough East some of the concerns I have about his bill, even with the amendments which I concede have considerably improved it.

As we travel abroad we recognize the touchstone the maple-leaf flag is for us when we see it, whether it is on the shoulder patch of a United Nations peacekeeper or whether it is on the backpack of a young hitch-hiker elsewhere in the world.

We have demonstrated a good deal of contradiction, confusion and irresolution when it comes to matters pertaining to the flag. We need only go back to the debate leading up to the February 1965 adoption of our current flag to realize that. I think a lot of that concern is still there.

Part of the reason for that is that Canada by many standards is a work in progress. I can recall when my late mother was involved with the Imperial Order of the Daughters of the Empire or, as her friends said, "in and out of the damnedest enterprises". She was one of those who fought long and hard to retain the red ensign as the flag of Canada. However, the moment the maple-leaf flag was adopted as our flag in 1965 she and her sisters in the IODE William MacKay Chapter began selling maple-leaf flags as a fund-raising project. It is interesting how quickly we adopt our new symbols.

On the question about Canada being a work in progress, and I assure my friend I will get to the point of the amendments very shortly, we give each other a lot of room and a lot of space in this country. We realize that we come to this country with tremendously different points of view and that we are in the process of forging a common Canadian point of view. Therefore, we avoid some of the excesses other young countries have fallen prey to, such excesses as jingoism and chauvinism as have been referred to by my friend from Port Moody—Coquitlam and xenophobia. We are falling into having a bit of that fear of strangers now, but by and large we have avoided it.

I was reminded of some of these issues when it was my duty to take the broadcasting bill through Parliament. In that context we were dealing with an amendment to the previous Broadcasting Act which had mandated the Canadian Broadcasting Corporation to be an instrument of national unity. I argued, and I still believe it was the right position to take, that the CBC, the state broadcaster, ought not to be an instrument of national unity, that is an extension of the state. I need only remind you, Mr. Speaker, and remind my colleagues of the difficulties we might have got into during the rather acrimonious referendum campaign we went through last fall if indeed our state broadcaster had been mandated to be an instrument of national unity. We backed away from some of these statist exercises.

I was amused by my friend from Port Moody—Coquitlam whose party tends to be a party of national symbols. He laments the loss of our national symbols. He was speaking against the consecration of a national symbol. It is unusual for that group to be on the side of the police.

To deal with the amendment, the first amendment bringing us into the realm of a public place and limiting the scope of the bill to desecration in a public place is a constructive amendment. I believe the second amendment is constructive also in introducing a sense of *mens rea*, an intent to desecrate, the purpose of desecration, as part of the bill. Finally, the question of the representation of the flag being exempted from the scope of the bill is a constructive move.

The point remains that this bill would criminalize an act of protest. That troubles me because I think we must each day defend our liberties and our freedoms, or we run the risk of losing them. I do not believe for a moment that it is an appropriate expression of public opinion to desecrate the flag wilfully or intentionally. However, by the same token I think it would be a mistake to criminalize such an act. If that seems to be a contradiction, perhaps I can refer my friend from Scarborough East and the House to an editorial that appeared in *The Montreal Gazette* in June of last year.

• (1140)

It reads: "Flag burning may be sappier and more obnoxious than flag waving, but both are legitimate expressions of political opinion. The desecration of the Quebec flag in Brockville was offensive and so was its exploitation as an example of anti-French feeling in English Canada. The Canadian flag has been defiled again and again by Quebec nationalists in recent years and that was offensive too. But a law making flag abuse a crime would not make the malcontents any happier about their country. It could make things worse—intensifying hostile feelings".

I concur with that editorial. I also concur with a point made in an editorial of *The Globe and Mail* on June 24 of last year. It states:

> Canadians hold another national symbol, Parliament, in lower esteem than they ever have. Yet no one is proposing that, since public criticism of Parliament might undermine respect for a national institution, we ought to restrict such criticism. There is also that little problem of Charter of Rights guarantees of freedom of thought, belief, opinion and expression. It's time for the flag-burning bill to hit the showers.

That is pretty strong stuff but I think it underlines the fact that no one is proposing that criticism of Parliament be restricted. Therefore, this other national institution, our national flag, while we revere and respect it, ought to be available as an item of expression of reverence and otherwise.

Finally, I would appeal to my hon. friend from Scarborough East and suggest that where this issue ought to be tried is not in the courts but in the court of public opinion. With regard to public opinion polls, I think I heard my friend say 69 per cent of Canadians favour such legislation. I wonder if Canadians would still favour such a restriction of expression if it were put within the context of a restraint on public expression of opinion. That is the issue that I think we need to ponder and it is on that issue alone I differ with my hon. friend. While we agree on most other things, I feel that I cannot support his bill even with its proposed amendments at this time.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister responsible for Constitutional Affairs): Mr. Speaker, I welcome the opportunity to speak this morning to Bill C-227, standing in the name of the hon. member for Scarborough East, and to the amendments tabled after consideration of the bill in committee. In fact, we both participated in the process, during which the bill was examined in detail.

When a bill is tabled in the House by the government, the opposition or the Senate I always ask myself three questions. First, what are its merits? Second, is the bill votable? And third, can its provisions be enforced? I must say that even with the proposed amendments, the merits of the bill remain. However, it becomes increasingly less votable and harder to enforce, but that is another problem. I will comment on each of these three aspects.

The bill has its merits. I am 51 years old, and I was brought up to respect my country and its leaders, regardless of their politics. When I was a youngster, regardless of the party my parents supported, if someone was the leader of a political party, I respected that person as such. I respected the person who represented me in the House of Commons or the National Assembly, because that is the way I was brought up. Today, society has changed. Society is more permissive because that is what people wanted. I was a teacher and a school principal, and I never saw a school where they taught respect for the flag, not for our national flag nor for the flag of Quebec.

The first country I visited as a tourist in 1972 was Dahomey, now Benin, in Africa. Every morning, when the students entered the school, there was a salute to the flag. We do not do that here.

When I was a youngster we did. But today it should come as no surprise that the younger generation no longer shows the same respect for institutions and the flag that I did. To me, the bill has its merits. But what about the generation that is now growing up, which has been given this tremendous freedom of expression and has so many ways to express and publicize its concerns? What do they do? They destroy or, I should say, they attack a symbol. There are times I prefer to see them attack a symbol than me personally. I would just as soon not become a symbol!

I saw this during the referendum campaign, when I picked up posters that had been stuck on my living room windows at the back of the house. People are starting to attack the messengers as well. If you do not like the message, kill the messenger. It does not work that way any more.

I think freedom of expression and the merits of the bill presented by the hon. member for Scarborough run up against the other side's right to freedom of expression. An attractive prospect, however, is that the bill would prevent the CBC from constantly broadcasting images of actions I find reprehensible.

Remember when some people in Ontario trod on the Quebec flag? I think Radio-Canada showed that 22 or 23 times. I said Radio-Canada, but it could have been Télé-Métropole or any other station. Incidentally, I never heard a flag being burned on the radio. I never heard that on radio. Since when have people been burning flags? Since television came along, and especially when it started repeating the same images over and over again. You do something once, and they can show it 40 times in one week. That is the problem.

Violence has always existed, but it is worse now with TV. I am not saying we should abolish television, but it is worse now because we see it not once but repeatedly. As I said before, people never burned flags on radio, but they do on television.

So freedom and the merits of this bill clash with freedom of expression. When I see Canadians burning a flag, I do not approve. I would like to compare this with what was going through my mind when we were considering the abortion bill. I cannot forget that bill, and I would just like to ask one thing: Can we as human beings be for or against abortion? We have no choice. We are against abortion. As a human being, I am against abortion. But that does not mean we should throw people in jail for that.

The bill may have its merits, but is it votable and can it be enforced? As far as I am concerned, it does have its merits, but is it votable? There is one amendment that reads as follows: "For greater certainty, the national flag of Canada does not include a representation of that flag". I remember in committee people said: "Listen, if a

flag is painted on a brick wall, on a building, and the wall is destroyed, does this mean we are automatically destroying the flag?" The hon. member suggested an amendment to cover such eventualities. But even if we destroy every single flag in Canada, all those pieces of material, whether they are three-by-six or any other size, would we destroy the symbol? The symbol will always remain, regardless. People may not like the expression of that symbol, but the symbol will always remain.

We have to ask ourselves: What is a flag? We all have a picture of this country in our minds, and my picture is probably different, but no better or worse than that of the hon. member from British Columbia here on my right or of a member from Nova Scotia or New Brunswick, as long as it respects certain values and traditions.

• (1150)

Now, is the law enforceable? If the bill is passed as written, how will it be applied? A law was passed forbidding smoking in the House of Commons and members' offices. Smoking still goes on. People smoke less, but I have the feeling that people still smoke. I used to smoke and quit two years ago. I cannot report smokers even though the law encourages me to do so. If someone smokes, I need only report him and he is automatically guilty. I cannot find it in my heart and conscience to report a smoker, but still we have a law. We passed a law making it illegal to sell cigarettes to people under 18 years old. That is laudable, but is it enforceable? I live in my riding of Beauharnois—Salaberry, 10 kilometres from the Kahnawake reserve and at the other end of my riding is the St. Regis reserve. Where do you think the cigarette smuggling is going on? I am not accusing only the Indians, because whites do it as much, if not more. Whites buy the cigarettes. Where does that trafficking go on? In my riding.

Even though we cannot enforce it, we decided that it is a crime for those under 18 to buy cigarettes. That is easy. We hit out at those we are not afraid to attack. I can give a kindergarten child a good spanking, but I could not do the same to a college student because they seem quite a bit stronger than I am. We attack people and that clears our conscience. I do not necessarily want to criticize the government. It is very good to make it illegal to sell cigarettes to young people under 18, but is it enforceable? That is a different story. That is my point. We could have the most laudable motive, but passing this bill will take compromise. We will have to strike some bargain. However, we are a group of old people here in the House of Commons. The new generation is not strongly represented, except for my colleague from Terrebonne, who seems to be a little younger. I would be interested to know what a symbol or a flag means to young people in college. Such a law should not be voted on only by a group of old people. And to pass, it should be acceptable.

Thirdly, is it enforceable? That is our big problem. I live along Lake St. Louis, and we cannot help hearing the hellish racket made by cigar boats at night. They want us to pass a law making that criminal or the RCMP to chase the operators of those boats. You can imagine the noise. So let us pass a law, but how will it be enforced? Will it take 300 boats or 3,000? Even if we act for the right reason, the law must still be enforceable. In a case like this, I find that enforcing the law would cause many more problems than passing it was meant to solve.

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, first allow me to congratulate my colleague from Beauharnois—Salaberry for his excellent speech, with which I fully agree.

I rise today to discuss Bill C-227. This is a measure to incorporate in the Criminal Code a new provision whereby anyone who wilfully burns, defaces, defiles, mutilates, tramples upon or otherwise desecrates the national flag of Canada would be guilty of an offence. I fully understand the very noble motives of my distinguished colleague from Scarborough East, who tabled Bill C-227 in this House. However, I cannot take his approach in denouncing what can only be considered an attack on our dignity as Canadians.

When people trample on this symbol of national pride for personal motives, or on any other flag for that matter, whether it is the Quebec flag or the flag of any other province or country, I believe they do something very wrong.

I condemn the acts of those who choose to desecrate our flag as a way to criticize the government. It seems to me there are many ways to express one's opposition other than trampling or burning a flag. Indeed, there are many other democratic ways to oppose what the government does, given what our flag represents for the vast majority of Canadians. When such an act is committed, it is shocking and offensive.

I fully understand the feelings of the member for Scarborough as I believe, do all members in this House. However, it must be recognized that Bill C-227 contains several flaws. For one thing, the bill does not define what the national flag of Canada is. Is this because we want to include the provincial flags? If so, would it be appropriate for Parliament to legislate on those flags?

In the event that we reply in the affirmative to that question, why should we limit the scope of the provision to those flags only? What about flags from other nations that are burned? Should we not protect other people's feelings? Are we satisfied to deal only with the Canadian national flag in this legislation? And there is more.

Indeed, it is proposed to make it a criminal offence to burn, deface, defile, mutilate, trample upon or otherwise wilfully desecrate the national flag of Canada. An exception is also provided for a person who "disposes" of the national flag of Canada with lawful excuse. It is clear that the author tried to make it an offence when the flag is burned, defaced, et cetera, for illegitimate reasons. Unfortunately, those reasons are not specified anywhere and I doubt that a court of law could easily provide a definition of those motives if we, as legislators, are not in a position to be more specific.

I appreciate the feelings of my hon. colleague who tabled Bill C-227. However, I am concerned about the impact of including in the Criminal Code a provision which is imprecise and open to all kinds of interpretations as to what it really means. As my colleague from Beauharnois—Salaberry so rightly pointed out, we must really examine this issue to see if such a measure is enforceable, because by attempting to implement such legislation to control something reprehensible, is it not possible that we will create other injustices?

I also wonder if this use of the Criminal Code is justified and legally applicable, given the freedom of expression recognized in our Charter of Rights and Freedoms. I repeat that attacking a symbol of our Canadian identity to make a point is most reprehensible and arouses feelings of contempt in many of us.

Nevertheless, I think it is always appropriate to preserve the greatest possible freedom of expression in our country by passing legislative provisions which are suitable and fit the crime when this fundamental freedom is threatened in any way in a democratic society. It seems to me that the wording of Bill C-227 leaves big gaps in that the illegitimate goal pursued by a person who defaces, defiles or otherwise desecrates the flag is not defined.

I believe that Bill C-227 would create a vague and uncertain situation which would necessarily have the effect of restraining a form of freedom of expression.

I am aware that it is very difficult to limit freedom of expression as little as possible and still protect this symbol that is our Canadian flag. Our southern neighbours have tried something similar and the results have been less than satisfactory.

In my opinion, you do not solve a problem such as the desecration of the flag by creating another problem, namely unnecessarily restricting freedom of expression. While recognizing that, in itself, my colleague's intentions in presenting Bill C-227 were eminently laudable and very honourable, I would like other means of promoting respect for our national symbols.

• (1200)

Only through pride in being who we are shall respect for those symbols identifying and uniting us be achieved.

I will stop here, seeing that my speaking time has expired.

[*English*]

The Acting Speaker (Mr. DeBlois): The time provided for the consideration of Private Members' Business has now expired.

[*Translation*]

Pursuant to Standing Order 98(1), the item is dropped to the bottom of the order of precedence in the Order Paper.

GOVERNMENT ORDERS

[*English*]

SMALL BUSINESSES LOANS ACT

MEASURE TO AMEND

Hon. Tom Hockin (Minister for Science and Minister of State (Small Businesses and Tourism)) moved that Bill C-99, an act to amend the Small Businesses Loans Act and another act in consequence thereof be read the second time and referred to a legislative committee in the Economics envelope.

He said: Mr. Speaker, we are here today to discuss an innocuous sounding piece of legislation called the Small Businesses Loans Act which in fact is the very opposite of innocuous. With this particular bill we are talking about a sector in the economy that has created almost all of the new jobs in this country in the last 10 years.

We are also talking about a sector which has been unusually restricted in its access to credit by the financial institutions across Canada. I have spoken in the House many times about my concern that the major banks and other financial institutions are not opening up credit to the small and medium-sized enterprises during the recession. Even now as there is a recovery I am disappointed with the level of bank participation in opening up credit and loans generally to small and medium-sized enterprises.

We can have the lowest interest rates or among the lowest interest rates in the industrialized world but if a small business person cannot get a loan, the company is not going to be able to succeed or expand.

Members could expect me to be particularly interested in small business as the minister of small business. I say to everyone in this House no subject is more important for the economic recovery of this country than the financing of small business, both credit and equity.

I have done some research on this problem in the last year outside of Canada as well as in Canada and I have to admit that access to credit appears to be a small problem for small and medium-sized enterprises everywhere in the industrialized world, not just in Canada.

There are some peculiar problems in Canada which we can deal with as government through the very delicate but potent use of the Small Businesses Loans Act and that is what we are talking about today. We are ready to go with this bill.

I have to tell hon. members most sincerely that I am looking forward to their input at committee stage. We should especially remember the Minister of Finance said that he would like this act to help in the financing of some forms of working capital. Therefore thoughts from hon. members opposite as well as from the government side on how to do that would be most welcome. We are working on it but we would benefit from the expertise of everyone in this House, especially when we get to committee stage.

It is generally accepted that external financing is one of the greatest needs of small business at any time, particularly after a small business exhausts its initial pool of capital which it usually gets from the owner, his or her resources, maybe a spouse, maybe some friends, maybe members of the extended family. Often it is that capital, quite frankly that gets a small business going in this country.

Even once an enterprise gets going it has needs for new plant and equipment. It has a need for new technology and so on. When someone goes to their bank or credit union for that additional line of credit, the conversation can many times be very difficult. To help small business obtain much-needed capital is what the Small Businesses Loans Act, which I will refer to as the SBLA, is all about.

The SBLA program makes debt financing more readily available for the establishment, expansion, modernization and the improvement of a business. In practical terms, the program provides loans. We should understand this. The program has never just given funds for working capital outright. It does provide loans for business people to acquire such things as fixed assets: land, buildings, machinery or equipment, computer software to do improvements to the leasehold.

That is the program. That is what it does. It helps obtain credit through a government guarantee which now stands at 85 per cent of the losses which could be incurred if a small business lost money or failed. It is that

federal government guarantee which helps so much in obtaining credit.

It is very important too that we remember the name of this act. It is called Small Businesses Loans Act. This program is not for big business. I know my hon. friends opposite will be happy to hear that. It is an act for small business and it is directed to the small end of the business spectrum. I have to add again, small business is the big end of the job creation part of our economy.

We have now a situation in Canada where 99 per cent of all business enterprise is small business.

[*Translation*]

As you no doubt know, Mr. Speaker, small business is one of the main engines of growth in the country. For example, nearly 99 per cent of Canadian companies are small businesses; that is, they have fewer than 100 employees. Thirty-six per cent of employment in private enterprise is in the small business sector. Since 1984, small business has created about 80 per cent of all new jobs in Canada, after allowing for job losses.

[*English*]

We read this morning in *The Globe and Mail* that in the last three quarters, 347,000 jobs have been created by small business whereas the large corporate sector has lost jobs. It is the creation of jobs through small business which this bill addresses.

Small business is also a tremendous force for innovation. A lot of people overlook that. This is particularly vital in an increasingly competitive world. For example, more than one-half of Canadian companies carrying out research and development are small enterprises with less than 50 employees.

These facts and figures state very simply and very powerfully the key role which entrepreneurs play in the economy. They innovate and create jobs.

Our country is more entrepreneurial than it was 20 years ago. People are trying to find ways to downsize big enterprises, spin off divisions to make them more entrepreneurial. Close to one-third of all new businesses created in Canada are done so by new Canadians, first generation Canadians.

I saw statistics the other day which stated that in the last five years almost half of the new small businesses created in Canada are owned and operated by females. This is a new force for innovation and job creation in our economy. We must support it.

In fact, if you take a look at this bill, the SBLA legislation, its scope is really quite amazing. Let me just share the scope with you. We talk about Hibernia costing about a billion dollars or two billion dollars. Let us put this innocuous sounding bill in that context.

Since its inception, the Small Businesses Loans Act has made 290,000 loans worth over $8.5 billion. Very few things come into this House which add up to more than $8.5 billion. That is what the bill has done since its inception. That is why everybody in this House wants to follow it very carefully.

• (1210)

The current portfolio of loans amounts to $1.1 billion. In the last five years 71,000 loans for $2.7 billion have been made under the program with the average loan size. The average loan size is interesting. It is between $35,000 and $40,000. That is the average. Forty per cent of all these loans go to help start up small businesses. Another 20 per cent go to businesses that are less than three years old. All this activity is carried on at a modest cost, averaging $29 million annually over the last five years.

Imagine a program where there is so little money from government levering so much economic activity. It is amazing that $29 million annually is levering all that activity and all those jobs. Twenty-four thousand jobs were created by the program's clients last year alone.

People think this sounds great but ask exactly how this program works. It provides banks and smaller financial institutions such as the caisses populaires and the credit unions with an 85 per cent guarantee against loan losses for eligible loans. I might add that the credit unions are using this program increasingly. I think over 20 per cent of the use of this program is by credit unions since there is a special interest in it in the province of Quebec.

Private sector lenders are the sole delivery agents of the programs. We do not have a bureaucracy that says yes or no to a loan. The banks do it. The credit unions do it on a regular basis. We set the rules and the lenders make the credit decisions within those rules. We do not have an array of officials.

We have a government staff of 19 that does all the work. Imagine a program levering that many jobs and that much economic activity with only 19 government public servants to administer the whole program. We want to try to keep it slender like that. To pile up a lot of dos and don'ts in this program would simply increase the number of bureaucrats.

It is a good program. It is a slender program, highly levered program.

The loan guarantee enables lenders to make loans which they would not otherwise undertake without the guarantee. I know there is controversy about whether the guarantee to the banks is really needed. Would they have made the loan anyway. There has been a lot of research done by Hatch and Wynat and others which in fact shows that this program is profoundly incremental. It does make sure that new loans are undertaken that would not have been undertaken without the guarantee.

A good example is a viable company that has a very limited track record, possibly inadequate or inappropriate collateral in particularly risky types of businesses or perhaps those outside the major metropolitan areas. These generally are the clients for the program. Those are clients that have trouble getting loans without this guarantee.

[*Translation*]

While the program was unquestionably a success, its activities have dwindled since 1989. This is due, in part, to the economic situation, but also to a certain loss of interest on the part of the lenders. It should be pointed out that no changes have been made to the program since 1985.

[*English*]

The bill before the House together with related changes to regulations will make the program more accessible to small businesses and will ease access to financing for all small businesses.

The program changes that are being suggested in the bill and that will follow in the regulations respond to the Prosperity Initiatives Steering Group. Its recent report *Inventing Our Future* called for easing access to capital for all sectors of Canadian business. It is precisely that request that this bill answers.

The bill does two big things. It makes credit more accessible and raises the limit. The result of the bill will be a more competitive Canadian small business sector.

As part of the program review that led up to this bill, extensive consultations were held with both borrowers and lenders and their national associations. That consultation continues. Their valuable input helped to shape the changes being recommended which follow.

I want to thank the CFIB, the CBA, the credit unions, all sorts of small business groups, associations and individuals for their help on this and members of all parties who have taken tremendous interest in this.

Here are the changes that have been recommended. First, to broaden the program's reach, the size of eligible business will be increased from annual revenues of $2 million to $5 million. It used to be that if you had sales of more than $2 million you could not qualify. The new limit is $5 million. In addition, the maximum loan size will be increased from $100,000 to $250,000.

Just about everybody we talked to argued for these two increases and they are being made in the bill. That is what got the headlines. That is what got the attention, probably deservedly so, but there is more to this bill than that.

Second, the pricing structure will be changed. It will be moved to one approximating normal commercial rates. At present we have a price subsidy which is not available to somebody getting a loan and who does not qualify under the SBLA. We do not want to do that. We do not want to have a subsidy for people who qualify under the SBLA. What we want to do is make a level playing field. We are eliminating this subsidy which is not available to non-SBLA borrowers.

Third, on the question of accessibility, this is going to be improved by encouraging lenders to promote and use the program. Without the lenders' full support, the success of the program will be compromised. There are a number of things that have to be done, first of all, the fee. The financial institutions told us, credit unions above all, with a 1 per cent fee it is almost not worth their while to do this loan, so they are going to increase the fee from prime plus one to prime and a half per cent. Also, to add flexibility for borrowers, fixed interest rates will now be permitted. That is very good news, especially for those who want to plan their debt scheduling.

It will help the financial institutions to put this bill in the window because they feel they are going to recover their costs. I talked to the CBA about this. I believe that fee is fine. They are going to market this program. They are going to train their staff, their account managers, to really put this program in the window.

I agree with criticisms I have heard over the past two years about the SBLA, that it is not widely known and that in fact a lot of bank managers have it in the bottom drawer of their desk and do not tell anybody about it. We want to put this in the sunlight. We want to put it in the window. This new fee schedule has prompted the financial institutions to give us their assurance that they are going to publicize it and train for it. They had better do it or they will be hearing from us. I am confident that they will.

To make the program more cost recoverable, the one time up front government fee will be increased from 1 per cent to 2 per cent with the fee, unlike in the past, being amortizable over the term of the loan. By the way, if you amortize 2 per cent, on a $100,000 loan you actually get a loan for $102,000. The $2,000 is amortized over the life of the loan which is let us say five or ten years. That ends up being less than 1 per cent. The CFIB have asked for a 1 per cent annual fee. This is even less than they are asking for. It will help us because it helps us pay for and expand the program.

Finally, irritants in program operation will be removed with the program being made much more user friendly. I used to hear stories about the forms being so complicated that a bank manager would tremble when he started to fill them in. He did not know whether he had filled them in properly. If he made a mistake, the guarantee would be null and void. That is all cleared up. As I understand it, we are going to try to work to a situation where we are going to use the banks' forms that everybody is familiar with. We will have an understanding about making the thing simple.

The changes we have suggested here have been accepted enthusiastically by the financial institutions which makes me think that the problem of it not being user friendly has been cleared up. That is going to greatly help this to be better publicized.

These improvements to the program will be part of a package of initiatives which this government has put together for small businesses in recent months. I will not take the time of the House to reiterate this, but many of the measures in the fiscal and economic statement of December 2 were devoted to assisting this vital sector of the economy.

That statement was focused on small business. We know what the measures were. There was an investment tax credit on machinery and equipment. There was an unemployment insurance premium freeze, which was very good news but did not get much recognition. If the company hires new employees there is a freeze on the employer's portion. There is the extension of the small business financing program and, of course, the simplification of the R and D tax rules. That is very important. That was also in the statement.

• (1220)

Dozens of other things have happened in the last two or three years which I will not take the House's time to reiterate. It is part of this package to help small business.

In closing, let me emphasize my opening remarks. For over 30 years this program has been helping small business meet its financing needs. The program has helped numerous businesses get a start and enabled them to develop further.

This bill will make the program an even more valuable tool in promoting the competitiveness of small businesses in Canada. I hope that the House will give speedy passage to Bill C-99 and thereby show its support for small businesses in extending their access to credit.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, to begin, I would like to address the last remark that the minister responsible for small businesses made, that he hoped for speedy passage of this bill.

I want to assure the minister that we on this side of the House have been pleading for the last three years for the government to address the issue of access to credit for small business in this country. We are definitely going to debate this bill today. Anyone in our party who wishes to debate today will have that opportunity. Make no mistake about it. We want this bill passed and put into the marketplace as quickly as those opposite do, if not quicker. We have wanted it addressed for the last three years.

I have to say to the minister that this is a good piece of legislation. Hopefully we can get it to committee this week. I am happy that we on this side of the House have been asked for some input so that we can address the issue of working capital. There are a lot of good features about this bill.

The minister touched on another very important point in his speech. I want to spend some time on that point today. It has to do with the responsibility of the financial institutions in this country.

With all the good intentions of this House of Commons, this is just a bill. The problem we have had with this act in the past has been the fact that the financial institutions of this country by and large have really not been good partners in the act. The minister alluded to that and I am happy that he did. As Her Majesty's loyal constructive opposition, we are going to make this bill a serious issue with the financial institutions in this country, not just the chartered banks but the credit unions as well. It has been expanded to include the credit unions, the trust companies and others that may be eligible to participate.

We have to do this because we have a situation in this country today where people are intimidated by their bankers. Imagine, the customers are intimidated. Normally if you run a business you look out for your customers. You bend over backward to try and give them good service. You go out of your way to try and keep them on side. With the financial institutions in our nation, it is the reverse. I do not want to say that every bank manager and every bank person in this country is the same. I do not want to tar everybody with the same brush.

The facts are that there are a lot of people in the financial sector of this country who approach their job in an intimidating, condescending fashion which puts the fear of God into a lot of their customers. It ends up hurting the spirit and the productive entrepreneurial juices of this whole country.

I do not want to generalize on that statement today. I want to give a few small examples. As the advocate for small business for my party, I feel that it is my responsibility to try today to sensitize some of the banks to the fact that there are things going on in their institutions that I just cannot believe.

I want to start off by giving an example of a widow who was left a business. By the way, I should say that I have received permission from the people who gave me these examples to use them today.

Most people who have problems with their banks are scared silly. Say one asks: "Would you like me to try and address this story? Would you like me to go and see if I can give you a hand?" They will say: "Oh, no, no, I am afraid of the repercussions. I am afraid that they might cancel my credit card. They might not renew the mortgage on my house. I am afraid that somehow they will get me".

There is this feeling out there that the banks of this country are basically like a cartel. Suppose that I say something nasty about the Toronto–Dominion Bank. Even though I may not bank there, the next thing you know I am going to hear from some other bank that is going to put the squeeze on me.

I think Canadians should understand that, thanks to a Liberal amendment in the Bank Act which went through the House about six months ago, if you as a consumer are not being treated fairly by your banker, it is incumbent upon you to report it to the Superintendent of Financial Institutions, and it is incumbent upon the Superintendent of Financial Institutions to check that complaint. That complaint, if it is legitimate, will be posted in the annual report.

In this first example I want to give, Mrs. Hughes actually had to take over her husband's company, Bolton Electric Contracting Inc. of Bolton, Ontario, when Mr. Hughes died. Mrs. Hughes owed the Toronto–Dominion Bank approximately $74,000. This was comprised of a loan of approximately $67,900 as well as an operating line of credit in the amount of approximately $6,000. These were the best figures available to us and this is quoting from the lawyer who addressed the president of the Toronto–Dominion Bank. They have not heard anything from them as yet, but it would appear that the amount of the loans outstanding at the time of Mr. Hughes' death was this total.

The point here is that this man had paid for a life insurance policy of up to $125,000. When this man died, the money was not made available to that limit of $125,000, although all the fees were paid up. She actually owed about $67,000 at the time of his death.

The bottom line is that the bank and the insurance company together left an amount outstanding of $50,000 under the insurance policy. Now, of course, not only has the bank's loan been subsequently repaid, but they have not made up the differential in the life insurance policy. Now the woman is in jeopardy of losing her home.

I think that is the kind of thing that really gives the banking community of this country a bad reputation. They are big and powerful and have this traditional approach, but I think we have got to change that.

I want to give another example. This one has had a little bit of a profile. It was the Penta-Stolp Corporation. This is a corporation with the head office in Markham, Ontario.

Over a period of five years from March 1986 the Penta-Stolp Corporation put approximately $500 million through the Toronto-Dominion Bank. In February 1991, the Penta-Stolp Corporation was having some financial difficulty and it had $28 million on deposit. However, it also owed the Toronto-Dominion Bank $28 million. It naturally had some securities and some assets, but the Toronto-Dominion Bank unilaterally seized all its deposits to offset the loan. The problem was that $13 million of the $28 million was trust fund money. That trust fund money was linked to the company's ability to continue to build homes and complete its contracts and it forced the company into bankruptcy.

• (1230)

When that company went into bankruptcy, there were carpenters, bricklayers, dry wall installers and all the trade that we in Toronto call the panel truck trade in the house-building industry. Millions of dollars went into default with all of these people. Many of them, of course, had to go on unemployment insurance and welfare all because of the Toronto-Dominion Bank manager unilaterally taking trust funds.

In this particular case, the president of the company, Mr. Chris Mullins, a successful entrepreneur, was shamed publicly. They wrote articles about him in the newspaper. The embarrassment he and his family went through was quite humiliating. He took it to court. Do you know what happened two years later, Mr. Speaker? The judgment came on July 16. It found that the Toronto-Dominion Bank had breached its contracts with Penta-Stolp and on and on it goes. They are entitled to damages arising from that breach.

There was a situation where the Toronto-Dominion Bank seized a trust fund to which it had no access and put the company under. Then it lost the case. I understand it may try to appeal instead of just realizing that there are some situations that are black and white. The bank could admit it made a mistake and try and fix it and move on. There is one thing about banks and that is that they have staying power. However, most entrepreneurs certainly do not have the resources to take on a major institution.

I want to give another example and this one has to do with the Bank of Montreal. God forbid that when this speech is over I ever need to go and get bank credit from any of these guys because it will be game over for me.

I want to give another bad example. I want to talk about a corporation that is in the political jurisdiction of the minister responsible for small businesses. This is a favourite story of mine and I am going to stay on this story until the government gets its act together on it.

It is Amertek. There were 400 military fire trucks exported and shipped around the world for guarding the White House, Camp David, the Persian Gulf and Egypt. Because of the extras that were owing to this particular company, because of add-ons from the U.S. military, this company was owed about $17 million. It is still owed $17 million. The Department of Supply and Services and the Canadian Commercial Corporation have not done their work on this particular case. I have told everyone on this side of the House. I have told the minister of DSS and the bureaucrats are giving it the MAD treatment: maximum administrative delay. I want to refer to the bank.

The Bank of Montreal saw that it was having this difficulty and switched it into this special unit at the Bank of Montreal called the SAMU group. You have heard of a sumo wrestler. The Bank of Montreal has its SAMU group: special account management unit. These are the real hot-shot work-out bankers who take companies in and try to keep them alive. They try to help them through difficult periods.

I have heard from more than one company—I had permission to cite Amertek—where the pain and the approach and style of the SAMU group at the Bank of Montreal really needs to be reviewed by the bank hierarchy. Fortunately, two years ago the company owed the bank about $4.5 million, and they are now down to about $400,000. However, when I had to argue with the bank about five months ago when the company only owed the bank $1.1 million the bank was threatening to put it under. Here was a company that was employing 180 people with export potential. That leads me to a point that I want to make about Mr. Barrett's remarks at his annual meeting just two weeks ago.

I refer specifically to an editorial in *The Toronto Star* dated January 20. Mr. Barrett is the chairman of the board of the Bank of Montreal. He offered a strategy for reaching the growth target rates of 4 per cent a year for the rest of the decade. He also talked about the fact that we could not have higher taxes.

I would support that. I think my views of a single tax system are broadly known although I do not know what he thinks of it. I have tried to get to see him twice but he is not very accessible.

I say this respectfully. If Mr. Barrett were sitting in this House as a member of Parliament, in the spirit of constructive debate, I would have to challenge him on his statement in the editorial. The editorial reads: "Barrett proposes a five-year freeze in total government program spending after inflation". He linked it of course to a freeze in social spending.

I want to make the point today that the banking institutions of this country can influence social spending better than anyone. When banks freeze lines of credit, reduce lines of credit and cut lines of credit, then in effect they are saying: "We are not taking on any more responsibility here. We are going to shift that responsibility over to the Government of Canada and we will put it on a social spending account".

If Mr. Barrett is sincere, and I believe him to be sincere in his concern about freezing social spending, then he has to realize that he and his fellow bank presidents are directly involved in the reason why we have so much social spending in this country and the reason why we have so much unemployment and so much welfare. One cannot separate the responsibility of the banks from our social spending account as people responsible in governance.

This is where I think Mr. Barrett, with all due respect, has to now start to be creative. I challenge him. This Bank of Montreal has an imaginary flair about it. However, I think when the president of a bank comes out in his annual report and says: "Governments must freeze social spending", I believe he should have said: "I as one banker am going to do my part to relieve some of that social spending".

I want to say to Mr. Barrett and his fellow 58 bank presidents across Canada that I have an idea I would like them to consider. I am not going to just stand here and criticize you, Mr. Barrett, I am going to try to give you an idea.

I would like to call this the 90-day small business campaign. I would like to see something from the leaders of this country, the bank presidents, who are as interested—they say—in cutting social spending as we are. Contrary to the spin doctors and journalists who say that the Liberals are not focused on fiscal responsibility, we are. However, in governance, we also have a responsibility to those who are disadvantaged. To not show any heart or concern for the disadvantaged while we are in government means that we should get out of government if we do not have that capacity.

Let us have the 90-day small business campaign, Mr. Barrett.

• (1240)

You could call the 58 bank presidents together and this is the way it would work. We have 900,000 operating businesses in this country. Over the next 90 days, any business person who takes someone off welfare or UI, someone with a UI certificate or a welfare certificate, should be giving the wage portion of the person's loan at prime. It should put about 500,000 people back to work in the next 90 days.

No money will be lost on it but no money will be made on it either. That is a disbursement in loans from all the banks of Canada of approximately $10 to $12 billion.

The minister said earlier in his speech that the track record of small business creating jobs is the best in the country. He said it was the tops, I believe. I support the minister on that. If we put small businesses to work, if banks gave them some incentive to employ these people

right away, those with a UI or a welfare certificate, then all of a sudden social spending would come down.

We would move from the liability side of the ledger to the asset side. We would have 500,000 people paying taxes. We would have 500,000 being productive. We would have 500,000 more people with the dignity of a job.

The favourite thrust these days of Mr. Crane of *The Toronto Star*, especially when he is talking about Liberals, is in a quote from an editorial. I have to be very careful with these journalists at *The Toronto Star*. I will quote exactly. He was referring to my leader the other day.

It was an article on Saturday: "Canada's powerful creditors curious about Liberal policies". He was doing a big thing on my leader. He said: "He promised a tax based incentive program to encourage on the job training, but again without numbers". He refers to without numbers later on. He refers to "get the numbers right" three times in this article.

If we go by the industry banking standards, which is that 1 per cent of small business loans go into default, on a $12 billion disbursement it would be $120 million. That is a lot of money. I realize that. I quote from Erik Heinrich's article in *The Financial Post*. The bank profits that we had last year, and this was bank profits during a year of all the developers such as Campeau, Reichmann, et cetera, Scotiabank last year made $633 million. The Toronto–Dominion Bank made $408 million; the Bank of Montreal, $604 million; the National Bank had a record profit as well.

The point is that $120 million of those profits are spread over the 58 chartered banks. It is worth the risk to put 500,000 people back to work. This is where I believe the banks have a responsibility to help us bring these social spending numbers down. Let us get people back into the work force.

There was a Women in Business conference in my riding two weeks ago. Helen Sinclair, president of the Canadian Bankers' Association, very graciously came and spoke to the 300 or 400 women who attended this conference. She told the women in the room that women in business have a better track record than men in terms of credit rating, credit worthiness. This is an area where the banks could in their marketing, their posters and advertising give some added input to.

When Helen Sinclair spoke at the Women in Business conference, she told the women in that room that when they go to a bank to try and secure a loan and they do not feel comfortable with the bank manager, if the chemistry is not there, walk across the street and try another one.

Very few Canadians realize this but there are close to 7,000 bank branches to choose from. We have a great banking structure, a great banking system, and I respect it but it does not mean it is above reproach.

That takes me to my second point. I want to pass it on to all the bank presidents, all the bank managers across this country. It has to do with an approach that they use with their customers. I would say after this issue of understanding their social responsibility to help get this economy going again, they have to review their value system.

In my opinion, every bank manager should ask: "Am I caring in the way I approach my customers? Am I approachable? Am I compassionate in the way I approach my customers who are in difficulty? Am I action oriented when someone needs help quickly to get that business going? Am I trusted?"

I told a good friend of mine this morning I was going to speak on this bill and I asked him if he had a wish concerning his bank manager what would that wish be. He said he has been in business for over 30 years and he would just love his bank manager to phone him one day and say: "Dick what can I do to help you make your business grow? What can I do?"

Right now most businesses are paranoid. They hear that their bank manager is on the phone, they hear their bank manager is coming to see them and shivers run up and down their spines. They do not want to answer the call and if they are asked to come into the office that puts stress on people beyond imagination.

Mr. Barrett and his friends now seem to be entering much more into the public policy debate. We welcome that entrance into the public policy debate by the financial institutions of this country. I say to Mr. Barrett and the others—and I am not singling him out but he does seem to be more pro-active in public policy than most bank presidents—there is a social responsibility here. They have a responsibility to deal with their troops and make sure they are living up to the specific goals, style and aspirations that Mr. Barrett obviously has for himself.

I only have a few minutes left but I want to talk a little bit about this bill. Bill C-99 is good legislation. It is not perfect legislation but nothing is perfect in this place. Nothing. I will just go over again what we have to do. I want to repeat some of the things that the minister said.

If the sales of a business are $5 million and under, there is a $250,000 line of credit to help the business grow. The bank manager is covered by the Government of Canada for 85 per cent of the value of the loan. The minister has given an undertaking in the House today that he would welcome input in the committee on how we can have a formula or some kind of an approach to working capital. That is terrific.

• (1250)

The first problem we have is that bank managers complain about paper burden. It is too much of a drag to fill out the forms. The minister said the new paperwork is going to be easier. Respectfully, we will hold him accountable to that.

Second is the idea of communication. I see one of the government's prime communicators, one of the expert marketers is sitting in his seat. I plead with the Minister of State for Finance, and I say this constructively, we have to take some taxpayers' money and lever it with the banks' money into their advertising budgets. The minister has to explain, not just to the banks because they are supposed to know internally, but also to the customers, to the 900,000 small businesses that are out there and that are eligible for this loan.

If we did that, it would go a long way to putting some hope and some confidence back into this economy which is in desperate need of it today. I have covered most of what I wanted to say today. I want to reassure the government that my colleagues and I are committed to the small business sector in this country. We are also committed to making sure that the banks, the credit unions, the trust companies, those which are in good sound financial shape, will actively participate in this legislation because, as we all know, this is where the greatest hope of new job creation lies in this country.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I am pleased to enter into this debate on Bill C-99, the legislation to amend the Small Businesses Loans Act and to tell you, the minister and the government that my colleagues in the New Democratic Party are going to ensure quick passage of this legislation in this Chamber.

It is important to get this legislation into committee where it can be studied in greater detail. More important, and it is certainly something that I will be doing in my riding, is to inform the business community about the progress of this legislation and the opportunity it presents for the business community to provide some input to the government about their experiences with the banking system and in particular what advice and comments they might offer on the activity and operations of the Small Businesses Loans Program.

I am pleased to speak today, primarily on behalf of my colleague from Okanagan—Similkameen—Merritt, who is on his way back to Ottawa from his riding. He has spent considerable time researching the legislation and letting the government know of our interest in ensuring early passage of the bill.

I suspect that my riding is no different from many others in that one of the vital parts of the economy these days is the creation of employment. It has been proven statistically that the ideas and entrepreneurships in the small business community have created some 80 per cent of the jobs in Canada. This program, the Small Businesses Loans Program, has been a valuable tool for those businesses.

Some notes from the government have said that the interest and the awareness of the program for whatever reason has slipped a bit. I think some of the changes that we can make today on the legislation will be more encouraging. I was encouraged to hear the minister talk about some work that could be done to let more of the business community know about this particular program. He is probably right. It is probably at the bottom of some bank manager's drawer and does not get the awareness at the top of the pile.

I might make one suggestion to the minister to encourage him as some of the ministers do with bills and legislation where there is clearly a lot of support. It is a public service on our part to let our constituents know about this. His staff could prepare some material that we might use in our columns or in our householders to promote this particular program because it will of course be of benefit to the businesses in our community.

Some changes that the legislation brings in to assist businesses include increasing the size of business from $2 million to $5 million in annual revenue. A million dollars sounds like a lot of money but I think in terms of the economic activity of a lot of businesses over the course of the year—if the gross revenue of even the smallest business was tallied—it could reach a million dollars quite easily. Obviously the raising of this sum will assist and broaden the number of businesses that are eligible. Also, the increase in the loan size from $100,000 to $250,000 is obviously a plus and will assist as well.

One comment has been made consistently on the legislation and I think it is appropriate. The committee could hear some valuable evidence from the banks and others who have had experience with this. This program, with the loan assurances of the government, will not work unless of course the banking community makes an effort to let their business customers and clients know about the program. The credit union movement is now involved.

I think it is fair to say that a lot of businesses in the past have felt that it would be easier to get some money from a bank if one were a bankrupt Third World dictator than an entrepreneur trying to get a little business going in this country. Over the past number of years, we have seen that a lot of loans to countries that have not been able to repay have had to be written off. Perhaps there will be progress in that particular field.

We have all had businesses contact our offices when they needed assistance when for whatever reason the banks will not lend them funds. Then they get bumped to the next lender, the FBDB, and if the FBDB will not help them, they get bumped again.

There is an innovative program that offers a real opportunity and a real chance to act as a vehicle to inform entrepreneurs and businesses about this program. It is the Community Futures Program. I have been successful in getting the Community Futures Program to cover virtually all of my riding, including most recently the western end, the Houston, Burns Lake, Vanderhoof and Fort St. James area for example. We have just had that designated.

Obviously getting the information out to the organizations, such as the Community Futures Groups, is important. In many cases, MPs' offices act like traffic cops in directing people to the right agency that can assist them the most.

I repeat my suggestion to the minister that promotional material should be available to our offices so that we can use it in our householders and other mailings so that the business community is well aware of the program.

With regard to the banks, perhaps we should again recruit Anne Murray to try to promote this program. At one time the singer was in some of the ads for the Bank of Commerce. It is important that we all make an effort to get information about this particular program out to the business community.

There are a couple of other areas, not related to this particular legislation, that I want to put on the record as being of concern to businesses in my riding. First is the goods and services tax and the ongoing debate over that particular tax. I do not think we could have a debate about assistance to small businesses—particularly the small business community—without talking about some of the damage that has been done to those businesses by the goods and services tax. Second, Canada Post is not the subject of this bill, but many of the businesses in our constituencies rely to a great degree on the service provided by Canada Post.

• (1300)

I am currently conducting a survey of businesses in the downtown Prince George area because there are of course the usual rumours from Canada Post that it will be closing the main post office in Prince George, a community of 70,000 people, that serves the downtown business community.

I think those are clearly issues that when discussing programs related to small businesses have to be put on the agenda as well.

I will get back to the legislation. I have already mentioned the size of businesses. I have talked a bit about the funds that will be provided to businesses that will go from $100,000 to $250,000.

I have a brief comment on the interest rate. The bill only offers a lower interest rate than what would generally be available. It does not increase the availability of financing. The important point has been made by everybody that obviously the commercial lenders are going to have to be primed on this program and the kinds of opportunities it can provide.

I would, with these very short comments on the legislation, encourage the government to ensure that we have the material when of course the legislation is finally passed. I would say that we could use the referral of this bill to committee as a real opportunity to hear from all sectors, including the banks. Let them come and defend themselves and obviously promote some of the work that they have done. I think that will be an important opportunity for legislators and the business community to hear, on the record, the efforts the banks are making. Perhaps there will be some advice about using this legislation to help businesses in our ridings.

In conclusion, from the New Democratic Party and in particular from our member for Okanagan—Similkameen—Merritt who has done the bulk of the work on this issue, we are encouraging all members to support and get the early passage of this bill.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, I am very pleased to have the opportunity to speak today to Bill C-99. The bill proposes to not only change the name, but refers to the Small Businesses Loans Act. Anything that affects the viability of small businesses in our country must be of concern to every member of Parliament in this House.

I will repeat what others have said. It is small businesses that are the backbone of employment in our country and the backbone of our economy. Certainly we hear the dramatic news day after day in this House throughout the recession and the problems that the recession has caused for big business in our country, but we do not hear of the day-to-day terrible examples of how the recession and the economic difficulties have plagued the numerous small businesses in our country.

Certainly my riding of Northumberland is no exception when it comes to small businesses having experienced many difficulties. We have seen many businesses that were forced to close and go bankrupt. Many individuals had to go bankrupt through this very difficult time. Anything that can help small businesses across this country is of great importance to me.

Through the economically difficult times, I have listened to many people who run small and medium-sized businesses in my riding. They complain to the government about the many increased taxes and the great difficulty they have with regulations which involve filling out forms and so on. These have added enormously to the work-load and is something that small businesses in particular have a great deal of difficulty coping with.

Besides listening to all of those complaints, the second largest villain has been the banks and the relationship of small and medium-sized businesses to banks. Many small businesses have found for example that their lines of credit with their banks have suddenly been cut in half or curtailed completely with no warning. This has caused many businesses to fail and has caused severe employment problems in my riding.

I am hopeful that through this amendment to the Small Businesses Loans Act we can work out a new relationship between small businesses and banks that will be to the advantage of both the banks and small businesses.

I would acknowledge that although most businesses and many unemployed individuals have gone through great hardship during the economic recession, it has had the effect of causing a lot of small and medium-sized businesses to become much more efficient. They have had to look at the totality of their operation and try to determine how they could be running a smarter small business. I think that many of them have made very good and important adjustments and today are running more efficiently and more economically.

I also know that gradually the banks are beginning to ease up on their loan policies.

Some of the changes in this bill are welcome. Here is an example: Previously, a business was eligible if it only earned $2 million in revenue. Now, a small business is defined as one that can earn up to $5 million in revenue. I welcome that. I welcome other changes such as the one that says when a small business applies for a loan it can make a purchase that can be approved if the purchase is made no more than 90 days before the loan is approved. Through this revision of the bill, we state very clearly that the maximum amount of an eligible loan rises from $100,000 to $250,000. There are other advantages.

However, I have also spoken to people who have had some experience both from the bank's perspective and small business perspectives. They would like to see some things that I have not seen as part of this bill and that do not appear to be there right now.

Small businesses would like to have the House, before it passes this legislation, look at the possibility of the repayment of loans under this scheme such that the payments would be blended payments. In other words, right from the beginning, the small business would be able to pay more in principal and not just be pouring out payments on interest for the first few years of repayment. If there was a stronger blending of principal and interest, this would make the whole loan more attractive to small business. When small businesses have gone to the banks previously for loans under this act they have found that it was really no more advantageous to them to get a loan through the Small Businesses Loans Act than it would be to get a loan directly from a bank or other private institution.

Among other things, if a small business is taking a loan from the government or a private institution, the amount of security that it has to put up is the same.

Through the Small Businesses Loans Act, the government is making a pool of capital funds available to small businesses that is not there presumably just through private institutions which are the ones that administer this program. To make it even more attractive and better, there is the possibility of making payments more blended.

From the point of view of banks, they would like the rules for the administration of the Small Businesses Loans Act be clarified. Banks have said that in the past they have been burned by having agreed to certain loans to small businesses. When those small businesses got into difficulty the banks found the government's repayment to the small businesses was exempted because the banks had not fulfilled some small picayune rule they did not know anything about. The banks are very concerned about having that clarified and simplified.

• (1310)

In the past the banks have found the receipting requirements far too complicated. When a small business applies to a bank for a loan under the Small Businesses Loans Act and is eligible for the government loan, the bank usually finds it may as well provide it with one of its own loans because the administration is much less complicated than the government requirements of the Small Businesses Loans Act.

Although I welcome this bill in general, I believe it should go to committee so some of these issues can be discussed. I hope a full slate of witnesses will come forward to clarify their own perspectives. They may be representatives of the small business sector or private institutions acting on behalf of the government in administering this Small Businesses Loans Act.

Thank you for this opportunity. I hope we will see a speedy approval of this act through the House, hopefully with some amendments. I believe in the end there is the potential in this act to bring support to the small business community, not just across Canada but in my riding of Northumberland with which I am most concerned.

[*Translation*]

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, I would also like to add my thoughts on the bill before us today.

My colleagues from Broadview—Greenwood in Toronto and from Northumberland have already expressed some quite specific opinions on the problem of taxation and the government's economic and financial policies.

I would not only like to emphasize what my colleagues have said but also to spend some time on the importance of a national strategy for dealing with economic problems.

With your permission, Mr. Speaker, and the permission of my colleagues, I would first of all like to say that all the suggestions that my friend from Broadview—Greenwood made in this House concerning small business have so much merit that they deserve great interest and careful consideration. Why, Mr. Speaker?

It is very important for us to note that the jobs and new job opportunities in this country come only from small and medium-sized businesses. My friend and colleague from Broadview—Greenwood has already noted in this House that in the past 10 years, 76 per cent of all jobs created, or 2.13 million jobs, were in small and medium-sized companies.

We are not only talking here about a suggestion concerning taxation and the bill that should help entrepreneurs who take risks for this country, but this whole concept should be seen in the context of a national economic strategy.

[*English*]

This legislation has some very laudable points. My colleagues have already reflected that this is not simply a time for adversarial repartee. We must take note of some of the items that are important for the growth of this nation. We on this side of the House have been advocating initiatives for small business that should encourage its growth, maintenance, viability and the jobs it creates. The legislation before us goes some way in that regard. We are obviously disappointed it does not go all the way, however we want to give credit where some of that credit is due.

We now define a small business as one with sales of $5 million as opposed to $2 million. That is a reflection not only of inflation over the last several years leading up to this legislation but also the nature of the business community itself.

Ontario has suffered an enormous loss of businesses over the last four years. Perhaps we ought to take a more aggressive and positive view toward creating tax and legislative incentives for investors in financial sectors to direct more money away from paper and real estate speculation toward business enterprise opportunities that actually create jobs.

I do not want to dump on the government for its economic policies because I think everybody is already convinced we have been led down the garden path. I see the member opposite is shaking his head. Over the course of the last four years we have seen plant closure after plant closure and the loss of some 350,000 to 400,000 jobs. I think that is the spread in perspective. I do not want to say 450,000 jobs for political purposes, but let us take a look at the spectrum and number of jobs lost in this country.

In Ontario in 1991 and 1992, 30,564 jobs were lost as a result of approximately 230 plant closings. What does that do for us? If the average wage per job lost was somewhere in the vicinity of $32,000, we are looking at around $1 billion in lost wages. More specifically, for those who are concerned about government deficits, it is well in excess of $350 million lost to federal and provincial treasuries. Keep in mind as well those job losses are accompanied by drains on the unemployment insurance fund and welfare assistance programs. We are looking at an additional $1 billion just for those workers who have lost their jobs. In essence we are looking at over $1.5 billion in costs to the treasury of this country because of those job losses.

• (1320)

Why do we have so many plant closures? Why do so many businesses go under? The main problem—I think my colleagues from both sides of the House would acknowledge—is cash flow. While this legislation addresses itself to trying to make more money available to small businesses, perhaps first and foremost we should be doing something to maintain the viability of the businesses that are still in business.

My colleague opposite was asking how many jobs were created. We know how many were lost, but how many were created? I think the more germane question might be what are the net gains or net losses compared to those of previous years? For example, from 1985 we had a net increase of 41,693 businesses. That rate of increase collapsed to about 25,000 in terms of growth by 1989. What are we doing in terms of economic policy, general strategy and financial policy to cause such a drop in the rate of growth?

There is legislation like this that helps address the needs of businesses to have access to capital. We have acknowledged already that the minister is on the right track. We accept that some of the changes he is introducing with this legislation are good and we will support them.

The minister has said he would look at encouraging private lenders to allocate some of the funds available for working capital. That is an absolute necessity under today's cash shortage and cash flow problems. Our businesses need to have access to funds that will allow them to stay in business. We, as Canadians and parliamentarians have a stake on behalf of our constituents to see that the jobs represented by the livelihood of those businesses are maintained.

We are going to pay for those jobs either by encouraging private lenders to adjust their lending practices now so businesses maintain their viability, or later through our unemployment insurance and welfare programs or cuts to both.

My colleagues have already suggested that some of the villains in this scenario are the banks. I do not think the appropriate term is villain. I think the banks are looking after their own affairs in lending practices without due regard to the consequences of some of their actions.

This last year we have seen the collapse of several financial empires. Without naming them, certain banks had lent hundreds of millions of dollars and on a couple of occasions over $1 billion without collateral. Over the course of this last year the banks have been writing off these debts.

In the Reichmann holdings in particular, writing off those debts simply meant transferring a lot of the cost to the average taxpayer. The small borrower who goes to a bank today is going through the kinds of hoops that banks would not have put people with a great credit risk—until a few years ago—through at all.

We have to go beyond encouraging banks to adopt a more favourable lending practice for small businesses.

We have to be able to tell them that number one is to make a certain portion of all the moneys they put out available to small businesses. They have to make the costs acceptable. Surely a point over prime, a point and a half is not insufficient return on the investment that those lenders will have. There is no reason why more money cannot go out to those who are most productive.

I will repeat the figures that I gave earlier about the number of jobs that were created by small businesses over the past 10 years. Between 1980 and 1990, 76 per cent of all jobs were created by small businesses. When one thinks of what those jobs represent in terms of wages earned and income to the federal and provincial treasuries and equally important, the amount of money that does not have to be paid out through social assistance programs to maintain the people who would otherwise not have been working, it is an investment.

It is well worth the consideration both of this House and other legislatures throughout the country. It certainly speaks very forcibly to the co-operation between both government and industry, in this case the financial industry, to hammer out a plan of putting money at the availability of those who would use it most productively.

It is not a question of throwing money away and saying that this is a situation where we are throwing good money after bad.

Mr. Mills: It is not grants.

Mr. Volpe: That is right. It is not grants; it is a direction. It is an indication, an exhortation to try to lend money where money will work. We seem to be skirting around the issue.

More often than not we take great pains to ensure that the banks and other private lenders have an opportunity to invest in businesses that appear to be working very well when times are good. They are mega-industries. They are megasize on megaprojects.

For small and medium-sized businesses that are the mainstay of our economy and our job creation, we do virtually nothing. Too many small businesses are unaware of how to access the moneys that legislation such as this will encourage lenders to provide.

This is the time for the minister and his department to put out an action plan that will make small businesses move to where they can have access to all the programs resident, not only under his department but under other departments as well to ensure that the banks themselves solicit that kind of business.

If their business is to lend money, then let them lend the money where it is most needed, number one, from a national policy point of view and number two, from a marketplace point of view, where they will get the greatest return with the least amount of risk.

It is time that we, through our legislative processes, do things that other provinces have already looked at very seriously. For example, Quebec through its stock savings plan is trying to make a much more effective investment in small businesses. It provides tax shelter schemes to encourage stock purchases in small Quebec companies. These are companies that will provide jobs in that province for the citizens of that province and in effect, for Canadians who want to call Quebec their home.

Why can we not do that on a national scale? We have the resources, financial and legislative, to take an inventory of what is available to ourselves as a Parliament, to our lenders as people in the business and to our entrepreneurs to ensure that there is a marriage of need and resources and later working toward an end product which is the satisfaction of the needs of our consumer constituent citizens.

• (1330)

We have said before that we would like to perhaps create an environment. I should not say perhaps, that is too soft a word. We must create an environment where small and medium-sized businesses not only have access to capital, but can maintain a cash flow, especially in a time of need such as we are experiencing today, so that they do not experience the kind of problems that my colleague from Broadview—Greenwood illustrated in some examples earlier.

We might consider decreasing the capital gains tax to improve prospects for new Canadian enterprises and to raise equity in public markets. We might even consider the indexation of capital gains exemption for investments extending beyond five years to encourage long-term investments.

What we would have to do as well is increase the capital cost allowance for investment and tax credits for capital investments. Through all cases let us keep in mind that what is most important is cash flow for small and medium-sized businesses. Today we are looking at how we can encourage lenders, either positively or with a carrot and stick approach through legislation, to make funds available for business needs today.

The other villain is ourselves. Some of our tax policies, the bureaucracy and red tape that we impose on small businesses have to be cleared up. There is no need to impose greater input costs on small businesses. There is no need to impose greater costs from an accounting, record keeping and tax point of view at a time when what small and medium-sized businesses need is to get people off their backs, governments off their backs and have the freedom to do what they do best.

That is to take risks that produce results, create jobs and provide for much more competitiveness and productivity, producing goods that can be competitive not only here at home but for the export market as well.

Mr. Speaker, I know that my time is up. The point is if we have people who, despite the psychology that permeates a depressed environment in the economy today, are willing to take risks, let us not put obstacles in their path. Let us use whatever power we have at our disposal to give them access to money. Let us create a responsible environment so that money is put to good use.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I first want to compliment the Minister for Small Businesses and Tourism for introducing this legislation today. It is vital to the small business community, small business persons and sole proprietorships throughout this country.

Also, I compliment his department for providing us throughout the introduction of this legislation, Bill C-99 that is before the House today, with very important succinct research data. That has assisted us greatly in arriving at certain decisions that we on this side of the House will be making in the next short while with respect to the legislation.

I say at the outset, as my colleagues have said prior to my speaking today, it is without question that we will be supporting this legislation. We look forward to bringing this legislation to the committee and proposing certain changes to make it more operative and more simple for the small business community to understand what will be before them in the process of extending the availability of capital. In essence the bill is extending the availability of capital to the small entrepreneur in Canada from the present limit of $100,000 to $250,000.

As I said, we will support and propose changes at the committee stage and we will do everything within our power to hasten its passage. It is legislation that is absolutely needed by the small business community of Canada today.

Hopefully at the outset what we will do in committee, and it will be a recommendation, is make the legislation before us today and previous legislation as it affects small business communities in this country and the small business person and the sole proprietorship—I think it is very important to include the sole proprietorship—in the most simple terms so that it is understandable to all of us. I have over 20 years experience as a small business person in Thunder Bay.

We have here proposed changes to the original legislation, which is the Small Businesses Loans Act. The Small Businesses Loans Act is a short statute in so far as the Statutes of Canada are concerned. It is eight pages. The amendments that are being proposed will not lengthen the eight pages of the act. One of the vital issues, as with most legislation in Canada, is that the regulations become very cumbersome.

I do not know whether I have all of the regulations as they pertain to the Small Businesses Loans Act in Canada, but I had the Library draw the regulations. Although the act is only eight pages long, we have 40 some pages of regulations to govern the eight page statute. I am hoping that we will, for the first time I think in a federal statute which will go out to perhaps 900,000 to one million small business entrepreneurs in Canada, be able to combine the Small Businesses Loans Act and other pertinent pieces of legislation that affect the small business community within our country, consolidate all of those acts and the regulations thereto and put them in one volume.

When a small business entrepreneur is looking for references and needs the guidance that the statute law provides, and those areas that are available to him for either capital improvements or loan improvements, renovation improvements as the act is proposing, he or she should be able to go to a consolidated piece of legislation, much the same as we have in the province of Ontario. The regulations follow the act and it is a very simple document to refer to at all times. The simplicity of it is greatly appreciated by those who use the facilities of the act. That is one of the proposals we will be making.

We make that proposal for another reason. There will have to be some consultation and information sent to every small business entrepreneur in Canada. This would be the most vital piece of information that this House could supply to the small business concerns throughout this country in a very timely and efficient fashion. That will be another one of our recommendations.

As I said at the outset, we support this legislation. I think it is important that we tell to the people of Canada why we choose to support this legislation so vigorously.

• (1340)

It goes without saying that with all the discussion that we had in the past, especially after the referendum, that we have all turned our minds back to what we call the regeneration of this economy. Along with this, the most important and vital area is the creation of jobs. This can only be solved today by making an atmosphere in the small business community that is responsive and is conducive for them to go out and hire the people who are looking for jobs in this country. The last figure I heard for unemployment was 11.5 per cent. The small business community can hire the unemployed in this country and even go so far as taking people who are presently on welfare and cannot find a job and have exhausted the benefits available to them.

Job creation, without question, is the top priority of every member of this House. There was a time in our economy when we used to look to the giant corporations in our country to assist in this very vital area of job creation. At one time we used to look to General Motors, Stelco and Dofasco. We used to look to Canadian Pacific Forest Products. We used to look to our Crown corporations like CN Rail. We used to look to other forest product companies to create the jobs in this country. We used to look to the forestry industry because it was the largest single employer in this country. It employs over 800,000 people. In the forestry industry, there are more small and medium-sized companies than there are large companies.

This economy of ours and the governments that are large employers have come to rely on these large corporations for the creation of jobs. However, they can no longer be relied on to create the necessary jobs in our country.

If we agree with that premise, then the only alternative available to us for regenerating the economy of this country and creating the necessary jobs is through the small business enterprise in our country and the sole proprietorship.

This is simply the issue. Should all the members of this House, regardless of political stripe, concentrate their entire efforts to create an atmosphere that is conducive and supportive to the small business entrepreneur or the sole proprietorship? If that is our goal, then we must do it with the express purpose of job creation in our economy. Therefore when we talk today about the adoption of this legislation and the creation of working capital for our small business people, it is with the express purpose of creating jobs within our country.

I will relate some facts that are as current as I can get to point out what I just said. I think they are fairly up to date. The small entrepreneur in this country and the sole proprietor is going to be responsible for the job creations. Unemployment at the end of 1992 was 11.6 per cent. This means approximately 610,000 workers were looking for a job and still receiving benefits within our country. Today, there are over one million people on welfare whose benefits have run out.

Let me just refer for a short time to the province of Ontario. I know that a lot of members in the House will not agree with concentrating on Ontario, but it has always seemed to be the engine that has run the economy of Canada. There are 235,000 Ontario small businesses employing one to five persons. In Ontario, there are 63,000 businesses employing 5 to 19 persons, 18,000 businesses employing from 20 to 49 persons and 12,000 businesses employing between 54 and 499 persons. There are only 1,500 Ontario businesses employing over 500 persons.

With those facts in mind, it is important for us to realize that we must create the atmosphere that is so important for that very small entrepreneur—employing from one to twenty people—to help him go out into the marketplace and take these people off the unemployment rolls and perhaps help those on welfare.

I should mention that our deliberations at the committee level will just be the start of the process. We fully intend to suggest to the government throughout this process, once the small business legislation is put in place, that it should be doing other things with respect to legislation in our country. It should be looking at the Federal Business Development Bank. It should be looking at incorporating changes in the Bank Act, particularly sections 178 and 427 that follow the security interest of those products that are produced in this country and allows the small business facilities that will be available to our country to follow that security for protection.

Looking at the credit that is being extended by the Government of Canada to every creator of jobs in this country, we are giving assurance to the rest of the Canadian people that their money is not being put into jeopardy and it does not add one single penny to the cost of administering this country today.

If we cannot extend the credit to the people of this country who are going to create the jobs, then we might as well hold our ship because there is not going to be any job creation in this country at all.

There are some fundamental issues that I think have to be addressed. We need to address the availability of access to working capital to continue to expand the small business enterprises in Canada. My colleagues have addressed one of the questions so I will not go into great detail on it, but they are asking about the role of the present lending institutions. These are the chartered banks that we have in place that are supposed to be looking after the needs of small business. What is the role of the present lending institutions with respect to capital availability?

We know full well from what we have seen in the last two or three years that the availability of working capital has been restrained to the small business enterprise because of the practices and procedures of the major lending institutions in this country. For some reason, although we on all sides of the House are prepared to admit that, we have not been able to do anything as a government to make these lending institutions make cash more available to the small business entrepreneur in this country.

What we have to do, and we are doing it today, is to make the necessary changes to the Small Businesses Loans Act. When we make these changes we ask ourselves: "Why do the lending institutions of our country not respond to the needs of the small business community?"

The second problem we are going to face is how we can communicate. I addressed this a short time ago, but it is a major and fundamental question that we will ask in committee: "How do we communicate this benefit to the small business communities throughout this country and to the sole proprietorships so that the effects of this legislation will get to the people who need it?" That is the person who is going to create a job in this country for one of the people presently on the unemployment rolls.

How do we do this and how do we expand the present program? This is not only making capital available as the act expresses, but expanding the scope of this legislation in order to make working capital, which is the grease that makes the small business turn. How do we expand the working capital availability within the small business community in order that they can hire those people? We will be talking in the future about how we want to have site training and on-the-job skills development and retraining so that it gets directly to the person affected who comes off the UI or the welfare roll.

• (1350)

As I said earlier, how do we simplify the legislation to make it workable for the small business communities in our country? Those are the major issues we will be addressing at the committee level.

Before my time is up, let me address some of the changes that are proposed to Bill C-99 the legislation that is before us. First, as I read the changes, there are two thresholds that a person in the small business community has to pass in order to qualify under this act. The first threshold is: Does he qualify as a small-business entrepreneur?

The exclusions are professionals and farming. Farming is understandable. I will come back to professionals in a minute. My colleague here is quite familiar with the Farm Improvement Loans Act that meets the needs of the farming community. Financial insurance is an exclusion under the act. Real estate entrepreneurs are exclusions under the act as are religious and charitable services.

Let me first deal with three areas that I think should be reviewed at the committee stage. The first area is the professional atmosphere. If we really, truly believe that we are trying to create jobs in this country through this legislation, then I think it behoves us to include those people in professions, particularly doctors, lawyers and dentists. I do not think they should be excluded, because they are employers and can employ more people than they are presently employing. Dentists, doctors in private practice and lawyers run small business concerns that can employ more people.

The law firm that I was a partner in employed some 70 people. That is considered to be a very high employer. Why would they not be included? The law firms I worked with had the same problems as any business concern. They had problems with working capital. Why do we exclude the financial insurance industry and real estate business enterprises? I know for a fact that real estate businesses employ a great many people. They have a broad range of skills that can develop a very highly qualified, productive person in our economy. They have talents, perhaps, in the sales field that are so fundamentally required in this country.

I know my time is short and it is getting close to the hour. However, I just want to emphasize that we will be making these recommendations to help the small business community in our country. We will not prevent the passage of this legislation. We on this side of the House have always supported good legislation that this government has brought forward. Again I compliment the minister for bringing this forward at a time when it is so necessary for the small business enterprise system in our country.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am pleased to be able to speak on this bill.

[*English*]

I want to thank my colleague for his insightful remarks. He obviously knows a great deal about the small and medium-sized business sector. We support this particular legislation because we see it as a step forward. We also believe that the government might have gone further and that there are a number of other areas it might have addressed.

I want to emphasize that most of the new jobs have been created recently as a result of the contributions of small and medium-size enterprises. It is often forgotten by Canadians just what they contribute to the quality of life of our nation. They have created more jobs than any other sector. In fact there are figures of 86 per cent of job creation. It obviously depends upon the definitions. They are an important contributor to jobs for Canadians.

There is another sector that is often overlooked. They are an important contributor as well to research and development. If one looks at the type of research and development that has been undertaken by small and medium sized businesses, if one studies carefully the various projects they have under way and looks at the amount of investment they put into research and development and the returns on that investment, they compare extremely favourably and some people would argue much better than larger enterprises.

In fact the figures I have suggest that on a percentage basis their investments are much more important in this sector.

[*Translation*]

As I just said, I understand how much small and medium-sized businesses have contributed to the quality of life here in Canada, not only because they have created many jobs, which are very important, especially in a recession, but also because of what they do for research and development.

[*English*]

I would have hoped the government would have taken this opportunity not to look only at this particular point, that is the facilitation of greater credit for those enterprises that qualify for it. It might also have looked at removing the paperwork for certain programs such as the goods and services tax.

If one talks to business people one realizes very quickly an overhead that annoys them tremendously is the demand put on them by the government, not only this government but the provincial and territorial governments in some cases, with respect to paper work.

With regard to the goods and services tax it is particularly onerous. When I conducted a survey recently of small and medium-sized businesses in my constituency—there are close to 1,500—one of the the two single most important items was the amount of paper work being generated by government. It is impossible. It is crushing their efforts and really limiting what they can do. It is a very costly operation. They have asked that this be looked at. The other area the government might examine rather carefully is the whole idea of having a one-stop shop so that people can determine what is truly available.

In an uncritical way I simply want to point out that the literature from various governments is a lot more impressive than the actual programs that exist. What really exists in actual assistance for small and medium sized businesses?

I want to share three particular incidents in my riding. An aboriginal inventor has come up with all kinds of new inventions that are extremely promising, but when he went to government as an aboriginal he received some assistance but insufficient assistance to ensure that his inventions are realized. It is really quite inadequate. He can only swim half way and then there is no further assistance.

In another particular instance two young men wanted to start a particular and unique tree farm where at Christmastime they would sell live trees. They would in fact be responding to environmental concerns; these trees could be replanted on the property of those who purchased them. What has happened is that they have gone to the federal government and to the provincial government, and all they have received are glossy brochures.

In another instance a company called Astro Float Materials in Winnipeg produces absolutely world-class float materials. Because of the number of criteria involved with respect to loans they are unable to get the financial assistance they require. It may be that they will in fact go elsewhere, to another country, because of our insensitive policies.

In a fourth instance a young woman came to me with regard to an idea she had for child care programs that might be useful to the citizens not only in my constituency but of others as well. She was not given any concrete assistance. There were plenty of brochures, however. My time has come to an end.

Mr. Speaker: It being two o'clock p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

TAXATION

Mr. René Soetens (Ontario): Mr. Speaker, the Liberal Party has actively campaigned against the new drug patent legislation because, in its opinion, the proposed costs to health care were too high.

Now the Liberal Party has announced it would cancel the GST which exempts the Canadian health care system and all Canadians from paying the GST on prescription drugs. It wants to replace the GST with the new SHL, a sneaky hidden Liberal tax which the consumers would not know they were paying.

This tax would have no exemptions so when seniors, low wage earners and, in fact, all Canadians buy drugs they will have to pay this new hidden tax. Canadians have a right to know why the Liberal Party wants to increase the price of drugs and health care in Canada. Canadians have a right to know how much the SHL tax will cost. All Liberals should be ashamed.

An hon. member: Shame, shame.

An hon. member: You are wrong.

* * *

SAFETY

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, the Conservative government would rather save money than lives. The government saves money by having two hour call-outs for the search and rescue helicopters at CFB Comox. The government saves money by closing the most important weather station on the coast of B.C. at Cape St. James.

This government saves money by trying to close B.C. lighthouses; by failing to upgrade lighthouses; by closing lifeboat stations at Bull Harbour; trying to remove the foghorns from Estevan Point; proposing to remove hovercraft from Parksville; proposing to close flight service stations rather than provide overtime; proposing to privatize flight service stations; proposing to remove fire-fighters from Port Hardy airport; failing to provide sufficient fire-fighters at Vancouver airport; closing or proposing to close air navigation in remote communications sites on the coast of B.C.; looking at privatizing Coast Guard helicopters and closing the Coast Guard radio station at Alert Bay.

This government has demoralized a fine Public Service and almost destroyed the safety infrastructure of the coast of B.C. Saving money is important but saving lives is absolutely imperative. It should resign.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, in October and December 1990, the *Canadian Economic Observer* published two studies on resignations and dismissals in Canada.

In 1986, the number of permanent or very significant terminations of employment was 3.4 million, divided equally among resignations, lay-offs and other causes.

It is mainly low-paid workers who change jobs. Two thirds of all terminations in 1986 were in jobs paying less than $9.25 an hour.

Worker turnover is much higher in small firms than in large ones.

I will ask employment and immigration a question: Before Bill C-105 was tabled, did the department prepare a study for 1991 and 1992 concerning resignations and other reasons for termination of employment in Quebec?

* * *

[*English*]

AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, Canadian farmers are facing extreme financial hardship this winter due to the lack of this government's policies to deal with low farm prices on last fall's terrible production and cropping conditions.

Two weeks ago over 13,000 farmers rallied in Saskatoon to protest the lack of government action in this time of crisis. They are especially fed up with the endless battles between the Saskatchewan NDP government and the federal Tory government, blaming each other for the lack of action in this financial crisis.

Last week over 1,000 farmers rallied in Lucknow, Ontario, to protest the lack of action by the government to assist them in the face of the worst cropping conditions in Ontario's history. The interest-free cash advance program for unharvested grain has been a bust. Elevators are bursting at the seams, full of low grade corn. The government refuses to give credit to countries that can buy it.

I call on the government at this crucial time to stop blaming the provincial governments and take action to assist these producers and take it now.

S. O. 31

TRADE

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I rise today to jump into the trade debate. I quote:

> Mexico-Saskatchewan's best bet for increasing trade and investment with Latin America.

Those words did not come from a Tory politician. No, in fact, they came from the Saskatchewan NDP government in a quote in today's *Regina Leader Post*. In an article entitled "Mexican opportunity fires up officials", Mr. Frank Hart, Saskatchewan's deputy minister of economic development, speaks of the Mexican entrepreneurial drive, its can-do attitude, its optimism and its commitment to improve difficult conditions. Saskatchewan's deputy minister puts Mexico at the top of the list that Saskatchewan companies should be doing business with.

Mr. Hart talks about the outstanding possibilities for Saskatchewan agriculture, agribusiness, telecommunications, oil and gas, and water treatment technology.

It is this enlightened attitude that seeks to find ways to make our economy and our system work that deserve applause. There is no doubt that NAFTA makes sense. We must continue to expand our horizons or risk being choked in our isolation.

* * *

MARKETING BOARDS

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, it is about one year since all parties in the House declared their support for Canadian marketing boards.

Since that time the government has softened its position to where its support is highly suspect in all areas of agriculture that operate under marketing boards.

It is time that the government firmed up its position and stated clearly and emphatically that it not only supports but will promote Canada's marketing boards at GATT. It should not entertain any thoughts of substituting tariffs for marketing boards in Canada.

CANADIAN FIGURE SKATING CHAMPIONSHIPS

Mr. Doug Fee (Red Deer): Mr. Speaker, I want to congratulate all the fine athletes who competed in the Canadian Figure Skating Championships this weekend.

It was an exciting competition. We can have confidence and pride in all those chosen to represent Canada. This is especially so in the men's competition where Elvis Stojko and Kurt Browning both excelled and showed that they are ready to take on the best in the world.

Placing second had to be disappointing to Mr. Stojko but placing second to a three time world champion, Mr. Kurt Browning, is nothing to be ashamed of. There is not much that needs to be said about Kurt Browning. He has won the respect and admiration of all Canadians.

We are pleased that he has overcome his back injury and is ready once again to represent Canada. Nowhere is that pleasure more evident than in my riding where I know I can speak for everyone, especially those in Caroline, when I say: "Good luck in the world's, Kurt. We are with you all the way and we could not be more proud of you".

* * *

EMPLOYMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, the rate of unemployment in my area of the country is on the rise.

In December the unemployment rate for Cape Breton Island was 23.4 per cent. The statistics for January indicate that the unemployment rate is now 26.4 per cent. To make matters worse, this government wants to penalize our unemployed by reducing their income even further. The new UI benefit rate will reduce insurable earnings from 60 per cent to 57 per cent in April 1993.

The Prime Minister is of the opinion that the recession is over. It is not over for those who reside in Cape Breton. The situation is getting worse and nothing is being done to change this.

The national unemployment rate in January was 11 per cent. For the province of Nova Scotia it was 13.6 per cent while in Cape Breton the unemployment rate is double this amount with no end in sight.

People from all regions of this country are hurting and the government is throwing salt in their wounds. The Unemployment Insurance Program was designed as a safety net, a means to help those temporarily out of work. The Conservative government is destroying that safety net.

I urge the Government of Canada to show compassion in this their time of greatest need.

* * *

EDUCATION

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, Canadians spend millions of dollars on elementary and secondary education. Yet, Canada lags behind other countries in scholastic achievement. We have difficulty measuring our scholastic achievement and in getting a national profile of student performance.

The Council of Ministers of Education has watered down its plan to test selected 13-year and 16-year old students across the country. Canada has no high school leaving exams. Canada has no standardized voluntary testing.

I urge our government to institute a voluntary national test for students leaving high school. This voluntary test would not interfere with provincial jurisdiction over education. It would be entirely voluntary in nature and would give us a national profile of student performance.

National testing is an idea whose time has come.

* * *

CROSSBOWS

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, last week at the British Columbia Institute of Technology in Burnaby, B.C., a 22-year old student, Silvia Leung, was killed. Police say the murder weapon was a crossbow.

As both *The Vancouver Sun* and *The Province* newspapers have pointed out, anyone—minors, convicted criminals, the mentally unstable—can walk into a store and buy a crossbow without a permit. These people by law would not be allowed to own a gun. Crossbows are silent, tough to trace and for a criminal not allowed by the courts to own a gun, the perfect legal substitute.

In 1991, after the crossbow murder of another woman a few blocks from Parliament Hill, I called on the Minister of Justice to make the crossbow a prohibited weapon restricted to *bona fide* hunters and target shooters. In the light of tragic events at BCIT, I now call on this new Minister of Justice to act before another person is murdered by a crossbow. The president of the Swiss Crossbow Association of Vancouver agrees that crossbows should be regulated like guns. So do I.

* * *

• (1410)

GOVERNMENT PROGRAMS AND SERVICES

Mr. Walter Van De Walle (St. Albert): Mr. Speaker, governments have a choice: cut back on services and programs or spend and raise taxes.

Every government in Canada is faced with this dilemma. If services and programs are cut the people receiving them, aided by the opposition and the media, will be angry with the government. On the other hand, continued spending beyond our means will increase the deficit and raise taxes.

The Conservative government's fiscal policy is restraint and expenditure reduction while the position of the Liberals and the NDP is clearly one of spend, spend, spend.

On behalf of the constituents of the St. Albert federal riding, I strongly urge the government to stay the course, slash expenditures and pay no attention to the opposition MPs' call for spend, spend. Come the election, Canadians will make their choice.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, braving the -25C temperature, tens of thousands of Quebecers marched in the street yesterday to protest against Bill C-105. These people have clearly told the Conservative government that this bill will not solve the problem of cheating. It is a smoke-screen. They were told that those who quit their job for just cause will be protected. But who believes that, knowing that this law will become a tool for manipulation by some dishonest employers?

Even the mayor of Montreal condemned the government, saying that its unemployment insurance policies might cost Montrealers as much as $490 million. That is enough. People cannot stand it any more.

* * *

[*English*]

NIAGARA RIVER

Mr. Ken Atkinson (St. Catharines): Mr. Speaker, on January 15 there was a public meeting in Niagara Falls, New York, to hear reports by representatives of the environment departments of the United States, Canada, Ontario and New York State on their efforts to clean up toxic waste in the Niagara River.

We heard about the many difficulties encountered in measuring the various polluting chemicals and it seemed to me that there was a great deal of uncertainty as to whether the goal of 50 per cent reduction set in the Niagara River clean-up agreement would be attained by the target date.

We know that the largest source of these chemicals is the chemical waste sites located on the American side of the river. There are efforts under way to contain these chemicals leaching into the river and promises of a dramatic decline in a few years.

The government has to ensure that these actions are successful. This pollution affects all of us who live close to the Niagara River or live near Lake Ontario and take our drinking water from this source. This is a health issue for all of us.

It is essential that we heed the international joint commission which has called for the entire elimination of these chemicals. It is a goal that we simply must reach.

* * *

GOODS AND SERVICES TAX

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, Canadians got the usual from the Liberal Party last week when it tried to explain what its position on the GST was or was not.

From what we can figure out the Liberals have now adopted the Reform Party position of expanding the GST to include more items, even the possibility of taxing food.

My constituents do not agree with this. In a recent survey of my riding, when asked if they would support an extension of the GST to food, 95 per cent of the respondents said no and 78 per cent said that we can eliminate the GST and bring in fair taxes.

New Democrats were the only party that presented an alternative to the GST when it was introduced and we are the only party committed to eliminating the tax, presenting alternatives and bringing in a fair tax system.

* * *

INDIAN AFFAIRS

Mr. Jack Iyerak Anawak (Nunatsiaq):

[*Editor's Note: Member spoke in Inuktitut*]

[*English*]

Mr. Speaker, this government has two faces when it deals with aboriginal peoples, an international face and a domestic face.

On December 2 the Minister of Finance announced that certain aboriginal programs would be cut by 10 per cent or $80 million. On December 10 the current Secretary of State rose in the United Nations General Assembly to introduce a resolution establishing 1993 as the International Year of the World's Indigenous Peoples. The General Assembly was not told of the government's planned cutbacks nor was it told of previous years' cutbacks.

All of the Secretary of State's aboriginal programs, core funding, broadcasting, language and culture programs are under the knife but final decisions have not yet been made. The Secretary of State must defend these programs. The government must cancel the cuts. The government can still give some meaning to 1993.

* * *

INFRASTRUCTURE PROGRAMS

Mr. Sergio Marchi (York West): Mr. Speaker, obviously, members of the NDP are very worried about the upcoming election. Instead of trying to blame everyone else, they should look at their friends and fellow brothers and sisters at Queen's Park. They should ask them why between the NDP government at Queen's Park and the Conservative government at the national level the unemployment figures in Toronto and Ontario have been allowed to continue in misery.

In metropolitan Toronto, which traditionally has been a key economic piston of the Canadian engine, the unemployment rate has been higher than the national average. There are over $9 billion worth of local contracts being held up by the national government and the provincial Government of Ontario. Repeatedly, our leader, our caucus and our party have asked for an infrastructure program to stimulate and create jobs and confidence.

The Americans are doing it. The Japanese are doing it. The Europeans are doing it. Canadians expect that Canada should be doing it.

ORAL QUESTION PERIOD

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Prime Minister. Yesterday, about 50,000 people marched in -25C degree weather to protest the Draconian and rather bizarre changes in the Unemployment Insurance Act proposed by the Minister of Employment and Immigration.

Does the Prime Minister intend to take the matter in hand and look for a more acceptable solution before we have a serious problem in this country, especially in Quebec?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, like many others who exaggerate the impact of Bill C-105, the Leader of the Opposition also tends to exaggerate the number of people who took part in the demonstration, but that does not matter. What does matter is that the changes proposed by the government are supported by Canadians, because Canadians agree we need an economy that creates jobs.

To create jobs, we need an economic climate with low interest rates and a low rate of inflation. To achieve this, we must control the deficit. To control the deficit, especially one that must be paid for by workers and employers, we had to take steps to control the increasing deficit in the unemployment insurance account. To do that, we decided to deny benefits paid for by workers and employers to people who, without just cause, decide to join the ranks of the unemployed.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I will put a question to the minister, since the Prime Minister does not want to take the matter in hand.

Why is the minister going across Canada telling Canadians that people who leave their jobs voluntarily to draw unemployment insurance benefits do not pay a penalty, although there is a penalty of 7 to 12 weeks for people who quit voluntarily? Why is the Minister of Employment and Immigration trying to mislead people? The truth is that the penalties for those who quit voluntarily are already very severe.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member claims I said the opposite. It is true that currently there is a penalty of 7 to 12 weeks, which costs workers—those who are really working—taxpayers and employers $1 billion annually, because of 225,000 people who quit their jobs each year without just cause. We are saying that we want to save taxpayers money instead of spending it on benefits for a person who, without just cause, decides to become unemployed.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, we are all in agreement that those who are cheaters should be cut. The problem is that the minister wants to put everyone, including women who quit their jobs because of sexual harassment and people who quit their jobs for other valid reasons, into the same category as cheaters.

• (1420)

Why does the minister not try to find a better reason than the one he is trying to sell to the Canadian people today?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I invite the hon. member to read Bill C-105. If he reads it he will find that a person in Canada subjected to sexual or any other kind of harassment on the job has a valid reason to quit and will receive protection.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is directed to the minister of employment.

In the weekend papers, Quebecers found a full-page ad, taken out by the minister of employment and paid for by taxpayers concerning the proposed changes to the Unemployment Insurance Act.

How can the minister reconcile changes that are supposed to reduce the deficit with spending millions of dollars of taxpayers' money to sell those Draconian changes? If, as he just said in response to a question from my leader, Bill C-105 is supported by Canadians, why is he buying advertising space to sell it to the public?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, if the people opposed to these changes would explain what Bill C-105 really does, if they would stop using the bill to scare people and tell them the truth, we would not have to deal with the kind of allegations that were made by the FTQ of Quebec, for instance, which said that people who quit jobs because of union activities will not be protected, although that protection is right there in the act.

If they want to keep up this misinformation campaign, I am afraid we will have to tell Canadians the truth, because that is what they want.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, last night on the CBC, the minister said he wanted to get at the people who choose to be unemployed.

To shed some light on this question, is the minister prepared to table in the House information on the number of people who would leave their jobs with the prospect of not receiving any income at all—remember that—for three months? Are there really people who would willingly go without an income for three months? Is he prepared to table the data and tell us as well how many of these people would not qualify under the 40 grounds he listed in his ad on the weekend?

Is he prepared to give the House and Canadians that information?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, out of four million claimants under the Unemployment Insurance Program last year the vast majority obtained their benefits within a reasonable timeframe, about 30 days.

When there is a dispute about the reason for termination of employment, certain procedures are to be followed. The alternative is that if we are going to pay benefits to people just because they apply for them, the system will no longer be manageable.

I have already made it clear to the House that I was prepared to see how we could address these problems as expeditiously as possible when there is a conflict between what the employer says and what the employee says. My department does this every day.

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, on the weekend, more than 45,000 Quebecers said no to Bill C-105 in Montreal. There is unanimity outside the House, and I may remind you that yesterday, more than 45,000 people were asking for the outright withdrawal of Bill C-105.

My question for the Minister of Employment and Immigration is this: Will he listen to the people who are his responsibility and withdraw Bill C-105?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, unlike the hon. member and others on his side of the House, many members from all parts of the country, especially from Quebec, told me about the concerns of their constituents regarding these changes. We are now looking at ways to make sure that the provisions of Bill C-105 will be implemented fairly, equitably and reasonably.

I have received some good suggestions from my caucus. I am still waiting to hear from the New Democrats. I imagine it will take some time, because their good ideas tend to be few and far between.

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, the best advice I could give the minister would be to withdraw the bill.

[*English*]

The minister tells us he is introducing the changes to Bill C-105 to catch abusers of UIC. How is he going to penalize all those employers who are abusing the system?

Le Mouvement Action-Chômage tells us that 80 per cent of those people it assists win their appeals. That means employers have misrepresented the reasons people quit or were fired. How is picking on the victims going to halt the abuse by these employers?

Hon. Bernard Valcourt (Minister of Employment and Immigration): In answer to the hon. member's first question about withdrawing this bill, maybe the NDP member could tell Canadians how he expects to make up for the $1 billion these people cost workers and employers. Maybe he would raise taxes, or maybe he would increase the deficit, the cherished way of the socialists. That is not our option. We have to live within our means.

As for employers, under the act if an employer gives false information on a record of employment, he is subjected to a fine of $200 to $5,000 and to an administrative penalty that can equal five times the amount of money the unemployed insured person can obtain. So it is quite a stiff penalty and employers are being prosecuted if they breach the act.

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MCDONNELL DOUGLAS

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question to the Minister of Finance also concerns unemployment, in fact, the 3,700 workers at risk or already laid off at McDonnell Douglas Aircraft in Toronto.

When I last raised this question the government set up a committee to work with the company and the union. I want to now ask the government why this committee has not met since October. Why did the government cut back export development funding for this company in January? Is the government simply giving up on these 3,700 jobs or does it have some solution to offer to keep this high-tech company moving ahead in the province of Ontario?

Hon. Tom Hockin (Minister for Science and Minister of State (Small Businesses and Tourism)): Mr. Speaker, I think the hon. member knows the tremendous array of export development programs the federal government has. Of course there are the recent announcements about the technology adaption programs, the extra $400 million we are going to be putting into technology adaption and the $240 million announced in the December 2 statement.

All those programs are there. I would be glad to look into the particular case the hon. member raises.

* * *

NATIONAL DEFENCE

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is to the Prime Minister.

On July 14, 1992 Boeing of Canada Limited wrote to the Prime Minister pointing out that no public bidding process had been initiated in the provision of equipment to meet Canada's search and rescue needs.

Boeing wrote that it had recently retrofitted 339 Labrador helicopters for the U.S. marines and navy. It reported to the Prime Minister that such a retrofit could be done on Canada's Labrador helicopters at a cost of $10 million each and a savings of $1 billion to the Canadian treasury.

In light of the information contained in this letter from Boeing Canada, why were no public tenders called? Why did the government not seek to save substantial sums of money in meeting Canada's search and rescue requirements?

• (1430)

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, Boeing was invited to participate in the provision of new ship-borne aircraft and new search and rescue aircraft and in June 1990 submitted a bid which called for refurbishing the Labrador helicopters up to search and rescue requirements.

In today's dollars it represents about $500 million to $600 million to do it. We have to add to that the costs of spare parts and training equipment and the fact that we would then have two types of helicopters which would mean an additional $275 million for the cost of this program. That particular option would cost about $1.1 billion, leaving us with helicopters that were aged and therefore would not last as long, compared to $800 million for the search and rescue function of the EH-101 helicopters.

Boeing's original bid which satisfied requirements was in fact more expensive. Its latest bid would have refurbished the Labrador helicopters but they would not be able, for example, to go out and rescue people off the *Ocean Ranger* which was a search and rescue requirement.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, we heard that bid or that quote of $600 million last night from a spokesperson on behalf of the government. I called Boeing Canada at two o'clock and I spoke to the vice-president, George Capern, whose name is on this letter to the Prime Minister. I asked Mr. Capern whether his quote of $10 million a unit cited on July 14, 1992 stood. Mr. Capern has confirmed that bid stands and that this upgrade can be done at a cost savings of $1 billion.

I want to ask the government House leader to stop making excuses and to start making common sense by getting on the phone to Boeing to see whether or not this government can realize savings in the vicinity of $1 billion for the taxpayers of Canada. Is it not time to listen to common sense and stop listening to Tory lobbyists for these sweetheart deals?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the fact of the matter is that the search and rescue helicopter procurement is $800 million, not $1 billion. Second, if these Labrador helicopters are to be updated and modernized to the extent that they can perform the same function, it would cost $1 billion. They can in fact be updated for $10 million but they simply would not be able to go out in foul weather.

As for the question of lobbyists, the president of the firm that was the head lobbyist for the EH-101 is a former Liberal executive assistant.

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GOVERNMENT ADVERTISEMENTS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Prime Minister. The Minister of Employment and Immigration just said moments ago that he had to cut expenditures to the unemployed because the government did not have enough money.

If that is so, why is it that it has lots of money to give Tory advertisers $21 million worth of untendered advertising contracts, look-alike contracts at that?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the news article upon which the member based that question is totally and absolutely false. There were six companies which engaged in the competition—

Some hon. members: Oh, oh.

Mr. Andre: If the opposition does not want to hear the answer it should not ask the question.

The six companies were Académie in Montreal; Burghardt, Wolowich, Crunkhorn in Toronto; Camp Associates, Toronto; La Boîte à Idées, Montreal; Palmer Jarvis, Vancouver; and Publitel. They made submissions to a committee of five civil servants: the deputy secretary to the cabinet; the director of advertising, Public Opinion Research, Supply and Services; the director of communications of the PCO; the director of operations, Communications Secretariat, PCO; and the executive director of communications, Federal-Provincial Relations Office.

They were following the policy exactly from 1985. That newspaper story is an example of poor journalism, not the government not following its policies.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the minister never told us that they were in fact formal bids. He knows they were not. There were invitations sent to a half dozen people; that is what happened.

Again concerning the $21 million worth of contracts, why is it that a member of the national campaign of the Conservative Party is the one engaged in giving those contracts through the Tory agency that works for the government to Tory firms that are the recipients in the end? Is there not something wrong with that?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the hon. member is not going to be dissuaded by facts.

What happened was that these six firms made proposals to a committee of civil servants, and the committee of civil servants assessed the representations and decided which agencies should perform this service. This policy has been in place since 1985. It has been a successful policy.

The hon. member knows full well that there is no basis whatsoever for his accusation of this being allocated in advance. We have a process that is fair, that is equitable, and that provided for six companies to compete, and a committee of civil servants made the recommendation.

* * *

SHIPBUILDING

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I will try the Prime Minister too.

For $3 billion of taxpayers' money Hibernia should be expected to provide considerable procurement benefits for the Canadian shipbuilding industry. Not only were Canadian shipbuilders not allowed to bid on the first supermodule contract worth $200 million, the government even kicked in cancellation of a 25 per cent tariff to help Hyundai win the contract.

My question for the Prime Minister is: What action will the government take to see that Canadian shipbuilders get a chance to bid on the two remaining supermodules? Or, will the government do as it did before and actually help ship jobs elsewhere?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I dealt with this question late last week when I indicated to the House that an extensive survey of Canadian companies was made, including the sending of formal questionnaires to the Canadian industry, to ascertain whether parts of these supermodules or indeed the whole supermodule could in fact be constructed in Canada. The response to this survey and the questionnaires was negative.

Having said that, I also pointed out last week and I repeat today that if there is new evidence on the part of any Canadian companies I would be delighted to arrange meetings with officials to review the situation once again.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I am sure from our conversation today that the minister will get telephone calls as soon as he gets back to his office.

There is 100 per cent overcapacity in the Canadian shipyards in Quebec and in Atlantic Canada. Many have closed or are about to close. Yet Hibernia will require three supply ships, two barges and a number of shuttle tankers to be built.

Is the government prepared to take action to ensure that these are built in Canada as the Norwegians and the British did to their advantage for the North Sea project, or will it lose this opportunity to strengthen Canadian shipbuilding for the future and to assure jobs for Canadians on a permanent basis for the future as a result of this Hibernia project?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the hon. member and the House know that it is the government's priority to encourage as much Canadian content in the Hibernia project as is possible. That commitment stands, and I look forward to receiving as many telephone calls as the hon. member can arrange.

* * *

TRADE

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, Canadians are uncertain whether the Prime Minister obtained from President Clinton a commitment that the United States now intends to proceed with ratification and implementation of the North American free trade agreement or whether it will, as President Clinton said during the election campaign, await the negotiation of supplemental accords on the environment and on labour standards.

In light of this continuing ambiguity, would not Canadian interests, at a minimum, be better served by awaiting negotiation of the two supplementary accords?

• (1440)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I do not know why my hon. friend persists in suggesting that he has difficulty understanding the President's position. The President's position is the one that he stated quite clearly and the one that has been debated on the floor of the House.

Friday afternoon in a joint press conference, in response to a question, I said that the President has indicated—

Mr. Tobin: It is a long way to go for a photo-op.

Mr. Mulroney: My hon. friend from Newfoundland says that is a long way to go for a photo-op. What about dear Jean going down to get his picture taken with George?

Mr. Barrett: Look what happened to George.

Mr. Mulroney: I hate to do this but I have to give him a 10 for that, and that is bad news for President Clinton. I will be around but I am not sure about the other guy.

The question was in regard to trade. I said that the President has indicated many times that he is going to sign the NAFTA as it is. He proposes to bring in supplemental agreements with Mexico, particularly in regard to some of the points that he has mentioned that do not impact on the NAFTA as concluded. President Clinton: "That's right".

Then he goes on to say, by the way, for the interest of the member for LaSalle—Émard: "And I might add that Prime Minister Mulroney's administration in Canada has had a very strong record on the environment".

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the Prime Minister is right in so far as—

Some hon. members: Hear, hear.

Mr. MacLaren: —he stated the situation. He will know that President Clinton during the election campaign said he would not proceed with implementation—and I underline the word implementation—of the NAFTA, an unchanged NAFTA, but he would not proceed with implementation of the NAFTA until such time as the supplementary accords on the environment and on labour standards were negotiated.

Let me ask the Prime Minister this question. We all know that the recent events with regard to pork and steel have been the result of an absence of any agreement on subsidies. Would the Prime Minister on behalf of Canada express the Canadian interest by seeking a supplementary agreement on subsidies to parallel President Clinton's emphasis on supplementary agreements on the environment and on labour standards?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend mentions President Clinton's position during the election campaign. I just referred him to President Clinton's position Friday afternoon which is very clear: that the NAFTA is a stand-alone agreement which he supports as it is. Implementation takes place—

Mr. Tobin: No, Brian, no.

Mr. Mulroney: The member for Newfoundland is now an expert on President Clinton's thinking.

Mr. Tobin: Starting to get under your skin.

Mr. Mulroney: No, you do not get under my skin, Brian. I just saw the rat pack take down one Liberal leader and you are in the process of—

Some hon. members: Oh, oh.

Mr. Mulroney: With regard to the question of my hon. friend, the question that he raises is being developed and resolved at the GATT.

I indicated to the President that in our judgment one of the best things he could do to assert beneficial leadership for the United States and for all trading partners was to conclude an agreement at the GATT at the earliest possible moment, because among other things this would deal with the matter that my hon. friend has quite properly raised. Failure to resolve the GATT and a loss of the Uruguay round could have damaging effects on all countries, the United States along with Canada.

* * *

BELL CANADA

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, on Friday, Bell Canada said that it wanted to increase basic monthly phone bills for millions of subscribers not once but twice this year, and in some cases charging an incredible 60 per cent more.

Given that Bell's move could cause similar applications by phone companies from Newfoundland to B.C. and given that this government has already put Canadians in tough economic times, what assurances will the government give Canadians today that they will continue to have access to telephone service that is both universal and affordable?

[*Translation*]

Hon. Pierre H. Vincent (Minister of Consumer and Corporate Affairs and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, the hon. member must know that Bell Canada's application will be submitted to the CRTC, and having spoken on the weekend to representatives of the Association des consommateurs du Québec, I know they will make their representations with the best interests of the consumer in mind.

[*English*]

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, last February the Minister of Communications stated government policy as follows: "Canadian consumers need the assurance that high quality basic services will continue to be provided at affordable rates". I underline the word affordable.

[*Translation*]

Do the minister and his government still stand by their statements, or have they decided that a telephone is a luxury, not a necessity?

Hon. Pierre H. Vincent (Minister of Consumer and Corporate Affairs and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I will repeat what I just said. The CRTC is the agency that will examine Bell's application and take the appropriate steps.

* * *

[*English*]

TAXATION

Mr. René Soetens (Ontario): Mr. Speaker, the Liberal Party has announced that it will cancel the GST and replace it with the SLH tax, the new sneaky, hidden tax that everyone will pay.

The GST presently exempts seniors, low income Canadians, the health care system, in fact all Canadians from paying the GST on prescription drugs.

I would like to ask the Minister of Finance this. If the Liberals get a chance to apply their tax to prescription drugs, how much will it cost the Canadian health care system and all Canadians?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the short answer is tens if not hundreds and hundreds of millions of dollars. What we have here is a flimsy proposal—

An hon. members: Oh, oh.

Mr. Mazankowski: —that the *Ottawa Sun* referred to as the Grit sneaky tax. What they really want to do is hide the tax so that they can raise it at will. It would not exempt food, it would not exempt medical supplies, it would not exempt ambulance service, it would not exempt—

Mr. Speaker: The hon. member for Prince George—Bulkley Valley.

* * *

THE ENVIRONMENT

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

The B.C. government has announced a public inquiry into the controversial Kemano project in northern British Columbia.

Will the federal government participate in a joint review of this project with the province? Will he allow his officials to appear at the inquiry and will he release the over 83,000 pages of evidence his department has on this project? Will the minister prove that this government has a so-called strong record on the environment?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, the government does not have to prove it has a strong record on the environment. That is obvious.

With respect to the particular question, the hon. gentleman must realize that in 1987 an agreement was entered into by the province of British Columbia, the Government of Canada and the Aluminum Company of Canada in connection with this matter. This was as a result of litigation that had been taken by the province of British Columbia and by Alcan against the Government of Canada with respect to the question of whether or not the Government of Canada had the right to exercise jurisdiction over water in this particular situation.

That was settled by an agreement. That agreement is in full force and effect. The province of British Columbia is now reviewing it for some reason or other, despite the fact that it acknowledges that the agreement is to stay in effect. The province has been advised by a commissioner it appointed that it is to the economic benefit of British Columbia to allow the project to go forward and that if it did not it might be sued for $.5 billion by Alcan as a party to the agreement which has spent that much money since the agreement was entered into.

To answer his question, I will be discussing this matter with Premier Harcourt hopefully in the next day or two to tell him just what is the position of the Government of Canada. However, the background should indicate the room within which we had to act.

• (1450)

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, we thank the minister for his little history lesson. The people of northern B.C. are all too familiar with what this bad deal signed by this government has done to the Nechako River in northern British Columbia.

I thank the minister for telling the House that he is meeting with the premier. Should the public inquiry clearly show a need to change the settlement agreement of 1987, is the government prepared to reopen that settlement agreement to assist the environmental assessment that should have been done in the first place?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, there was an environmental assessment done on this project in the first place. There was an independent review committee appointed, headed by the then president of the University of British Columbia.

With reference to the agreement, the Department of Fisheries and Oceans was satisfied with respect to matters that affected fisheries and fisheries habitat. The courts of Canada have now dealt with the issue. The matter is settled in so far as any petitioners to the courts are concerned. Unless the other parties to the agreement all agree that there should be some change to the agreement, it is not an issue which the Government of Canada has to decide nor should it decide.

* * *

DAVIS INLET

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Minister of National Health and Welfare or whoever is representing him today.

The department has agreed to fly 60 Innu to Alberta for treatment. Peter Penashue of the Innu Nation said: "We are accepting the lesser evil because there is no treatment centre to deal with our people in our language".

Last Thursday the minister told me in the House that he would listen to the Innu people and accept their proposals. He has not accepted their proposals.

Why has he not accepted their proposals? Will he commit the funds for a treatment centre for the Innu near Davis Inlet in Labrador?

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, with regard to the 14 youngsters who were involved in that very tragic situation 10 to 12 days ago, there was an agreement reached on the weekend for their immediate treatment.

The families of the 14 youngsters, the Innu, the province of Newfoundland and the Minister of National Health and Welfare have agreed that they would travel to a healing centre north of Edmonton. The families and the translators will be taken along.

The long-term solution for a health care facility at Davis Inlet is under review. We are dealing with the Innu people. My colleague, the minister of Indian affairs will be looking at all the issues, whether these are mobile or permanent. Everything is on the table and will be reviewed.

Hon. William Rompkey (Labrador): Mr. Speaker, my supplementary question is for the minister of Indian affairs or whoever is representing him today.

There is now an urgent need for a new community for Davis Inlet. The question of jurisdiction must be settled and the Government of Canada must accept it. However, there is a need now for providing the funds for construction this summer.

Will the minister or his representative take the responsibility and the lead to make sure that plans are put in place for a new community this summer?

[*Translation*]

Hon. Pierre H. Vincent (Minister of Consumer and Corporate Affairs and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I want to thank the hon. member for his question. I think all parliamentarians will agree this is a very important matter. Last Friday, there was an important meeting with officials from my department, National Health and Welfare, people from the community and representatives of the provincial government. Certain requests were made by the community, and we are now examining all this to make sure that as far as the needs and demands of the community are concerned, our response is appropriate and valid, not only in the short term but in the long term as well for this community.

[*English*]

VETERANS AFFAIRS

Mr. George Proud (Hillsborough): Mr. Speaker, my question is for the minister responsible for veterans affairs.

Last week the acting deputy minister informed employees that there were no plans to cut up to 400 jobs. However, I understand that in a letter to all departments, Ian Clark of the Privy Council Office called for further cuts of up to 10 per cent in all departments.

Would the minister please explain how these two contradictory messages can be reconciled. What is really going to happen to veterans' programs and what is going to happen to the employees?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, because of the aging of our veterans, our programs at veterans affairs are all experiencing growth. In any program there is always an opportunity to reduce overlap and duplication. We are attempting to ensure the programs meet the original objectives.

Canada has one of the most generous veterans affairs programs in the world. We continue to maintain our commitment to keep it that way. The hon. member can be sure that veterans will not suffer as a result of any changes in administration.

Mr. George Proud (Hillsborough): Then will the minister unequivocally say there will be no further program cuts and no further cuts of employees?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I can understand where the hon. member is coming from. The role of the Department of Veterans Affairs is to take the tax money we allocate and make sure it is used to the benefit of veterans as much as possible.

If from time to time it means being a little more productive in terms of delivery per person and so on, I am sure he would find that a useful direction in which to proceed. That is what the minister is trying to do.

* * *

UNEMPLOYMENT INSURANCE

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is for the minister in charge of unemployment insurance. Earlier in Question Period he tried to make it sound as if the thousands and thousands of people that were parading through Montreal yesterday in -25C below were doing so because the opposition parties had misled them.

Does he not realize that when so many people show up in those types of temperatures, they are expressing a real concern? Their concern is that this government is changing the playing field. It is tilting so badly it is being completely unfair to any worker in this country. Is that not so?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, what it shows is yes, some people are concerned. I guess that as elected representatives of the people we have a duty to address these concerns and this is what we are doing.

If the hon. member is trying to tell Canadians that the NDP stands for the proposition that we should pay benefits to a person who voluntarily, without any reason whatsoever, chooses to become unemployed, I think he is wrong. Canadians would not support him.

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is for the same minister. In today's unemployment scene and recession Canadians are not quitting jobs to go skiing. Canadians are quitting jobs because they have to quit jobs.

The minister should understand that by changing the playing field, by making harassment such an issue, he is making it very difficult for people who should be receiving unemployment insurance. Why is he doing that? Why is he making sure that many Canadians will not receive unemployment insurance when they are entitled to it?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, if the hon. member can

point to a person in Canada who does not receive unemployment insurance after having quit a job for a valid reason I would like him to give me the example.

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is for the Minister of Employment and Immigration. In a letter to the government, the Quebec Bar Association mentions that workers who are denied UI benefits will unhesitatingly appeal the decision to the umpire and to the appeal division Federal Court.

My question is this: Can the minister tell us today how many cases are pending before referees and the Federal Court of Appeal in Quebec? Will the number of cases brought before referees in Quebec increase because of Bill C-105?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, most of the time, in about 93 per cent of the cases, the unemployment insurance officer makes the final decision on applications for benefits. Last year, Employment and Immigration Canada received in excess of 3.5 million UI claims. Of these, 35,000 or less than 1 per cent gave rise to appeals. In addition, 80 per cent of the appeals nation-wide in 1992 were decided within 30 days. In Quebec it was 91 per cent. To respond more specifically to my friend's question, there are presently 1,853 appeals before the umpire and 2,300 before the board of referees.

* * *

• (1500)

[*English*]

DECORUM IN THE HOUSE

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, my question deals with Motion No. 5 currently on the Order Paper. This motion refers to decorum and respect for each other. Therefore, my question is for the government House leader.

This motion has been debated for seven and a half hours and seems to be mired in purgatory. Can Canadians be assured this motion will be dealt with?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I hope in view of the new policy announcement by the Liberal Party that it believes there should be proper decorum in the House that it will agree to bring this motion to a vote. It has been debated for three days. I have not been able to get an agreement from the opposition to bring the debate to a conclusion.

* * *

[*Translation*]

LABOUR FORCE

Mr. Louis Plamondon (Richelieu): Mr. Speaker, my question is for the Minister of Employment and Immigration, commonly called the minister of unemployment and arrogance in Quebec.

Yesterday in Montreal, 50,000 people shouted out their disapproval to him. The minister still responds that if we want to reject his hateful unemployment insurance bill, we should suggest something to save $600 million. Last week, he refused to sign a labour force agreement with Quebec that could have saved $250 million.

Would the minister be prepared to get the hundreds of millions he needs from those who hide their money in tax havens, as the Auditor General of Canada recommends? If he is afraid to get this money from tax cheaters, is it because these tax evaders are the same people who fund the Conservative Party?

* * *

[*English*]

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the attention of hon. members the presence in the gallery of Ms. Bonnie Mitchelson, Minister Responsible for Culture, Heritage, Citizenship and Status of Women in the province of Manitoba.

Some hon. members: Hear, hear.

* * *

PRIVILEGE

GOVERNMENT RESPONSE TO PETITIONS

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, pursuant to Standing Order 48(2), I wish to raise a question of privilege.

On April 8, 1992 and May, 6, 1992, I tabled a number of petitions in this House. These are petitions Nos. 343-1454, 343-1659 and 343-1660. They contained over 3,000 signatures by the Canadian Hispanic Congress on the subject of the fate of refugee claimants in Canada.

On February 2, 1993, placed in my House of Commons desk were the responses to the aforementioned petitions. These responses were received 298 days and 270 days respectively after tabling the petitions.

Standing Order 36(8) reads:

> The Ministry shall, within forty-five days, respond to every petition referred to it.

I emphasize the word "shall". In the practical guide "Petitioning the House of Commons" which all members are given as a guide to collecting and tabling petitions section 2(6) reads:

> Whenever a petition is presented, a copy is sent to the Privy Council Office which then forwards it to the appropriate government department or agency so that a response can be prepared.
>
> The response must be tabled in the House of Commons within 45 days after the petition has been presented.

This guide is prepared by the Private Members' Business Office. Again, I draw your attention to Standing Order 36(8) which says that the ministry shall give a response within 45 days.

The government does not have to agree with the petitioners, but I think the government must show respect, interest and concern for the over 3,000 Canadians who signed these petitions on an immigration matter. The minister responsible is really showing contempt for the House of Commons orders by not responding.

We cannot operate that way, Mr. Speaker. The rules were put here to provide law and order, to provide for things being processed in an orderly fashion so that Canadians get a response in a decent time.

Mr. Speaker, if you find, and I hope you will, that I do have a prima facie case 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 do not have the immediate facts before me to comment on the substance of the grievance of the hon. member. He is quite correct that Standing Order 36(8) reads as he quoted it.

I want to point out that responses to petitions have been coming forward at a phenomenal rate, some days in the hundreds. It may have something to do with the over-burden of responses. However, I will undertake to investigate the question and see whether it can be expedited.

Mr. Speaker: The hon. member for Parkdale—High Park has raised a matter which has been raised before in this House. There is a rule as the hon. member referred to it and read it to the House.

With this kind of application which is an application to the Chair to find that the privileges of the hon. member have been breached because there has not been a response to a petition within the number of days set out in the rules the difficulty is that there is no sanction in the rules. The Chair has had to say in the past that it is extremely difficult to come up with a lawful response.

I have said in the past and I hope I am not going to have to say it in the future but I echo again what the hon. parliamentary secretary said. The rule is there and for whatever reason it has not been complied with. It was not put in there in the first place I am sure with the intention of not being complied with but as the hon. member who has brought the application knows, this is not the first time the Chair has had to deal with it.

The best way to deal with it at the moment is to accept the undertaking of the parliamentary secretary that he will make an inquiry—I hope it will be an immediate inquiry—and that he could raise the matter again perhaps some time tomorrow.

Mr. Flis: Mr. Speaker, I am wondering if the parliamentary secretary while he is looking into this would consider discussing this in the House management standing committee because certain ministers cannot flout the rules of the House this way. They owe it to Canadians.

No wonder Canadians hold parliamentarians and the whole government process in such low esteem when after 200 days I have no response for the over 3,000 Canadians who signed the petitions. My role as a member of Parliament is being thwarted. I am not very effective when I cannot get a response within 45 days.

I am treating this very seriously and I am not sure whether the petitioners once they hear that I have raised this question of privilege will not follow it up.

Mr. Speaker: I want to assure hon. members that the Chair is not treating it other than as a serious matter. I am calling to the attention of hon. members that there is a rule. There is no sanction. It may very well be that it

ought to be considered by hon. members and ought to be remedied.

In the meantime with this particular case and keeping in mind the matter raised by the hon. member and the fact that clearly there is here a breach of the rules and the sensitivities of the hon. members and the sensibilities of the hon. member's petitioners, I think the appropriate thing at least for today is to ask the parliamentary secretary to address the House tomorrow and see if there is some explanation at least. That may not fully satisfy the hon. member or hon. members, but at least for today that is where I would like to leave it.

• (1510)

HOCKEY CANADA—SPEAKER'S RULING

Mr. Speaker: On Monday, February 1, 1993 the House leader of the Official Opposition rose on a question of privilege regarding a question asked during Question Period on Friday, December 11, 1992. As this was the last Question Period before the House rose for its Christmas recess the hon. member for Cape Breton—East Richmond has raised this matter at the first opportunity. I would like to thank him and the Solicitor General for their interventions on this matter.

In his presentation on Monday last, the House leader of the Official Opposition noted that on December 11, 1992 he had put a question to the Minister of State for Fitness and Amateur Sport asking the government to provide the complete financial statements for Hockey Canada since its incorporation. The then Minister of Justice, responding on behalf of her colleague the Solicitor General, stated:

—this matter is currently being investigated by the RCMP. The Government of Canada will offer no further information until the RCMP has concluded its investigation.

Subsequently, on December 17, 1992, Mr. Ian Macdonald, chairman of the board of Hockey Canada, issued a press release stating that the financial records of Hockey Canada were not under investigation by the RCMP. It was from this discrepancy of fact that the question of privilege was raised by the hon. member for Cape Breton—East Richmond.

[*Translation*]

The situation was cleared up when the Solicitor General, in response to the question of privilege, indicated that it was National Hockey League Players' Association that was being investigated by the RCMP, and not Hockey Canada, which is fully co-operating with the RCMP in this investigation. In the Solicitor General's absence, the hon. Minister of Justice had taken the matter under advisement, to deal with the situation, which was not fully understood at the time. As the Solicitor General has now been able to clear up the situation, it is obvious that there was no attack on the House and that this is not a case of contempt of Parliament.

[*English*]

I would like to thank the hon. member for Cape Breton—East Richmond for raising this matter and also the Solicitor General for clarifying the situation.

* * *

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 responses to 43 petitions.

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

* * *

[*Translation*]

PETITIONS

VIOLENCE AGAINST WOMEN AND CHILDREN

Mr. Jean-Guy Hudon (Beauharnois—Salaberry): Mr. Speaker, on behalf of Rev. Douglas E.W. Lennox, pastor of St. Andrew's Presbyterian Church in Huntingdon and Athelstan, I am pleased to present three petitions that come mainly from the municipalities of Dundee in my riding, Huntingdon, Athelstan and Saint-Anicet, and concern violence against children and women.

These petitions contain a number of signatures and I would like to thank the clergyman for his hard work on this cause and tell him more specifically that the newspapers and media are often criticized for spreading this violence. I must tell you that it is thanks to them that we know more about it.

OLD AGE SECURITY

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, pursuant to Standing Order 36, I have the honour to table a petition from some of our country's seniors. They say that far too many seniors now live in poverty and are always in financial difficulty for lack of sufficient income.

The petitioners ask Parliament to kindly ask the government to re-evaluate Old Age Security so that it reflects the real needs of Canada's seniors.

[*English*]

HEALTH CARE

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): I have another petition, Mr. Speaker. The petitioners are telling us that Canadian universal medicare is the principle of our Canadian heritage and our identity. Recent cutbacks to health care have undermined the principle of universality in Canada.

The petitioners request that Parliament take all necessary measures to enshrine in the Constitution the obligation to provide universal, publicly funded hospital and medical care to all citizens.

TAXATION

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I have a petition to present on behalf of teachers in public and secondary schools as well as post-secondary institutions. They note that they bear the burden of extra-curricular expenses to improve their own professional skills, as well as providing academic services and materials to the students for whom they are responsible.

The petitioners note that business people and self-employed professionals are able to deduct the costs of their in-service training and business expenses but teachers are not. They call upon parliamentarians to request that the Minister of Finance and the Minister of National Revenue take action to amend the Income Tax Act to allow teachers who teach in educational institutions in Canada to deduct professional expenses made in the course of their employment.

JUSTICE

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I have a petition from another 250 residents of the Comox Valley who, in memory of Dawn Shaw, a little girl who was murdered and sexually assaulted in the valley, have petitioned Parliament asking that the present justice system be changed to allow for more protection for children in our communities who are increasingly becoming victims of sexual assault.

The petitioners propose a number of changes in the justice system which they believe would improve the safety of children and protect them from sexual assault. One of those changes is permitting police to take DNA samples from persons suspected of sexual assault and also that a national database of DNA imprints be kept in order to assist the police in tracking down people who perpetrate sexual assaults.

CHILD POVERTY

Mr. David Bjornson (Selkirk—Red River): Mr. Speaker, pursuant to Standing Order 36, I would like to present a petition to the House from the constituents of Selkirk—Red River, Portage—Interlake, Winnipeg—St. Boniface and Winnipeg Transcona, calling on Parliament to reconfirm its commitment to seek the elimination of poverty among children in Canada by the year 2000.

VIOLENCE AGAINST WOMEN AND CHILDREN

Mr. Murray Cardiff (Huron—Bruce): Mr. Speaker, I have two petitions to present today from the congregations of Knox Presbyterian Church and St. Andrew's Presbyterian Church both in my riding and as well from the people from Port Elgin, Southampton and Paisley in my riding, calling on Parliament to accept legislation designed to eliminate violence against women and children.

[*Translation*]

HEALTH CARE

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, because of some recent events in the health field, I have a petition to present.

[*English*]

The petitioners indicate that medicare is under threat as a result of reductions in federal cash payments to provincial health care systems, changes in drug patent legislation leading to monopoly production and rising drug prices, as well as a lack of a co-ordinated national strategy for health care reform.

They say there are alternative policies that would preserve medicare, provide medical services on a more efficient basis than the American pay as you go system and guarantee health care as a basic right for all Canadians.

To sum up their 11 excellent points, although I do not have the time to read them into the record, they want a renewed commitment from all parties to the Canada Health Act and to the universality of health care. They also want to make sure that the freezes and the cuts to funding are removed, that appropriate funding is reinstituted for health care in Canada.

• (1520)

Finally, the petitioners want to make sure, before any changes ever occur, that there is full and open debate on the direction that any government would take.

CHRISTINE LAMONT AND DAVID SPENCER

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I rise, pursuant to Standing Order 36, to present eight petitions containing some 271 signatures, 15 of them from my home city of Nelson, British Columbia.

The petitioners point out that two Canadians, Christine Lamont and David Spencer, who were sentenced to 28 years each in a Brazilian prison, have suffered miscarriages of justice, cruel and unusual treatment in Brazilian prisons and discrimination in sentencing and parole.

The petitioners further point out that riots in the same compound where they are held have demonstrated there is a real threat to their health and safety in prison. The only relief available from such severe punishment is for Canada to request expulsion in accordance with Brazilian law.

Therefore the petitioners call upon Parliament to urge the Prime Minister to request the Government of Brazil to expel Christine Lamont and David Spencer and return them to Canada in accordance with Brazilian law.

GOODS AND SERVICES TAX

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the petitioners who have signed this petition really must be shocked at the government's inconsistent approach. The government talks about the importance of the global marketplace and how the development of education and research are very important to Canada's competitive position in that global marketplace, yet the government imposed a goods and services tax on the printed word which includes educational materials.

The petitioners have taken the position that the government was wrong and I agree with them. The petition is signed by people from Kingston, Ottawa, Orleans, Westbrook, Tamworth, Harrowsmith, Oshawa, Sydenham, Pittsburgh, Odessa, Lyndhurst, Hamilton, Trenton, Willowdale, Battersea, Newmarket and a signature from someone from St. John's, Newfoundland.

These petitioners are all appalled at the government's application of the goods and services tax on the printed word, contrary to the normal democratic principles of freedom of the press, the importance of education in our society and so on. They call upon Parliament to repeal the goods and services tax on the sale of books, magazines and newspapers.

[*Translation*]

BILL C-105

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, I would like to table a petition signed by about fifty people from the Montreal area who oppose the government's proposal to exclude from unemployment insurance those who quit their jobs.

The petitioners believe that these proposals, if adopted, will lead to excessive and costly litigation. They claim that these proposals will discourage workers from improving their position at work and decrease labour force mobility.

They also maintain that these proposals could subject workers to continuing discrimination, sexual harassment and undue stress on the job. They also say that these proposals will have a negligible effect on reducing the deficit and payroll taxes.

Therefore, the petitioners ask Parliament to reject these proposals contained in Bill C-105.

* * *

[*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, Question No. 415 will be answered today.

[*Text*]

Question No. 415—**Mr. Simmons:**

Has the government taken any concrete action on the recommendations made by the Auditor General in his 1991 annual report to review the level of spending needed in carrying out harbour repairs efficiently and appropriately, to improve the preventive maintenance aspects of the program, to safeguard these assets in the long term, and to do a comprehensive assessment on the inspection and commissioning process for major projects in Newfoundland?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): The Department of Fisheries and Oceans continuously reviews the spending level needed to carry out annual harbour repairs. This exercise is used to establish budget priorities. The department has been and remains aware of the need to carry out harbour repairs efficiently and appropriately. Every effort is made to balance requests for harbour expansions, modifications and upgrades with the need to undertake preventive maintenance and repair work. Since funding needs for preventive maintenance and repairs at DFO's 2,127 harbours across Canada have increased but harbour budgets have not, the emphasis has shifted more and more toward preventive maintenance and repair.

As for the commissioning and inspection procedures followed on major projects in Newfoundland, each project is inspected and accepted by DFO staff as the Auditor General has recommended.

[*English*]

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

* * *

STARRED QUESTIONS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call Starred Questions Nos. 436 and 441. Due to the length of the answers I would ask that they be printed in *Hansard* as if read.

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

Some hon. members: Agreed.

[*Text*]

*Question No. 436—**Mrs. Gibeau:**

Regarding the issue of the construction of a viaduct to bypass the railway track that intersects Henri-Bourassa Boulevard at Langelier Boulevard, Montreal North (*a*) have officials studied the matter and, if so, (i) since when (ii) for which departments do they work (*b*) is there a project supervisor and, if so, for which department does he work (*c*) has CN or VIA Rail or any other organization responsible for the railway been contacted regarding this matter and if so (i) what were the nature (ii) the conclusions of the discussions (*d*) have studies, recommendations or other options been drafted on this matter and, if so (i) what are they (ii) is the written documentation of a public nature and if so where can copies be obtained (*e*) does the government intend to build this viaduct or find another method to solve the problem of the bottleneck caused by the track and if so (i) what is the completion date and (ii) what are the cost estimates?

Hon. Jean Corbeil (Minister of Transport): Officials in Transport Canada and the Federal Office for Regional Development in Quebec have been discussing the matter since the beginning of the summer with representatives of the city of Montreal. At this time the federal government has not decided on its involvement in this project and consequently, there is no project supervisor. No studies or options have been drafted by the federal government on this matter and the recommendations on a possible federal intervention are confidential. The federal government has not contacted CN or VIA on this matter.

*Question No. 441—**Mr. Saint-Julien:**

With regard to Canada's national debt (*a*)what is the percentage of short-term debt (less than six years) (*b*) what is the percentage of long-term debt (more than six years) (*c*) to which countries do foreign holders of Canadian bonds belong, are there British, German, American and Japanese holders and if so, what is their share (i) in percentages (ii) in Canadian dollars, (*d*) what percentage of the debt becomes due in a fiscal year (*e*) what is its average rate of interest (*f*) what is the statement of change in loans made abroad by the government for each year from 1980 to 1992 inclusively?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, in response to (a) it was 66.8 per cent as at March 31, 1992. This percentage includes all Canada Savings Bonds because their interest rates are adjusted annually, even if the term could be as long as 12 years. If we include only those Canada Savings Bonds that will come to term in less than six years, the percentage of debt coming due would be 61.8 per cent. In response to (b) it was 33.2 per cent as at March 31, 1992. This total excludes all Canada Savings Bonds because their interest rates are adjusted annually, even if the term could be as long as 12 years. If Canada Savings Bonds with a term of more than six years are included, then the percentage would be 38.2 per cent. With respect to (c)(i), it is estimated that Japanese investors held

about 15 per cent of Government of Canada marketable bonds in 1992 and U.S. and U.K. investors, about 7.5 per cent each. There are no figures available for Germany. (ii) It is estimated that Japanese investors held about $24 billion Canadian of Government of Canada marketable bonds in 1992 and U.S. and U.K. investors, about $12 billion Canadian each. There are no figures available for Germany. In response to (d) it was 49 per cent as at March 31, 1992. In response to (e) it was 9.16 per cent for fiscal year 1991–92. Direct borrowing in Canadian dollars by the Government of Canada on foreign markets between 1980 and 1992 was as follows:

	Million Canadian Dollars
1980	2,195
1981	1,414
1982	1,699
1983	922
1984	1,548
1985	5,886
1986	6,027
1987	4,573
1988	2,247
1989	788
1990	1,122
1991	44
1992	745

[*English*]

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

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

Some hon. members: Agreed.

[*Translation*]

Mr. Duhamel: Mr. Speaker, I raised this point a long time ago and you may be familiar with the case.

[*English*]

Over a year ago I had a question about the goods and services tax on the Order Paper as to how much it would in fact raise from Canadians. How much would it cost to administer? How much of that has gone toward the deficit and reduction of the debt? I have raised this on several occasions. My colleague is very honourable, otherwise I would be angry by now.

I am in a really difficult situation. I have constituents asking me why that gentleman I call honourable is not giving me the answers. I say that perhaps there are others who are not quite as honourable as he who are not providing the information. I do not know.

They point out to me that there has been a number of articles in the newspapers asking: Is it possible that the goods and services tax has raised more money than has been suggested which might be used during an election? Is it possible that it costs a lot more to administer than the government has suggested? There are all kinds of rumours out there.

I am trying to help my constituents find out the truth. I assume that my colleague is continuing to try to get me those answers I desperately need for my constituents.

Mr. Edwards: Mr. Speaker, I think my hon. friend raised this question with me last Wednesday if I am not mistaken. That was five days ago and I was hoping he might give me seven.

GOVERNMENT ORDERS

[*Translation*]

SMALL BUSINESSES LOANS ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Hockin that Bill C–99, an act to amend the Small Businesses Loans Act and another act in consequence thereof, be read the second time and referred to a legislative committee in the Economics envelope.

The Acting Speaker (Mr. DeBlois): When the debate was suspended at 2 p.m., the hon. member for St. Boniface still had 13 minutes left.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I will briefly summarize where I was because, as you will understand, I was not able to finish my speech. Here is what I had indicated.

[*English*]

This party will, in fact, support this legislation because we see it as a step forward for small and medium sized businesses. We would have liked the government to have gone further. At the same time, we are going to make some proposals that it may want to take very seriously.

Before I go into those proposals, I want to point out that as a party we acknowledge that small and medium sized enterprises do contribute a great deal to the quality of life of Canadians generally in a number of ways. Let me mention a couple. We have figures which show that in excess of 85 per cent of the new jobs created within the last couple of years have been made by small and medium sized enterprises. In fact that figure has been in excess of 80 per cent for a number of years. Many of these jobs are good jobs that challenge the intelligence and skills of Canadians in a very positive way.

Not only has there been job creation, but those small and medium sized enterprises have also contributed in a significant way to research and development. As I indicated previously, a lot of research and development has been undertaken by these particular firms. If one looks at their over-all expenditure in this area and the pay-offs as a result of those expenditures we find there is a lot of meaningful spin-off.

[*Translation*]

As I just mentioned, these small and medium-sized businesses greatly contribute to the quality of life of Canadians. A very significant proportion—I believe it is over 80 per cent for at least the last decade—of new jobs are created by these businesses. Not only are jobs created but there is also a whole field of research and development as well as extremely important investments in that sector which are very beneficial to us in the sense that they bring a lot to our country and of course to Canadians.

[*English*]

I would have liked the government to have looked at the excessive paperwork that prevents small and medium sized businesses from being as productive as they might be. This is an issue that is continually brought to my attention. As well, a lot of people believe there ought to be a one-stop shop where you can go to get advice, find out what kinds of programs are available not only from the federal government but from the provincial and the municipal governments.

One thing that has happened is there is a lot more glitz than substance to these supposed government programs. In other words, there is not a whole lot out there except a lot of glossy material. However, that does not resolve the problem for Canadian businesses and Canadian businessmen and women.

• (1530)

Another matter that needs to be looked at in a serious way is the whole area of financial assistance. A number of people come to see me after having been to the federal, provincial and municipal governments and indicate that there is not a whole lot out there.

Sometimes there is absolutely nothing out there or sometimes what is available out there is not of a great deal of assistance because they need to be wealthy enough to qualify totally. If they are that well off obviously they would not have the kinds of problems many other people have.

I indicated before Question Period in my initial remarks that a number of people had difficulties. I gave some examples from my riding. I referred to an aboriginal inventor, a very creative and brilliant individual who came up with a number of really sound ideas according to all the advice that he has received. Although he has received some assistance, he is unable to receive enough assistance to have those projects realized.

[*Translation*]

What good are programs if they only help someone to go half way, if they do not enable someone to complete the whole thing? That is an example of someone who received a little help but not enough to complete this cycle. Unfortunately, this person has excellent ideas which might not materialize, and that would be sad, I think.

[*English*]

In another incident I mentioned two business persons. They had the idea of a tree farm where they would sell trees, particularly during the holiday season, that could be replanted, thereby saving trees and obviously contributing to the environment. They had a number of other unique features to this particular idea. When they explored the federal, provincial and municipal government levels there was virtually no money. It is very difficult to start any kind of business without financial assistance today. It is virtually unheard of. They are young men without a whole lot of collateral upon which they can rely to get the loans required to get this business working.

There were a lot of pamphlets. Initially in their conversations they felt there might be some help, but when they studied the various options available there was very little.

As well, I indicated that the president and owner of Astro Float Industries in Winnipeg has been trying to obtain a loan for years. I have no doubt the bureaucratic officials assigned to this dossier have looked at what he produces and the kinds of funding that could assist him in expanding his facilities to other markets besides the ones he serves now. At the same time there are rules in place that prevent this individual from going forward.

This individual may need to go elsewhere. He may need to go to the United States in order to stay afloat, if I may use such an expression when I am talking about a company that constructs world-class floats and float materials in my riding. It is most unfortunate that we do not have the kind of assistance available to permit someone locally to expand his or her business enterprise beyond the immediate market.

It is contrary to some of the comments made by government ministers. Supposedly they want to increase productivity and competitiveness and create additional jobs for Canadians.

I mentioned as well a woman who had some unique ideas in the implementation of child care facilities. There again she needed some minimal financial assistance which was not available.

In another instance two women were interested in publishing some materials that were very useful in educational circles. They had been endorsed. In fact, to my knowledge and after having looked for a long time, there was no financial assistance whatsoever.

The sadness in all this is that governments—and I do not say it unkindly—talk a good story but there is not a whole lot that follows up in substantive terms, particularly when it comes to financial assistance.

We have to re-examine whether or not we are serious about helping current businesses thrive, expand, survive and become healthier entities and whether or not we are interested in trying to ensure that new businesses can come on stream and create additional employment opportunities for Canadians.

Once we have done that we have to look to see what we need to do to make sure that the right kind of culture is there to permit this to happen.

[*Translation*]

I recently conducted a survey of business people in my constituency, of whom some 1,500 own small and medium-sized businesses. We found out what the two main problems for these people were. First, these business owners have an incredible work-load and spend considerable time on government paperwork related to the GST and other things. This is so discouraging that some of these people tell me almost daily that they feel like giving up their business and finding another job in order to escape this heavy burden imposed by the government.

[*English*]

Paperwork is a major issue that taps into the resources of small businesses in a significant way from a number of programs and clearly from the goods and services tax.

Another thing business people have said to me, and I think with a great deal of sincerity, is that there is too much involvement of government.

[*Translation*]

Governments are too involved. Why not allow business people to decide what they must do, and of course provide them with the necessary support but be very cautious regarding the type of support given. Indeed, we should leave it up to these men and women to react in the manner they deem most appropriate for their business.

[*English*]

Another issue of great concern to them, quite apart from government interference very often in areas they feel governments should not be involved, is the whole idea of the tax burden itself. They feel that the tax burden has been increasing significantly.

During the last eight years there have been excessive tax burdens. We are talking about 30-plus tax increases; I am told it is 34. We are talking about revenue that has almost doubled since 1984. We are talking, despite those 34 tax increases and revenue almost doubling, about a deficit that has hovered at about the same amount throughout the last number of years and a debt that has increased substantially.

I have said in the House that the former Minister of Finance, the hon. member for Etobicoke Centre, indicated in response to a question on the Order Paper that the debt the government inherited in 1984 was almost $168 billion. That is quite contrary to the other figures that we hear, but right now it is close to $450 billion.

While there are people who have said that simply is a result of the interest over the years, we know that is patently false.

[*Translation*]

I conclude by reiterating the support of my party. We believe that this is a step in the right direction but we want the government to go a little farther. Our party would also like the government to consider an in-depth review of the heavy burden of government regulations on business people. We would also like the government to review the tax rate on these businesses and to ensure that in a society such as ours these businesses are as free as possible to make the decisions necessary for their health and well-being.

[*English*]

We want to support this bill. It is a step forward. We encourage the government to look at other areas such as reducing paperwork and making sure the taxes are not overwhelming to the point where we chase people out of the business or we create unnecessary bankruptcies, a very serious phenomenon.

Finally we endorse the idea that while governments have to be aware of what is happening in this sector, they should not interfere unduly. There are a lot of bright men and women out there who know how to operate a business and really do not need help from government. In fact help from government can be very destructive.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, it is a privilege for me to enter into the debate on Bill C-99 respecting the Small Businesses Loans Act.

Through my lifetime I have experienced being in small business, first in Saskatchewan in farming. It high time the country realized that farming can be a small or medium sized business and in some cases a big business. Somehow we have one rule for farmers who run a small business or a medium sized business and another one for the person who runs a business in a city.

• (1540)

After farming my family moved to Ontario and opened up a small restaurant business. With seven in the family all working together and hiring three waitresses, the little restaurant called "Lakeview Diner" was very successful. We could not have managed had we not been able to obtain a loan. Thanks to a local bank loan and money obtained from selling the farm in Saskatchewan we got into quite a thriving little business. Therefore I speak with a bit of experience.

During December and January when the House was not sitting I visited many businesses in Parkdale—High Park. I was very pleased when I visited a business that was successful and was doing more business than at the same time the year before. I could count those on the fingers of one hand. The rest of them were asking: "When will the recession be over? What are you going to do to help small businesses? We are going under. I may be able to survive another six months but no longer".

When I asked what the problem was and how the government could help small business, usually the answer was: "Stop taxing us to death". Others would say that the GST was killing them with red tape, the paperwork and the taxes. Some even told me they preferred the GST-type tax to be hidden somewhere so that customers would know it is one price and that the price they pay is on the tag, instead of playing around with different prices.

Everyone hoped that 1993 would begin successfully with the economy taking on an upward trend. Unfortunately that is not happening. As a federal government, as provincial governments and as municipal governments we have to put our heads together to help small businesses. That is why I would like to add my support to Bill C-99. I am for anything that will help small businesses, providing of course the government accepts some of the amendments we are putting forward.

We have said over and over that small and medium sized businesses are the backbone of the country. They provide 80 per cent of the jobs. They provide family incomes. They provide jobs beyond the family. Yet, when it comes to help for small businesses, it is not there.

We have been hearing in this House about growing food banks in Montreal, Vancouver and Toronto. What do we do to try to correct that ill in our society? Do we get more volunteers out and throw some more money here or there? If we really wanted to get rid of food banks we would help small businesses to create more jobs. If people had jobs they would not have to stand in lines at food banks.

The hon. member for St. Boniface mentioned the important contribution to research and development by small and medium sized businesses. A weekend ago I met a Canadian who originally came from Taiwan. He is involved in research and development of automobile brakes. He and his colleagues have invented a brake which does not contain asbestos, an asbestos-free brake line. What a breakthrough. We know the environmental and health dangers of asbestos. Thanks to a bit of R and D in a smaller business there is an invention to solve this problem. There are thousands of inventions such as this through the smaller and medium-sized businesses.

Not long ago in Parkdale four or five gentlemen were working on a solar battery that would power an automobile for more than one day. Through lack of support from government that project unfortunately fell through.

I was sorry to hear this doom and gloom from the small businesses in Parkdale—High Park. One thing that bothers me about this bill is the government says it will increase the maximum loan to $250,000 or $200,000. That sounds great and looks good on paper, but the businesses I talked to could not get $30,000 or $40,000 loans from their local banks or commercial banks downtown. Business after business said there was no point increasing the maximum when they could not get small loans to hold them through the recession.

I also learned that women have a tougher time holding on to their businesses than men because banks somehow believe women are greater risks. One woman has been very successful in my riding for about 10 years. The recession has affected her and for the last two years she has been in the red. She went to the bank to get a loan to tide her over. The local bank said sorry, it only gave personal loans and did not handle commercial loans. This bank knows the businesses in that area and how long they have existed but says: "Sorry, *nyet*." We do not give commercial loans, you have to go downtown. Who knows this shopkeeper on Jane and Annett downtown? Of course she was refused a small business loan.

Somehow we have to do more to get women into various enterprises, because they are great entrepreneurs.

My colleague from Broadview—Greenwood told me he held a workshop to teach women how to get involved in self-employment. I think these are great projects and they deserve the support of government assistance at all levels. Otherwise the free trade and NAFTA agreements are not going to help us and those jobs will leave us permanently.

In 1981-82 when we had the recession, firms that laid people off rehired them when the economy picked up. Now, once these firms close those jobs are gone forever.

I would like the government to look into the depressed areas of cities. I think anyone coming from a larger city realizes there are thriving sections but there are also deprived areas of the city. I visited some of these in December and January and they really need our help. People are going into the red month by month and year by year. They are losing their RRSPs which they have put away for their retirement. They are losing their homes. They are losing their condominiums.

I spoke to one family who is going back to Peru. The woman told me she sees a greater future for herself, her husband and five children in Peru than in Toronto. I found that very hard to believe. She had a big cleaning business that was thriving. She was putting her children through university but the recession just wiped her out. By June she will probably be heading for Peru with the entire family. Look at the talent we are losing. This is a family of entrepreneurs with children who are already in university. Imagine what they could do for Canada to stimulate other businesses. We are driving these people back to where they came from. That is a sad state of affairs.

• (1550)

Somehow the government must do more than increase the maximum on small business loans. It must help the small and medium-sized businesses that need $20,000, $30,000 or $40,000 to hold them over through the recession.

One gentleman came into my office. He was not losing his business. He wanted to do something to really create jobs in this country. He was proposing a new type of food business because he had analysed the lifestyles of people. He said many people now with both spouses working like to drop into a food store and pick up dinner on their way home from work. They do not want a whole tailor-made pizza. They want to create. He developed many ways of creating dinners with a bit of this and a bit of that so people could prepare their dinners on the way home.

Of course, he needed proper refrigeration, equipment, et cetera for that. He mapped out three potential locations for the banks. It would create 12 new jobs. He went to the bank and read all the brochures from the Federal Business Development Bank. He met every criteria. He filled out his application and had other experts check it. He went to the Federal Business Development Bank and his application was refused.

The person processing the loan did not even have the courage to sit down with him and say why his application was refused. The refusal came in a letter through a third person. Is that not terrible?

The government wants to create jobs and increase the number of small and medium sized businesses in this country but how can we with that kind of mentality in our banks? The Federal Business Development Bank is a government bank. Surely to goodness our banks have a corporate citizenship responsibility.

We as Canadians have duties and responsibilities to our country. With the millions and billions the banks make, surely they have a duty and responsibility to save our beautiful country. They can save it by helping to create jobs and stimulate new businesses. They will take a loss on this one or that one, but that is the risk one takes in business.

When the economy is good, the banks are great at taking risks. They lend to the hilt as they did for farmers and others. When the economy goes bad they call in all their loans. They could not care less if a whole family is wiped out in farming or business.

I think it is high time this Chamber sent a message out coast to coast saying: "Wake up banks. You are Canadian corporate citizens. Do your duty. Do your responsibility to this country".

Mr. Sergio Marchi (York West): Mr. Speaker, I would like to commend my colleague from Parkdale—High Park who spoke moments ago about the role small and medium sized firms and businesses and entrepreneurs play in the economic vitality of our country.

Amendments to the Small Businesses Loans Act started in 1961 and have been under constant revision and modification so bridging between government and businesses can meet the reality of the marketplace. It is an opportunity to have a debate in this Chamber that should go from words to action. For the last number of years members from all sides, and particularly members from the government side have said with great fanfare and rhetoric that the Canadian small business network is the backbone of our economy. It is the greatest producer, creator and innovator of jobs and different techniques in our economy. Yet budget after federal budget, we open those books that are carted in by our pages and have the benefit of a couple of days of analysis. We go through those very colourful brochures that speak in glowing terms to the small business network but when you get a phone call in your constituency office from the small business entrepreneur around the corner looking for help, there is none.

This provides us with an opportunity to not only speak to the small business people out there but to do something for them and the future of small risk takers and medium sized firms still operating from someone's basement waiting to be created and explode into the marketplace. We have to make that transition. In Toronto alone there are 185,000 fewer jobs today than there were before the start of the recession. A lot of this can be attributed to the failure, unfortunately, of that small business entrepreneurial sector which the government has let down.

In the industrial and commercial areas of my riding of York West there are mostly small and medium sized firms. They are hurting and have been calling out for help for the longest time, yet we are deaf to those concerns. A lot of attention is being focused on those big business players and we know the role they have played with this government. We know the comfort zone that exists between the government and that level. We know the role they played in the last election campaign.

I do not want to begrudge the success of any large business entrepreneur who started in his or her basement or leased 1,000 square feet, had the family working seven days a week and now has a big business. God bless him or her.

When it talks business or says it is the government of business, that does not give this government the right to exclude this large sector of small and medium-sized firms. We do so at our own peril. When we talk about the problems afflicting that marketplace we can obviously and quickly look to the GST. Talk to those small business firms and ask them what effect the transitional expenses of implementing the GST system have had on them and what the GST has done to deflate their businesses and marketplaces.

Is it any wonder that some of those small businesses are dealing in cash? Through the imposition of the GST and some 30-odd tax increases over the last number of years, we have contributed to expanding that underground economy.

• (1600)

That is why the government does not see the revenues it had anticipated. It is because those businesses are taking their own action. When painters are asked what it will cost to paint houses on my street in metropolitan Toronto the response is: "Well, are you going to pay me by cheque or cash? If it is the latter, it will cost less". The reason it is less is that they are trying to avoid the imposition of the GST.

I am not encouraging people and companies to break the law. All I am doing is acknowledging a fact that has mushroomed. Underground industry is alive and well.

We talk about regulations and the burden of paper. Not only is it a question of red tape but it is also the constant changing and revising of regulations which makes it much more troublesome for a small entrepreneur to plan and to keep up with the pace. One month they are under certain regulations and five months down the road another regulation from the same government or a contradictory regulation from another municipality or provincial government is impacting on that business.

Small business people are asking us to allow them the time to predict and to operate under a set of criteria that can be managed rather than constantly changing the playing ground under their feet.

People have talked about the banks and the role of lending institutions. Why is it we hear from small entrepreneurs who have been customers of various banks or trust companies for 20, 25 or 30 years, that they cannot get to first base any more? Why is it that our banks, the big five, are among the most conservative of lending institutions around the globe?

I am not suggesting we move into the deregulation system the United States has ushered in. As speakers before me have very articulately and passionately said, we have to realize that the lending institutions also have a responsibility to the national economy.

If those banking institutions are pointing to governments and saying governments must lead the way as they should, those institutions have to recognize they have a very important niche in the national economy. That is to be risk takers like the entrepreneurs and to trust customers who have done well through the years and allow the banks to do well. They must be responsive and sensitive and not call in those loans at the first signs of fear or apprehension. They must commit themselves and redouble their efforts, particularly during the tough times, not only during the good times.

It is frustrating for the small business people not to be able to get working capital from their local banking institution after years of depositing, after years of having a rapport with the bank manager, years of taking the good advice and investment advice of the banking institution. Then when they really need that institution to be in their corner, to support them, to advise them, to reassure them and to build their confidence, all of a sudden, that institution forgets their 30-year relationship.

To make matters worse, the small business people read of the bail outs through grants and incentives by the federal and provincial governments of various large companies which high tail it out of the country whenever they feel like it. Obviously it does not build the kind of confidence in those small and medium-size entrepreneurs about their role in the marketplace.

Is it not a facade that in the budget and subsequently the economic statement the government has raised the ceilings from $100,000 to $200,000 and then to $250,000? Who is the government trying to kid? Does it think that smoke and mirror game is going to enhance the availability of capital in the hands of small and medium-size entrepreneurs?

As my colleague from Parkdale—High Park said moments ago, you cannot even get a $30,000 loan from the banks. Why should we be in the shell game of raising it from $100,000 to $250,000? There is great applause from the government side because the minister did a great thing.

Without getting into the $200,000 and $250,000 loans that many people cannot get, we should be encouraging those lending institutions to get behind those firms with much smaller loans.

What about providing assistance as previous governments did and try to tackle the problem of limited cash flow to those small businesses in operation or those being created which address the needs of our younger Canadians to get that first break, that first job experience and to have on the job training.

The previous Liberal administration had a program. It helped match those needs in society by going to small businesses. It said that if the firms hired young Canadians to do real jobs, if they were willing to provide that experience, that first break, that on the job training, the government would help with the salary. As an incentive to the employer, the government would kick in partial assistance for the salaries of those young Canadians.

That is money well spent. That is not money thrown at a problem. That is the positive use of government funds to tangibly assist small business meet the payroll. At the same time it gives that first important start to a young Canadian.

Why are we not doing things like that any more? If it is not that program *per se*, why are we not using the creativity that fuelled that initiative some years ago? Why not think of something along the same lines that would practically and tangibly address the different needs that we, as members of Parliament, are hearing from firms?

As a government and a country why are we not being aggressive in the international marketplace? I and other members have many small and medium-sized firms in our ridings that have bid on jobs along with Japanese and West German firms. They were not in the marketplace because the governments of those firms made our small business applications uncompetitive by virtue of the fact that the firms from my riding bidding on those international contracts simply did not have the back-up support, resources and level of financing from our governments that those same sized firms in West Germany or Japan had from their governments. We were not even in the ballpark.

We also have to just talk about the free trade agreement or the NAFTA and the government pounds its chest saying that we are really moving with the world, that we are talking about the new world order and we have to be competitive. The fact is there has been a hell of a lot more pain endured thanks to the FTA than there have been positive attributes.

When talking about firms competing with other firms, let us be very practical. Let us be in the ballpark and let us support those firms so that they can enter those bids at least with some assistance that is on the same level the other firms receive from their respective governments.

What about stimulating the economy? We have heard many times in this House that the government cannot do this, it cannot do that. It is unprepared to stimulate and spend money and suggests there is no money to spend.

• (1610)

I am not suggesting we become irresponsible with our finances. Do you not think the Americans have a concern with their finances? Do you not think the Japanese are concerned about their fiscal house? Do you think the European Community does not give a hoot about theirs as well? During these tough times, those different jurisdictions have made a concrete decision to try to get business, confidence, investment and spending moving again.

The refusal of this government, the stubborn, dogmatic, persistent refusal to try to stimulate our economy hurts first and foremost the small business sector. In my own riding many of the small businesses are in the trades and construction. Firms that used to employ 80, 90, 100 employees are now down to two or three. Those firms rather than looking to Toronto are looking to eastern Europe to try to build and construct. Firms are looking to Taiwan. Firms say that they are no longer getting jobs and investment opportunities in Ontario or Toronto. The main reason is that the marketplace is dead.

There has to be a recognition of the facts. We cannot hide behind ideology all the time. It has to be realized that to stimulate is not to waste money, but is to induce jobs, to encourage risk, to encourage small business, to hire more people, to increase revenues, to build confidence.

Confidence is one of those ingredients one has difficulty in defining but it is important in getting the economy moving again. We need to place our economy back on track. It cannot be done when people are not confident and do not believe things will get better. That ingredient has been sorely lacking from the economic equation for many years. There is little confidence there because small businesses do not see the signs and signals from the national government that it is prepared to change, that it is prepared not to maintain the *status quo*, but is prepared to assist and encourage people to take risks again. That is the problem with entrepreneurs. There are not enough risk takers any more because they do not believe it is worth the risk. They are lacking confidence.

Governments have a leadership role, not always to play in that marketplace but to provide that confidence and to provide that incentive and inspiration for those entrepreneurs to be able to take those risks.

While we are supportive of many of the changes in the legislation before us I would like to leave a message with the minister of small businesses. That is we have to go beyond the Small Businesses Loans Act and look at the other elements of the small business equation. We must recognize it is time to go from words in a very good looking brochure and someone's budget to concrete actions in order to give wings to those small and medium-sized firms.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I have a few comments to make on this bill which is about providing assistance to small businesses. Having been a small businessman for many years, I happen to know that the trouble with government subsidies or assistance is mainly that the programs are very complex. The government increases subsidies from $100,000 or $200,000 to $250,000, but overlooks the fact that obtaining access to this program remains extremely complex. The trouble is that the banks that manage these programs are not interested in lending money for this type of business. That is the problem. Why are they not interested? Because it is complicated for them as well. That is the crux of the problem.

Often, financial institutions that lend money to small businesses find that after a while, if the business is in trouble, the government says: "Listen, Mr. Banker, you did not observe our criteria, so the loan is no longer guaranteed". That is the real problem. Actually, the Federal Business Development Bank should manage these programs, perhaps keeping a percentage of the profits as a management fee, instead of trying to transfer the responsibility to the banks. As soon as something goes wrong, the government says it will not guarantee the loan because the criteria were not observed. The basic problem is still the same.

I would like to ask the hon. member who just spoke if he would care to comment.

[*English*]

Mr. Marchi: Mr. Speaker, the member raises a number of pertinent points. I respect the fact that before coming to this place he was—or perhaps still is—engaged in the field of small business. My father started a small business and maintained it and is now retired.

We have all had some very close experiences with the whole world of small business.

The member talks about the regulations and the fact that perhaps some of them are not very well understood. I just believe that there is a problem with the attitude of our lending institutions and of our national government which is currently in office. That attitude toward small business is one that is not nearly as healthy as it should be. I referred to that in my remarks some moments ago.

However, I believe there is a role for our lending institutions, particularly during the tough economic times that we are experiencing, to be more respectful of the role that they play, to be more respectful of those business clients that they have had for many years. There is a role for a national government to ensure that takes place.

Whenever we suggest that, we get cries from the other side that somehow we are intervening and we are playing in the marketplace and we should not. However, those are the same entrepreneurs who sometimes take that tack and are coming to us and suggesting that governments have to move those lending institutions a little closer to where the need is. I think that attitude in the

last number of years in our lending institutions has not helped the recovery of this sagging economy.

I am not suggesting that we get on a campaign to undermine those lending institutions. All I am saying is that those lending institutions have to know that they play a role beyond their commitments to their shareholders and beyond those boards of directors that make up those institutions and that they play a very important variable in the national economic equation. If that variable is not exercised in the best interests of our country then the net output of that equation is not going to be strong. Therefore their business interests are going to be short changed as well.

That is probably the greatest single irritant that we have to cure as a country and as a Parliament. We must certainly meet those aspirations in the small business marketplace that are currently being unaddressed.

• (1620)

Motion agreed to, bill read the second time and referred to a legislative committee in the Economics envelope.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I would like to designate tomorrow as a supply day.

* * *

NORTHUMBERLAND STRAIT CROSSING ACT

MEASURE TO ENACT

Hon. Elmer M. MacKay (Minister of Public Works) moved that Bill C-110, an act respecting the Northumberland Strait Crossing, be read the second time and referred to a legislative committee in the Departmental envelope.

He said: Mr. Speaker, it gives me a considerable amount of pleasure to deal this afternoon with a subject that is not exactly new to this House of Commons. It had considerable focus back in the 1960s as a matter of fact.

Bill C-110 represents an important element in the process of making it possible to establish a permanent transportation link across the Northumberland Strait joining Prince Edward Island with New Brunswick and the rest of Canada. This is an undertaking that has been talked about, considered and assessed for more than a century. Passage of Bill C-110 will bring the concept of a fixed link one step closer to reality.

The bill sets out the terms and limitations of the subsidy to be provided toward the construction and operation of a bridge. However, it does not in itself guarantee that this project will become a reality. Rather, it is one of the key components of the proposed contractual arrangement that will enable it to proceed.

I am particularly pleased that this huge undertaking is basically a private sector initiative. Since we were first approached with the idea some seven years ago, it has been the policy of our government that if the project were to proceed it should be an undertaking of the private sector and at a cost to the Canadian taxpayers no greater than the over-all cost of continuing the existing ferry service.

Members may know that as a result of a competitive process the government has selected a Canadian consortium, Strait Crossing Incorporated of Calgary. Negotiations are currently underway to finalize the terms of a contractual agreement.

Construction of a bridge to span the nine miles from Borden, P.E.I. to Cape Tormentine, New Brunswick will be one of the largest engineering projects of its type undertaken in this country. To keep it in perspective, there are larger crossings in some other parts of the world. I refer to Lake Pontchartrain in Louisiana, the Sunshine Skyway in Tampa Bay, Florida, the King Fayid causeway in Bahrain and the Pinang Bridge in Malaysia as examples.

The bridge of which we are speaking today will have a positive effect on the economies of Prince Edward Island, New Brunswick and on the entire Atlantic region. Construction will result in a direct expenditure in excess of $800 million. I am reluctant to put a figure on it, but it has been estimated that between 60 per cent and 70 per cent of the labour and industrial benefits will accrue to the Atlantic provinces.

The developer has estimated that during the five-year construction period the project is expected to generate 3,500 person-years of employment. The vast majority of the jobs and materials will be supplied from within Canada and most will come from Atlantic Canada. All in all, the bridge project will increase employment opportunities and enhance the Gross Domestic Product of the region for some significant period of time. In the longer term, the completion of the bridge will enhance P.E.I.'s economy, improve transportation service for its tourism, agriculture, fisheries and related industries.

Our government has worked to ensure that there has been public participation as this project has advanced. The project has been subjected to a full public environmental review in compliance with the government's guidelines. This included the report of an environmental review panel which held public hearings in the region and a subsequent review by a committee of ice experts. The governments of Canada, New Brunswick and P.E.I. are satisfied that the bridge design now being considered meets the relevant environmental criteria.

I have worked closely with the premiers of both Prince Edward Island and New Brunswick on this matter. Last December we signed an agreement between our government and those provinces covering such areas as compensation for ferry workers displaced by a bridge, a contingency fund to deal with potential negative effects on the fishery, and the level of toll rates to be charged, as well as many other vital considerations.

I would be remiss at this time in not acknowledging the role played by Premier Frank McKenna of New Brunswick and particularly former Premier Joe Ghiz of Prince Edward Island. This project would not have advanced to this stage without their active support. They have realized the tremendous economic benefits that both of their provinces should receive from this bridge if it proceeds. I want to thank them at this time for their fairness and co-operation. In my dealings with them, I was tremendously impressed by their valuable counsel and the thorough way that they approached many of the multifaceted areas that required consideration in a way that expressed concern for all the parties involved.

The main feature of our proposed development approach is that the private sector will finance, construct, own, operate and maintain the bridge under a 35-year contribution agreement with the Government of Canada. At the end of the term, ownership of the facility will transfer to the government. The developer will assume all normal construction, operation and maintenance risks. In return, it will receive an annual subsidy from the government. Bill C-110 sets out the terms of the proposed subsidy.

The underlying principle is that the cost to Canadian taxpayers should not exceed the operating and capital costs of the Borden and Cape Tormentine Ferry Service over the next 35 years. The subsidy would be approximately $42 million based on 1992 constant dollars.

The Northumberland Strait fixed link is clearly an idea whose time has come. We have capable private sector proponents ready and willing to take on the task. We have strong support from the two provinces most directly concerned. The economic benefits to the region and to Canada will be substantial. The environmental concerns have been thoroughly studied and to the best of our ability adequate mitigating measures are being taken.

This is a project that will create jobs and will be of great economic benefit to Atlantic Canada without imposing an undue burden on the public purse. With the passage of Bill C-110, the developer, Strait Crossing Incorporated, will be in a position to complete the financing of the project. I am hopeful that we will then be in a position to sign contracts this spring so that construction may commence before the summer.

I hope that all members of the House will support this bill so that we may then proceed with this important national undertaking which would be extremely beneficial to the economy of Atlantic Canada.

The Acting Speaker (Mr. DeBlois): 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—Auditor General's report; the hon. member for New Westminster—Burnaby—Human rights; the hon. member for North Island—Powell River—Fisheries; the hon. member for Bonavista—Trinity—Conception—Fisheries; the hon. member for Moncton—External Affairs.

• (1630)

Mr. Joe McGuire (Egmont): Mr. Speaker, it is my pleasure to speak today on Bill C-110 which will have such a great impact on my province of Prince Edward Island and will have a great impact on the maritime provinces in general.

The minister said earlier in his remarks that this legislation is no guarantee that the bridge will be built. I wish he told us exactly what he meant by that remark. As the minister indicated, this particular effort to connect Prince Edward Island to the mainland goes back a long way. It was over 100 years ago, in 1885, when it first came up in a serious way since we joined Confederation. It goes back much earlier than that.

It is a very serious question we are dealing with today in this bill. The Charlottetown *Guardian* and *The Globe and Mail* tried to lighten things up a little bit and held a contest to name the bridge. Some names reflected one's prejudices and some were quite humorous. One name submitted to *The Globe and Mail* was "A Faster Way to Leave New Brunswick Bridge".

The francophone entry to *The Globe and Mail* was *La chaussée vers la patate* which roughly translates into "a pathway to potato land". We have that to consider if the bridge is built. One of the entrants to *The Guardian* was "Coyote Alley". Apparently we are being infiltrated by coyotes lately and this I guess to one person's mind will increase our coyote population on Prince Edward Island. There were some very nice names too, the "Garden Gate Bridge" and the "Northumberland Bridge" and so on.

It seems some people are rightly having a little humour with this particular project. Maybe it is time to lighten up a little bit about it. However because it is probably the biggest engineering project ever in Canada, we have to take it very seriously these days. I know if we had gone with the causeway 30-odd years ago, we would really have some problems today with a stone causeway projecting out into the Northumberland Strait for miles on both sides.

The Northumberland Strait crossing project, or as it is commonly called, the fixed link, is without a doubt the single most important project to be undertaken involving Prince Edward Island since the province joined the Canadian Confederation. It is an issue so monumental in scope and so great in potential for economic and social change, it is difficult to grasp the magnitude of the impact that this project could have on maritime Canada, in particular on Prince Edward Island.

Because of its potential impact, it has been necessary to study this project with considerable intensity. Studied indeed it has been. It is estimated that over 90 studies have been conducted on various aspects of the project, most in the past five or six years.

I have a list of studies which have been done on the Northumberland Strait project since 1987. There have been 55 by Public Works Canada on the Northumberland Strait crossing project itself. Nineteen studies have been done by Public Works Canada for the Northumberland Strait bridge project and the concept assessment supplement supporting documents. FEARO and related reports have done four studies. There were three miscellaneous reports, seven Environment Canada and related documents, and four Strait Crossing Incorporated and related reports.

In the past number of years, over 90 studies have been completed on this particular project. That does not include the days when the causeway was being considered or the days when the tunnel was considered back at the turn of the century and earlier.

Since the time Prince Edward Island became a British colony in 1767, the question of a transportation and communication link to the mainland has been bandied about. From the 1830s onward summer steam vessels and winter ice boats provided a spasmodic kind of service between Prince Edward Island and various points in Nova Scotia and New Brunswick.

When the Charlottetown conference in 1864 was called, it was intended to be a discussion of maritime union. One of the items on the agenda was a transportation and communication link to the mainland. Even though the Charlottetown conference actually gave birth to the concept of Confederation, the issue of P.E.I.'s link was a major consideration in deciding whether the province would or would not join.

As things turned out, P.E.I. did not join in 1864 and discussions continued on the terms under which we would become a part of Canada. The issue of a transportation and communication link continued to be a major factor in the decision-making process.

When Prince Edward Island finally became a province of Canada in the spring of 1873, one of the terms of Confederation dealt with the link. In it Canada assumed a constitutional obligation to provide a continuous connection to the mainland. The terms of union clause reads:

> That the Dominion Government shall assume and defray all the charges for the following services; vis., efficient steam service for the conveyance of mails and passengers to be established and maintained between the island and the mainland of the Dominion winter and summer, thus placing the island in continuous communication with the intercolonial railroad and the railroad system of the Dominion.

We have to be careful with that particular condition of entry into Confederation. In the Minister of Finance's economic and fiscal statement of December 2, 1992 there was a paragraph on page 28 that said:

> In addition, the federal government will commit to the construction of a fixed crossing to P.E.I., if the province recognizes that the facility meets Canada's constitutional obligation. To demonstrate this commitment the government will facilitate advanced engineering and environmental work.

This is if we agree to write off the constitutional obligation.

> The project, expected to begin in the spring, will generate up to 3,500 person-years of employment over a five-year construction period. Roughly 70 per cent of the estimated $800-$900 million project cost will be spent in Atlantic Canada.

I am happy to say that the condition which was laid out has since been withdrawn, if I am not mistaken. I believe some people got carried away with the fact that the bridge would be built and forever Canada would have washed its hands of its constitutional obligations. With some vigilant negotiation that has been dropped as a proposal.

During the first years that P.E.I. was a province this so-called continuous service continued to be provided by steam vessel and ice boat. In 1885 the idea of a tunnel under Northumberland Strait was proposed. This was supposed to ensure year-round communication. The tunnel concept was studied and analysed off and on for the next 30 years but never really got beyond that stage.

In 1917-18 the advent of ice-breaking ferries put the tunnel and the concept of a fixed link to rest until the mid-1950s. In 1966 construction was actually begun on a bridge-causeway combination. Access roads were built but before work on the actual bridge-causeway got started the project was scrapped. That is when the province of P.E.I. signed a development agreement with the federal government in lieu of continuing with the bridge-causeway concept.

The latest round of discussions began with the public works study in 1982. This was followed by unsolicited public and private sector bids. A major Public Works Canada feasibility study took place in 1987-88 and further bids were solicited during that time.

This brings us to 1988 and the move by the Government of Prince Edward Island to consult the population on whether or not they wanted a fixed link to the mainland. On January 18, 1988 Islanders voted. The results were 60 per cent in favour of the link and 40 per cent opposed. Prior to the vote, then Premier Ghiz wrote to the public works minister, Stewart McInnis. November 6, 1987 was the actual date of the letter. In his letter Mr. Ghiz, on behalf of the Government of P.E.I. indicated that support for the link was contingent upon the satisfactory address of 10 principles. These 10 principles had to do with highways, the Woods Island ferry, the submerged lands, tolls and how they would be arrived at, the displaced workers at Borden-Cape Tormentine, economic development for the town of Borden, the Atlantic content in the materials which would be used and the labour required, an environmental impact study, the fisheries which was very important to Prince Edward Island, and the utilities. That was the utility corridor to be used at no cost to the province.

• (1640)

These 10 points have been addressed to the satisfaction of both Premier McKenna and Premier Ghiz. A short time ago they signed an agreement with the three levels of government addressing all of these problems. Whether or not they have been addressed adequately, it was adequate enough for the two premiers and the federal government.

In the fall of 1992 Mr. Ghiz in his capacity as premier signed a federal-provincial agreement, along with Premier McKenna of New Brunswick and the federal Minister of Public Works. This signature indicated that he was satisfied that all 10 of P.E.I.'s concerns had been addressed. This has assured me and most Islanders that in the opinion of the province of Prince Edward Island, the premier of New Brunswick and the federal government, every reasonable measure has been taken to ensure that this project was environmentally, economically and socially acceptable.

On the list of concerns the environment has moved to the fore. In fact the environment was always one of the main concerns of building a fixed link of any sort across the Northumberland Strait. To show environmental compliance the following clauses are included in the federal–provincial agreement. I think these clauses are extremely important and I will quote them in their entirety. Clause 6(1) reads:

> Public participation in the federal Environmental Assessment and Review Process, commonly known as EARP, was undertaken to the satisfaction of Canada, P.E.I., and New Brunswick.
>
> Canada through its Department of Fisheries and Oceans, Environment Canada, and Transport Canada, in conjunction with the provinces of P.E.I. and New Brunswick had deemed that a fixed crossing can be constructed in an environmentally acceptable manner.

Clause 6(2) reads:

> The construction and operation of the fixed crossing shall comply with the environmental laws, regulation, and relevant environmental codes of practice of the provinces of New Brunswick and P.E.I. and the government of Canada, as well as other specific requirements identified by means of the evaluation conducted under the federal Environmental Assessment and Review Process.

Clause 6(3) reads:

As a condition to the coming into effect of this agreement and prior to financial closing, the developer must obtain the necessary approvals under provincial and applicable federal environmental assessment legislation and complete an environmental management plan acceptable to Canada, New Brunswick, P.E.I. and the province of Nova Scotia.

The inclusion of these three clauses in the federal–provincial agreement to proceed with construction of the fixed link is extremely important. It tells us that all three governments have agreed that the environmental studies conducted to this juncture are more than adequate to ensure that any potential environmental difficulty has been mitigated to the point where we can proceed without undue concern.

Environmental concerns have been the most pervasive of any reservation that people have had about the construction of the link. Consequently much of the study of the proposed link has been devoted to these environmental concerns.

Back in January 1989 the federal government appointed a panel to review the equity, environmental, social and economic impacts of the project. Public Works Canada published a bridge concept proposal which attempted to address all the environmental aspects of the project.

During the summer of 1989 the review panel held some focus sessions in communities in P.E.I. and New Brunswick to determine whether the information base was sound enough to proceed to public hearings. Later that year Public Works Canada published a supplement to the bridge concept assessment so that the review panel would have more information with which to work.

In March 1990, 12 federal public hearings were held in order to provide people with an opportunity to present their views on the project. Approximately 150 groups and individuals took advantage of the opportunity provided.

In August, the FEARO panel published a report which contained suggestions for proceeding with an environmentally acceptable project. One of the major concerns expressed by the panel dealt with ice and ice–out delays in the strait if a bridge were to be built.

Nothing more than a two–day delay would be acceptable. That is a two–day delay over a 100–year period. Environment Canada responded to these concerns by appointing a committee of ice experts to study the impact of a bridge on ice–out time in the strait in the spring.

This was done in November 1991. The committee reported in April 1992 and concluded: "A bridge which meets the criteria for ice delay established by the FEARO panel can be installed across the Northumberland Strait".

In May 1991, the Minister of Public Works announced that developers were invited to resubmit their proposals for the project. These proposals would then be evaluated against the government's financial criteria and the environmental requirements outlined in the federal government's response to the FEARO panel report.

The result of this process was that the company Strait Crossing Incorporated, commonly known as SCI, won the bid. Although SCI has been chosen as the company which will build the fixed crossing, it has yet to enter into a contractual agreement with Public Works Canada. The company had to develop a financial plan and an environmental management plan before moving to the contractual stage.

Since the financial plan is a matter between the company and the government, and since at this stage it is not a subject of great debate, I would like to devote my attention to the area which has been of great concern and the focal point of the arguments against the link.

SCI submitted its financial management plan on December 21. In January the company took the plan on the road and held nine public meetings so that it could explain the situation and the environmental management plan, determine the areas of concern in the public sector and give itself the opportunity to address these concerns in the final draft of the plan.

Opponents of the fixed crossing publicly expressed their dissatisfaction and labelled the hearings a sham, a failure of due process and a superficial treatment of the environmental issues.

Each of these meetings was attended by hundreds of concerned citizens from P.E.I., Nova Scotia and New Brunswick. The meetings lasted until every question raised was dealt with. However some of the critics did not see fit to attend any of the meetings.

I will deal with opposition to the link a little later. It seems that there is a group of opponents who fall into the category: If my mind is made up, do not confuse me with the facts".

The purpose of the environmental management plan is to manage and mitigate potential impacts throughout the life of the project. Protection measures recommended by the Federal Environmental Assessment Review Panel are also incorporated into the plan.

As well, any contractor would have to comply with all existing environmental laws, regulations, guidelines, standards, permits, approvals and authorizations. Without going into detail, the protection part of the plan deals with environmental protection procedures for activities such as clearing up the areas and disposal of the debris; road preparation; building and crossing streams, marshes and other environmentally sensitive areas; blasting and filling in quarries and related activities; dredging and disposal of material; disposing of sewage and other waste material, handling and storing hazardous materials and the movement of equipment and vessels.

In addition, there are continuous measures for dealing with events such as fuel spills, fires and vessel accidents.

After the more than 90 studies done for the fixed crossing, after the environmental management plan has been submitted, after the federal government and the governments of New Brunswick and Prince Edward Island have indicated their satisfaction, I believe that most of these environmental concerns will be met.

However, there is a court case scheduled to be heard during the first week of March. The pointed issue here is whether or not an adequate environmental study has been completed. The complainants, the Friends of the Island, indicated in a press conference on February 4, 1993, that they are willing to drop the case if any of the three options are pursued. The options are to debate the bridge in the P.E.I. legislature, hold another plebiscite or go through another environmental review process.

At this point, I want to quote from an editorial in *The Guardian* of February 6: "What message are we left with? For years now, Friends of the Island have been playing Chicken Little, moaning about the potential environmental horrors of a bridge to New Brunswick. Judging by the options laid out by the group, any environmental concerns will be addressed by a blast of hot air in the P.E.I. legislature. The message is the environmental concerns are a mask for a political agenda that has no popular support in 1993".

• (1650)

There seems to be a lot of back-pedalling by the Friends of the Island in issuing those three conditions. However, the bottom line is that the case is still scheduled to be heard in March and whatever the decision, we will have to live with it.

All along, Islanders felt that if we were going to do this project, then we should do it right. This structure will be permanent. It will be there for a long, long time.

Some believe it has not been done right. The judgment of the two provinces and the federal government is that they have done it right. We will see if this House of Commons agrees at committee stage that it has been done right. We will also have to wait for the Supreme Court case to see if it also believes that it has been done right.

There are some people who are fundamentally and philosophically opposed to the idea of connecting P.E.I. to the mainland. No amount of effort, no amount of study and no amount of delay is going to change these people's attitudes. They just do not want a link of any kind.

Cathy Edwards was one of the members of the federally appointed environmental assessment and review panel that tabled this report in August 1990.

At an anti-link rally in April 1991 spokesmen for the Friends of the Island referred to "the greatest single issue the province would face in this century". They also spoke of the role of passion in the debate of the issue.

This is what Cathy Edwards was quoted as saying: "It has been a precarious journey with the island hanging in the balance. Maybe ice is not the issue at all. We can do something about ice. It is called mitigation. I doubt that there are mitigating measures for the heart. The heart has its own reasons".

"I doubt there are mitigating measures for the heart. The heart has its own reasons". There in a nutshell is an eloquent yet concise statement of fact that underlies the opposition to this project. There are people who are opposed and will continue to oppose any form of fixed link to the mainland. They will do so as a matter of emotion and as a matter of the heart. Nothing anyone can say or do will change their minds. No orators, no scientists, no engineers, no matter how many, no matter how great their reputations and no matter what array of facts, figures and scientific arguments are presented will ever change their minds.

When Premier Ghiz put forward his so-called 10 commandments or 10 conditions that would have to be met before he would agree to support the link, they said: "The feds will never meet these 10 conditions. Let us base our opposition on that".

When the 10 conditions were met, this issue was dropped and new grounds for opposition were dredged up. There was the idea that a bridge would cause an ice buildup so huge that it would take half the summer to melt and thus cause all kinds of other problems. The opponents used that argument.

When a panel of internationally acclaimed ice experts debunked that theory, it was dropped and a new argument took its place. When asked if they would cease to oppose if a second plebiscite was held and the results supported the bridge, the answer was: "No. We will never go away". This small group of opponents to the bridge will always be with us. For them it is an issue of the heart and no logic will dissuade them.

However, there are people who raise concerns of a material and practical nature. There are two main issues involved. They are the possible damage to the fishery in the strait area and the fate of the Marine Atlantic employees who will be displaced when the ferry service ceases its operation.

SCI has moved to address the fisheries question. The company has established a $10 million fund for fisheries compensation. It is left to be determined whether this amount of money will be sufficient.

This fund is to be overseen by a fisheries liaison committee headed by Fisheries and Oceans Canada. Local fishermen's associations and unions will be represented on this committee. However, the ultimate responsibility for addressing any problem which might arise in the fishery must remain with the federal government.

There are several questions which must be addressed. Who will determine the level of compensation for the fishery if there is damage? How long a compensation term will be considered? Will the area of compensation include the whole strait or just an area adjoining the bridge?

I congratulate P.E.I.'s new premier, Catherine Callbeck, on her success. This position automatically makes her the premier of Prince Edward Island, succeeding Mr. Ghiz who resigned after serving 10 years as party leader, including six very successful years as premier.

One of Mr. Ghiz's final acts as premier was to sign the federal-provincial agreement on what is officially known as the Northumberland Strait Crossing Project.

Mr. Ghiz has just been appointed dean of the law school at Dalhousie University and I congratulate him on that appointment.

Premier Callbeck has indicated that she is also a strong supporter of the fixed link. However she has also expressed some concern about the fishery and the ferry workers. In the past week the premier has written to the Minister of Public Works outlining these concerns and requesting an immediate resolution to outstanding issues in these two areas.

I want to reiterate my concerns with regard to the fisheries compensation package as well as to indicate that a ferry workers compensation committee must also be struck as soon as possible. As with the fishing committee, the ferry workers compensation committee is also the responsibility of the federal government. The 500 to 600 employees of Marine Atlantic have entitlements. If one looks back into the not too distant past one will find the total abandonment of the railway in Newfoundland, a total abandonment of the railway in P.E.I. as well as the partial abandonment of the railways in New Brunswick and Nova Scotia. Settlements with displaced workers in these areas have provided precedents for the kind of settlements to which Marine Atlantic workers are entitled.

I do not think we can underestimate the positive economic impact that a fixed link would have on Prince Edward Island. Everything indicates that if we are to improve or even maintain our standard of living we must also become more self-sufficient. We must have a greater degree of economic independence and we must become more competitive.

An improved transportation system is crucial to our becoming more competitive. Whether it is for our manufacturers or processing sectors, our agricultural sector, our fishing industry or our tourism, we have to keep costs down if we are going to be competitive. Economic activity will grow not only during construction, but in the years afterward. The link will generate industrial expansion and create jobs. The link will generate growth and tourism and create jobs.

P.E.I. has a desperate need for meaningful, full-time jobs. There will never be an opportunity as great as this one we now have within our grasp. The successful completion of the fixed link is vital to the future of Prince Edward Island.

Let us hope that all parties have done their homework properly.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have an opportunity to speak about Bill C-110 this afternoon. However, I regret to say in the opening of my remarks that I think it is the ultimate double-cross of the people of Prince Edward Island, New Brunswick, the maritimes and of Canada generally because this government is on the record as saying it is committed to sustainable development, yet not too long ago it passed the new environmental assessment legislation in this House.

I really felt it did commit this House. Although I voted against it because I thought it was inadequate, I still thought that it was a good intention by members of Parliament to indicate where we were going on environmental assessment.

However, I do not think that anyone who has followed the cabinet's guideline order since 1984 and its tortuous movement through the courts of this country all the way to the Supreme Court of Canada can be anything other than deeply hurt today to see Bill C-110 being passed with the quiet acquiescence of the Liberal Party. Apparently it openly supports it if that is the only speaker we are going to hear. There is also the support of the Conservatives on that side of the House.

This is an abusive process. I intend this afternoon to lay out precisely how bad the abusive process is and who the critical players are. Keep in mind that Strait Crossing Inc., SCI as it is called, is the same group of promoters and developers from Calgary that have been involved in the Oldman River dam. That involved the destruction of 38 kilometres of an internationally recognized river system for a highly questionable project. It was finally forced by the courts back into a second environmental assessment and review process where the number one recommendation was to decommission the dam.

The government only accepted the recommendations following that and none of them have been lived up to by the government. This was an abusive process that flew right in the face of the Supreme Court of Canada.

This project contained in Bill C-110 has never been approved by an environmental assessment process in this country. It is a hoax to hear the Liberal member from Egmont and the Minister of Public Works rise in this House and use very carefully crafted language to suggest to the people of Canada that this project was ever legally, legitimately, morally, ethically or properly approved through any kind of an environmental assessment process. The environmental assessment process said no to the generic crossing proposal. It went before this non-peer reviewed, non-public hearing group of so-called ice experts and now the government claims: "Oh well, everything is fine now; we can just forge on ahead".

• (1700)

I think my credentials in following the fixed link go back quite a way. My great grandfather James Stewart was the premier of Prince Edward Island. This was talked about in the family when he was the premier of Prince Edward Island. That side of the family has talked about it for the better part of a century. On the other side of my family, my great-grandfather Peter Mitchell was the premier of New Brunswick at the time of Confederation. That side of the family has talked about this so-called missing link since this country began. The country has been well served by the marine ferry service back and forth.

We listened with care on this side to the Minister of Public Works when he said that this is a private sector project. That is a crock, Mr. Speaker. You and I know it. The government plans to give $42 million a year in fixed 1992 dollars to this corporation, 70 per cent of which is owned outside of Canada in the United States and Britain. No one wants to talk about that.

I looked back through press clippings and noticed that as recently as 1990 this project was touted throughout the maritimes as $600 million. By 1991 it was $700 million. By 1992 it was $800 million. The minister in his remarks was talking $800 million. But when you open the bill, and I hope Canadians read it, it says $42 million in inflation protected 1992 dollars for the next 35 years. I am sorry to the government and to the Liberals, but I can multiply. That comes to $1.47 billion if you keep it at 1992 fixed inflation protected dollars. It has risen from $600 million to $1.5 billion in two years.

Who is in this consortia? This is a private sector driven project, but they have driven their snouts right into the trough. This is double. The Auditor General should be looking back through the marine accounts right now. The Government of Canada is only giving $21 million and a little bit more to the ferry connection to P.E.I. right now. How does it suddenly leap? Here we get a 100 per cent leap of faith to $42 million times 35 years. And what will we inherit if this monstrosity is built? Thirty-five years from now we know it will be a rusting hulk hanging out there over the water. Anyone who has driven across the Lion's Gate Bridge, the Golden Gate Bridge, the Fauna Bridge or any of these other bridges knows if you are near salt water the concrete is going to decompose. The steel superstructure, all of the superstructure and the asphalt is all going to disintegrate.

So the minister says that is wonderful. It will be fully amortized after 35 years and we Canadians will get to inherit a rusting hulk when it is hitting its critical years for reconstruction. The most you can get out of a bridge of this kind on planet earth in a high energy atmosphere is a century. No one has even lived that long to find out if that is true.

We will inherit a rusting hulk, all the debt and all the maintenance problems. The minister, whom I like dearly, tells us in this House that this is a private sector project. This makes me want to vomit. Every single voter in Prince Edward Island should be infuriated at the kind of hoax that is being perpetrated and perpetuated on the floor of this House. People in New Brunswick should be livid that this kind of crap is being hornswoggled around in the House of Commons and jammed at the people of the maritimes. I think they should be outraged and they should throw every single member of Parliament out who has anything to do with this because it is a hoax.

This has never been environmentally assessed. There are these so-called ice experts but that is not the only ground upon which this project was turned down. Let us look at some of the material. Let us look at what the minister's colleague, the Minister of Fisheries and Oceans said publicly. He said if the fishermen opposed the project he would have it blocked. Well, let me read from a fax I received today from Buck Watts, the president of the P.E.I. Fishermen's Association. This resolution was duly passed less than a month ago in Charlottetown. It states: "The P.E.I. Fishermen's Association is opposed to the construction of a bridge to the mainland until further and more appropriate environmental study has taken place. We suggest an environmental review panel as advocated by the group Friends of the Island".

Where is the minister of fisheries? He promised the bridge would be blocked if they opposed it. Of course that is along the way. Somebody speaks out and you just throw a little bit of political oil on the waters I suppose. In 1990 the scientists in maritime Canada said: "No higher fishing quotas". This same minister of fisheries overrode that and increased the quota allowance by 50 per cent. In 1993 we have no cod fishery.

Are these the politicians we are supposed to trust when they say the ice-out is not going to be a problem? Where are these four scientists? Why were they not peer reviewed? Are you going to go to some bum down the street because he says he is good at doing open heart surgery? Give me a break. This is crap. It is time people in this House started to stand up for the truth.

The Conservatives say this is going to bring lots of benefits to Prince Edward Island. What about the studies that have been done in P.E.I. that say it will be a net loss of $1 billion to P.E.I.?

The member for Egmont says: "Oh, well, those people there just have concerns from the heart. They are just a little group. They do not even know what is going on". I have many relatives in P.E.I. They are not opposing this bridge concept because of concerns of the heart. They know it is a crock. There will be fewer jobs. This is corporate welfare of the very worst kind. They have come up with the proposal. I know what the sworn affidavits say. I know they were pushing this back in the early 1980s.

In 1985 three unsolicited proposals arrived here in Ottawa. People in the maritimes do not believe in Tinkerbell any more. We know that in January 1987 the project was actually put forward by Public Works Canada. It became the locomotive. It started dragging this monstrosity around the maritimes.

I have already gone through the figures and the level of inflation within the figures. I think anyone in Canada would understand that I oppose this project on good grounds. I think many people have come to realize this very wealthy group of corporate promoters plans to pin the tail on the donkey. They see the public purse as the donkey and say: "Let us pin the tail on the donkey and we will make ourselves rich forever more. It is $42 million a year, consumer price index protected, protected against inflation forever more. In 35 years, the moment it is a rusty monster, we will just turn it back to the taxpayers of Canada".

If this were to continue as a marine ferry service it would maintain more good jobs. Last year out of 13,000 sailings only five were even delayed. This government has been undermining the marine ferry service for years by refusing to provide new equipment, refusing to upgrade the docking facilities, refusing to do what we do in British Columbia. There we try to make tourists and passengers happy while they are waiting for a ferry. We sell them a hot dog, give them a cup of coffee, let them buy some local goods, have a few people playing guitars, give them newspapers and have a little fun.

Good grief. I remember the last time I tried to cross from New Brunswick to Prince Edward Island. Treat the public decently. Give the corporation a little bit of money instead of starving it. The government has been trying to make it a self-fulfilling prophecy so people will say: "Good grief, we have to get rid of the ferry service. It is terrible. We have to have the bridge. We never realized it before, but we have to have the bridge". What a crock.

Whatever became of the tunnel? We now know it would have been cheaper. In terms of environmental impact we know that subterranean tunnels in almost all locations where they have been used are almost environmentally benign because they go below the ocean in the dry zone. Then you can shock treat the walls. You can put in lighting. You can put in breathing apparatus. If there has to be a fixed link, why was that removed from the terms of reference of the FEARO process? Why was the tunnel not reviewed? Well, we know this little cadre of government friends wanted the bridge concept. It has been corporate driven. It has been bridge-concept driven and it has been driven straight to the public taxpayer's wallet and this is a crock.

• (1710)

Mark my words. I predict the Supreme Court of Canada will come down much more harshly on this project than on the Oldman River dam. It will not be amused and in fact will be downright angry with the government after all of the legal proceedings on the Rafferty-Alameda on the Oldman and all the shenanigans in Quebec about James Bay II. It is going to be pretty damned angry to put it mildly, with due respect, with this kind of jiggery-pokery, end-running and hoax playing that has been going on from the government benches.

Let us have a look. I have dealt with the Minister of Public Works and the Minister of Fisheries and Oceans. What about the Minister of the Environment? Right now in his office his knees are probably trembling and his spine dripping mustard coloured sweat because we know what has been going on. He wrote to me and threw in the towel on March 10, 1992. He said: "The requirements of the EARP have been fully satisfied with respect to that proposal". Well, in February, a few days before he wrote this letter Environment Canada gave sworn evidence to the FEARO panel that on the cumulative impacts, "this matter has not been addressed to the satisfaction of Environment Canada".

That is his department. Ministers are supposed to stand up for their departments. A cosy deal is going on in cabinet. The promoters are here from Calgary, London and Houston and they are saying: "Look, we have been waiting for a decade to build this damned bridge. Just give us the money. Forget about your voters. Forget about the taxpayers. Get over to the mint and give us $1.5 billion. Who are you guys anyway?" Joe Ghiz and Premier McKenna are trembling. Well, what about the fisheries at about $100 million a year? We know how it has been savaged by political incompetence and neglect on the east coast. It is just now occurring on the west coast. We know what happened to the Great Lakes. We know about tioxide in the Gulf of St. Lawrence and the St. Lawrence.

What about the lobster fishery? What about the groundfish? What about the migration back and forth of the invertebrates? The reason for the concern about the two-day delay in ice movement is all temperature related. This was not plucked out of the air by some airy-fairy scientist. It is based on critical, known, scientific, peer review data. It is not the B.S. that has been coming from the cabinet.

The courts are going to be extremely angered by this kind of approach. The Environmental Assessment Act must now be seen in this light. People who are concerned about the environment and sustainable development now know the government's intention to politically manipulate the new Environmental Assessment Act is demonstrated by what it is doing today.

The likelihood of the Liberals ever standing up for the Environmental Assessment Act is dashed today because it is cowardly to rise in this House and not stand up for the laws that are passed in here.

It is just tom-foolery to say: "Oh, this is going to help our constituents. It is going to mean more tourism and we are going to be able to move potatoes more quickly and all these things are going to be great". Studies have been done in all these sectors that have never been given the opportunity to be assessed by a public review panel under federal law. Those who travel around the maritimes saying: "Oh, it has had an environmental assessment" should also add "and it was turned down". No one seems to give a damn any more and it infuriates me.

There are three ministers of the Crown. The Minister of the Environment threw in the towel, ran away and is hiding in his office. The Minister of Fisheries and Oceans told the fishermen: "If you do not like it and you tell me you do not like it, I will block it". Well, they said they do not like it and he will not block it. The Minister of Public Works, through some kind of corporate infection that apparently has no treatment other than defeat electorally, has been driven to approve this project and bring it before this House. It is an incredible embarrassment to this country that it has been done.

How did big money do this? It is a very primitive plan and let me run through it quickly. First, hunt around for a project that has some public support but do not ever let the public get a clear focus on it, particularly its costs and the alternatives to it. Second, identify a few key spokespersons who appear to represent large sectors potentially affected by the project and keep them oiled well. Third, make sure the taxpayer pays the full shot for everything including the decommissioning of the project. That has been done in spades with this project.

The only silver lining in all of this is that we went through this exercise in this Chamber in the mid-1960s. The approaches for either side of this notorious project were begun in 1966 and the plug was ultimately pulled. Money was voted forward, property was expropriated and so on.

We know that these sorts of things tend to repeat themselves. We know that for more than a century generations of maritime politicians have made their careers on the back of the fixed link. It has always been the missing link to their electoral success just as sightings of the sasquatch have been in British Columbia.

To have manipulated the public in those two provinces, to have manipulated the law so crudely and so vulgarly is delinquent and perhaps worse. I think the courts are going to have something to say about that. I am proud there are Canadians who have not been brow-beaten by their neighbours and are willing to take this kind of matter before the courts.

I would like to quote briefly from one member of the council, Mark Freiman, who points out quite clearly what the problem is. He writes: "Bill C-110 seeks to authorize and so that it is also aware of just how many important environmental issues have either not been addressed or have been ducked up to this point. Even those who favour the idea of a fixed link between P.E.I. and the mainland should be made aware that the government has not abided by its own guidelines", and he goes on.

With that in mind and knowing that the government's intention is to have this matter sent to a legislative committee, I move:

> That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:
>
> Bill C-110, an act respecting the Northumberland Strait crossing be not now read a second time but that the order be discharged, the bill withdrawn and the subject matter thereof referred to the Standing Committee on the Environment.

I do this knowing that the environmental side of this issue has been buried and hidden from all Canadians and there is a sense of urgency.

The Acting Speaker (Mr. DeBlois): Order, please. Having tabled a motion for amendment the hon. member does not have the floor now.

[*Translation*]

The Chair will take the motion for amendment submitted by the hon. member for Skeena under advisement.

Ten minutes for questions and comments. The hon. member for Longueuil.

Mr. Nic Leblanc (Longueuil): Mr. Speaker, the minister said earlier that it would cost $800 million to build this bridge. I have some serious doubts because I know a bridge across the St. Lawrence cost close to $1 billion. We are talking about a bridge that would be about 13 kilometres long. It would be built where ice and currents are a problem. I doubt very much that it would cost only $800 million.

Through the hon. member who just spoke, I would like to ask the minister a question. I find it hard to understand how a company could take sole responsibility for the construction of this bridge without having guarantees. Could the minister inform the House whether the company has any guarantees from the federal government in case it goes bankrupt or fails to cover its costs? Is the government going to pay for all the project evaluations? Will it do research for the company? How much is this going to cost? This is important, because we are talking about 35 years. The government is committing itself to paying $42 million per year for 35 years. That is a lot of money.

• (1720)

I wonder whether the company will be able to survive that long without guarantees that the government will subsidize this project to the tune of who knows how many millions of dollars. With all due respect for the people of Prince Edward Island, there are only 127,000 people living there. We have to consider the number of inhabitants in relation to what is being spent here. The government is committed to paying about $1.360 million per year, for 35 years, just for a bridge. We on Montreal's south shore were rather taken aback by this announcement, because we have been trying to get $75 million for Highway 30 for the past 10 years. And for the past five or six years we have been trying to get $80 million to build a tunnel under the St. Lawrence, but nobody is listening. We have 350,000 people living on Montreal's south shore. I mean, it is rather unusual to see the government getting involved in such a major project for a population of 127,000.

I agree with the hon. member for Skeena who just said that the environmental impact should be given further study before a start is made on such a major project. I therefore support the hon. member for Skeena and his demands for an in-depth study of the environmental impact before construction is started on a bridge of this size.

[*English*]

Mr. Fulton: Mr. Speaker, I am glad to answer on behalf of the minister who I am sure would give the same one I am about to give. That is that the government has provided that titanium credit card to the SCI consortia in terms of its expenditures and its ability to raise the capital from the banks or where ever it likes. It is guaranteed $42 million a year for 35 years in inflation protected 1992 dollars. That is $1.47 billion in 1992 dollars. I hope the media will stop calling it a $600 million, a $700 million, an $800 million, or $1 billion bridge because the company is getting $1.47 billion.

Perhaps of greater concern is the overrun and I refer to a very excellent paper done by Friends of the Island. On page 13 they point out that SCI's completion bond will only cover up to 25 per cent of the overrun. Not only do the taxpayers get the bridge back, we get the honour of paying for it totally. We get the honour of getting it back once it is a rusting hulk to have to rebuild it, plus SCI's completion bond will only cover 25 per cent of the overrun, keeping in mind that it began at $600 million. It has already gone up $900 million in two years before one shovelful of sand has been moved. It did not go up 100 per cent. It has gone up 150 per cent in price before it has even moved off the drawing board.

In an article in *Policy Options* Professor Peter G. C. Townley concluded that: "It is important for decision makers to understand that the economic viability of a fixed link has not been established".

My friend is quite correct. These are the kinds of questions that need to be addressed in this debate. I have a few minutes to respond to the other questions he raised.

The Acting Speaker (Mr. DeBlois): Other members want to raise questions with the hon. member for Skeena.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I would like to take the opportunity to agree with my colleague from Skeena on the reasons for blocking this bill. I think it is another testament of the kind of scurrilous activity in this House on the environmental assessment review process.

I would like to ask the hon. member to expand on some of the other reasons that we oppose this project.

Mr. Fulton: Mr. Speaker, I thank the hon. member for Saanich—Gulf Islands for the question.

It is important that Canadians have some understanding of some of the other implicit costs. I quote again from the paper "Against the Bridge":

> Maintenance costs of the bridge will be high. Public Works Canada calculations that justify the bridge subsidy do not take into account bridge maintenance. The Gardiner Expressway in Toronto costs $1 million per mile each year to maintain, with exposure to salt occurring only a few weeks a year. Additionally, the elevated road is serviced by land, not water. A bridge in Jutland, Denmark operating in conditions much less stressful than the Northumberland Strait has cost more in maintenance than the original construction price.

That is precisely why we are supposed to have full, proper environmental assessment and review procedures: to look at all of the social, environmental and precisely project related implications.

If anything can come out of today's debate it is important that a focus come back to what is being done in terms of an end run on the taxpayer. The most malicious end run, of course, is on the people of Prince Edward Island and New Brunswick. The generic bridge concept that went before the environmental assessment and review process was turned down. That needs to be kept very clear in people's minds.

What ultimately happened with the Oldman River dam has not yet occurred in this case. This bridge has not been built yet. What occurred with the Oldman River dam was that the legal arm of government ultimately found that the dam should be decommissioned and taken down. This was after it had been built at a gigantic cost to the taxpayers principally of Alberta by this same company.

Let us keep in mind that it is the same company, the same consortia which has these visions in the light of these projects that the private sector would never do. It knows how to shilly-shally and dilly-dally and lobby. It knows how to do all these things to get through to government. It gets government caucuses rolling. It gets people rolling. It gets promoters rolling. It oils the wheels and goes straight to the public trough to build these monstrosities.

The bridge is not necessary. There is perfectly adequate, quality service between the two provinces. That is the constitutional requirement.

How is it that costs are paid by the Government of Canada according to the Auditor General at $21 million per year and the consortia now says it needs more per year? The government did not want to promise something that was going to cost more than the ferry service. Therefore, it would not say that the ferry service cost $42 million a year, but it would say that $42 million a year was all that it was going to pay to the consortia, inflation protected for 35 years.

That is pretty close to what is found in the Criminal Code. This is supposed to be the highest court of the land. We are supposed to make carefully thought out, reasoned judgments on legislation. I think any clear-thinking member of this House would agree.

Here is a project that has never been assessed as required by law in Canada, as required by the legislation we passed in this House. It has not yet been proclaimed but that is the intent of this House. We should vote to send this legislation to the environment committee where we can begin the long slow process of uncovering the truth. Canadians deserve that.

The Acting Speaker (Mr. DeBlois): I declare the amendment moved by the hon. member for Skeena is in order. The debate is now on the amendment.

Mr. George S. Rideout (Moncton): Mr. Speaker, I understand we are debating the amendment put forward. It ties in partly to where the Liberal Party is coming from with respect to Bill C-110. We have to keep it in perspective that we are talking about a fixed link. It conjures up all kinds of ideas as to just exactly what is a fixed link and what its impact is going to be. We have to recognize that it is a bridge.

Bridges have existed on this planet since the time the first tree fell over a creek and formed a bridge. I do not think we have the proper perspective as we analyze this situation. It is simply a bridge. We have been building bridges for years.

• (1730)

We have built bridges for the obvious reason of connecting one part of the country to another. We have an obligation to Prince Edward Island, to New Brunswick and to Nova Scotia to have a transportation link that functions and functions properly.

With that in mind, we in the Liberal Party have supported the fixed link for years. I probably should not admit this but when my mother was the member of Parliament for Moncton she turned the first sod in 1965 for the ramps to the bridge. Since that time construction has been a little slow and it has not really manifested itself in the way we had hoped in 1965.

The time for talk in large measure about whether or not a fixed link is necessary has now passed. A plebiscite has been held in Prince Edward Island. Sixty per cent of the people are supportive of the fixed link. I conducted a referendum and a study in my own riding, and 67 per cent of people in the Moncton riding are supportive of the particular project.

As I look at it, and I am saying this on behalf of the Liberal Party, we support sending Bill C-110 to committee. Whether it is the environment committee or another is not as important to us as keeping the project going. We support it going to committee. There are some questions that still have to be dealt with and there are problems with the environment.

Quite frankly we are disappointed in the way the government has handled the whole project. It has had eight years to get the project on the go and to do something with it. The project should have been started a number of years ago. This government should have done a full environmental assessment of the project in general. Since the time of ascertaining that this bridge consortium should be approved, it should have done an environmental assessment of the particular project.

We are of the view that assessment should still be done. We have not changed our position in that respect. At the same time we are most supportive of the project, the concept and this particular bridge. In large measure it seems to serve the needs. We want this legislation before committee so that all those affected by the particular project will have an opportunity to have their say and at the same time give a full airing of the different environmental and job security matters associated with it.

We have heard comments today about the number of studies that have been done. My hon. colleague from Egmont has listed 90-odd studies with respect to a fixed link. The number of studies with respect to the bridge are somewhat limited. This is why we are supportive of the concept of a full environmental assessment.

There are also other confidence building factors which call upon us to support the project. Former Premier Ghiz had 10 points which had to be met. In them were environmental assurances that the project would not be damaging. Premier Ghiz, as he then was and now dean of the law school at Dalhousie University, has said that he is satisfied. He has put his name to the document that starts this process.

Premier McKenna of the province of New Brunswick has had strong concerns about the environment and the direction that we as a country and we in New Brunswick as a province should take. He has been supportive of environmental concerns. He too has put his signature to the document that starts the process.

Liberals are hoping for a full, fair and frank discussion of the issues before a committee that will take a look at the environment. We recognize that this is probably the only fishing area left in Atlantic Canada. We have seen the destruction of the fishery in Newfoundland, in much of the gulf region and along some of the coast of Nova Scotia. The fishery in Northumberland Strait is one of the strongest. It is in the best shape and is the only viable fishery left on the east coast. Therefore we do not want to take any chances with respect to that fishery. We want to make sure that what we are doing will not have an adverse impact.

We recognize that when we build a bridge there is some environmental damage. It is going to have some impact as each pier goes down and as the bridge extends across Northumberland Strait. The fishery is going to be adversely affected. From the studies we have seen it has been indicated that the impact will be of a very short duration. We feel the proper compensation packages must be set up to compensate the fishermen who will be adversely affected in the short term by the construction process.

This agreement provides $10 million for that particular fund. We want to hear evidence as to whether that is sufficient and whether the fishermen of the Northumberland Strait will be adequately compensated by that fund.

Workers presently working for Marine Atlantic have been trained and are skilled in their jobs. They will ultimately lose their jobs as a result of this particular construction. The bridge will offer new careers for some of these workers. Again I think the committee looking at this particular bill should hear evidence as to the types of programs and support mechanisms to be put in place.

Marine Atlantic headquarters is located in Moncton. This could possibly have an adverse effect as well. We have heard the assurances of the government and of Marine Atlantic that no changes will arise from the construction of the bridge, but I have heard those assurances before when we were not going to see the CNR shops close. I heard the same assurances when I was told that rather than close the supply depot in Moncton we were going to see the supply depot enhanced, subsequently to be closed.

It is absolutely essential that we make very clear commitments to the workers at CN Marine at Cape Tormentine and at Borden, to the maintenance of the headquarters in Moncton, and to the maintenance of the positions of the people working in Moncton.

As we look at what is going on here we have to recognize that there will be a bit of a boom–bust circumstance. The expenditure of a large sum of money, $800 million in actual construction, will have a tremendously important impact on the economies of Prince Edward Island and the southeast portion of New Brunswick, but that will only be for roughly five years. We have to ensure that the mechanisms are there to smooth out the transition from that boom to a bust situation, that we put in place the necessary protections to ensure an easy transition.

We must also make sure that new technology will be developed to make that bridge as environmentally sound as it possibly can be, that it will be maintained, and that knowledge will be developed that can be utilized all around the world. In that sense when the committee takes a look at this project we must ensure those types of measures or protections are added to this particular bill.

We are anxious to get on with this particular project. The time has come to move on. Let us take a look at the project, have an environmental assessment, and proceed as quickly as possible with the construction of the bridge.

We in the Liberal Party support the bill going to committee. We are concerned about the environment. We are concerned about the people presently working for Marine Atlantic. We are concerned about the fisheries on the east coast, particularly in Northumberland Strait. We want the assurances and the in–depth analysis the committee can bring to this legislation and this particular project. Let us keep in mind always that this is a bridge. It is not a causeway. It is not a project that will have a massive impact on the environment.

• (1740)

There are some concerns with respect to icing in the strait. A previous study carried out indicated clearly that could be a problem. We understand, but we require assurances before the committee that the new design implemented with respect to this particular bridge has accounted for particular problems in the area of icing in the strait.

The Liberal Party will support the bill at this particular stage as it goes to committee. In the end we hope it will come back from the committee as a better bill, a bill that is supportive of the environment, a bill that is supportive of fishermen, a bill that is supportive of the workers of Marine Atlantic, a bill that is supportive of the communities of Borden and Cape Tormentine and quite frankly all of Prince Edward Island, and a bill that is supportive of the southeast region of New Brunswick that will benefit from the particular project.

I thank my colleagues for giving me an opportunity to speak to the bill. I apologize for the sound of my voice, but I have managed to catch the proverbial Ottawa cold.

This bill is good for Atlantic Canada. It is good for Prince Edward Island. It is good for New Brunswick. It will be better if the things we have called for in the bill are done. That is what we should hold out for.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, let me start by congratulating my colleagues from Prince Edward Island and New Brunswick. They have been continuously pushing in the House for government action on issues relating to Atlantic Canada, in particular to Prince Edward Island. If we had the same commitment on all sides of the House for other projects, a lot of them would have probably been put in place a long time ago.

As a member with municipal background who was involved in infrastructure I had a chance to visit the hon. member's province some time ago to look at infrastructure. He was former co-chair of a task force of the Federation of Canadian Municipalities. I am delighted to see him speaking in support of the link between Prince Edward Island and the rest of Atlantic Canada.

Could he tell Canadians about other difficulties Atlantic Canada is faced with when it comes to infrastructure? Could he tell us a bit about the importance of investment in infrastructure when it comes to job creation, as well as when it comes to encouraging economic growth not only in Atlantic Canada but elsewhere in Canada?

Mr. Rideout: Mr. Speaker, I am glad the question has been asked. I thank the member for Ottawa Centre because it prompts me to think of something I had in the back of my mind to mention and failed to do so.

People have heard us talk about one critical thing to New Brunswick being improvements or upgrading of the Trans-Canada Highway. Those who have never before had the pleasure of visiting New Brunswick and Prince Edward Island will learn very quickly that we do not have the advantages of divided highways. We are still back in the Dark Ages with a Trans-Canada Highway which is just a two-lane road. It has turned out to be a killer highway as a result.

Coupled with this particular structure is the need for the improvement of highway infrastructure throughout New Brunswick. I am sure that my colleague from Egmont would agree that is the case in Prince Edward Island. The highways in New Brunswick are in deplorable condition.

If we are making a commitment of this magnitude to build a link and then on either side of the bridge we have deplorable highways that cannot stand the volumes of traffic generated by tourists and shoppers going to and from Prince Edward Island, we have really created nothing.

Therefore the member for Ottawa Centre is absolutely correct in saying that coupled with this is the need for a new Trans-Canada Highway in New Brunswick. The government has promised additional funding in that particular area, but recently the amount of funding allocated for improving the Trans-Canada Highway is very small. The premier of New Brunswick said it is going to take us about 35 or 40 years to upgrade the Trans-Canada Highway on the basis of the money we receive from the federal government.

We need a renewed, firm commitment to improve the Trans-Canada Highway as well as to finish the bridge—and I keep saying that—the bridge to Prince Edward Island.

Mr. Jim Fulton (Skeena): Mr. Speaker, I would like to hear from the Liberal member from the area just exactly what the Liberal position is on environmental assessment. The member is aware that there has been no environmental assessment and review done of the bridge proposal contained in Bill C-110, that the generic bridge proposal was turned down by the FEARO panel.

I would like to know from the member, since the Liberals are supporting the project, what is their position on environmental assessment? That is a critical concern to Canadians in all areas of the country.

Mr. Rideout: I thank the member for his question. He raises some important considerations. Maybe the halls and the walls were echoing with the reverberations from his speech and therefore it plugged his ears, like mine are plugged with a cold.

I stated the position of the Liberal Party very clearly and straightforwardly. We support this project. We want this project to go forward. We have supported this project over the years that it has been discussed.

We also support the principle that there should be a sound environmental policy dealing with these types of megaprojects, and that there should be an assessment. We support this going to the committee, but we also want a full environmental assessment of this particular project and this particular bridge.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I am pleased to be able to contribute to the debate this afternoon.

This place gets curiouser and curiouser. Just to put it on the record, the population of Prince Edward Island, as received from the Library of Parliament this afternoon, is 129,800 people. The population of my riding of Saanich—Gulf Islands in the 1991 census was 122,051. The people of Saanich—Gulf Islands might very well ask where their billion dollar project is, when we are talking about per capita dollars from the federal government.

This whole megaproject mentality that has its genesis with this government, and obviously is supported by the Liberals, is just incomprehensible, particularly in light of this government's rhetoric flowing out of the earth summit in Rio on sustainable development.

Does the government really believe what it said in Rio? Obviously not. I think we have a fair answer in this House today with the tabling of this bill and its support of it.

One billion dollars for a fixed link. As an Islander, I ask sincerely why do they need a fixed link? I know the people in my riding and the Gulf Islands want ferry service, and as a matter of fact not too convenient ferry service. It is a means of controlling development because the development is going through the roof. Why should we have our environment degraded by population growth, by fly-by-night developers coming in and ruining our land base?

• (1750)

I ask sincerely of this government and the Liberal Party that is obviously supporting this project, what is the thinking behind a fixed link? Why should you make it a billion dollar project to facilitate more truck and car traffic to an island? Prince Edward Island is a beautiful part of Canada. As a Canadian I am concerned, not just about my area but for all of Canada. My concern is sincere. It seems like such a wacko scheme.

The current project, as the minister cited in his speech today, did not originate with the general public, the provincial government or the federal government. The idea was generated by the private companies lobbying for a billion dollar contract. This is a sort of *carte blanche*. Yes, we will manage to expedite your ability to earn a billion dollars from our tax dollars.

In this so-called era of restraint, one wonders how they can possibly look at themselves in the mirror when they say out of one side of their mouths: "We have a real deficit problem. We have real concerns about the base of support in Canada". Yet out of the other side of their mouths they are willing to give a private corporation a billion dollars for an environmentally unsound project.

I also want to talk about the federal environmental assessment, a six-member panel which was convened in April 1989. The public hearings from that FEARO project were held in the three maritime provinces between March 12 and March 30, 1990. There were over 1,500 participants in those hearings, an intense public participation in that federal environmental review. That was on a generic bridge concept. The public participation increased the credibility of the process. A lot of people viewed it with great scepticism. With those 1,500 participants their credibility increased.

This bill assaults that environmental assessment review process. The panel tabled its findings in August 1990 and I will cite some of the findings when it asked that it not be proceeded with. The panel's rejection was based on numerous significant reasons. These include: potential impacts on marine ecosystems and agricultural micro-climates arising from delayed spring ice-out; risk of damage to near shore spawning grounds; limited knowledge of the Northumberland Strait ecosystem making it difficult to predict monitor mitigate impacts and determine appropriate compensation to fishermen; incompatibility of the project with sustainable development; inadequate consideration of cumulative impacts; difficulties in finding socially acceptable solutions for displaced ferry workers and fishermen; inadequate consideration of the environmental and ecological impacts on the island of predicted type of tourism growth and the need to resolve numerous land use issues in Prince Edward Island.

It was a comprehensive environmental review. That is what an environmental review is supposed to be on a generic bridge concept. My colleague from Skeena is quite correct in saying that the bridge concept, as we now see it, is a particular concept that has not been reviewed.

All sorts of reasons were brought forward. The panel in conclusion said; "There is a need for improved transportation service between Prince Edward Island and New Brunswick. After careful consideration, however, the panel concludes that the risk of harmful effects of the proposed bridge concept is unacceptable. The panel recommends, therefore, that the project not proceed".

So when the minister stated in the House today, very carefully, as did the Liberal member for Egmont, that there had been an environmental review—let me just get the minister's words on this—there had been a full environmental review. The full environmental review said: "Do not proceed". What is this government doing? It is proceeding. What is the Liberal Party doing? It is recommending that it be proceeded with. Is it any wonder that people are so sceptical of the political process when you see the way some politicians are willing to act. If they do not like one answer they ask another panel and that is exactly what this government has done. The government did not like that answer so what it did was focus only on one narrow consideration of the environmental assessment review, the ice-out. The government found four so-called ice experts. I do not know the qualifications of these people. The people of Canada do not know these people's qualifications, but this government has based Bill C-110 and is proceeding with this project because of what was said by these so-called ice experts. It is no wonder that people are sceptical of the political process when politicians behave that way.

We had an environmental review process. It went through, the environmental panel said not to proceed. The government has found a way to circumvent that process and proceed and the Liberals are going along with it.

I wonder why that would be. Do you perhaps think that maybe there is politics involved here in this 1993 election year? Do you think perhaps that the Liberal Party, which has based its support in the maritime provinces, thinks there might be some political advantage to this? Do you think the government would perhaps want some of those seats as well? Who will pay the most?

Where does sustainable development fit in this scene? Where does concern for Canadian tax dollars fit in this scene when "it is up to the trough and snout your way through it" mentality, the megaproject mentality which both the government and the Liberal Party seem to be supporting. Where does sustainable development and all the rhetoric we heard in Rio fit in this?

The minister said there are 3,500 person-years involved. Who looks after the fish? Who looks after the lobster? Who looks after the climate and the ocean? That is the responsibility of Environment Canada. Environment Canada is on one side saying one thing and the Minister of Public Works is on the other side saying something else. It is no wonder the public is confused because there is not one single message. Politics are being played here.

Politicians have to realize that the time has come for a stand on these issues and to give the straight goods to Canadians. Sustainable development is what all Canadians want. They want jobs. Of course they do. They want jobs so they can contribute to the betterment of our country. They want Canada's international reputation to be good environmentally. This project will not accomplish that.

We have to look at the land use consideration. Why do the people of Prince Edward Island even contemplate putting a fixed link to the mainland? I value being an islander. I like being islander. It is important. When you are an islander it is the world in microcosm. You know the limitations. You know the finite nature of resources. You live it every day. You know there is a finite amount of water, there is a finite amount of garbage that you can deal with so you mitigate your actions accordingly.

By connecting with the mainland, all of that goes out. You think that oh well we can ship our garbage off, we can ship our water on. This is not sustainable development, this is a wacko political re-election bid by both the Liberals and the government.

I noticed also that the minister said there is no guarantee that the bridge will be built. It is nice that he is at least that honest because it will not be built after the election if the government is re-elected, God forbid, or the Liberals are re-elected, God forbid. There will be no bridge built because it is economically, socially and environmentally unsustainable.

PROCEEDINGS ON ADJOURNMENT MOTION

• (1800)

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

AUDITOR GENERAL'S REPORT

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, last November 24, following the tabling of the Annual Report of the Auditor General of Canada, I asked the Minister of Finance why the government was allowing Canadian businesses operating foreign affiliates to use tax loopholes to reduce their taxable income in Canada. According to the Auditor General of Canada, these loopholes could cost Canadian taxpayers hundreds of millions of dollars. The Minister of Finance replied that he had made some efforts by introducing the general anti-avoidance rules. May I remind you, Mr. Speaker, that these anti-avoidance rules have not yet been used.

Also, several tax experts agree that the general anti-avoidance rules are inapplicable and therefore ineffective because these tax avoidance schemes are not forbidden under the Income Tax Act. Unless the minister asks for Parliament's approval to promote competitiveness by allowing Canadian companies to use avoidance practices which are less abusive, he must demonstrate to Canadian parliamentarians here today that he has the will to eliminate these tax loopholes. He must review the abusive tax arrangements for foreign affiliates to minimize tax losses. These losses are of the order of several hundred million dollars. This is not peanuts, as we say; it is a lot of money.

At a time when the government is trying to reduce its budget imbalance, the Minister of Finance is, in my opinion, only further eroding our tax base.

[*English*]

Will the Minister of Finance review the foreign accrued property income rules, better known as FAPI? The Income Tax Act must define active and passive income in the context of the anti-avoidance rules. Even Revenue Canada is concerned over this issue. The Department of Finance was provided on many occasions with specific recommendations to amend the Income Tax Act in respect to the FAPI rules. The Department of Finance has not acted on any of these recommendations from Revenue Canada.

Furthermore, many Canadian corporations receive tax free, active business income earned offshore by their foreign affiliates in a designated country. The problem is that many of these designated countries are tax havens, as we call them, and should not be listed as designated countries. For example, Liberia is a designated country listed in the income tax regulations despite the fact that 12 years ago this Parliament refused to ratify a tax treaty with that country. Even officials with the Department of Finance agree that when it becomes obvious that Canada will not be in a position to conclude negotiations, considerations should be given to take countries off the designated list.

Does the Minister of Finance think it is fair to allow Canadian subsidiaries to reduce their taxable income simply by operating in a tax haven? Will the Minister of Finance follow the advice of his officials and review the list of designated countries to eliminate tax revenues?

[*Translation*]

In order to make the necessary changes, the Minister of Finance should first complete the studies begun in 1987 on this issue. It is becoming more and more obvious that the Conservative government is dragging its feet when it comes to eliminating tax loopholes, but it is certainly quick to tax Canadians. The Conservatives can increase personal income tax. They have done so fairly steadily in the last eight years, hitting Canadians with some 32 tax increases. Consequently, will the Minister of Finance complete the studies on tax avoidance schemes which began in 1987 and are still not completed some six years later?

[*English*]

While working on these studies, would he suggest interim budget amendments to the Income Tax Act? Even Revenue Canada wrote to the Department of Finance that it should "consider interim budget amendments to the foreign affiliate rules to address the more obviously abusive tax practices".

Will the Minister of Finance or his representative tell the House tonight that he is going to move on this issue that costs Canadians hundreds of millions of dollars. Those are not my words, but the words of the Auditor General of Canada.

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, the Auditor General has suggested that hundreds of millions of dollars in potential income tax revenue are being lost annually under the current system of foreign affiliate taxation.

As well, he has put forward a number of examples in support of his conclusions. It is important to recognize that these examples all predate the 1989 taxation year. As such they occurred prior to the introduction of the general anti-avoidance rule or GAAR.

GAAR was introduced by this government specifically in order to combat transactions that are entered into solely for tax avoidance reasons and more specifically, transactions that while technically consistent with the specific rules of the Income Tax Act, are abusive in tax policy terms. While GAAR is still relatively new, it is a powerful tool. It is anticipated that Revenue Canada will apply it on a regular basis in those cases which involve abusive tax transactions.

While several examples cited by the Auditor General are presently under review by Revenue Canada, it is not clear that in the remaining examples Canada is actually losing tax revenues as a result of the transactions in question.

This government has an enviable record of closing tax loopholes and ensuring that corporations, which under previous governments paid little or no tax, are made to pay their fair share. In particular, since 1984, we have among other things eliminated scientific research tax credits, stopped loss trading by corporations, terminated par votes in the resource sector and restricted after-tax financing.

Ultimately, the foreign affiliate tax regime accurately reflects the intentions of Parliament and provides for full taxation of all income that is intended to be taxed in Canada. The hon. member must remember that in the field of international taxation, more than one country will inevitably have jurisdiction to tax a particular source of income.

Therefore, in order to avoid double taxation, income must be allocated equitably among different countries. This is done largely through bilateral tax treaties. Where appropriate, it involves Canada waiving its rights to tax certain incomes in favour of another country in order to foster international competitiveness of Canadian business. This does not represent avoidance, but rather, a recognition that in certain circumstances—

The Acting Speaker (Mr. DeBlois): Order please. Your time has now expired.

HUMAN RIGHTS

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I rise to ask the Canadian government to show international leadership to close the rape-death camps of Bosnia-Hercegovina.

At least 20,000 women and little girls have been interned and gang raped. Many have died. Babies born of this violence and hatred are being abandoned. There is profound and indescribable trauma resulting from this attempted genocide and a lack of knowledge as to whether one or one's closest family members will survive the day.

My New Democrat colleagues and I have risen in the House and have written letters to the ministers asking Canada to target humanitarian aid to the survivors of the rape camps.

Following our interventions, $250,000 was specifically targeted to aid the rape survivors. However, that really is just a drop in the bucket. Women are the key to rebuilding any society and these women have been severely traumatised. They will need much more help. I have again written to the minister responsible for external affairs asking that targeted aid be increased.

I want to thank the Liberal and Conservative MPs who signed their names to a statement that I wrote to close the camps. I think that kind of co-operation among the parties in this House goes a long way to show leadership. Unfortunately, there has been no further action.

I asked the minister responsible for the status of women whether Canada would act to get the UN to recognize rape as a war crime in the Geneva Convention and investigate it as such a crime. I am pleased that I have received an answer from her that was positive. Women around the world are watching our government on this very important issue.

I want to point out that rape is a crime of war and oppression around the world that Somalian, Peruvian, East Timorese women and women from every continent have experienced. In every war against races, religions and ethnicities, there is also within it a separate war against women.

I have recently written a letter to the new Minister of National Defence about the behaviour of peacekeeping troops overseas. They need training, a code of ethics and an enforcement of that code of ethics to make sure that they do not add to the oppression of the women and the cultures they encounter in their duties. Today I want an answer to as many of these questions as possible.

• (1810)

Further to my question in the House I want to know what specific action the Canadian government will take to close the rape and death camps in former Yugoslavia.

[*Translation*]

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I wish to thank my hon. colleague for raising this very important issue. The most harmful and least recognized human rights violation is violence against women. The systematic rape of women that is going on in the former Yugoslavia, particularly in Bosnia-Hercegovina, certainly is the most disgusting example of this violence. On several occasions already the Canadian government has unequivocally condemned such barbaric and degrading actions. These actions aimed at terrorizing civilian populations constitute serious human rights violations.

The government has promised to have those responsible for such violations tried. That is why we endorse the creation of an international *ad hoc* court to try these crimes. We have responded to these violations with concrete measures, providing $250,000 through the High Commissioner for Refugees to assist rape victims in Bosnia-Hercegovina. We have also set up an information centre to collect testimony from Canadians about these crimes. We are actively looking into other ways to help the victims.

At the session of the Commissions on Human Rights to be held in Geneva, Canada will exercise leadership and ask the international community again to make such violations stop. These rapes violate the Geneva convention and follow-on protocols.

We understand that the expert commission set up by the UN to look into allegations of war crimes in the former Yugoslavia will investigate this systematic raping as part of its mandate, and that there will be a Canadian, in the person of Commander William Fiedrich, on this commission.

Violence against women in Bosnia-Hercegovina is not an isolated case. Quite the contrary, this is a global issue. In the reaction against violence directed toward women, Canada has led the Commission on the Status of Women in Vienna in drafting a statement against violence against women—

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member, but I cannot allow her to continue, her speaking time having expired. The hon. member for Bonavista—Trinity—Conception.

[*English*]

FISHERIES

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I rise as a follow-up on a question I had last year on compensation for fishermen. I want to use the opportunity to go through the chronology and to report on where we are and what adjustments we might still be able to invoke.

Roughly a year ago, February 14, there was an announcement that the northern cod quota would be greatly reduced. This of course affected the offshore processing plants. The announcement caused a lot of consternation and resulted in a lot of fishermen, trawler skippers and plant owners being laid off. It was the beginning of a series of questions from the opposition for compensation for those people.

That announcement was a prelude to a more drastic series of actions which took place on July 2, when the northern cod fishery in 2J3KL which affected all of my riding, was made.

Between February 14 and July 2, practically every day concern was shown on this side of the House for these people, to ensure that adequate compensation was put in place for those involved in the fishing industry who were to be drastically affected because they had no source of income when this occurred.

I know that we had two emergency debates on this in the House, and I think you sat in on at least one of them, Mr. Speaker. Again, on my own part and largely because I was the most affected in that interim period, I had no fewer than 30 interventions, either in the form of questions, statements, participation in debate or whatever.

In any case compensation was announced with the closure of the northern cod fishery on July 2. From July 2 to the end of the year two major adjustments were made to the program because the first compensation package was certainly less than adequate.

There has been the involvement of very dedicated officials of the Department of Fisheries and Oceans and individually. The people in my riding who worked on this matter and I have a lot of fine things to say for the way they handled the tremendous volume of activity involved. Later in the year a final announcement was made with respect to older workers involved in the fishing industry and owners of vessels who were particularly hard hit.

There are still people who have an attachment to the industry and are hoping for compensation in some way, shape or form. We are still looking at that, together with the department.

Three months after the announcement was made on one of the five telephone lines in my riding and in Ottawa Newfoundland Telephone recorded 10,485 calls in six days which would give some indication of the numbers of people who were trying to clarify their situation. That is still going on. Not to the same extent, but we are receiving between 75 and 100 calls per day and still sorting out where people stand with respect to the compensation.

My concern is that while communications continue to improve there has been some back-tracking in the sense that DFO has now taken one individual per riding and is using recorded messages which I believe do not really help clarify the confusion that still exists. However the situation has improved and it should get better downstream.

In closing, I would ask for continuous smoothing of the process. I give notice right now in this fishery debate that we will be looking at the nose and tail of the Grand Banks. We have not forgotten about that. This is a good time to do it when Newfoundland and Atlantic fishermen cannot fish.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, many times the hon. member opposite has raised the concerns of his community and others in Newfoundland regarding the fishery problems encountered, particularly in the past 12 months.

It was back in June when he asked the question we are dealing with tonight. At that time the Minister of Employment and Immigration wanted to assure him that circumstances would call for measures to be taken to help the people and that the government would do everything possible.

That has been done. I am glad to see the member tonight acknowledging that many things have taken place. It is still not perfect and improvements can be made.

In addition to the income assistance measures, income training within and outside the fishery, early retirement and licence retirement options have been provided to northern cod workers with unique opportunities that would otherwise not have been made available to them.

The once in a lifetime openings will equip individuals affected by the moratorium to make informed career choices and to do away with the image of the fishery as the employer of last resort.

While the fishery has been experiencing a recurring downturn in some sectors, the past year has been exceptional across Atlantic Canada, particularly in Newfoundland.

The Minister of Employment and Immigration has recognized that in certain communities individuals were unable to secure sufficient weeks of insurable employment qualify for UI benefits. In response to this urgent need and in co-operation with the Minister of Fisheries and Oceans, emergency funding was provided to create employment needed to obtain the minimum number of weeks.

Clearly, however, continued emergency responses are not the desired solution. It is evident that long-term adjustments are necessary and critical for rebuilding the stocks and to restructure the labour force into one the fishery can realistically support.

The fishery that will emerge from the adjustment process will support a smaller but highly professional work force. The number of people who will depend on the fishery will be reduced. Short-term solutions include compensation for early retirement, licence retirement and so on. The task force on incomes and adjustments is expected to provide valuable insights on how to achieve stable and adequate incomes for fisheries workers and to realize alternative training and employment possibilities.

The Acting Speaker (Mr. DeBlois): I am sorry but the time is running out.

EXTERNAL AFFAIRS

Mr. George S. Rideout (Moncton): Mr. Speaker, I rise to discuss again the question of two Canadians who are imprisoned in Brazil. They are Christine Lamont and David Spencer.

I am sure that most people are familiar with the facts of this particular case and that we have been pushing the government to request the expulsion of those two Canadians from Brazilian jails and have them returned to Canada and their families. The government so far has been opposed to that particular procedure.

As time passes and as we look at this particular circumstance I believe that it becomes more and more urgent that this government take action with respect to these two Canadians. If you accept their guilt, which I do not, then given the time spent in relation to their original sentence of 10 years and 8 years, they both would be eligible for release and parole here in Canada. Their sentence of 28 years was acknowledged by the minister of external affairs to be discriminatory, excessive and an offensive penalty.

If we look at the other circumstances, then the time that has already been spent is sufficient for this government, if it is convinced of their guilt, to ask for their expulsion and have them returned. If there is any doubt, which I believe there is, as to their guilt then by all means we are allowing an improper and a sad circumstance to continue far too long.

There are now new conditions which prompt me to rise and speak about this circumstance. We have now learned that Christine Lamont has tested positive for tuberculosis. The Prime Minister in one of his answers to my questions said: "Oh, she just had swollen ankles and it was not anything serious". I think tuberculosis is serious. If she has tested positive then that again is an indication that the health conditions are not that great. This is further impetus for Canada and the Canadian government to respond.

Another factor which recently came to light—I received a copy of a recent wire service story—that 100 military police have been charged in an incident involving the slaying of over 200 prisoners during a prison riot in a prison adjacent to where the Canadians are kept. I think it is good. It shows a positive response by the

Brazilian government to take this step to charge these military police with crimes associated with what they did.

However, one can hear and read about the indiscriminate sweeping of machine gun fire among all the prisoners. They had their hands up in surrender so that they would not be hurt, yet they were shot by these military police. This is a dangerous situation and it goes beyond an acceptable level. It calls upon the government to come to the aid of these two Canadians.

As I said, the Brazilian system of justice is different from ours and there are problems with some of their police and judicial systems, but what has happened with respect to those military police shows a positive sign on the part of the Brazilian government and we encourage that. However, please act now to save these Canadians.

Mr. Murray Cardiff (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, the Secretary of State for External Affairs has set out her views on this case in very great detail in letters dated August 13 and December 8, 1992 to the chairman of the Standing Committee on Justice and the Solicitor General.

It cannot be assumed that if Canada were to ask for the expulsion of Christine Lamont and David Spencer, that it would be granted automatically. While the Brazilian president had the discretionary authority to grant expulsion, it has been emphasized to us that there is a clear distinction between the authority as set out in the Brazilian constitution and the practice according to which the authority is exercised.

We have been told that in practice, expulsion would not be granted while appeals are under way or before the convicted prisoner has served his or her sentence. We have also been told that the Brazilian government would not agree to expulsion in these circumstances because it would amount to unwarranted interference by the executive branch of government in the affairs of the judiciary and would discriminate against the other defendants who would not be released or expelled.

On many occasions the Secretary of State for External Affairs has expressed concern over the severity of the sentences received by Miss Lamont and Mr. Spencer. These sentences and the convictions are being appealed in the Brazilian courts and the Canadian embassy in Brasilia has been working actively to ensure that both the appeal of the convictions and the appeal of the sentences move forward as quickly as possible.

We understand the Brazilian courts recessed in December for the Christmas season and will reconvene in February. The embassy will continue to do everything possible to ensure the appeal process keeps moving expeditiously.

The embassy's efforts to hasten the ratification of the transfer of offenders treaty between Canada and Brazil which was signed last July 15 have also been achieving some success. The treaty was approved by the foreign relations committee of the Chamber of Deputies in December and will be considered by the justice committee when it reconvenes this month.

Finally, I would like to reaffirm that the consulate General in Sao Paulo is doing everything possible to ensure the safety and welfare of Miss Lamont and Mr. Spencer. The consulate general is monitoring the situation very closely and has met with prison authorities and with Miss Lamont and Mr. Spencer and their lawyers.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 38(5), the motion that the House do now adjourn is deemed to be adopted. The House therefore stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.26 p.m.

HOUSE OF COMMONS

Tuesday, February 9, 1993

The House met at 10 a.m.

Prayers

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.*]

* * *

[*Translation*]

BILL C-79

REPORT OF LEGISLATIVE COMMITTEE

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, I have the honour to present, in both official languages, the report of the legislative committee on Bill C-79, an act to amend the Divorce Act and the Family Orders and Agreements Enforcement Assistance Act, with amendments.

* * *

[*English*]

PETITIONS

YOUNG OFFENDERS ACT

Mr. Brian O'Kurley (Elk Island): Mr. Speaker, pursuant to Standing Order 36, I would like to present three petitions including the names of hundreds of Canadians in and around the riding of Elk Island.

These petitioners live in places such as Fort Saskatchewan, Ardrossan, Bruderheim, Sherwood Park, North Cooking Lake and Edmonton.

The petition states that the Young Offenders Act is in itself inadequate to deal with the problems of youth crime. The petitioners believe this act must be strengthened or replaced by legislation that will act as a stronger deterrent to criminal activity among the nation's young people.

Therefore the petitioners respectfully pray and call upon Parliament to strengthen or replace the Young Offenders Act with legislation that will be a stronger deterrent to youth crime.

These people are most concerned with repeat violent young offenders and recommend harsher penalties including work camps. In cases dealing with theft or property damage they support financial repayment to the victims of crime.

Generally the citizens want laws that make young offenders more accountable for their actions. These Canadians want laws that are seen to support victims of crime rather than insulate offenders from justice.

[*Translation*]

OLD AGE SECURITY

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, petitioners from my province wish to bring the following to your attention: that indexation of pensions should adequately reflect the needs of the elderly; that the general cost of living indexation does not reflect the real financial needs of the elderly; that under the current system pension payments, even with the supplement, provide an income that is below the poverty line; that an alarming number of senior citizens are now living below or at the poverty line; and, finally, that senior citizens are facing a crisis because their incomes are insufficient.

[*English*]

WATER DIVERSION

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is a pleasure and indeed an honour to present a number of petitions on the same issue from a variety of very concerned communities in British Columbia.

They believe that the North American free trade agreement holds a number of clauses that would facilitate the diversion of Canadian rivers into the United States to provide fresh water for the southwestern United States and northern Mexico.

• (1010)

They are asking the government to ensure that this not take place when we eventually pass legislation regarding the North America free trade agreement.

BILL C-268

Mr. Nelson A. Riis (Kamloops): On another matter, Mr. Speaker, these petitioners are calling upon the House of Commons to recognize June 21 as the most appropriate day to recognize our First Nations.

They are calling upon Parliament to enact Bill C-268, an act respecting a national solidarity day for the aboriginal people of Canada.

INCOME TAX ACT

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on yet another matter, the petitioners point out that alimony provisions in the Income Tax Act of Canada currently stipulate that taxpayers who receive child support payments must include the payments in their taxable income.

They point out the unfairness of this and are therefore asking that the Parliament of Canada amend the Income Tax Act to exclude child support payments from the taxable income of custodial parents.

* * *

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. 416 and 420.

[*Text*]

Question No. 416—**Mr. Simmons**

With respect to the post office in Newfoundland, (a) does it follow federal tendering procedures for mail delivery contracts and does the contract go to the lowest bidder and, if not, why not (b) does it follow federal hiring procedures and practices for temporary and permanent staff and, if not, why not?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): (a) Canada Post Corporation, while operating in a fiscally responsible manner, must ensure the best cost and quality when selecting suppliers and contractors. Consequently, the corporation adheres to the principle of a fair and competitive bidding environment. It follows a formal tender evaluation process that ensures an adequate and fair competition and allows Canada Post to consider the most effective package submitted. This process gives all Canadians a chance to do business with Canada Post.

In every competition all the technical, commercial and financial elements of the tender are taken into consideration. The final decision on tender competition is based on the corporation's ability to obtain maximum value for each purchasing dollar. Canada Post awards business to those suppliers and contractors whose offer reflects the best quality, cost service and delivery necessary to carry out the task. In the instance when all these factors are equal, the business will be awarded to the supplier and/or contractor in the locality in which the item or task is needed.

There are few exceptions to this policy. They are: when an emergency situation exists in which delay would be injurious to the corporation and/or the interests of its customers; when the nature of the task is such that it would not be in the best interest to all concerned to invite bids, for example when there are no other suppliers or contractors that do the work.

The above mentioned policy is applied nationally.

(b) Canada Post Corporation does not follow federal hiring procedures. The corporation's hiring procedures in post offices are as follows:

When a unionized position in a post office becomes vacant, it is filled following steps laid out in the collective agreement. For permanent placement, a unionized position is first offered to members of the bargaining unit under which it falls. If no successful canditate can be found, the position is then opened to other employees of Canada Post. If the position remains vacant, it is offered

to persons on the valid eligibility list for an office in order of their placement. If no eligibility list exists or if previous successful applicants do not accept the offer, the position is advertised by poster to residents of the area served by that particular post office. Should no qualified person be found in the area, the position is again advertised by poster, extending the area of competition to include other communities.

Question No. 420—**Mr. Boudria:**

What is the total amount of payments, grants, transfers or any other contribution made by the government and/or the Atlantic Canada Opportunities Agency to Atlantic Turbines or Mr. Craig Dobin since September 17, 1984, and what was the purpose of each payment?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Insofar as the Atlantic Canada Opportunities Agency is concerned, see below:

ATLANTIC TURBINES INC.

Location	Project Description / Purpose of Assistance	Program	Authorized Assistance	Expenditures to Date
Summerside, P.E.I.	Action loan to finance operating growth	Action	$ 750,000	$ 726,266
Summerside, P.E.I.	Engage marketing manager	Action	98,750	nil
Summerside, P.E.I.	Undertake marketing activities	Action	55,700	nil
Summerside, P.E.I.	Establishment of a turbine overhaul and manufacturing facility	Canada — P.E.I. Agreement on Industrial Economic Development	$ 5,030,340* ($ 7,186,200)**	$ 4,579,019

* Federal share
** Total of federal and provincial assistance

[*English*]

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

* * *

STARRED QUESTIONS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call Starred Questions Nos. 438 and 443.

In view of the length of the answers, I would ask that they be printed in *Hansard* as if read.

[*Text*]

*Question No. 438—**Mr. Saint-Julien:**

Concerning the airport industrial parks managed by Transport Canada, (a) how many are there (b) which ones are they (c) have grants been made to these serviced parks in order to make commercial and industrial developments and, if so, (i) how much have these parks received each year since 1980 (ii) how many commercial industries are there in each of these parks and for each industry, and is the building ownership clause included in each lease?

Hon. Jean Corbeil (Minister of Transport): (a) Three.

(b) and (c) (ii) The location and number of industries in airport industrial parks managed by Transport Canada are: Gander International Airport (one lessee with 10 sub lessees), Ottawa International Airport (three lessees) and Regina Airport (one lessee with four sub lessees).

(c) No grant(s) was or are paid.

(i) Not applicable.

(ii) Transport Canada does not have a building ownership clause. However, if the member is referring to the occurrence of vesting the end of a lease, there is a form of vesting clause in most of the leases with Transport Canada which expresses the action of common law on leasehold improvements at lease termination.

*Question No. 443—**Mr. Duhamel:**

Since September 1984, (a) how many post offices have been closed and what were their locations and (b) how many post offices or postal facilities have had their range of services reduced and what were their locations?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): (a) From a rural perspective, the only recent change to postal

service in the hon. member's constituency occurred in St. Germain when the contractor of the retail postal outlet there informed us that he did not wish to renew his contract. Unfortunately, neither of the two remaining businesses in St. Germain was interested in hosting a retail postal outlet. Retail postal products and services were amalgamated to McKnight's Pharmacy in Winnipeg. Delivery service through community mailboxes commenced on May 27. Canada Post remains prepared to consider establishing a postal counter in any local business which might express an interest in operating a postal outlet in this community.

(b) On an urban scale, the service currently available in the hon. member's constituency includes two postal stations, five full service retail postal outlets and one retail postal outlet offering a limited range of postal services. Furthermore, there are 19 stamp shops open, providing convenient locations for stamp purchases. For the member's information, the following is a list of the names and addresses of postal outlets and stamp shops in the area. Of the 10 postal outlets in his riding that have undergone changes recently, five have become full service retail postal outlets and five have become stamp shops.

Postal stations offering a full range of postal products and services: St. Boniface Postal Station, 208 Provencher Blvd., Winnipeg; Norwood Grove Postal Station, 287 Tache Avenue, Winnipeg.

Retail postal outlets offering a full range of postal products and services: Marion Postal Outlet, Metro Drugs, 4–276 Marion Street, Winnipeg; Lakewood Postal Outlet, Pharmasave, 35 Lakewood Blvd., Winnipeg; Niakwa Postal Outlet, Safeway, 2 Alpine Avenue, Winnipeg; St. Vital Centre Postal Outlet, Shoppers' Drug Mart, 17–1225 St. Mary's Road, Winnipeg; South St. Vital Postal Outlet, McKnight's Pharmacy, 1631 St. Mary's Road, Winnipeg.

Postal outlet offering a limited range of postal services: Nieman Enterprises Ltd, 1087 St. Mary's Road, Winnipeg.

Stamp shops: Mac's Convenience Store, 8–680 St. Anne's Road; Boutique du Boulevard, 112–131 Provencher Blvd.; Canada Safeway, 285 Marion Street; Tache Pharmacy, 400 Tache Avenue; M & M Foods, 845 Elizabeth Road; Island 99 Food Store, 12–20 Island Shore Blvd.; Mississippi Jacks, 1034 Beaver Hill Blvd.; Uniglobe Travel, 310–119 Vermillion Avenue; Shell Circle K, 1270 Archibald Street; Canada Safeway, 2 Alpine Avenue; Streamers, The Party Store, 4–827 Dakota Street; Auxiliary Gift Shop, 409 Tache Avenue; Laccueil Columbien Inc., 200 Masson Street; Fredette Foodfare, 390 Provencher Blvd.; Western Canada Ltd., 125 Garry Street; Metro Drugs, 1069 Autumn Road; Canada Safeway, 77 wermillion Avenue; Mac's Foods, 1035 Autumn Road; The Coffee Cup, 79 St. Anne's Road.

[*English*]

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

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

Some hon. members: Agreed.

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PRIVILEGE

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, yesterday the hon. member for Parkdale—High Park raised a question of privilege concerning the tabling of responses to petitions. I undertook at that time to respond to my hon. friend at the earliest opportunity, and I am pleased to do so today.

On behalf of the Minister of Employment and Immigration I wish to advise the House that we agree the situation is not acceptable. I have asked the department to explain the lateness in answering some of these petitions. I have also inquired as to any measure it may undertake to rectify this situation.

The department wishes to apologize to the member and to his constituents for not having forwarded a response within the prescribed time.

The minister has spoken with his departmental officials and has been assured that any outstanding parliamentary returns will be dealt with in the shortest possible delay and that hon. members can expect that the current situation will not recur.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I want to thank the parliamentary secretary for acting so quickly on the very serious question of privilege I raised yesterday.

I fully accept his apology on behalf of the Minister of Employment and Immigration and I shall pass that on to the petitioners.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—AGRICULTURE

Mr. Vic Althouse (Mackenzie) moved:

That this House condemns the government for reneging on its commitment to Canadian farmers by changing policy in the following areas:

(a) its lack of commitment to the Third Line of Defence concept;

(b) its abandonment of the 95-year old promise to pay the Crow transportation benefit in perpetuity;

(c) its weakening of the Canadian Wheat Board by several actions: removing oats from its jurisdiction, considering a continental market for barley, and the lack of control on quotas as witnessed by the December 23, 1992 action of removing quotas on canola and flaxseed in the middle of the crop year and ultimately creating problems in the primary elevator system;

(d) its failure to develop long-term agricultural programs that meet the needs of rural Canada by promoting viable farm families and rural communities; and

(e) its failure to provide clear and unequivocal support for our supply management system, particularly with respect to the mixed signals the government is giving with respect to its position on the strengthening and clarification of article XI of the GATT.

He said: Mr. Speaker, in keeping with the rules of the House I will be sharing my time today with the member for Moose Jaw—Lake Centre. This will be a 10-minute intervention.

Essentially we are calling on the government to look at five areas of their agricultural program. Initially their apparent abandonment of the third line of defence concept is something to which we think attention should be drawn.

Farm incomes in the grain sector are very low. Since the beginning of the grain wars initiated by the Americans with their export enhancement program, which had the effect of pulling all export pricing for grains down everywhere in the world except to American farmers, the result has been devastating for Canadian farm families.

We did not have particularly strong incomes in the early 1980s. Already pressure was being placed on farm families, but the result of the grain wars has meant a deficit in their total income of $6.7 billion since their advent in 1985. In Saskatchewan this translates to close to $20,000 per family on an annual basis and that is a lot of money.

The government initiated three lines of defence. The first line of defence was things that farmers could do on their farms and farmers have done a great deal on their farms. They have reduced costs, they have diversified to other crops that might bring a higher price, they have diversified out of crops altogether and into grass, hay and the production of cattle. They have done what is humanly possible.

The second line of defence was to be government programs that would back up the farmers and defend them against international price competition that was considered to be unwarranted. In this we can see quite clearly the government has not been able to fully manage that with the programs that were put forward, the so-called GRIP and NISA programs of 1991-92.

If there is any doubt about that, all one has to do is go out to the prairies right now and talk to farmers. They were so upset about the lack of income resulting from the first GRIP program that a huge rally was held in Saskatoon in the past week with some 13,000 farmers in attendance. This was the biggest farm rally that ever occurred in the prairies. Previous large rallies in the sixties when there was a relatively short period of pain came to 9,000 or 10,000 persons. At that time there were more farmers to rally to the cause as well.

If we need further evidence other than the pain being felt by prairie farmers in the amount of bankruptcies they are going through, you need only spend some time in a rural community as I do all the time. I live there. We see people restructuring, trying to find ways of financing to stay in business for another year. They sell off assets, they downsize, they try to get rid of debt. After three or four years many of them are having to do the same thing again and make decisions whether to stay in farming or not. This puts a lot of financial pressure as well as human tragedy in rural communities. At the rally we were told that suicides in rural Saskatchewan have gone up tremendously, into the hundreds. The source of this is the economic crisis that puts social pressures on people.

• (1020)

Communities do their best to try to ignore the crisis and to make things as normal as possible. We all try to make things seem as normal as possible. It is less stressful for children. It is less stressful for spouses. It is less stressful for the community. Yet this hidden stress does break out.

I usually attend some of the meetings of the municipal councils during the course of a year. I recall being in one municipality in an area where the farm productivity is very high and everyone is considered to be doing quite well. I asked the councillors how the farm foreclosure situation was in their municipality. They said: "Oh, we do not have any of that here". Then the municipal secretary spoke up and said: "Actually there were almost 400 quarter sections transferred from farmers to lending institutions in this municipality last year. That is where all of the tax revenue came in last year. The only way the title could be transferred was to have the taxes paid".

Some municipalities are finding themselves in the strange position of having more cash to deal with than they have had for some time because of the transfer of land and of titles. Some have found themselves with an embarrassing surplus of cash from land being taken back and from back taxes having to be paid to the point where they have bought new graders and snow ploughs with the surplus funds that have accumulated from taxes that had not been paid the last three to five years.

The crisis is there. It is visible if you look, even though people are trying to hide it. It is there in the statistics. During the last decade farm incomes in Europe fell by 16.5 per cent. American farm incomes rose 23 per cent and Canadian farm incomes dropped 51.4 per cent.

The Americans have come in with a very aggressive trade policy on grain pricing which has been good for their farmers. Their net income has risen over the decade by 23 per cent. It has affected the Europeans which apparently were the targets of U.S. actions by showing a loss of 16.5 per cent in net farming income. However, it has devastated Canadian farmers whose net incomes have dropped by 51.4 per cent.

We can see the effect of the trade war. Let us look at the first full year of the GRIP program which has just been completed. The 1991 GRIP was finished in 1992. After all the results came in, and farmers looked at their net income, they rallied for the first time in the biggest numbers in two decades.

The pain is there. Action has to be taken. We call on the new Minister of Agriculture to hold meetings with his provincial counterparts to address the problem of the third line of defence. It is obvious from the statistics and from the social indicators which I have spoken of in my earlier remarks that the first two lines of defence have not been adequate. Something will have to be done. If we are going to catch up, payment and aid in the range of $1 billion are needed.

Part of our problem is that the government ignored the needs of farm income in 1990. It was talking about aid that had been given in 1989 through much of 1990. It talked about aid that was going to be coming under the GRIP and NISA programs instead of giving aid. Since then, that debt has been carried forward each of the years.

It is accumulating interest even though the interest rate is down a little and it is still leaving a wide swath of devastation in its wake. Clear attention to the third line of defence has to be given at this time. That is part of what this motion is proposing to do.

I will now leave other members of my caucus to deal with other aspects of agriculture.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, as someone who spent 18 years on a family farm in the very region the hon. member for Mackenzie is representing now, I know exactly of what he speaks.

I would like to ask him why there is such a difference in incomes between United States farmers and Canadian farmers. He told us that in the last decade the American farmers' income went up by 23 per cent whereas the Canadian farmers' income went down by 51.4 per cent. That is quite a discrepancy, over 70 per cent. Knowing farming on both sides of the border, I always assumed that our farmers were just as efficient, if not even more so, than the U.S. farmers.

The other question he might want to address is this. He did tell the House that the farmers in Saskatchewan will require about $1 billion in assistance to get this year's crop in and to make ends meet between crop years. I wonder if he has any idea where the government could get that additional $1 billion.

Mr. Althouse: Mr. Speaker, with regard to the difference between American and Canadian farm incomes, it basically goes back to the differences in marketing systems.

Essentially the U.S. has a closed market in that it pretends to price its products on the open market and sell accordingly. However, it has a large intervention program with deficiency payments. Each year it sets target prices for each of the major crops. When the crop is sold the average difference between the target price and the actual amount collected from the market is simply made up by the U.S. treasury.

To strengthen the competitive edge which the Americans already had, in 1985 they began an export enhancement program which provided cash payments per tonne for every tonne of grain that was exported. The exporter or receiving country could take grain or cash for buying from the Americans.

There have been periods of time when you could get a tonne of grain, slightly lower quality U.S. wheat than is available from Canada, at comparable prices plus the $80 U.S. per tonne which went with it. It is a little bit like what the car companies have been using lately, only much more interventionist.

As a result, the Americans have attempted to increase their share of the wheat and corn markets in the world. Essentially it has failed because we have an extremely proficient marketing agency in the Canadian Wheat Board. However in order to compete, we have had to reduce our prices by the amount of the export enhancement program.

It puts our farmers approximately $80 a tonne short of U.S. producers on the export side and we do not have the kind of assistance they get domestically. The war is a very unequal war. The U.S. has an extremely big treasury, granted with a large deficit, but it has decided to put a lot of priority on the farm side.

The other question was where will Canada get the billion dollars. In the short term, the immediate source would be the same place as the Americans are getting their billions, from deficit financing. I think there are a number of places where Canada could raise offsetting funds, either by reducing expenditures such as reviewing some of the expenditures on defence. We are no longer in a cold war.

• (1030)

We could collect some of the existing taxes as the Auditor General has been pointing out for a number of years. He pointed out in several reports that the pay back for the expenditures made in auditing large corporations would be far greater than the pay back in auditing individuals. Yet Revenue Canada persists in auditing individuals instead of large corporations even though we could collect far more funds from auditing the latter.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I am pleased to participate in this opposition day. This is the first opposition day the New Democratic Party has had in this new session and it was decided to devote it to the difficulties which exist in agriculture.

Certainly the New Democratic Party has been very concerned with these issues and the member for Mackenzie and other members of our caucus have been very active with respect to agricultural issues.

We have a strange and bizarre situation in this country of having spent $15 billion or $16 billion in the last few years on direct agricultural payments. At the same time there is a need for emergency relief funds.

It is patently obvious the programs we have in place are simply not meeting the needs of western Canada or agriculture right across this country. In fact the government is out of touch with our farmers. That was made very clear last week when I asked the Prime Minister a question about agricultural programs and he responded by saying that farmers in Saskatchewan adore GRIP. That is what he said.

I do not know where he has been because we had a recent rally in Saskatoon with 13,000 farmers saying they did not like GRIP. They did not like 1991 GRIP; they did not like 1992 GRIP; they do not like Saskatchewan GRIP; they do not like Alberta GRIP; they do not like Manitoba GRIP; they do not like GRIP. I do not know where the Prime Minister is getting his information but he said Saskatchewan farmers adore GRIP. That is wrong.

The Prime Minister and this federal government are abandoning the agricultural field. Until very recently we had three ministers of agriculture in this country. We now have two, but one happens also to be the justice minister.

I do not know how the justice minister is going to deal with his portfolio in justice which is a very demanding portfolio and still have time to deal with agriculture. He will be an agriculture minister in name only. In fact we have one agriculture minister left in this country and a Prime Minister who is out of touch and has no idea what is going on in the agricultural sector.

What we have been saying is that we have to have a new approach to agriculture. We have been talking about alternatives. The member for Mackenzie was keen in designing an agricultural program back before the 1988 election. We now have a rural policy to deal with other aspects of rural Canada. In fact we are the only party that has been putting forth real alternatives.

The Liberal Party, although some of its members are very concerned about agriculture and are working hard in that area, has no real policy on agriculture. In fact those members obviously do not have the power in the Liberal Party to invoke some changes and direction in Liberal agricultural policy.

As far as the Reform Party is concerned it thinks it should get rid of every single agricultural program that exists and go to a completely free enterprise system. That is ludicrous. That would simply destroy agriculture in Saskatchewan and across the rest of the country.

It has been the New Democratic Party that has put forth some real alternatives in agriculture. We have said that we cannot continue to have a program in which some farmers receive a cheque big enough to buy a half section of land while other farmers are receiving a cheque that will not even pay their fuel bill. In fact some people are actually receiving bills. There is a fellow in Moose Jaw who works in my office, Ron Bishoff, who actually received a bill from the GRIP program.

What we have been saying is that we have to target the money in areas that are going to do the most good. It has become a joke in this country today, the amount of money we have spent on agriculture and the amount of farmers who are still leaving the land. Taxpayers are upset, farmers are upset, rural communities are upset, urban communities are upset. They should be upset because we are not getting the benefits we should be from $15 billion, $16 billion or $18 billion in direct payments going to farm families.

The reason of course is that a lot of times these payments have come out at election time. There is a joke going around, certainly in my riding. The farmers are saying that as there is a federal election coming they are expecting a cheque any day now. Or when the government makes an announcement of some agricultural funds they will know there is an election coming. That is what it has come to.

I know back in 1988, 10 days before the federal election on November 21, on about November 11 the federal government announced it was going to spend $880 million on agriculture. It did not know how it was going to be spent, it did not know where it was going to be spent, except it told everybody they were going to get $45 or $55 an acre, which was not true. That is the mockery that has been made of agriculture.

We have to bring some sense to the agricultural area. The first thing which should be done is this government has to take some leadership. We have a new Minister of Agriculture. He has a golden opportunity to make his mark in the agricultural area and he should be consulting with the provinces.

The minister should be calling a conference with agricultural ministers of the other prairie provinces with a view to providing a framework for future agricultural programs. That is what should be done. They should not be getting together and developing an actual program, but setting some framework and providing the objectives. There should be an objective to maintain a viable rural infrastructure and viable farm families. That is not the direction in which this government has been heading.

A good example is back during the days when we were debating the GRIP legislation before the House. In fact the New Democrats voted against that legislation, I remember during the legislative committee meetings. By the way, it was not a detailed bill. It was enabling legislation. It simply said that the minister shall have the right to enter into something called GRIP. We did not know what GRIP was at that time. There were some principles that were to be set out.

There were four principles in section 2 of that particular act that the minister should take into consideration. He did not have to follow them; he just had to consider them. The program should do a number of things. I pointed out these four principles to both ministers at that time and that they had missed a principle. That principle was that we should take into account the

futures of farm families in rural communities. They disagreed with me and refused to put it in. It was only when I moved a motion on the floor of the House the government passed it because of course it was too embarrassed not to. The clause said: "The program should encourage the long-term social and economic sustainability of farm families in communities". That would not have been there if it was not for this caucus.

This government is not thinking of farm families or rural communities. It is thinking of agribusiness and to hell with little communities, to hell with some of the small farmers. This government is misdirected and misguided.

There are thousands of frustrated farmers right across this country. There are thousands of frustrated Canadians and yet the Minister of Agriculture so far has done nothing. We have had promises in the past.

The growing together initiative came out in 1989 in which the government was going to do big things for farming. We ended up with the GRIP which was a fiasco. There is nothing on farm finances. There has been nothing on the future of grain transportation. All government has really done is to continue to dismantle the Wheat Board and threaten to remove the Crow benefit without putting forth any real alternatives and any real explanation as to how those programs are going to fit into a viable and healthy future rural infrastructure and a future farm economy.

• (1040)

That is the problem we are faced with today. Until the federal government takes the initiative to develop some viable long-term programs, we are going to continue to have this problem. We cannot have emergency payments coming out every year. We are faced with that again this year. Yes, there have to be some emergency payments. Yes, we need them now. However, along with those emergency payments has to be a commitment to develop a viable, long-term agricultural program.

There has been no initiative from this government. Provincial governments are calling for it. I spoke with the Minister of Agriculture for Saskatchewan recently who said he would like to meet with the new minister. He would like to have some consultations with respect to new programs, but that has not been done.

I see that my time has expired. I conclude by saying that this minister has a golden opportunity. Let us hope he takes advantage of it.

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I listened more than just a little attentively because the matter before us today concerns me since I have an agricultural background and a constituency of which 8 per cent is rural. I have spoken, perhaps, on a per capita basis more times to the rural part of my constituency than to the urban part. The story I get from the farmers I talk to is somewhat different from what the hon. member presented to us today.

Perhaps a bit of a geography lesson is in order here. The hon. member with all due respect does not have the same kind of farmland in his constituency that I have in mine. The quality of his farmland ranges from excellent to some marginal agricultural land. As a result of that, I would expect he is going to get a wide range of stories.

I suggest that he go to the Tuxford-Marquis area just north of Moose Jaw and talk to the farmers there about GRIP. Talk to those who farm in a mixed farming situation about GRIP. He will likely get the same story I do from my farmers. That is, had the Saskatchewan NDP government not tinkered with 1991 GRIP, while it was not the paved road to Mecca, it certainly was at least a document which could be taken to the bank. The banker and the farmer could predict within a reasonable proximity what the income would be for the 1992 crop year.

That is not the reality now. I know there were one or two farmers from Alberta and Manitoba quoted as saying that GRIP Manitoba and GRIP Alberta were less than ideal. I would suspect that they represent the minority of farmers from those two provinces because the same demands have not been placed on us from those two provinces. As well, I happen to know that the Minister of Agriculture has met with the provincial Minister of Agriculture and they have talked about farm programs.

The hon. member said that the NDP wishes to take a new approach to agriculture. It feels that a new approach to agriculture is necessary and it has some plans. I certainly would like to know what those plans are. They might be better expressed to the House of Commons by the hon. member than that farmer who works in his

office. Perhaps if that farmer would spend more time on the farm than pretending to be a bureaucrat we would have some solutions for the farmers.

Mr. Laporte: With respect to existing GRIP there have been a lot of politics played lately, certainly by the former Minister of Agriculture who tried to play down the fact that Saskatchewan GRIP was inferior to Alberta GRIP and so on. The fact is that neither program is doing the job.

Certainly the Alberta GRIP has gone into a huge deficit this year and there is going to be a large increase in premiums. Farmers in Alberta are going to find themselves paying a lot higher premiums next year. It looks as if the IMAP price is going to go down to something like $3.79 a bushel which is not going to encourage a lot of people. That I understand is the preliminary result. That is not the direction to go in. The controversy should not be over whether the Saskatchewan GRIP is inferior or superior to the Alberta GRIP. The fact is that neither program is doing the job.

The New Democratic Party has come up with two programs. The member for Mackenzie and the member for Saskatoon—Humboldt back in 1987 and before the last federal election were instrumental in developing an agricultural program that wanted to keep farmers on the land. There should not be a program whereby a farmer receives payment for every single acre of land he or she has, whether it is 10 acres, 5,000 acres or 50,000 acres.

Mackenzie's program says that we are going to pay farmers for the initial few thousand bushels of their production. They will receive that cheque at the elevator and in the spring they will know what they are going to get. That is a program they can bank on. In the spring the farmers will know that on the first 8,000 or 9,000 bushels, whatever the program works out to be, they will receive a cheque for $5, $6 or $6.50 a bushel. In addition, they can buy an insurance program to insure the next 8,000 or so bushels of grain. Farmers will know in the spring what they are going to receive and will receive those cheques when the grain is hauled to the elevator. That is a far better program than what we have now.

We also have a rural policy now to develop programs that are going to help rural communities and diversification in rural Canada.

Mr. Len Gustafson (Parliamentary Secretary to Prime Minister): Mr. Speaker, I am somewhat surprised at the NDP and this opposition motion condemning the government.

There is no question that there are problems in agriculture today. The trade war has been going on for seven or eight years and has created significant problems. I would just like to bring a little bit of realism to what happened in Saskatchewan and defend a government, a Prime Minister and Ministers of Agriculture who have done more for agriculture than any government that ever sat in this House. I can tell you that first hand.

My life has been agriculture. I have seen our government stand with the farmers through drought, trade wars and difficulties. It has increased agricultural spending by 650 per cent. Now what happened in Saskatchewan just this year? The GRIP program and the NISA program are not perfect and will no doubt need some improvement as we go along.

The Minister of Agriculture in Saskatchewan, supported by the premier of Saskatchewan, Mr. Romanow, rejected the national program. I can bring in the numbers from my own farm. Under the previous GRIP program as directed nationally and for all provinces we were guaranteed $115 an acre premium paid for our farm in the first year. On durum wheat we were guaranteed $120 premium paid, which was bankable. We could go to the bank and get a guarantee that it would advance on the 28 bushel per acre on our farm, which was the long-term average, $115 an acre on hard wheat and $120 an acre on durum wheat after the premium was paid on both crop insurance and GRIP.

The provincial Government of Saskatchewan changed the program after the election and said it would not go along with it. After the changes came in that were made by Mr. Wiens and Mr. Romanow—and Mr. Romanow has indicated clearly now that he made a major mistake—our farm was only guaranteed $80 an acre on hard wheat and $90 an acre on durum. That took the top right off the program and cost farmers on average anywhere from $30 to $40 an acre. I have travelled through my riding and asked farmers what the changes made by the provincial Government of Saskatchewan cost. It is my

understanding Mr. Romanow's government only saved approximately $17 million. Opting out of the national program lost the province of Saskatchewan over $400 million. Saskatchewan could not afford this.

• (1050)

There is another interesting point about the direction the NDP took in Saskatchewan. For years it has supported national, universal programs in health and agriculture in this country. It reneged and did not support the national program that was put in place by the various groups of producers.

I sat at the table when John Wise called together 50 to 60 groups of producers from all across Canada. They developed a program that was not perfect, but was workable for the whole nation. I will give the numbers. Since 1984 for every $1 that has been paid into the federal government from Saskatchewan, $1.59 has been paid back to the province of Saskatchewan.

How could the premier of Saskatchewan and the NDP government in Saskatchewan reject a national, universal program that worked for everyone and was developed by farmers? I think they have a lot of explaining to do. It is no wonder Mr. Romanow said they made a mistake.

The federal members here this morning are not willing to admit they have made a very serious mistake. Next year's problem is very important. Let us get back to the table in Saskatchewan and not make the mistake two years in a row.

No government can see a drought or frost coming. I was chairman of the task force on drought in western Canada in those drought years. I saw a government come through for the farmers. As Parliamentary Secretary to the Prime Minister I have seen a Prime Minister who never turned down the farmers.

We have just seen what they have done in Saskatchewan. I do not want to be too hard on the Liberals here, but we can remember when the last Liberal Prime Minister told the farmers to sell their own wheat. We do not have to acknowledge from any government on the opposition benches that we as a government have worked for the farmers. This includes Grant Devine in Saskatchewan who was a farmers' man, and the Prime Minister in the House of Commons.

These are the short-term problems. Let us look at the long-term problem. The world trade war is causing a mammoth problem for Canadian farmers and for farmers all over the world. I can assure you that Canadian farmers are as competitive as any other farmers. They can produce grain as cheaply as farmers anywhere. According to the figures of the United Nations, the trade war has cost us $299 billion in subsidies alone in 1991 figures.

At the same time, to be realistic, if you go out on the prairies you will see piles of wheat on the farms.

We read our newspapers and see that people are starving around the world. The problem is that on the international level food is not a priority. We must come to grips with this. This makes absolutely no sense.

At the same time we are getting $2 or $3 a bushel for grain. How are we going to deal with it? The GATT has been dealing with it and I certainly support the GATT in every way in accomplishing its goals. It has been a long time coming.

I believe the G-7 countries must take hold of this problem and deal with it as the number one international problem we face today. The major international problems have been arms control and cold war. The major international problems of today seem to be starvation, the trade war and agriculture, which is going through very difficult problems. How are we dealing with this?

I want to assure you the Prime Minister of Canada carried agriculture to the G-7 Tokyo conference and has continually been doing this on behalf of the Canadian farmers and the Canadian people. Now that he is the senior member in the G-7, only the Prime Minister will be able to represent the farmers of Canada at the G-7 with regard to the great problems that face us internationally in the world-war subsidies on food.

It is most important that the G-7 take hold of this problem, deal with it through the GATT at the international level and make food a priority. As a farmer who has produced food all my life, the only thing I know is farming. One day the Prime Minister took my glasses, used them to read the menu—he did not have his glasses

with him that day—and said: "Len, all I see is wheat, wheat and wheat". It is true that has been my life.

There is no higher calling than producing food. If you want to look at the international situation today, there is a lot of talk about rights. Rights for this and rights for that. Minority groups are talking about rights at every level. Certainly there is not a more important right than the right to eat. If you are going to eat, the farmers have to produce food. I do not know of any better place to produce food and grain than in the prairies of Canada that God has blessed us with. They can and will produce food.

We must strengthen agriculture and build it up if we are to survive as a strong nation. We must build it up if the world is to benefit from the food farmers produce. I strongly believe we must make food a priority at the G–7 level. The leadership must come from there to deal with the world banks, the international situation and so on.

What about storing food for the long term? We know what has happened in Russia. The whole infrastructure has broken down. The ability to produce food has broken down. This must not happen in Canada. It will not happen under a Conservative government and Conservative leadership which has given historical leadership to agriculture. You ask those prairie farmers out there. Talk to them one on one as I have.

• (1100)

They know a government that has stood with them through thick and thin.

Mr. Harvard: That isn't what they said at the rally.

Mr. Gustafson: I was at the rally. I heard them boo the premier of Saskatchewan. I saw our Minister of Agriculture stand and make a declaration and give the message to farmers that we were there to listen, as they know we have been.

This situation that exists in Saskatchewan is interesting. For months the former Minister of Agriculture kept going back to the province and saying: "We will leave the door open for you. Don't scuttle the national program". He said that again and again. How many times did he say that on TV and in this House? Yet the NDP in Saskatchewan decided to move ahead in its own way and not go along with the national program.

I am a strong believer that we do need some strong programs to see the farmers over the difficult times. They have been put in place, imperfect as they may be. On my farm when it costs me $35 an acre that is not bankable because of the direction of a provincial government that would not go along with the national program, it is pretty serious. That is a pretty important third line of defence to me. It was put in place and must be reconsidered.

We know that the NDP did better in the northern part of the province than in the south. I do not know whether it was to penalize those who might have a drought as we do in the south. The old Assiniboia riding, which is now part of the Swift Current riding and part of the Souris—Moose Mountain riding, produces more grain than the rest of the province put together.

Mr. Althouse: Come on. Maybe wheat.

Mr. Gustafson: Wheat and saleable products that go into the international market.

The other point that I want to make is that the provincial government obviously thought there could not be a frost. That was an unfortunate situation. The frost came and we have wheat that is weighing 62 pounds a bushel, if frozen. On the other hand, we have some that is weighing 52 pounds and it is black. You would wonder whether the cows would even eat it.

Had they not disturbed the program—

Mr. Althouse: That's a crop insurance program that wasn't touched.

Mr. Gustafson: The crop insurance program and GRIP were programs that were working together and would work together for the benefit of those who bought the insurance.

Because of the interference of the NDP in the provincial program, many farmers opted out of it. The percentage of farmers going into the program in Ontario was up considerably, somewhere around 85 per cent. The percentages in Manitoba were up considerably. The percentages in Alberta were up considerably. In Saskatchewan, because of the unrest created by the provincial NDP government, many farmers opted out. They now find themselves in a very difficult position.

If I have anything to say to farmers after the 14 years that I have been here come May, it is that anyone who was in the national programs did benefit from them. It would only have to be a government that was completely out of its mind that would put in a program on a national scale that would not work to the benefit of farmers.

Every program that I have ever seen, whether the western wheat program or the drought programs, always worked to the benefit of farmers. Here is an opportunity to buy insurance. Might I state that when it comes to GRIP or crop insurance, farmers do pay a premium. Many urban people feel that all this money is coming from the taxpayer. It does not all come from the taxpayer.

A good portion comes from premiums that are paid year after year. Some years they do not collect from the program. Yet they pay a premium, just like when you buy house insurance. That is why it is so important to have a national program, a universal program if I could use the words so often used by our friends in the NDP. They chose to opt out of it. This trade war continues. We have to come to grips with the long-term program of making food a priority at the international level.

I want to repeat that the Prime Minister of Canada is well positioned. He has done a great job. I am a farm boy. I have seen him operate at as close a level as anyone. I can state that he has never brought in a program that was not a benefit. He has listened again and again to the farmers. This government stood with the farmers. It will stand with them. Just look at the record of the opposition parties on the other side of this House and what they have done in the last 20 years.

The Conservative government increased assistance to farmers 640 per cent. I am not saying it was not needed. It certainly was. I am not saying there is not much more to do. Certainly we have had a government that no one can criticize on the basis of the opposition motion before us today.

Let us be honest. Let us be fair. I am sure that the farmers of Saskatchewan and all of Canada understand and understand very well.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I note from the comments of the member for Assiniboia that he was quite critical of the 1992 GRIP. That is his privilege.

I think it should be noted, however, that the way the GRIP functions, the 1991 GRIP is the program that provided the income for 1992, the year just completed, and that coverage was inadequate as demonstrated by the 13,000 farmers who gathered at the Saskatoon rally. They criticized the fact that they did not have enough income. The source of that inadequate level of income was from that 1991 GRIP that the hon. member praises so highly.

He did not tell the House that that first effort at the Gross Revenue Insurance Program, known as GRIP, was highly subsidized by the federal government. In the second year of the program the premiums that the farmers had to pay would have increased had there not been a change by 30 per cent. The federal government paid 25 per cent of the premiums in the first year of the program which would have meant that to continue the cost for the farmer would have been 33 per cent higher. He did not tell us that.

He did not explain that the contingent liability from the first year's program to the province of Saskatchewan which has to pick up the deficit that is created from the program rose by $160 million. He did not tell us that the premiums that the province would have had to pay would have gone up because of the level of subsidization on the first year's program which was there to entice people or encourage them, depending on your choice of words, to join the program.

That would have made the program considerably higher cost at his farm than he indicates. For most of us who are on the farm, the program was getting very close to creating a question of whether the benefit was going to outweigh the cost.

The 15-year index moving average price would have dropped under that first program from $4.15 to $3.80 and some cents. The province mitigated that and was able to negotiate a higher level of support to $4.07. There were some positive things that came out of that program which he did not tell us.

As well, the coverage levels as they are now being enforced go by crop district level which discourages the practice that had developed in the first year of simply using the program. Sprinkling seed across the fields and

taking the guarantee is no longer possible. You have to get most of your money from the market. The average for your crop district is what the payout will be.

• (1110)

Finally, I want to point out that the hon. member's area gets the highest coverage from that program because it is so tied to wheat and wheat is such a poor risk these days. The highest payments will go to the wheat areas. The areas which try to shift their production to meet the market demand will get the very lowest payouts, and mine is one of those.

Mr. Gustafson: There is no question that there has been a great deal of controversy over the programs and the various areas of the province. In answer to the last question the hon. member raised, one of the areas where both the producers and the different farm groups have voiced their opinion was certainly dealing with the pulse crops, canolas and such, and bringing that into should I say a fairer level with the grain production of especially wheat and durum wheat. The federal government was looking at this and making adjustments to this, in all fairness.

This is the point that I want to make on the criticism the hon. member makes of the national program. Nobody said it was perfect, but certainly it was much better than it is now, having been destroyed by the provincial government of Saskatchewan. These improvements need to be made and they will be made through the proper channels of discussing with farm groups, sitting down with the province of Saskatchewan, as the provinces of Manitoba, Alberta and Ontario did.

Mr. Althouse: If you had to live with it, you would have been complaining, too.

Mr. Gustafson: I suppose that politics has its place, but certainly politics took an awful toll on Saskatchewan. The provincial government of Saskatchewan decided to play politics. It said: "Well, we are in now. This looks like a Devine-Mulroney program so we had better throw it out and put something in for four years down the road when it will look like an NDP program".

Mr. Althouse: But the farm groups recommended the changes. They implemented the farm groups' recommendations.

Mr. Gustafson: It did not work. It cost the farmers of Saskatchewan a lot of money. Now they are coming back with cap in hand and asking us to make changes. How can we make changes that will be credible to the province of Manitoba, fair to the province of Alberta and fair to the province of Ontario after they have rejected a national universal program that was put in place after a lot of discussion by farmers themselves for the benefit of farmers?

This has been a major, major mistake. The Saskatchewan farmers will not forget it quickly.

Mr. Joe McGuire (Egmont): I am surprised that the member for Souris—Moose Mountain, the parliamentary secretary to the Prime Minister, did not spend a few minutes giving us an update on the supply management, the strengthening and clarification of article XI at the GATT negotiations. The government trade negotiator says this government is not pressing at all for the strengthening and clarification of article XI. Basically it has given up any effort to convince other nations regarding this article, which is so important to our national programs, especially in eastern Canada.

I wonder if he would comment on that.

Mr. Gustafson: On the programs relating to dairy, chicken production and marketing boards and so on, the minister of trade again and again in this House has indicated that the Canadian position before the GATT is one that protects that direction and will continue to do so.

The member is well aware of that. That is the record of this government and will continue to be.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, the hon. member blamed the plight of the farmers on the trade war that has been going on for seven years. He and his government have been in power now for eight years, and are going into the ninth year.

Surely to goodness over eight years his government could have negotiated with other countries around the world and resolved this trade war. Who does he shift that blame on? He shifted all the blame on the NDP in Saskatchewan, and rightly so. I would agree with him there.

How can he justify that after eight years the trade war is still going on and still hurting the Canadian farmers?

Mr. Gustafson: Mr. Speaker, anyone that would trivialize the size of the trade war and the impact it has had internationally, I would question whether he knows much about what is happening in international trade.

I said a few minutes ago that the subsidies paid by various governments around the world were $299 billion and the European common market countries alone paid $133 billion. There is some good reason for that.

A doctor from Austria, lumping us as Americans, said: "You Americans do not understand starvation. I've seen starvation three times in my life". With some reservations, there is no questions that the Europeans see food differently than North Americans. I am not blaming the Europeans entirely. The U.S. exports only 25 per cent of its product, whereas Canada exports 80 per cent of its coarse grains, wheats, durums and so on. It is a major problem.

Certainly we do not trivialize the problem. There has been one leading country, both through our trade minister and our Prime Minister. We just saw the implications of it when the Prime Minister visited the new President of the United States, Mr. Clinton. What was the topic? Trade.

I am sure that agriculture was talked about. Without a doubt this has been important. It is important that we—

The Acting Speaker (Mr. DeBlois): Order, please. The time for questions and comments has now expired.

Mr. Maurice Foster (Algoma): Mr. Speaker, it is a pleasure to have an opportunity to speak on this motion today. It highlights many of the failures of this government, not all of them in agriculture, but certainly most of them. It is important that this kind of issue be aired on the floor of the House of Commons.

In commenting on the speech of the Parliamentary Secretary to the Prime Minister, it is interesting that he tells us what a wonderful job the Prime Minister has done at international meetings of the G-7 with regard to the farm situation. If he is responsible for all the chaos that there is today in international trade and agriculture commodities, it is nothing to brag about.

The Prime Minister and his minions over in the Langevin Block do a great job of telling us what a wonderful job the Prime Minister is doing on international trade issues. Where are the results?

Even in 1986 the Prime Minister's Office was putting out press releases saying that he had gone to the G-7 meeting in Japan to solve these problems. He put it all forward and he was going to lead on to the great successes of the Uruguay round. The press release from the G-7 meeting in Tokyo, Japan, in early May 1986 never mentioned one word. He made a great impact if the communique from the G-7 meeting in Tokyo, Japan, never even mentioned it.

• (1120)

The parliamentary secretary tells us what a wonderful job the Prime Minister has done in assisting Canadian agriculture. Would he trade Canadian agriculture as it is today for what it was in 1985 when this government came to power? Thirteen thousand fewer farmers are in business today. The debt levels in Saskatchewan are horrendous. The Farm Credit Corporation owns more land than probably even the banks. Half the bankruptcies, 51 per cent, approximately 220 bankruptcies in 1991 were on Saskatchewan farms. The situation is really dismal.

The Parliamentary Secretary to the Prime Minister put forward the canard that the Prime Minister has led us into some great promised land in agriculture. What a disaster. Show me one sector of Canadian agriculture that feels confident. Show me farmers that are not desperately concerned they are either going to lose their farms or they are going to lose the viability of their farms today and I will show you farmers who do not make their incomes from farming.

The Saskatchewan Wheat Pool people are going to be here tomorrow meeting with caucuses of the House. The average price of grain in Saskatchewan is something like $2 a bushel, 50 per cent of the grain is feed grain because of the quality.

The parliamentary secretary blames the NDP government in Saskatchewan for changing the GRIP. That criticism is well placed. Two farmers, the former minister and Mr. Williams who both have now left agriculture portfolios, made the agreement. Surely two politicians, even though they are from different parties, could sit

down and say: "The NDP made a mistake; the federal government is concerned about it. Let us sit down to resolve this problem". Is that what happened? No, it is not what happened. They issued press releases back and forth, April, May, June, July, August, September, November and December. The Prime Minister mounted to the challenge in September as we launched into the referendum debate.

He stated that once the crops were in the bin and the frost damage had been assessed, the federal and provincial governments would start discussing compensation to farmers. He added that the federal government would not be shy about delivering money to Saskatchewan producers before the October 26 referendum. Where is the money?

We have heard from the parliamentary secretary about what a wonderful Prime Minister he is, how many billions of dollars have been delivered to farmers and what a wonderful job this Prime Minister has done internationally. He has solved most of these problems. There are still $300 billion in subsidies which are driving the price of wheat in Saskatchewan down to $2 a bushel. Where is the money that the Prime Minister guaranteed in September?

We know how the former Minister of Agriculture, a buddy of a another former minister, snatched away $73 million in the economic statement in December which is going to cost every shipper about $2 a tonne to ship grain.

In September the Prime Minister promised that he would not shy away from delivering money to Saskatchewan producers. He knew what the situation was. He knew there was drought in the north during the summer. He knew it was cold and damp and they could not get the crop off in decent shape.

When the Saskatchewan Wheat Pool put together the rally on January 26 in Saskatoon, finally the Tories and the NDP got together and produced what they tried to portray as a $170 million benefit.

However when all the gloss is stripped away it comes down to $40 million in new money. Talk about bringing forth a mouse; $40 million for a province which estimates its shortfall is something like $800 million, according to the Saskatchewan Wheat Pool. The $40 million of new money translates, since it is paid over five years, into $4 million a year.

The parliamentary secretary is simply not serious. He may be able to say all these things but on checking what is actually delivered in terms of dollars in producers' pockets, for those 13,000 who attended that meeting, it is practically nothing.

Let us look at the gravity of the situation. As put forward by the Saskatchewan Wheat Pool, it is clearly approaching the situation which we saw during the Great Depression of the 1930s: low incomes, declining assets and inadequate safety net programs.

The Saskatchewan government can well be blamed for changing it because we do not have a guarantee per acre of benefit. However it seems to me that two ministers of agriculture from the same province could sit down together and come up with a much better solution than $40 million of improved benefits. The rest of it, in the announcement in Saskatoon on January 26, is strictly speeding up payments that would be made anyway and the premiums that are paid by the producers themselves. Actually the producers pay some $40 million which is the equivalent of the $40 million of new money.

I want to get to the situation in southwestern Ontario because our producers are facing the worst cropping situation in history for corn, soybean and other crops.

The reason those 13,000 farmers in Saskatoon last month rallied is explained simply by looking at the projections for net farm income. In 1990 the net farm income dropped to $395 million, in 1991 it was $414 million, in 1992 it was $636 million and they still see a shortfall of $800 million.

Let us look at the projection for 1993. The projection for 1993 is $238 million. That is just about slightly more than one–third of the 1992 income. That is why producers are terrified, especially if their fuel bills are not paid and their taxes are not paid.

The parliamentary secretary stood up today talking on behalf of the Prime Minister and saying what this Prime Minister has done in the past and what he is going to do in the future. Now is the day for him to stand up and tell the House and those producers in Saskatchewan what he and the Prime Minister are going to do. He says the Prime Minister has solved most of the international trade problems. How is he going to solve this realized net farm income for 1993 of $238 million. That is what the producers want to know.

I want to deal with the farm income problem in southwestern Ontario. I am told that this fall they had the worst cropping situation in history. Something like 350,000 acres of corn crops still have not been harvested. That is about 20 per cent. The grade is quite low but it is suitable for the feeding of livestock. The problem is that

many of the elevators are already full so the farmers cannot deliver that crop.

• (1130)

I have never seen a more cavalier attitude than the one we saw from the former agriculture minister. Several years ago the government did away with the advanced payment program, the interest free cash advance. In the spring of 1989 it had been done away with and then brought back by Order in Council that same fall.

It is never known now whether there is going to be an interest free cash advance or not. This year we did not know until late September or early October whether this assistance was going to be available. A program has been available in western Canada where if the crop cannot be harvested the government will give the interest free cash advance. The level of the interest free cash advance has been set at $50,000.

Last fall, the corn producers and others in southwestern Ontario where the crop is relatively more expensive per acre, asked if that interest free cash advance could be made available in Ontario and Quebec and in other parts of the east on the same basis as the regular interest free cash advance of $50,000. The minister hemmed and hawed and the agriculture committee passed a resolution calling on the government to make this interest free cash advance of $50,000 available. That went on and on and on.

Finally, in December the government agreed to make available $15,000 which is the same level as in the west, plus $3,000 for drying cost. However, it was made so late that out of the 25,000 corn producers, so far to my understanding only 20 of those producers have been able to take advantage of the interest free cash advance for unharvested grain.

What a disaster. Producers are having difficulty getting the crop off but they have GRIP and crop insurance to guarantee the crop and they only get interest free cash advance on half of the crop anyway. The government will not provide the same interest free cash advance for unharvested grain as it will for harvested grain.

Then when the Ontario corn producers tried to implement the interest free cash advance there was a little hooker in there. Treasury Board had set the amount of the interest free cash advance available at $41 million. They had to hustle around to various banks to find the money. The parliamentary secretary never talks about all these little hookers that the government has in there to hinder and to confound the farmers of this area.

One possible source for all of this low grade corn would be for livestock feed in Cuba, but they cannot get the credit available. The Canadian Wheat Board has credits available. The possible market for this low grade corn is for livestock feed in Cuba, but the credit arrangements are simply not there. These producers are so frustrated that we see in the press reports this week where a group of farmers down in Lucknow, Ontario have put together a meeting of 1,000 people to protest the lack of action by the government to assist. The situation is really very serious as we commence 1991.

A report put out by the WEFA forecasting group in late December says that government programs boost 1992 income, but a crash in 1993 income is forecast. Clearly that is the case.

Looking back at why there was some increase in government support programs in 1992 one finds it all came from the massive rallies that occurred throughout the fall of 1991. The government had chopped its support programs in 1990. Even though the world price of wheat had dropped to $2 a bushel, the lowest since the 1930s, the lowest in real terms in history, the government finally approved a payment under FSAM-2—that is the federal smoke and mirrors program number two—in the fall of 1991 for $800 million. That $800 million of course was not paid until 1992, otherwise the income situation would have been even worse in 1992 than it was. Even there we saw these massive rallies because of the inadequacies of the government programs.

The WEFA report forecast a drop of 21 per cent in net farm income in 1993. That is similar to the figures for Saskatchewan. It is in proportion.

The situation as we enter 1993, six or seven years after the international trade war began, is even worse than it was then. We see the total inadequacies of the government support programs but more than that we see the government chiselling on this. It is not known whether the interest free cash advance is going to be available until October or December. It is always a fight to get any

assistance rather than the government coming up front and saying what the program is and what assistance is going to be made available. The government is simply not doing well enough.

Mr. Len Gustafson (Souris—Moose Mountain): Mr. Speaker, it is interesting that the hon. member for Algoma gets so exercised when he hears the work the Prime Minister has been doing and carrying on at the international level. Especially when we hear day after day from a party across the way that is opposed to free trade. It wants a protectionist approach. Here we are with a country that exports 80 per cent of its product in terms of wheat, durums and grain and that party has a mishmash of policy that would make your head spin.

I wonder what would happen if that party were to try to implement the kinds of policies where it says on the one hand it will do this and on the other hand do that. There is not a clear direction of where that party is going. Then it trivializes the international situation of the trade war.

Nobody said that one man could solve this all alone. However, certainly one man can give the right direction as we saw just last week with the Prime Minister's visit to Washington and his dealing with the trade situation and the international trade war going on.

As far as I can see and watching day after day in this House, whether it is the leader of the NDP or the leader of the Liberal Party, there is no direction. There would be very little if any international presence in which the existing situation in Canada would be put forward.

It is interesting that this member from Algoma would stand in the House and trivialize the immensity of not only an international recession but also an international trade war that is going on. Anybody who is not aware of that is not aware of what is going on.

Any government that does not deal with that in trade, just to give an example, the U.S. is now our fourth largest trading partner in wheat. Close that border on livestock. Incidentally, livestock has hit the highest price in terms of 97 cents a pound for live weight cattle shipped with much of it going into the United States. I do not know how the opposition would deal with a situation like that. We would have the old Trudeau era again: Sell your own wheat, do your own thing.

• (1140)

In commenting on what has been, the hon. member knows we had 20 per cent interest rates in 1985. Under this Prime Minister, we have the lowest interest rates in 31 years. Certainly there are international problems and they are immense but with the mishmash of ideas that on the one hand this and on the other hand that which come from the leadership of the Liberal Party, I would fear as a farmer to live under that direction.

Mr. Foster: Mr. Speaker, if the hon. parliamentary secretary had really been interested in bringing information to the House today, he would have told us exactly what the Prime Minister did in Washington last week. We saw him walking around with the new President.

This House passed a unanimous resolution on February 12, 1992. It directed the Prime Minister to meet with the President and to secure his support for our position on a strengthened and clarified article XI. We want to know, as do the dairy farmers, the poultry industry and the supply management groups of Canada whether he did that. Did he do anything? Did he really accomplish anything in Washington or was he just looking for a photo opportunity?

People are interested in the results. Why did the Prime Minister not go there and get a commitment from President Clinton? Why did he not get a commitment if he has all this international power and influence? Nobody is trivializing the trade war. The trade war has been a disaster.

The parliamentary secretary is telling us that the Prime Minister has great influence, that he is a senior member of the G–7. If he is this member and has all this influence, why is he not able to sit down with President Clinton and get a commitment to support us with our supply management system? Clearly his Minister of Agriculture is reported to have supported supply management systems in the United States. If that is true, then there should be no problem convincing the President that it is a good system for not only Canada, but also for the United States.

If we look at the Washington news press releases, Mr. Espy, the secretary of agriculture, has voted for supply management bills in the past. Therefore groups like the

dairy farmers of Canada, the poultry and feather industry are asking the Prime Minister to go there and get a commitment in the GATT negotiations. Has that been achieved or not? That is what we want to know.

Clearly the supply management groups are the most stable, most viable groups in the country. If he does not have that kind of support from the President in those GATT negotiations, then we could end up with that whole supply management industry being destroyed. We would go on to the future and see this most viable sector, some 35,000 producers producing something like 28 per cent of farm income being destroyed.

The House directed the Prime Minister to do that last February 12. We want to know whether or not he achieved it.

Mr. Gustafson: Mr. Speaker, I would like to comment on that whole direction. What this government has been trying to achieve under the direction of the Prime Minister is important.

When the minister of trade met with Arthur Dunkel of the GATT, I happened to be there with him. At that time he put forward the importance of the concept for Canada. I heard Mr. Dunkel ask if we had any idea of how big a job it is to get the support of 108 nations that are bringing input into the GATT.

This again makes the point of the hon. member trivializing, if you will, the trade war and the contribution that the Prime Minister has made to trying to end this.

We must continue our negotiations. We are a trading nation. We must trade into that international market or we will lose the grain sector or even other sectors, steel or what have you, in Canada.

Our government has taken strong positions under the leadership of the Prime Minister, the Minister for International Trade, the Minister of Agriculture, to achieve these ends. We must continue it. That is the point I am making.

Mr. Foster: Mr. Speaker, what the parliamentary secretary had to say about the Minister for International Trade is very interesting. In fact there was a letter written to the Minister for International Trade and the Minister of Agriculture on February 1 asking if the government is willing to reconfirm its support for the resolution that was passed on February 12, 1992.

The amendment which our party put down to that resolution says:

> And that this House calls upon the Prime Minister to involve himself personally in the GATT negotiations in the interest of Canada's dairy, egg, and poultry producers by meeting with the President of the United States and with the President of the European Community in order to secure their support and to do so in co-operation with other countries that agree with Canada's position on a strengthened and clarified article XI.

There are 130 trading nations in the world but the first two that you have to lock in are the European Community and the United States. The Prime Minister has met with the President of the United States. Did he lock in the President of the United States to support our position? When is he meeting with the European Community? Is the government prepared to reinstate or reaffirm its position for the resolution that was passed unanimously in the House of Commons on February 12, 1992? If he is, it is a direct signal. We will not have these press reports coming out as on January 21 and the headlines reading: "Ottawa altering farm stance. Border barriers find few friends. Ottawa softens—".

The Acting Speaker (Mr. DeBlois): Order, please. I am sorry but the time for comments and questions has now expired.

Mr. Rod Murphy (Churchill): Mr. Speaker, I will be taking a 10-minute slot and the second 10-minute slot will be taken by the hon. member for The Battlefords—Meadow Lake.

I am happy to have the opportunity to speak on this motion put forward by the member for Mackenzie. It is very important that this House address agricultural issues. One of the things I have noticed is that the government over the last number of years has tried to create a series of myths about what is happening in Canadian society.

To give some recent examples, the minister of employment is somehow trying to blame those people who for one reason or another have to quit their jobs, as the reason that unemployment insurance is costing so much.

Somehow in that whole debate the government has ignored the fact that over 1.5 million Canadians are unemployed, that last year alone a million people in this country exhausted their UI benefits. They are people who were fired, people who were laid off, people who quit for whatever reason. Somehow the government has

narrowed the debate to those people who have quit and is taking away their right to a level playing field in terms of how they are affected by this government decision. That is why people are concerned.

• (1150)

There is also the myth, which certain government members have perpetrated, that the fishing industry is receiving millions and millions of dollars in hand–outs that they do not deserve and that those people engaged in fishing really do not deserve the kind of support that they need.

When it comes to agriculture, if we listen to government ministers and government backbenchers we would think that the government has bent over backwards to meet all the needs of farmers. Again that is not true.

I will quote some information that was produced for the member for Mackenzie by the pools: "Compared to our two largest grain competitors, Europe and the United States, Canada is falling behind. Using 1981 real total net farm incomes as a base, European incomes fell by 16.5 per cent over the last decade, American farm incomes rose by 23 per cent and Canadian farm incomes fell by 51.4 per cent over the 10–year period from 1981 to 1991". That is a 51 per cent decrease in farm incomes in this country.

That is why this debate is taking place. The farmers in this country, the rural communities in this country, know there is a crisis. It is not a matter of too many farmers. It is not a matter of farmers refusing to go out and seek new crops, which seems to be the response of *The Globe and Mail* to the crisis that exists. Because of what is happening at the national level and at the international level, our farm incomes have gone down by 51.4 per cent over the last decade.

While governments may laud their various achievements or claim they have had various achievements over the same time period, take a look at some of the things that have actually happened. Look, for example, at the Crow transportation benefit. My friend, the member for Moose Jaw—Lake Centre said: "The Liberals began dismantling the protection farmers had under the Crow rate and now the PCs are set to finish the job. If we lose the Crow rate we could see a lot of grain moving to port via the United States".

What exactly has the government done with the Crow rate? The Liberals under Jean–Luc Pépin and later the hon. member for Winnipeg South Centre actually destroyed the Crow benefit that existed for many farmers. They set up something else to replace it.

What has the Conservative government done with that replacement? Right now we are looking at a 10 per cent cut in 1993–94 and another cut of 10 per cent in 1994–95; that is 10 per cent this year, 10 per cent next year, cut in the support that Canadian farmers received in lieu of the original Crow agreement.

What has that meant? In 1983–84 farmers paid out an average of $5.72 to move a tonne of grain or 23 per cent of the total freight cost. By 1992–93 it cost farmers an average of $11.98 or 37 per cent of the cost of moving a tonne of grain. The actions of this government are increasing the costs of farmers trying to move grain out of this country at a time when there is a 51.4 per cent decrease in farm income for farm families across this country over a 10–year period.

It is interesting that during the same time period farm income in the United States went up by 23 per cent. It is not because American farmers are more efficient on the land. It is because American farmers are more efficient in Congress. They have subsidies and programs that do not exist in this country. They have programs that have taken away our traditional markets, and when that happens our government is silent.

Occasionally there is one single speech, saying the Americans should not be doing that. Then there is a quick shift from attacking the Americans to all of a sudden blaming Europe. The reality is that it is the Americans that are taking our markets. It is the Americans that export the largest amount of grain. The Europeans, by and large, consume the vast majority of the grain they produce.

It is the Americans that are the price leaders. Unfortunately, they are also the subsidy leaders when it comes to supporting their farmers and supporting the sale offshore of their product.

One of the things that has concerned us with the free trade agreement and the NAFTA agreement has been the fact that we continue to be harassed by American industry. Our farmers, whether they are hog farmers or grain farmers, are harassed just as much as our steel makers and those involved in softwood lumber.

One of the things that the free trade agreement was supposed to end was this harassment. One of the things that NAFTA was supposed to improve on was bringing an end to this harassment. That has not happened. We have more and more cases against Canada being brought forward under the American anti-dumping legislation.

American experts have admitted this is harassment. They have said that 97 per cent of cases brought forward before their commerce department are ruled upon in favour of American industry. American experts have said that the harassment is often the end goal. It is not that the Americans are afraid to lose before some dispute settlement mechanism, because they have achieved their goal through their harassment process.

If you make it difficult for steel, if you make it difficult for softwood lumber producers to go into the American market, it does not matter what the final ruling is by a dispute settlement mechanism body; you have achieved your goals because you have harassed Canadian industry and effectively cut off markets.

In the few minutes I have left, I would like to talk about what we can do to reduce the costs to Canadian farmers. One of the things that is obviously important for me is a decision on the port of Churchill. The port of Churchill provides a shorter, downhill route for getting grain to our sea port. It is a shorter distance to much of our European market.

What the farmers need, especially in the area between the Alberta and Saskatchewan border where most farmers find it cheaper by up to $30 a tonne to ship through Churchill, is a commitment from this government to make a decision on the port of Churchill. It is the time of year when that decision has to be made for this year. It has to be made this month. However, we also need a long-term commitment to assist farmers.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I am glad that my hon. friend from Churchill got on to the subject of agriculture, because he was straying in various directions. He spoke, for example, of the Atlantic fishery as if there had been no response from this government at all to the very grave difficulties which we face in Atlantic Canada.

He dismissed the $565 million aid package, the Atlantic Fisheries Adjustment Program, that was brought down two years ago. He dismissed the $1 billion of special assistance being made available to support the industry in Newfoundland this year. He completely ignores the $800 million that is annually pumped into Atlantic Canada through the unemployment insurance scheme. Perhaps those bits of assistance are either dismissed by him as irrelevant or they have kind of escaped his notice. I notice he did talk about unemployment insurance and I was intrigued. He is making a mission of this. There is no question there is a difference in philosophy on both sides of the House on this issue. My constituents and others in my province, which is highly dependent on unemployment insurance are saying bang on. When jobs are scarce and times are tough people who quit their jobs without just cause should not have access to unemployment insurance. People are suggesting there are a lot of scams in unemployment insurance and they applaud this government's efforts to come to grips with that.

• (1200)

I want to ask the hon. member a question with respect to what he just said about the free trade agreement because it is most mystifying. It is my understanding that we have had eight panels under the FTA in the area of agriculture—one is being announced today—and every single one has been won by Canada. If we did not have the free trade agreement we would still have protectionists in the United States Congress but we would not have a means to rectify those improper actions.

If we had no FTA as my hon. friend's party advocates, how would he propose to resolve those disputes in the future?

Mr. Murphy: Mr. Speaker, I thought we were going to speak about agriculture, but I guess the member wants to talk about something else. I referred to agriculture, free trade, unemployment insurance and the farmers to talk about a common problem many Canadians face. Then I

went on to talk about specific problems faced by people in agriculture.

With regard to free trade, I have said the government has failed to meet its own objectives. In 1987 it was the Conservative Prime Minister who said—I must admit I am only paraphrasing because I do not have the direct quote in front of me—the reason we are going into free trade is to end the harassment. I will get that quote for those members who do not seem to remember those words, but the harassment has not ended.

Mr. McCreath: Why will you not answer my question.

Mr. Murphy: The member asks me to answer his question but he wants to continue heckling. We did not end the harassment. It is continuing and continuing. Instead of the Prime Minister and the minister of trade going on Friday and Monday respectively to make the Canadian position, they were more concerned with protecting their own political backsides and protecting the NAFTA rather than saying: "Stop the harassment". That is what we need.

We had trade with the United States before we had the free trade agreement. We all know that. We also settled our disputes before we had the free trade agreement.

An hon. member: They harassed us then.

Mr. Murphy: We had harassment before and we have harassment now. Under NAFTA we will have more harassment because we have taken out the one clause that had some potential under the free trade agreement. It was the requirement that both Canada and the United States sit down and come up with a final definition of a subsidy. That was a requirement under the free trade agreement and over a five-year period it was supposed to resolve a lot of the problems we face. Under NAFTA that is no longer required. Under NAFTA we will continue to be harassed because none of the parties to the agreement will have a clear definition of what a subsidy is and is not.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I am pleased to speak on this motion today brought forward by my colleagues in the New Democratic Party, calling on the federal government to fulfil its responsibilities to agriculture that have been forsaken by this government since it was elected. This actually fits within the plans outlined by this government some time ago for agriculture when the now finance minister was Minister of Agriculture and with the white paper of the government called, "Growing Together" which was actually based on the assumption we already operate under a free market in agriculture. There was no recognition at all in the "Growing Together" paper that all of the marketing institutions we have operate under an oligopolistic situation. The only remnant of the free market in agriculture exists at the local level.

At the time of the release of the "Growing Together" paper, the National Farmers Union and others were able to analyse the paper and comment on it. The then president of the National Farmers Union, Wayne Easter, called the paper an acceptance of the negative international trends and a positive wave for the future. He used them to justify further cuts in domestic farm programs. Since that time we have seen that is exactly what has been happening.

Today's motion indicates a continuing commitment of the New Democratic Party members of Parliament to fight on behalf of agricultural producers. This continuing commitment has been shown virtually every day in this House since this sitting began. A farm rally in Saskatchewan during Parliament's recess attracted 13,000 producers and interested and concerned Saskatchewan residents. They called upon Ottawa and the Government of Canada to respect the financial responsibilities the government has to the producers on the land.

The New Democrats have been questioning government since Parliament sat. There have been speeches under the Borrowing Authority Act including my own. Today is the first opportunity New Democrats have had to raise any issue of significance in this House. Their commitment is to agriculture and the producers of Saskatchewan.

There are many other very important issues today that have been raised in Question Period and appear on the front pages of the newspapers, but New Democrats today have made agriculture the number one priority of our caucus and the debate in this Chamber today.

There is a crisis in agriculture and it must be addressed. On February 2, I rose in this House to speak about my reaction to the farm rally. At that time I talked about the need for an immediate injection of cash as discussed in our motion today. I also talked about other matters that were raised at the farm rally which included support for the Canadian Wheat Board, maintenance of the Crow benefit and the need for the development of a long-term agriculture program based on the cost of

production and targeted to meet the needs of producers to sustain rural communities to the best of our ability.

Today I am not going to repeat myself in the short period of time that I have. I simply want to acknowledge and recognize that there is a crisis in agriculture. There are some serious financial problems in agriculture that must be addressed.

One of the concerns we are going to experience in 1993 that is addressed in this motion and put before the House today is the possible end of the Crow benefit subsidy. I want to address that important issue today in the short period of time I have because it is one of the issues we are going to have to address during 1993. Because the need for cash is so important, much of the debate is going to focus on cash. Perhaps some of the other large issues affecting farmers may be set aside in this debate.

I just want to argue today on behalf of the producers who are struggling to ensure that the Crow benefit payment is maintained.

I want to thank a former wheat board advisor and constituent of mine, Mr. Ted Strain, who farms outside of North Battleford, for some of the background I want to put on the record today.

We know that on November 14, 1983 the historic Crow rate ended with the passage of the Western Grain Transportation Act. The act was passed by a Liberal government with both opposition parties voting against the bill. Sufficient Conservative members of Parliament at that time were absent from the House to ensure the passage of the bill. This was also done by Liberal members in the Senate recently with the passage of C–91, the prescription drug bill.

• (1210)

The most profound implication of the Western Grain Transportation Act was its dramatic increase in revenue provided to the railways for the movement of grain. Under the statutory Crow rate, the railways received $4.89 per tonne for moving grain from central Saskatchewan to the seaboard. Under the Western Grain Transportation Act, the railways received $32 per tonne.

The cost was determined by Karl Snavely Jr. who had been hired by the federal government on three occasions to estimate the cost of moving grain by rail. The unusually high cost of 6.25 times the Crow rate was established as the price the railways should receive. The difference between the farmer's share and the amount the railroads received became known as the shortfall or the Crow benefit. It was paid to the railways in the form of a federal subsidy of $612 million which was later increased to $712 million. The December 2 statement of the finance minister indicates it will be reduced by $73 million in 1993–94 and by $104 million in 1994–95.

The Western Grain Transportation Act has given the railways and the government protection against increased costs but has left farmers exposed to future inflation and larger grain volume. The Crow benefit will not apply to export grain volume in excess of 30.5 million tonnes and farmers must pay the first 6 per cent of future inflation costs. That has been happening and will continue to happen.

The farmer receives no inflation protection while protecting the railways against inflation. If inflation continues at 6 per cent for 12 years, the cost of moving grain will double and the railways will receive $64 per tonne compared to $32 per tonne in 1990.

The $720 million Crow benefit is needed to allow western farmers to compete in the world market. Grain exports bring billions of dollars a year into Canada and benefit the domestic economy and farmers in rural communities. Grain is a renewable resource unlike oil, coal and potash where the revenue may not remain in Canada.

Saskatchewan stands to lose about $400 million a year if we lose the Crow benefit. In a province like ours where the rural base is so important, that benefit is critical to the survival of rural Saskatchewan.

Currently the Crow benefit is paid to the railway but the farmer receives the benefit in every bushel of export grain he delivers to the system. He receives it when he delivers his grain.

Realized net farm income is now $6.7 billion less than it would have been prior to the international grain war.

Agriculture Canada is predicting that realized net income for Saskatchewan farmers for this year will be about 30 per cent below the 10-year average and the 1993 forecast is set for a realized net income of only $238 million or about $4,000 per farmer. We have a serious crisis on our hands that must be addressed.

As the rally indicated, we need the injection of cash but we also need the protection of the Wheat Board and the security that the maintenance of the Crow benefit provides to all the producers in Saskatchewan. Without the maintenance of these longer term programs the other policies are simply band-aids that will eventually fall off and create the damage we are trying to prevent.

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I welcome the opportunity on this opposition day to participate in this debate. It stems from a New Democratic Party motion which is critical of government policies toward agriculture.

In part, I would like to address that motion from the perspective of a member of Parliament who represents an area which is indeed as grain dependent as any part of the country. It is the southwestern and the south and central part of Saskatchewan which consists of some 25,000 square miles. I have 9,000 to 10,000 of the farmers in Saskatchewan and probably about 20 per cent of the viable farming operations.

I spent the first three weeks in January travelling around my constituency. I met with rural municipal councils. I met with groups of 6, 8 and 10 producers here and there. I tried to do this, quite frankly, in the absence of the representatives of the so-called organizations of whatever stripe. I tried to get away from them and just talk with farmers at the grass roots.

I fear that sometimes when the farm organizations come with policies, they are at a national level, or at the very least at a regional level. I am not entirely satisfied that they speak for all of their members. That was the reason for trying to get right down to the grass roots. I can attest to the fact that there is an enormous amount of frustration, disappointment and despondency out there.

First, I want to talk in terms of the history of the prairie grain sector. Then I will talk about the reality which it faces today, the politics of it and the hope that maybe there are some solutions and answers out there.

This is a relatively young sector of our economy. The prairies were for the most part settled in the early 1900s. It was a deliberate policy to settle and to populate the west. The offer was made throughout the world that people could come to Canada. They came on the promise of free land. They came as well for the kind of opportunities and freedoms which our country has and maintains proudly to this day.

People came from the northern United States, eastern Canada, Scandinavia, the British Isles, Germany, Ukraine, Poland and literally from the four corners of the earth. They came to settle the prairies.

It is very interesting and almost unparalleled in history that the country was laid out ahead of time. It was surveyed into sections or square miles and townships which consist of areas 6 miles by 6 miles, or 36 square miles. It was all laid out ahead of time and when the homesteaders came they had the opportunity to file for a particular quarter section of land. It was theirs provided they broke it up and cultivated a certain portion of that ground. They had the opportunity to build on it.

The information indicates that the number of farms peaked at a fairly early time during this century. I believe that in Saskatchewan, there were around 100,000 farms in the 1920s and 1930s and that the average farm size was in the area of 350 to 400 acres. If one follows that sort of chart, one will see that the number of farms has been steadily declining ever since those peak years. That decline continues today.

One will see as well that there is a corresponding increase in the size of the farms, which are now in the area of about 1,100 acres.

The west was laid out before the people came. It was the era of the steam engine. There were places for the train to take on water every five or six miles and it was around those spots that towns and villages grew up. That is where the grain elevators were constructed and that is where the farmers would haul their grain to the elevator so it could later be shipped out by rail to tide water and on to export.

There was a long and glorious history where the prairies were the bread basket of the world. There were

huge markets in Europe that the prairies were able to satisfy. These were the golden years. Wheat was the king of the grains.

These villages and towns developed every five or six miles along the railway tracks. Farmers hauled maybe 20–25 bushels of wheat to the elevator in a horse-drawn wagon in the very early days. Those days are long gone and the reason for that is not a trade war today. It is the march of history. It is technology and advances in machinery and equipment. It is road building, communication and technology. It may have taken that pioneer farmer all day to take a load of grain to the elevator a mile or two away. Now they move a trailer of grain—huge amounts of grain—vast distances in that time.

• (1220)

The end result has been a consolidation. Many of these small towns and villages have ceased to exist and many more, I am sad to say, are in their death throes. It is not because of a particular policy of a government of any stripe. I say this not in any partisan way. It is simply reality. It is a result of technology and of markets.

I do not think there is much use in clinging to the old myth of the role of government to preserve rural Canada as it might have been or as someone idyllically remembers it 40 or 50 years ago when the population was at its peak. I am not so sure that those days were particularly rosy anyway. Oldtimers tell me that they do not recall so many wonderful times.

I guess the bottom line is that this movement from the rural areas to the urban ones is something that is a result of technology. It is happening in Saskatchewan. It has happened across Canada. It has happened world-wide.

We are told that back in the 1930s something like a third of all Canadians lived on the farm. Today I think that figure is in the area of perhaps 3 per cent or 4 per cent.

Over the past number of years, many programs have been generated to try to deal with the problems of agriculture. It is not easy to do because agriculture speaks with many voices. Sometimes people who live in the north see things differently from those who live in the south. Those who live in the west naturally see things differently from those who live in the east. If one is into livestock, one sees things differently than one would if one was a straight grain farmer.

There is an enormous difficulty in devising and developing national programs that work and that are seen to be satisfactory to all concerned.

In the past, it has been shown that programs like area-based crop insurance, like the WGSA which triggered huge areas and which had a five-year rolling average which turned out to be inadequate at the time when it was most needed. These programs have been discarded and a new generation of safety-net programs have been brought forward.

These programs, GRIP and NISA, were not developed in isolation. They were the result of many months and, indeed, many years of work, not just by federal and provincial governments, but by producer groups and by individual farmers. They were designed to try to overcome the obvious shortcomings of some of the programs that preceded them.

Those safety-net programs are in their infancy at this time. There are problems with them, yet at the same time they do seem to be working across most of the country. There are some criteria such as individuality, certainty, predictability and bankability that were central to these programs.

It is an unfortunate fact that GRIP has not been allowed to work within the province of Saskatchewan, which is a major grain-growing sector of the country. It is one of the sources of enormous frustration as related to me by producers within my constituency.

Over the past number of years, a variety of government programs have delivered unprecedented support into the grains and oilseeds sector. I believe that the numbers for Saskatchewan, for example, over the last six or seven years average out to something like slightly over $20,000 in support from the federal government to each farm operation within the province of Saskatchewan.

The irony is that for the taxpayer obviously it is too much. Yet for the hard-pressed producer who has been buffeted by historically low grain prices owing to subsidies beyond our borders it is not enough. So we have this fundamental problem. It is reality.

Canada is up against the United States and the European Community in this subsidy war. These countries have large populations, they have deep pockets and they have a much smaller dependence on export than Canada does.

Canada has 27 million people. We try to export five out of every six bushels of wheat that we grow. Eighty-three per cent of our production has to go outside of Canada hopefully to a willing buyer who has some money to pay us for our product. Unfortunately, at this point in time there are not those buyers out there and where there are buyers, the price is being undermined by the export subsidies and the domestic subsidies of our competing countries.

The United States has a population of about 250 million people and the European Common Market has about 330 million. Their dependency on export is much less. In the case of the United States it is 45 per cent. In the case of the Common Market it is something less than 20 per cent.

We are in the situation where the Canadian taxpayer, on a per capita basis, is putting more into the grain sector than his counterpart in the United States or in Europe. Sad to say, it is still not enough. What is the answer?

The Prairie Pools Organization presented a recent brief, December 1, 1992, to federal cabinet ministers. There was one particular paragraph which simply leaped out at me: "We cannot compete indefinitely with the export subsidies and trade-distorting internal support programs which are used by other major grain and oilseed trading countries, which are far in excess of those available to Canadian producers".

That is absolutely correct. It sums up the problem in a nutshell. If this is to go on indefinitely we cannot compete with the treasuries of those other nations. We simply do not have the resources available. That leads to a lot of the frustration and I guess to a lot of the politics.

I recall being at farm rallies in Rosetown, which is in Saskatchewan, Regina and Winnipeg in the fall of 1991. I was also in Shaunavon and Regina in the spring of 1992, in North Battleford last fall and of course more recently in Saskatoon. I have listened very carefully at those rallies and of course I understand and hear clearly the frustration.

I understand that there is a need there. We have people who are dependent on growing of wheat for a living. The question is how long we can continue to grow that wheat for export when there are no willing buyers out there and where there are, they are unable or unwilling to pay the necessary price. That is the reality that we face. What can we do about it?

I do not think it is good enough for opposition parties to come in here and try to deal with this problem through a cheap, grandstanding sort of motion like the one that is in front of the House today. I heard my colleague from Algoma, the Liberal agriculture critic, giving the old-style 1960s approach to this thing. There was not a single useful suggestion. It was just a long litany of the problems. God knows, we all know them. The people on the farms know them. They are not interested in hearing about that.

What they want to talk about are some useful, sensible solutions or alternatives, given the circumstances and given the reality out there. Then we have their friends in the New Democratic Party, the guys with two heads. They have one head for Ottawa and one head for Saskatchewan. Here in Ottawa we have heard some of it already and we are going to hear more during the course of the day. There is no expenditure which would be too great for the Saskatchewan grain farmers. They need help and the government had better go out, borrow a bunch of money and give it to them.

• (1230)

Meanwhile, back in Saskatchewan, guess what? They have a New Democratic government in Saskatchewan that has completely and utterly turned its back on the number one industry in Saskatchewan, agriculture.

This motion today has to be without a doubt the single most hypocritical motion that has ever been presented on the floor of the House of Commons. An NDP government in Saskatchewan which tore up the national GRIP program, unilaterally and arbitrarily tore up a program, did it retroactively, breached contracts which thousands of farmers had signed in good faith and then passed legislation retroactively saying that they were not responsible for the breach of contracts. They then had the audacity to say that it is somehow the fault of Ottawa that the safety net program is not working. Lo and behold, on top of that they have the unmitigated gall, the audacity, to come into this House today and try to point a finger at a federal government which has provided—unprecedented albeit; maybe it is not enough but it is unprecedented—support for that sector at the same time

as their brethren, their friends in Saskatchewan are saying: "Sorry, we do not have any money for you".

Agriculture is a shared jurisdiction. I do not think it is good enough for New Democrats to whine here in Ottawa about the federal government's role while at the same time they have offered nothing, absolutely nothing, for agriculture within the province of Saskatchewan.

I view it as being two-faced and hypocritical. I am not going to say more about that. At the end of the day producers are frustrated. What they are seeing in their minds is a tennis match going back and forth. The ball is bouncing between levels of government.

At the rally in Saskatoon many farmers called for a mediation process to try to get federal and provincial governments together to try to fix the GRIP safety net problem in Saskatchewan. I do not blame them for feeling that way. The federal government and the federal minister are ready, willing and able to sit down with the provincial counterpart to try to fix the problem which was caused and created by the New Democratic Party in the first place.

In the brief time I have left I did want to touch on a number of suggestions that I have, given the circumstances, given the reality that there is no market and that the return at the moment is coming from the taxpayer. One questions whether it can come forever from the taxpayer. Obviously, more efficiencies are needed. There has been a lot of discussion about that and work being done on it.

Western Diversification: A $1.2 billion fund established by the federal government to do exactly what its name implies, to try to diversify a western Canadian economy which is all too dependent on grain.

Lower interest rates: the policies of our government trying to contain government spending, trying to contain the kind of philosophy and attitude that was left here from 20 years of Liberal government, we are succeeding here. That is why we have stable inflation and lower interest rates, the greatest gift I think that we can give not just to agriculture but to small business as well.

In addition, we are negotiating internationally, negotiating at the GATT and bilaterally with other countries, at the same time trying to secure a lessening of these harmful subsidies which have caused the problem.

Finally, we need co-operation federally and provincially to try to make the farm safety net programs work. In that regard, I urge my colleagues in the NDP here to stop complaining about Ottawa, go back to Regina and ask your provincial counterparts in good faith to sit down and see if we cannot make things work for Canadian producers.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I was very interested in the hon. gentleman's speech. I think he chose wisely to concentrate on the changes that have occurred and the difficulties of adapting to change.

Toward the end of his speech he also talked about hypocrisy, claiming that the NDP members were speaking one set of truths in Ottawa and another set in Saskatchewan. I think for the record he ought to know if he continues with his clear eyed analysis that he attempted at the beginning of his speech, the reason there is the problem in Saskatchewan as a result of the shortfall in the income in 1992 has nothing to do with the change in policy precipitated by the provincial government bill last April.

That shortfall in income is a direct result of the problems with the program that was initiated between the federal and the then Conservative government of Saskatchewan for the 1991 GRIP program which paid out its payments in 1992.

We have not begun to reap any of the shortage or benefits from the NDP induced program that was begun last spring, so he should get that clear when he is describing the problem. The problem that farmers have is because the original GRIP was not adequate.

As a second point he talked about the problems of inducing change and how farmers are going to have to change because the Russians do not have credit to buy wheat anymore and the U.S. has been systematically interfering in international prices to depress the price by as much as $80 per tonne.

He should be aware that the program that was introduced last spring in Saskatchewan would in fact let market forces occur and would in fact encourage diversification to other crops. It has forced a big chunk of Saskatchewan's farmers to look for other markets in the Third World and Europe for products like lentils, pul-

ses—peas and beans for most of us—and the the various oilseed crops that we have been diversifying into for a long time. The payments by crop district instead of on an individual basis will in fact encourage that.

I think he should perhaps give credit for applying his own ideas to that provincial government for the changes that were proposed in the spring of 1992 which will be felt in the income of 1993. For some people it will not be a good feeling.

Mr. Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I rise on a point of order. I may be confused but I thought the hon. member had already made a speech during this debate. I am wondering how it is he is allowed to make a second one.

The Acting Speaker (Mr. DeBlois): I hope that the hon. member will end his remarks and ask a question of the previous speaker.

Mr. Althouse: Mr. Speaker, it should be obvious to the hon. member who has been here for some time that this is a period for comments and questions and that is what I am doing.

There have been two questions. The third comment is that while agriculture is a shared jurisdiction, the federal responsibility for trade, which is what got us into the financial problem that we are in, is all in the federal government's court. The shortfall because of the trade wars that have befallen Canada's farmers should be borne by the federal government. As a lawyer, he should know that the provincial government is only responsible under the Constitution for the production side only.

Mr. Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I appreciate the opportunity to respond in the limited time available. I heard what the hon. member had to say about the GRIP. I was in Shaunavon, Regina, North Battleford and Saskatoon at the rallies and I know what I heard. I have listened to farmers in my area and I know exactly what they think of those unilateral and arbitrary changes that were made to the GRIP by the hon. member's socialist friends in Saskatchewan who have abandoned the grain sector.

• (1240)

The most vital sector of the Saskatchewan economy was abandoned completely by the hon. member's party. They have the gross hypocrisy to come in here and complain about the federal government's role.

It was interesting that GRIP, a national program with national standards, is working in Alberta and Manitoba. At the rally in Saskatoon, the usual National Farmers Union people were crowded around the microphones at ten o'clock in the morning much, I might add, to the chagrin of the wheat pool organizers. People from a couple of plants in Alberta came in to complain about GRIP in Alberta. But the fact is that GRIP is working reasonably well in the other provinces of this country. The reason it is not working in Saskatchewan is because the NDP government, cohorts of these people who brought this motion today, refuse to give it a chance to work.

In the few moments I have left I want to make some constructive suggestions to the provincial government of Saskatchewan. My hon. friend mentioned trade. I think it is high time that the NDP stop whining about the CUSTA, NAFTA and GATT. I think it is time they recognized the fact that Saskatchewan above all is a trading province and that we have negotiated very important access to the United States market, as well as a dispute settlement mechanism which has been tested and found to work time and time again. It worked for pork and now for wheat. "Canada wins wheat dispute with the United States", today's paper states.

That agreement has given important access to other Saskatchewan producers in livestock and beef and pork. These people who are criticizing trade agreements should go to Saskatchewan and explain that to the cattlemen and the pork producers.

I would like to make three brief points. I think it is important that there be co-operation between the federal and provincial agriculture ministers on the GRIP. Second, the province could harmonize the PST and the GST and lift the burden of sales tax from the inputs of Saskatchewan farm producers. I urge that they do that.

Finally, maybe they have to stand up to the big public sector unions in Saskatchewan which really are their political bosses. We in Ottawa did stand up to PSAC and the other public sector unions. We froze wages because it

had to be done. I challenge them to do the same in Saskatchewan. I do not think they have the gumption to do it. It is a matter of priorities.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I have a short question for the hon. member who, as he said, was in Saskatoon at the rally. The biggest response at the rally in Saskatoon, the biggest ovation, was when one speaker got up and said: "Leave the wheat board alone".

I would like to ask this member if he thinks that barley should remain under the sole jurisdiction of the Canadian Wheat Board. Second, does he agree with the New Democratic Party that before any changes are made to the Canadian Wheat Board it should be put to a vote so that all the producers can have a say in what they want to happen to their own wheat board? Does the member agree with that position? Does he think that barley should remain under the sole jurisdiction of the Canadian Wheat Board as the farmers in Saskatoon said it should?

Mr. Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, in brief, first of all I find it impossible to agree with the New Democratic Party. I want to make that perfectly clear. I disagree violently with the method of operation and with the hypocrisy of coming in with a motion like this today when they have abjectly failed producers in the province of Saskatchewan.

Second, with regard to barley the hon. member knows that there is a study being undertaken at the present time. I am perfectly willing to wait for the results of that to see what it says. I know as well that a number of producers in my area are concerned about what they see as the dumping of some of our product into Montana, into the northern part of the United States, which is of concern to them. They are frustrated and upset with the wheat board over this and with a major farm organization.

I do not have time to go into it at this point, but I can say that there are quite legitimate concerns out there among many producers about the monopolistic situation. That is not to say that it will be changed, but I cannot believe that it is not possible in a democracy like Canada to at least discuss intelligently some options.

If there are some problems with these organizations and with these institutions, let us be up front about it and talk about some of these problems to see if we can solve them in a co-operative manner.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, it is my intention to share part of my time with the hon. member for Gatineau.

The motion before this House condemns the government for reneging on its commitment to Canadian farmers by changing policy. This motion identifies the areas of uncertainty that prevail in Canadian agriculture and the continuing erosion of net farm income.

Let me put this into perspective. Three years ago the Minister of Agriculture started talking about farm family income and used figures that painted a very rosy picture. I pointed out these misleading figures last Thursday night at a farm rally in Lucknow, Ontario, where the community centre was jammed full. Incidentally this meeting was organized by a group of farmers calling themselves "Line in the Dirt". They drew a line in the dirt and said: "Enough is enough". That was back in 1991 and things have not changed.

In 1991 the so-called average Canadian farm family income was $39,638, but that is very misleading because more than half of it came from income earned from other sources than the farming operation. For example, if the spouse was teaching school, nursing, working in an office in town or working in a factory, that was called farm family income. The non-related income was added to farm income.

This left a balance of $17,115 of income from the farming operation itself. Of that amount, $9,927 was a government subsidy, both federal and provincial. When we deduct these subsidies from the net farm income of $17,115 that leaves a balance of $7,188 of income from the actual sale of farm products. Slightly more than 20 per cent of the so-called farm family income came from the sale of farm products. I submit that is a national disgrace.

Food production and processing have to be made matters of national security. Canadian consumers pay the second lowest amount for their food in terms of disposable income of any country in the world for the highest quality food in the world. The ironic part of this is that others in the food chain, particularly the food distribution sector, are doing very well. I refer to *The Globe and Mail* Report on Business showing the average five-year rate of return on capital invested in the food

distribution industry to be 17.2 per cent from 1986 to 1990. For the same period Canadian banks had a 13.3 per cent return and Canadian agriculture had a return of 6.2 per cent. This was not even enough to cover the interest on their loans.

Poultry and dairy producers were included in that 6.2 per cent figure, and they had a return of between 8 per cent and 9 per cent and have been criticized for doing so.

A few years ago this government took away the two-price wheat system that served this nation very well since the early 1970s. This program served Canadians very well for many years. In terms of higher world prices, the domestic price provided protection for our consumers, and the producers of Canada received lower prices for the products used domestically. However in times of low world prices it provided a higher price to producers for the product used domestically.

Our studies show that this policy was discontinued. At that time the net producer prices for wheat tumbled in Canada. The price of consumer products manufactured from wheat did not drop but rather continued to escalate. From 1982 to 1992 the value of wheat declined by 31 per cent and the price of a box of soda crackers increased to 25 times the farm gate price of wheat.

Last year an eight-ounce box of Breton Wheat crackers, made in Canada, sold for 99 cents U.S. in South Carolina and sold in Canada within a range from $2.69 to $2.89, the average being $2.79. There were 3 cents worth of wheat in that box. Ten days ago I bought an eight-ounce box of these crackers in Chilliwack, B.C., again containing 3 cents worth of wheat, for $3.15. That is an increase of 36 cents a box since last summer. If Canadian farmers were to receive 6 cents out of that 36-cent increase, they would be satisfied, could survive and make an acceptable living.

• (1250)

I am not sure I am supposed to show this in the House, but I want to draw your attention to it, Mr. Speaker. It is a national disgrace that people make returns like that and farmers have to depend on government handouts to make a living that is not commensurate with that of the rest of society.

I was speaking last August to a person in the food distribution business. I asked him for an explanation of the increases at a time when farm prices were deteriorating. He admitted that in some sectors the prices and the profits were exorbitant. This situation is absurd. Canadian farmers need subsidies to hang on and have to find off-farm work to put food on their own tables, and others in the processing and distribution sector are making exorbitant profits.

A recent consultant's study pointed out that five major food distributors in Canada control 80 per cent of food sales. That was in 1992, and it was up from 69 per cent in 1987. On the surface it appeared to be adequate competition, but if we examine where these distributors operate within Canada, some regions of Canada have very little competition, particularly western Canada and Atlantic Canada.

I have a report of one of those firms. We find that in 1990 the firm sent $538.7 million in dividends back to the parent company in the U.S. and borrowed the money to do it. It sent over half a billion dollars in dividends back to the parent company in the United States at the same time governments were giving money to primary producers in order for them to survive. Also at the same time these farmers and their spouses had to find off-farm work to provide living expenses for themselves and to put food on their own tables.

This situation is intolerable and cannot continue. It is becoming obvious that a very few and very powerful transnational companies are slowly taking control of food supply in the western world. Five of these companies virtually control the world's grain trade.

There was a report prepared by the Library of Parliament for the agriculture committee of this House in May 1991. It was pointed out in this study into the U.S. commodity exchange fiasco in relation to soybeans in the fall of 1989 that two of these companies decided what the price of soybeans would be. The prices dropped by nearly $2 a bushel in the summer of 1989 and never recovered.

As these huge corporations take control of the marketplace there has to be a countervailing force in that marketplace or the price discovery mechanisms simply

will not work. I respectfully suggest there is no counterbalance in the world markets at the present time. Consequently the price discovery mechanism is not working.

On December 2 a news item in the *Ontario Farmer* pointed out that a few multinationals were jockeying for position, for dominance and control of the food industry. It went on to say that the food system in the United States resembled an hourglass with many producers and millions of consumers at either end. This was a statement by William Heffernan, head of the sociology department, Missouri State University.

I also wish to put on record that very few companies are taking more and more control of the U.S. production and food processing industry. Professor Heffernan identified the amount of control they have over production processing. For example, four firms control 69 per cent of beef processing and two of these are the same firms.

One company controls 25 per cent of chicken production and processing. It has recently bought a huge pork processing plant in Minnesota. It processes 12,000 hogs per day, 84,000 a week, more than is processed in Ontario on a weekly basis.

Of eight major commodities produced in the United States, among the top four firms one firm is listed in all eight. That is the type of competition that we are subjected to. Competition is going to wipe us out unless we as a government step in. I heard the same firm is gearing up to have two million brood sows in another midwestern state to produce its own hogs.

Yesterday I received a letter from Gerald van Koeverden from Thamesville, Ontario, who spent several years with CUSO in Thailand:

> While there I worked hard to develop and implement a few strategies to enable farmers to compete and survive. This is difficult in a country where agriculture policy is completely dominated by large multinationals.
>
> These farmers are not allowed to organize into large farm organizations and they have virtually no say at all in the process.

I submit this is starting to happen in Canada. Those few huge companies have now made Thailand the world's sixth largest exporter of poultry meat. There is extremely cheap labour in Thailand, few environmental regulations, very little supplementary heat is required for brooding, and we suspect the export enhancement subsidized grain is used to feed the birds.

This nation needs to make food production processing a matter of national security and Canadian farmers need a fair share of the consumer food dollar. They need a return on investment, management and risk, and an income commensurate with the rest of society.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I was very interested in the comparisons of the hon. member in the eight-ounce package of Breton biscuits. He alluded to a possible solution. He was going at it a little backward when time ran out, but he was talking about how large corporations were taking advantage of the huge differential between the farm price and the process price. I note it is very difficult for farmers to get into the next level of production so that they can capture the advantages of the processed product themselves.

I wonder if the member has any solutions as to how that might be done. In the past decade we have seen the value of farm assets drop dramatically in western Canada, and pretty precipitously in eastern Canada and central Canada. In my part of the country land prices dropped from $900 per acre down to $300 and lower, which takes a huge pool of reserve investment away from the farm community.

I note that people like dairy producers and pork producers in western Canada have made attempts to control processing. For instance, Alberta Pork Producers process most of the pork in that province through plants owned by the producers. Alberta Dairy Producers attempted to forward integrate as well by combining both the north and south Alberta dairy pools.

In both instances of pork and dairy products the provincial government kept stepping in the way and trying to stop farmers from getting into the processing business. It did not succeed with pork but it did stop the integration of the two dairy pools. The government insisted that the one in financial difficulty be sold to Beatrice Foods in the interest of avoiding a monopoly, Beatrice Foods being probably the biggest dairy in Canada and if there is anything approaching monopoly it is Beatrice Foods.

Would he tell us how he thinks farmers could avoid this interference? What does he see as possibilities for forward integration so that farmers could take advantage of these high prices for processed product?

Mr. Ferguson: Mr. Speaker, I appreciate the question. I want to hold up one example of further diversification by the prairie pools: Alberta pool, Sask pool and Manitoba pool. I also want to point out what has been happening in terms of concentration in the processing industry. I have to relate to one big firm we are referring to getting a foothold in the U.S. meat packing and other sectors of the agricultural industry. It is already in Canada. It has virtually taken over the beef industry with a huge plant in Alberta and now one in Ontario.

To see these things taking place we realize there has to be a solution. What puzzles me is the fact that quality standards in other countries do not measure up to ours. If we are to have foods imported we must make sure their quality standards measure up to ours, or else under article III of the GATT we can keep them out.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I would like to follow on the comment about standards. I am horrified when I read what is coming through and on to our dining room tables.

Just to quote briefly, these are the kinds of chickens that are coming through. "Every week throughout the south", the southern states, "millions of chickens leaking yellow pus, stained by green faeces, contaminated by harmful bacteria or marred by lung and heart infections, cancerous tumours or skin conditions, are shipped for sale to consumers".

Another article states that according to the U.S. agriculture department, 40 per cent of all American raw poultry is contaminated. They have all sorts of gadgets where they bombard them with radioactive gamma rays to kill it.

Perhaps the member could share with the House whether our slaughtering techniques and food processing—

The Acting Speaker (Mr. DeBlois): Order, please. The hon. member has 30 seconds.

Mr. Ferguson: Mr. Speaker, indeed our standards are among the highest in the world. We would never tolerate such standards as those in Canada. In the first week of January children became sick in Washington State from eating tainted hamburger, and some children in the Chilliwack and Abbotsford area of B.C. as well.

It is despicable those standards have been allowed to slip under deregulation of the food inspection industry in the United States. The Americans call it the SIS, the streamline inspection system. We could never allow that to happen in Canada.

My hon. friend from Parkdale—High Park is absolutely right. If they do not measure up to our standards, we must keep them out of Canada and produce our own.

[*Translation*]

The Acting Speaker (Mr. DeBlois): It being one o'clock, I do now leave the chair until two o'clock this afternoon, pursuant to Standing Order 24(2).

The House took recess at 1 p.m..

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

ZOÉ BLAIS HOME

Mr. Marcel R. Tremblay (Québec–Est): Mr. Speaker, I am looking foward to attending the opening of the new Zoé Blais home this Friday, February 12, and I would like to draw your attention to the exceptional work being done by one of the community groups in my riding.

The Zoé Blais home offers moral, spiritual, material and academic support, free of charge, to 42 families in the riding of Québec–Est. With this kind of assistance, these families will have a chance to improve their quality of life and that of their children.

I admire the initiative shown by people who value the concept of brotherhood and friendship and show this in their daily lives.

This is the kind of mutual assistance our society needs.

[*English*]

BLACK HISTORY MONTH

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, the black communities across Canada are celebrating Black History Month to develop pride in their heritage and awareness in Canadians of their long history and many contributions to Canada.

Contributions of political leaders including Rosemary Brown, Emery Barnes, Lincoln Alexander, Howard McCurdy and Zanana Akande are part of this history.

In response to the Liberal leader's chief of staff who recently said that Quebec is not ready to have a black Liberal candidate, Howard McCurdy said: "In refusing to support an equality clause in the Charlottetown accord, in the exercise of veto power over candidates and in the absence of a firm policy on minority candidates, Liberals communicate a mixed message compared to the policy of inclusion of the NDP".

An NDP affirmative action policy has resulted in an historic nomination of visible minority candidates by riding associations.

* * *

HIBERNIA

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, Canadian shipyards fear that Hibernia contracts to build tankers and supply vessels will be awarded to foreign competitors.

Where would be the logic? Why look to others when the work can be done right here in our own backyard? Shipyards across Canada can do the job, including the yard in Marystown which has the capability to construct the supply vessels.

In 1984 the government talked a lot about the need for a prosperous shipbuilding industry and about Canadianization. Since then, thousands upon thousands of skilled shipyard workers have had their jobs wiped out. An entire industry is being threatened while the government is sitting on its hands.

I ask the government today to recognize this golden opportunity and to use the Hibernia project to help revitalize the shipbuilding industry and to provide work opportunities for its workers.

* * *

LIBERAL PARTY

Ms. Barbara Greene (Don Valley North): Mr. Speaker, I was appalled to read more today in *The Toronto Star* about the Liberal Party's candidate selection process. Apparently a Quebecer was advised not to run for a nomination because he is black.

The way the Liberal Party selects its candidates in certain ridings is distressing to many people who believe in democracy. If one of the criteria to be a candidate is race, this is even more disturbing. It is absolutely essential that everyone in this Chamber uphold the fundamental Canadian values of our Charter of Rights and Freedoms. It is not only morally wrong, it is illegal to discriminate based on race. Discrimination hurts not only individuals but all Canadians. It has no place in the candidate selection process of a political party.

* * *

[*Translation*]

MULTICULTURALISM

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, it is now almost five years since the multiculturalism act was implemented, and the government still does not know the difference between employment equity and multiculturalism.

The act should be strengthened to ensure that public service decision makers consider the diversity of Canadian society when developing policies and programs that affect all the citizens of this country.

[*English*]

The tabling of the annual report on the implementation of the multiculturalism act is a somewhat anti-climactic event. I believe that a non-partisan officer should review the implementation of the act.

The tendency today has been to highlight the successes instead of some of the failures of the policy. Having the

Department of Multiculturalism and Citizenship review the implementation of its own act is like having the fox take care of the chickens. This situation must change.

* * *

[*Translation*]

EXECUTIVE ASSISTANT TO LEADER OF THE OFFICIAL OPPOSITION

Ms. Nicole Roy-Arcelin (Ahuntsic): Mr. Speaker, I was shocked this morning when I heard that the executive assistant to the Leader of the Official Opposition had said it was not the right time for a black candidate to run in the Quebec City area.

Speaking on behalf of all Quebecers, I deplore an attitude that is undemocratic, to say the least, and is a sad reminder of a recent distinction made by Mr. Parizeau between old-stock Quebecers and the others.

Unless Mr. Pelletier withdraws those unfortunate remarks, I urge the Leader of the Official Opposition to dissociate himself from those remarks, in no uncertain terms, in this House where we represent all Canadian citizens.

* * *

[*English*]

POVERTY

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, the National Anti-Poverty Organization has brought forward a study entitled *Illiteracy and Poverty* which shows a strong linkage between illiteracy and poverty. I want to refer to this report.

[*Translation*]

Unfortunately despite government lip service to the literacy cause the opposite is happening with economic policies such as the cap on Canada Assistance Plan payments, an additional freeze on health and education transfer payments, cuts to social housing programs and legal aid and the GST.

[*English*]

What is this government going to do to make sure that it attacks the cause of poverty? When you attack illiteracy, you attack poverty.

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, in a letter to the federal Minister of Finance dated January 15, 1993, the president of the Quebec Bar Association, Paul P. Carrière, made the following comments on Bill C-105, which would amend the Unemployment Insurance Act:

"The changes made in November 1990 to sections 28 and 30 of the act increased the penalties for workers who quit voluntarily without justification or are dismissed for misconduct. Completely excluding from benefits all those who quit voluntarily for a reason that the law does not consider justified or are dismissed for misconduct would be unrealistic in view of the conflicts that arise in labour relations. The measures proposed in Bill C-105 would totally exclude from unemployment insurance benefits thousands of genuine unemployed people, without considering the particular circumstances surrounding their voluntary departure or dismissal for misconduct".

* * *

[*English*]

WOMEN

Ms. Dawn Black (New Westminster—Burnaby): We recently learned that 81 per cent of university and college women have experienced physical, sexual or psychological abuse within the last year.

• (1410)

Seventy-six per cent of the young men surveyed acknowledged acting abusively to a date. Twenty-nine per cent were sexually abused and 22 per cent were physically abused. There is clearly a need for education so that all people are viewed as full human beings with the right to say no and the right to be treated with respect.

The Secretary of State Women's Program funds many organizations and projects aimed at educating about violence and the rights of women. This program has taken another 10 per cent cut this year and there will be a further 10 per cent cut next year.

Anti-racist and aboriginal programs are also being cut during times of growing racial intolerance and in spite of the horrific situation many aboriginal peoples continue to face.

Violence and intolerance grow during bad economic times. Now is not the time—it never is—to cut back on these worth-while projects aimed at strengthening our society.

* * *

PEACEKEEPING

Mr. Lee Clark (Brandon—Souris): Mr. Speaker, within days the main contingent of the 1st Regiment, RCHA will return from its six month tour of duty in Cyprus where both the regular force and militia have served with distinction.

Those who have been a part of this 28-year old peacekeeping operation have every right to be proud, as indeed we are, of their contribution even though the time spent in the observation posts may on occasion have seemed tedious.

Although Canada's role in Cyprus will soon be changing as our troops are needed elsewhere for other UN peacemaking and peacekeeping operations, Canada will likely continue to be a part of an observer force in Cyprus should such be created.

In the meantime, the decision of Canada and some other countries to wind up their activities in Cyprus will hopefully serve to act as a catalyst to the peace talks scheduled for March of this year.

The people of Cyprus, both Greek and Turkish alike, must now find a lasting solution to the division which for too long has tragically divided this island nation.

* * *

MUNICIPAL TAXES

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, Canadian municipalities are once again being asked to foot the bill of the government's economic mismanagement. The government is proposing to cut grants in lieu of taxes, resulting in more than $80 million in lost tax revenues for Canadian municipalities.

The government is also proposing to change the formula by which grants in lieu of taxes are calculated, resulting in a loss of several more million dollars for Canadian municipalities.

Mayors from across Canada will be meeting with the Minister of Public Works this evening to voice their concerns over the government's latest attempt to shift the burden of Conservative economic mismanagement on the backs of Canadian municipalities.

Let us hope that the Minister of Public Works will see the error of his government's ways and reverse this unfair and regressive decision. The federal government has a legal and moral obligation to pay its fair share of municipal taxes like the rest of us.

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CROSS-BORDER SHOPPING

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, Ontario communities along the Canada-U.S. border welcome Statistics Canada's figures indicating a 15 per cent decrease in same day trips to the United States in November as compared to the same month the year before.

This is good news but to my mind it is no time to back off in our efforts to address this problem. Cross-border shopping is by no means dead.

At Ontario border points there were still 2.2 million automobiles returning on same day trips checked through Canada Customs in November 1992.

All stakeholders must continue to move ahead. For one thing our government must continue to consider the elimination of third party tariffs. Those already removed were well received by the retailers in Sarnia—Lambton and helped lead to lower prices.

A list of further products for tariff removal has been submitted to the Department of Finance. I urge their serious and prompt consideration. I remain convinced that it is initiatives like these that can help our retailers compete on the cross-border front.

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MUNICIPAL TAXES

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, the federal government is considering a tax revolt against the villages, towns and cities of this country.

In 1992 the federal government paid $420 million in grants in lieu of payments to Canadian municipalities. These payments replaced tax payments for services provided to federal buildings and properties.

It appears the government is attempting to shift its fiscal responsibility to municipal councils and the residential taxpayers will be forced to offset the loss in revenue, estimated to be $80 million over the next two years. There should not be any arbitrary exemptions.

School boards, homeowners and businesses do not get to make their own property assessment. Why should the federal government? The government is considering intrusion into the setting of municipal property tax rates and abandoning a longstanding agreement with the Federation of Canadian Municipalities.

I urge the minister to reconsider any options that would decrease federal fiscal responsibilities to municipalities.

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CRIMINAL JUSTICE

Mr. Brian O'Kurley (Elk Island): Mr. Speaker, one of the most important concerns facing our nation today is the issue of public security. Canadians from sea to sea are insisting that improvements be made to our criminal justice system. People perceive the justice system as favouring law-breakers instead of supporting victims of crime.

Constituents in the riding of Elk Island question a system that pampers convicts at the expense of victims. Two areas that must be examined are the Young Offenders Act and our parole laws.

The Government of Canada has made some important changes in this regard but more work has to be done. The Canadian Parliament must continue to focus on the issue of public security. Our challenge as a nation is to establish a model of justice that has the support and confidence of all citizens. Let us work together to achieve this important and worth-while goal. Let us all work together for a better Canada.

[*Translation*]

BILL C-111

Mr. Gilles Rocheleau (Hull—Aylmer): Mr. Speaker, with Bill C-111 banning the sale of cigarettes to anyone under 18, the government is again showing that it is out of touch and only seeming to govern.

Faced with the big smuggling problem, the government has chosen to attack small convenience store operators and young people instead of the smugglers. Instead of putting its energy into fighting cigarette smuggling, the government's latest effort would impose fines of up to $50,000 on small store owners who dare sell cigarettes to people under 18.

That makes no sense. Who will pay those fines, if not the people, knowing very well that small shopkeepers cannot afford it? It is the same with Bill C-105. The government is attacking the unemployed instead of tax cheaters.

* * *

[*English*]

YOUNG OFFENDERS ACT

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, my constituents are concerned that repeat young offenders are flaunting the weaknesses of the Young Offenders Act. *Edmonton Sun* columnist Linda Slobodian is leading a campaign to get tough on repeat young offenders.

Staff Sergeant Peter Zaharko who heads the Edmonton city police youth unit commented in a recent article by Mrs. Slobodian as follows:

> The Young Offenders Act as it stands right now is really a good piece of legislation when it refers to first-time offenders, or really even second-time offenders.

He also notes that it is seriously weak when it comes to repeat offenders. In a survey I did on the Young Offenders Act in my constituency, many of my constituents echoed this view.

I urge the Minister of Justice and the Solicitor General of Canada to listen to these views. It is time to get tough with repeat young offenders.

ORAL QUESTION PERIOD

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is for the Prime Minister. Yesterday, the Minister of Justice and the Minister of Employment and Immigration both said that the 50,000 people who took part in the demonstration in Montreal in -25C weather were separatists. Everyone who opposed Bill C-105 on unemployment insurance reform, even Conservative or New Democratic members, as well as Liberal members and senators, and who participated in the march on Sunday afternoon were called separatists by these two ministers. Does the Prime Minister agree with this rather surprising statement from two of his senior ministers?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have not read the transcript of the comments in question. I think that the minister said, and it is common knowledge, that Gérald Larose is not a great supporter of my friend or our party or the New Democrats and that his political options are well known. I think that is what was mentioned.

As for the substantive issue, the hon. member simply said that his recommendations were very much like those put forward by the Leader of the Opposition when he was Minister of Finance in 1978. The Leader of the Opposition who was then Minister of Finance found it quite acceptable, and rightly so, because the purpose was to control spending. Is that acceptable? Is it morally acceptable for a government to stop paying unemployment insurance benefits to someone who quits a job without any valid reason or justification? That is the issue. In these circumstances, we come to the conclusion that Canadian taxpayers do not have to pay unemployment benefits to someone who quits a job without just cause. Now, if my friend has a different opinion, he should tell us.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to know from the Prime Minister if he agrees that the tactic of the minister in calling everybody who is opposing this bill a separatist is unacceptable to the Canadian people. There are hundreds of thousands of Canadians in every part of Canada who think that some provisions of this bill are completely unacceptable.

Will the Prime Minister agree with me that the only separation I support would be the separation of this minister from his ministry?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend is suggesting that the minister be separated from the Crown because he has tightened up on the unemployment insurance requirements.

What would he say then about himself? In 1978, when he was Minister of Finance, he reduced the weekly benefits from 66 2/3 to 60 per cent of weekly insurable earnings.

Some hon. members: Oh, oh.

Mr. Mulroney: I share the sense of shock of the NDP. What we are dealing with here is that members of the NDP may be opposed to us on the GST. They may be opposed to us on free trade. They may be opposed to us on deficit reduction, but at least they have the courage to have a position, as opposed to the hypocrisy of the Liberal Party who has two positions on every issue.

• (1420)

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I will quote someone who is neither a separatist nor a socialist. Yesterday, Ghislain Dufour, president of the *Conseil du patronat*, suggested that the government refer the problem to a committee of the House of Commons and allow public hearings, because the Prime Minister and the minister are trying to give the impression that people who quit their jobs voluntarily are not penalized. That is absolutely false. They have a penalty of 7 to 12 weeks. Why does the government not act on this suggestion from the president of the *Conseil du patronat du Québec?*

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, since the Leader of the Opposition referred to a demonstration in Montreal, perhaps I could refer him to an editorial that appeared in *The Montreal Gazette* this morning, which says:

[*English*]

"What is frustrating and infuriating, however, is that so many of the angry people badly misunderstand the proposed changes. The misunderstanding has been shamefully fomented, it must be said, by some politicians and union leaders for their own agendas. A staggering number of people think the changes will penalize anyone who quits a job even for an overwhelmingly good reason. In fact, no one who has a good reason for quitting a job will be affected. The new rules are aimed only at people who quit their jobs without cause".

The Montreal *Gazette* is quite right. It is the kind of action that was taken by my hon. friend when he was Minister of Finance in 1978, which he then supported vigorously in the interests of trying to reduce the deficit and which today, simply because he is trying to be a typical Liberal opportunist, he is now denouncing.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. A month ago the minister blamed the unemployment rate in Canada on the unemployed. He claimed they were going to Florida and spending their unemployment insurance benefits there. Now he blames the separatists for the negative reaction to this policy of punishing Canada's unemployed. Why does the minister not admit that the real problem is the minister and his punitive policies, not the unemployed or the separatists?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member talked about penalizing the unemployed and said that I blamed the unemployed. This is not about blaming the unemployed but about protecting Canadian workers and employers. I was told this morning that the Canadian Federation of Independent Business has just submitted to the Liberal Party the results of a survey of its members across Canada. These results show that 81 per cent of small businesses, the businesses that create jobs and prevent unemployment, support the measures announced in the economic statement made by the Minister of Finance in December.

[*English*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, yesterday the minister asked us to provide examples in the House where people who voluntarily quit their job would not be protected.

I would like to give him an example of a woman in metro Toronto, employed by a major corporation, who was sexually harassed by her boss. She had proof. She went to human resources. It went right to the president's office and at the president's door, instead of protecting this woman's right to work without sexual harassment, she was shown the door.

I would like to ask the minister how his law can protect this woman and whether he reasonably expects that when someone leaves a job the employer is going to write: reason for leaving, sexual harassment.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I am sure that president did not work for the Unemployment Insurance Commission.

If this lady was met with such rudeness by an employer, she would go down to a CEC office where a sensitized employment agent would deal with the person and ensure that she got her benefits under the Unemployment Insurance Act.

Contrary to what these people are trying to spread, fear among women in Canada, they are fully protected under the Unemployment Insurance Act.

* * *

TRADE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, Canadian taxpayers paid to send the minister of trade to Washington to tell the Americans to back off from the trade harassment against our steelworkers, our woodworkers, our pork producers and our brewery workers.

In today's media the minister is quoted as saying: "Really the Americans are free traders. Really they are not protectionist. I am coming away feeling very positive. They have positive things to say about our relationship".

While the minister is talking in these loving Valentine-like phrases, in today's *Wall Street Journal* there is a full page saying that in 1993 the border between Canada and the United States—

Mr. Speaker: The hon. member knows the rule about using props or other things to illustrate his remarks. Would the hon. member put his question, please.

Mr. Riis: Mr. Speaker, I appreciate that I cannot hold up the full page of the *Wall Street Journal* that says that the border between Canada and the United States is to be no barrier to trade, about to be erased.

My question for the minister of trade is simply this: when is the minister going to stop being an apologist for the American interests and start standing up for Canadians, particularly Canadian workers?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think my hon. friend should indeed table that ad. I looked at the *Wall Street Journal* this morning and my recollection is that it is an ad from a telecommunications company that says that in future, because of advanced technology and telecommunications, there will not be any borders between Canada and the United States.

An hon. member: Or between Canada and Europe.

Mr. Mulroney: Or between Canada and Europe.

I know my hon. friend and I sometimes read the *Wall Street Journal* together in the morning. Indeed, if that is the ad, then I think my hon. friend has inadvertently misrepresented that ad and misled this House. I know he would want to apologize to the Speaker and to the Minister for International Trade who represented Canada very effectively yesterday in Washington.

Some hon. members: Hear, hear.

Mr. Mulroney: On a point of order, Mr. Speaker.

Mr. Speaker: We have long since had a practice where it is not appropriate to raise a point of order or a question of privilege during Question Period. This can be done later.

Mr. Gardiner: Mr. Speaker, I know the Prime Minister knows the rules well enough to follow your ruling and raise this matter if he feels he has one at the end of Question Period.

Mr. Speaker: I will try to do the best I can without coaching.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, my question is for the Minister for International Trade with regard to his trip to Washington the other day to discuss trade issues with the U.S. administration.

Part of one of the countervail actions against Canada by the United States is in softwood lumber exports wherein the Americans are making the spurious allegation that our raw log exports constitute a subsidy in Canada.

Did the minister raise this specific issue with trade officials in Washington? Did he get assurances from officials in the new administration that our raw log export regulations stand and are not subject to challenge by the United States?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me first correct something that the member for Kamloops just said.

I made very clear in my comments after the meeting that I had with Mr. Brown and Mr. Kantor, I said it is still early days to draw conclusions. I am not drawing any conclusions. I did not go there to pick fights. I also said that it is still too early to draw conclusions. For my hon. friend to immediately draw the conclusion that because I did not bloody someone's nose down there I was falling into the lap of the new administration is totally wrong and he should know that.

• (1430)

As far as the question posed on the softwood lumber issue, yes I raised that with both Mr. Brown and Mr. Kantor. We had a very good discussion. I set out very clearly the concerns Canada has with the actions.

I also pointed out the fact that the price of lumber in the United States market, partly because of the problems we are having with trade between the United States and Canada has doubled and has increased the price of housing by a few thousand dollars and their actions are hurting their own economy.

I told them I thought it was very important that we achieve a long-term resolution of this issue for the interests of both Canada and the United States.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I will give the minister an opportunity to suggest how successful he was in his visit to Washington.

Yesterday U.S. officials called the steel case a train coming down the track. Unfortunately we agree that the American steel workers are the conductors and Cana-

dian steel is riding the caboose. It is going the way of VIA Rail and the caboose is near extinction.

Did the minister proffer a strong case on behalf of Canadian steel yesterday? Did he insist on a sectoral trade agreement? What assurances did he come away with, if any?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, indeed I did raise the question of steel. I said that this was of extreme importance to Canada because of the significance of the United States market to Canada and also the significance of the Canadian market to the United States producers. I said that the two markets were integrated.

I also raised the point of a U.S.–Canada steel accord, as I indicated to my friend in a previous Question Period that I would. He said that he would take this aboard and give me an early response specifically to the request that I made.

Since I know where the U.S. industry is on this particular issue I also raised the importance of getting started on this with a blue ribbon panel to lay the groundwork for whatever options might be possible, including a U.S.–Canada steel accord.

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JUSTICE

Mr. Tom Wappel (Scarborough West): Mr. Speaker, today the members of the coroner's jury investigating the tragic death of 11-year old Christopher Stephenson did something unprecedented in the legal history of Canada. It issued a statement which singled out the Solicitor General for blunt criticism for his categorical refusal to consider compensating little Christopher's parents for their legal costs of the inquest. The jury specifically stated that it could not conceive of an inquest of this depth and nature without the perspective provided by the Stephensons' lawyer.

Will the Solicitor General now agree to consider a joint federal-provincial package to reimburse the Stephensons for their legal expenses?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I appreciate my hon. friend's question. I am sure that everyone in this House shares the tragedy the Stephenson family went through.

I have stated since the start of the inquest that I believe the costs of determining cause of death are quite properly a provincial expenditure and that the province of Ontario had carried the case forward in a very extensive manner.

I also suggested last week at committee that I was prepared to have the Canadian Bar Association or an independent body consider the issue as to whether legal costs of such a person should be paid by the municipality, the province or the federal government, to have the question of independent legal counsel, independent opinions brought forward, whether or not the lawyer's bill should be taxed and what is appropriate.

I do not claim to be the fount of all knowledge on this. I made my decision based on what I know about the process at this time. I am certainly willing to put it to an independent review.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, this is an independent jury and the Solicitor General has praised it for its work. It has flatly disagreed with both his assertion that the Stephensons did not need independent legal counsel and his decision to deny funding was sensitive, sound and just. Indeed, it found the Stephenson lawyer's involvement indispensable to its recommendations.

I ask the Solicitor General to do the right thing and act on the poignant recommendation: "That the federal government and the provincial government compensate Jim and Anna Stephenson for all legal costs incurred in this inquest".

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, as a colleague of the bar what my friend must also find interesting and I think there is a question here, is that when the inquest jury made 71 recommendations that particular one was not among the original recommendations. I am prepared to take it into account at this time since it has reconvened and asked the question.

This is a very serious matter and I wish my hon. friend would treat it as such. I am prepared to have all of these issues examined by an independent commission.

VIOLENCE AGAINST WOMEN

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is to the Minister responsible for the Status of Women. Yesterday a study was released which showed that among young university women, 35 per cent had experienced physical assault and 46 per cent had experienced sexual assault since leaving high school.

We have had statistics like this before but they are becoming more alarming. The time has come to address the attitudes and behaviour which allows such assaults and abuse to continue. We support the studies, but the studies are not solving the problem.

What is the government doing to ensure that such abuse will not continue and to drastically reduce this terrible terror women have to endure?

Hon. Mary Collins (Minister of Western Economic Diversification and Minister of State (Environment) and Minister Responsible for the Status of Women): Mr. Speaker, I know that my hon. colleague and all colleagues welcomed that study which was funded through the family violence program of the Department of National Health and Welfare. For the first time it gives us the kind of in depth information about the experience of the lives of young women at universities.

My colleague, of course, knows the new laws dealing with sexual assault which were passed last year by this House send that very firm message to all Canadians that no means no. We have to ensure that young women use that tool and put forward the proper complaints and that the courts deal with them effectively.

As well, universities could establish, as some already have, protocols which deal with this kind of behaviour in an appropriate way and provide penalties to students who get involved in inappropriate behaviour.

A lot of this requires work at the very early ages by education within the family and again through a number of the initiatives of the family violence program. We have supported work going on in the schools by the Canadian Teachers' Federation and we look forward to doing a great deal more as a result of these efforts.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, it is fine to deal with the courts and relate experiences in the courts. However, only a small percentage of men who commit this abuse are actually charged. We know that abusive behaviour is learned. Therefore, it can be unlearned.

What is the government doing in conjunction with the provinces to ensure that children who are the victims of abuse realize that this abuse is not right and that they do not have to experience and live with it?

Hon. Mary Collins (Minister of Western Economic Diversification and Minister of State (Environment) and Minister Responsible for the Status of Women): Mr. Speaker, I am sure my colleagues agree that there is not one simple answer.

It is going to require a multifaceted approach in terms of education which begins at the family level, in the community and in the schools. Young girls and boys have to develop and understand that relations with each other, men and women, have to be on a more appropriate basis. Then it grows from there to the support given by the universities through the counselling services to support women in developing the strength to deal with these situations effectively when they encounter them and to lay and press charges.

• (1440)

All of those factors are moving ahead. The work of the Canadian panel on violence against women is also going to bring forward a national action plan in which we all work together to eliminate this kind of abuse against women.

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EMPLOYMENT

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, my question is for the minister of employment.

I have a draft UI document which I would be more than happy to table. It was sent out to the UI offices by the director of benefit entitlement and is full of proposed questions that must be asked of claimants and the reason for all these questions. I quote: "The condition to be met by the claimant in this context is particularly strict and appears to imply that only exceptional circumstances

where the claimant had no reasonable alternative which might have allowed him or her to retain the employment can the immediate voluntary separation be justified". This is clearly a one-sided approach.

How can the minister continue to tell us that his department will give benefit of the doubt to the claimant?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I have already indicated that the instructions given to employees of the Department of Employment and Immigration on the application of the Unemployment Insurance Act are being reviewed and new instructions are going to be given out.

Furthermore the training programs being devised for the insurance agents will take into account every possible situation. Ultimately the insurance agent makes the determination.

I remind the hon. member that over four million cases were handled in 1991 by the Department of Employment and Immigration. The vast majority of them were handled with equity and reasonableness and that is what we will continue striving to do.

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, I am very intrigued by the minister's answer. Clearly we have a case in point that the adjudicator is certainly going to be making the wrong decision.

This morning CBC Radio ran a piece about the dangers of working in the scallop fisheries and how UI would force workers to continue dangerous work. In this radio interview, Lloyd Allen, chief adjudicator for unemployment insurance claims, said that some employment is hazardous by nature and a person would be expected to continue in that employment.

In other words the chief UI claims adjudicator said that quitting a job because of risk of death would not be considered just cause. If that is not just cause, what is?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, how low will they stoop in trying to scare Canadians.

Some hon. members: Oh, oh.

Mr. Valcourt: To stand on the floor of this institution and tell Canadians that now because of a bill that has nothing to do with just cause a person cannot quit a job when in danger of imminent death.

It takes only a socialist in a necktie to make a statement like that.

[*Translation*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is directed to the Minister of Finance.

On Sunday, 50,000 people marched in the streets of Montreal. The government sees it as a separatist plot. I was there, Mr. Speaker. I can assure you these people were not there to talk about independence. They were there for one reason: they want to contribute to the system and not be the eternal victims of that system.

My question is this: when will this government finally understand that the best way to reduce the cost of unemployment insurance is to create jobs, permanent jobs?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I am really surprised to see the hon. member for LaSalle—Émard, who claims they are going to change the world, object to a measure whose ultimate goal is to break the cycle of dependency that our social security system has generated in this country.

Yes, it is a fiscal measure, but it will also make people more responsible. People who quit their job for a valid reason will be protected. I thought the hon. member would at least admit that and tell these people who were out on the streets that anyone who quits his job with just cause will have all the protection he needs and more, because these people will no longer be penalized as they were before. They will get their full benefits.

[*English*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, the minister said he was surprised to see me there. Well I was surprised that none of his colleagues who opposed the bill had the courage to be there on Sunday.

I ask my question of the Minister of Finance. The problem with unemployment insurance is that this government has no long-term plan to create jobs. Its only policy is to hope against hope that prosperity will spill over the border from the United States.

Just yesterday the Minister of Finance said that he could not proceed with his budget until President Clinton had proceeded with his.

Some hon. members: Shame.

Mr. Martin: Mr. Speaker, that is ridiculous. This minister is supposed to be the Minister of Finance for Canada, not the governor of the 51st state.

My question is this. Trickle down meant the end of the road for the Republicans. When will the members—

Mr. Speaker: The hon. member must please put his question.

Mr. Martin: Mr. Speaker, when will the members opposite realize that trickle north is going to be end for the Tories?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member's assertion is absolutely wrong. He knows very well the December 2 economic statement outlined a number of initiatives: investments in people, investments in infrastructure, further investments in international trade, positive steps toward encouraging small business which generates 80 per cent of the new jobs in Canada.

That is reflected in *Ottawa Business News*, a small business publication which indicated it has become increasingly clear that small business has emerged as the big winner.

This is what Mr. Bulloch had to say about the UI measures. "The UI measures were very significant", Bulloch affirmed, "I've been in the office of Liberal ministers in the seventies and there was agreement that the major area of UI abuse was voluntary quitters. The Liberals didn't want to touch it because it was politically unpalatable".

Well, Mr. Speaker, we did it in the name of fairness.

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THE ECONOMY

Hon. Herb Gray (Windsor West): Mr. Speaker, I too have a question for the Minister of Finance.

I want to ask the minister why is he telling the Canadian provinces to go ahead, prepare and present their budgets now and not wait until after he presents his next budget, when he is saying to Canadians that he has to wait until after President Clinton presents his state of the union message and his first budget to Congress?

Why does he follow this policy which suggests, like my colleague said, he is acting like the governor of the 51st state instead of the Minister of Finance for Canada? Why will he not present a budget now that will help 1.5 million Canadians get back to work?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, what a bunch of nonsense. The provinces can bring in their budgets any time they like. The previous administration used to bring in its budget any time it wanted.

We try to bring in the budget in the spring. We brought down an economic statement in December to keep Canadians and the provinces up to date with respect to the fiscal and economic outlook.

Yes, we will be bringing in a budget. We are listening to some suggestions from across the way as to what might be done and what we might be able to incorporate. So far we have received absolutely nothing in the way of positive recommendations.

I assure the hon. member that I am getting a lot of suggestions from the Canadian people. We will build on the budget of February 1992 and we will build on the economic statement of December 1992.

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a supplementary question for the Minister of Finance. He is quoted as saying, after he met with the U.S. secretary of the treasury Bentsen, that they are talking about "providing some stimulus to create renewed economic activity and jobs" and the Minister of Finance then said that it will certainly help Canada.

• (1450)

If the minister thinks that approach is right for the United States, why will he not follow that approach of economic growth for this country? Why does he not present a budget now that will help this country move forward, not backward like his previous budgets?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, welcome to the wonderful world of reality. The United States is our biggest trading partner. As its economy goes, so goes ours. That is a fact of life.

I can tell the hon. member, in case he might be interested, that there was a great deal of interest in the economic statement that I brought down in December. As a matter of fact, I ran out of copies because they were very interested.

Some hon. members: Oh, oh.

Mr. Wilson (Etobicoke Centre): It was a best seller.

Mr. Mazankowski: They were very interested in the balanced approach.

There was the need to contain the deficit and the need to inject some stimulus into the economy. We did both in the December statement.

I remind the hon. member it contained $2 billion worth of expenditure on infrastructure, on training, on the small business sector. Second, it contained $1.8 billion in reduced taxation, something that the Liberals would not recognize.

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[*Translation*]

SEXUAL ASSAULT VICTIMS

Mrs. Gabrielle Bertrand (Brome—Missisquoi): Mr. Speaker, my question is directed to the Minister of Justice. As you know, violence is seen and experienced every day on television, in the streets, in schools and even within our own homes. Recently, one of my constituents was sexually assaulted by an inmate who was out on a day pass. The victim asked for a court order that would oblige her attacker to provide a blood sample, in order to determine whether he was HIV positive or had any other sexually transmitted disease. The judge rejected the application on the grounds that he could not legally accept this kind of application. The judge also indicated that it was up to the legislature to fill this legal vacuum.

I would like to ask the Minister of Justice whether he and the Solicitor General would be willing to make certain changes in the existing legislation in order to give more rights to victims of sexual assault.

Hon. Pierre Blais (Minister of Justice, Attorney General of Canada and Minister of State (Agriculture)): Mr. Speaker, I think the hon. member has raised a rather disturbing point. I think we all understand the concerns of a woman who has been a victim of sexual assault and who has to live with the fear that she may have been infected with a fatal disease. I believe the situation referred to by the hon. member is a very serious one.

However, we must also realize that it is difficult to force people who have not yet been found guilty, against whom charges may be laid, but who have yet to be found guilty or to plead guilty, to undergo a test that may not fully comply with the Charter of Rights and Freedoms.

Mr. Speaker, I can assure the hon. member that this matter is being examined by my department, and that, together with my other colleagues at Health and Welfare and the National Advisory Council on the Status of Women, we will see how we can respond most effectively. I can assure the hon. member that I am very much aware of the concerns of the women of this country.

* * *

[*English*]

FISHERIES

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I have a question for the Minister of Fisheries and Oceans.

On December 7, in his response to the Pearse report, the minister said that DFO is now identifying over-all increases in manpower, equipment and operating funds necessary to ensure an effective enforcement presence during the 1993 season.

Since 1986 DFO's specific region fisheries management budget has declined from 35 per cent to 27 per cent of allocation. Further reductions were made in all departments by Treasury Board in November at a cost to DFO of $12 million so far.

How can the minister possibly keep the promises he made to the west coast fisheries in December?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, we will simply spend our money more effectively for a start.

Of course the hon. member is leaving out of account the fact that we have additional funding in connection with our aboriginal fisheries strategy. With that funding, we are entering into co-management agreements. Last year, we had some 80 agreements with the aboriginal bands of British Columbia. Funding is provided in those agreements for habitat enhancement, enforcement and other purposes. We have 60 native guardians who will be getting special training to join our enforcement ranks during the coming season.

I can assure the hon. gentleman that we will redouble our efforts with respect to enforcement. It will be far more effective this year.

The hon. gentleman might also tell the House whether or not he supports the aboriginal fisheries strategy and the program of attempting on a voluntary basis to see whether the sale of food fish will work or not in British Columbia. Does his party support that or will they continue to straddle——

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, in answer to the minister's question, it is not the strategy that bothers us; it is the lack of implementation of it.

The minister said again, following the Pearse report, that he would not proceed with the aboriginal fishing strategy unless he had watershed agreements for the whole of the river concerned.

Is the minister ready to announce that he has a watershed agreement on any of the major salmon rivers in B.C.?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, it will be a watershed day when the hon. gentleman's party adopts a firm position with reference to the aboriginal fisheries strategy and stops running with the hounds and hunting with the hares, or running with the hares and hunting with the hounds.

Do they support the aboriginal fisheries strategy or not because they are saying one thing to commercial fishermen and something entirely different to the others.

The hon. gentleman should get his mug and his wump on the same side of the line.

* * *

GOVERNMENT ADVERTISEMENTS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the government House leader.

Yesterday the government House leader said there was a competition for the $21 million worth of advertising contracts.

Will he now admit that of the six companies which were invited to make proposals, not tenders, three of them were not equipped to handle the job. The fourth, Camp and Associates was already doing another government job, which left the two Tory firms as the only possible alternative. Is it not obvious who was going to win all along?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, prior to 1984, we had a system where advertising contracts were simply handed out by the political minister. We know which agencies got those contracts.

We introduced a system where agencies for large advertising contracts would have to make submissions and these would be adjudicated by a panel of civil servants. That policy was followed. It is the fairest policy we can think of. It is infinitely more fair than what existed prior to us assuming office.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the answer was very interesting but it had nothing to do with the question I asked.

Let me ask the Prime Minister this time. On September 9, 1985 the Prime Minister said that he would have the toughest conflict of interest rules in the western world.

Is there not something wrong with his rules when a Tory appointee, Mr. Bob Byron, who sat on the Tory re-election committee was handing out to Tory firms $21 million worth of taxpayers' money? Is that not at least wrong?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the hon. member is not going to be deterred by facts. He continues to slander individuals who do not deserve it.

Mr. Bob Byron spent 35 years in the advertising business across this country. He severed all links with that industry to take on a position with the government. By the way, exactly the same structure existed under the Liberals with an advertising management group.

The assessment as to which agency will get the contract is made by a committee of bureaucrats. The committee of bureaucrats makes the choice. The administration of the contract is undertaken on behalf of the government by the advertising management group,

headed by a man with 35 years of experience, a man whose integrity puts to shame anything the hon. member has exhibited at any time in this House.

* * *

• (1500)

EDUCATION

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, Canada spends 7.2 per cent of its GDP on education. This is higher than any other industrialized country. We have no way of measuring the effectiveness of our system. Experts in the field have stated that every successful academic system in the world uses rigorous evaluation methods such as national standardized testing.

Would the Secretary of State consider implementing a program of voluntary national standardized testing?

Hon. Monique Landry (Secretary of State of Canada): Mr. Speaker, the question of my colleague is very appropriate at a time when more than ever we have to assure our youth of a prosperous future. This is very much in line with the prosperity action plan recommendation to focus more on results in learning.

We are also very pleased to see the efforts of the Council of the Ministers of Education to develop a national achievement indicator system. Also Canada is playing a very leading role now in the third international study of maths and sciences with a $2 million grant from EIC.

The federal government will continue to encourage and support any efforts that will improve learning for a prosperous Canada.

* * *

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, over the years I have not made a big deal over points of order and I am not going to today, except for one thing.

My hon. friend referred to an ad in *The Wall Street Journal* which I happened to see this morning. The conclusion he drew from it was quite pejorative in respect of the government. It is a dramatic ad and I would be happy to table it for hon. members.

I noticed what the ad said was that "AT&T and Unitel have formed a new alliance to provide seamless communications between the U.S. and Canada who are working together to assure that your business will get the highest possible level of reliability and consistent service on both sides of the border, including voice data and multi-point conference capabilities".

Mr. Speaker: The right hon. Prime Minister may wish to refer to a document. He may wish to ask the consent of the House for it to be tabled. However, I do not think it is appropriate that we get back into debate.

Mr. Mulroney: Mr. Speaker, I indicated that it was not my intention to get into debate. I would be happy to table the ad and have other members of the House look at it because based on my understanding of the prefatory remarks of my hon. friend, he misrepresented this ad in respect of the Government of Canada.

I know he would want to withdraw that immediately. It would be inconsistent for him to keep those remarks on the record because they are at variance with the truth and inconsistent with parliamentary tradition.

Mr. Speaker: Perhaps I could assist hon. members. Is the right hon. Prime Minister tabling the document, or is he requesting that the hon. member for Kamloops table it?

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, perhaps to facilitate this process I will seek unanimous consent of the House to allow the tabling of the AT&T ad which indicates that to have direct access to Canada it will be at the expense of thousands of telecommunications workers. That is the point I was trying to make.

But, Mr. Speaker, my request—

Mr. Speaker: I hope that I indicated, gently of course, that I do not really think we should get back into the debate. I understand the right hon. Prime Minister has tabled the document. The hon. member for Kamloops is asking consent to table the document. That may not be necessary.

Mr. Riis: To simplify it, Mr. Speaker, whether the Prime Minister has asked to table it or I have sought unanimous consent to table it, I think the document will be tabled.

However, I want to ask my friend the right hon. Prime Minister, when he was reading *The Wall Street Journal* was he reading the help wanted ads?

Mr. Speaker: I think I would almost have to ask consent if there is to be any reply to that. I am going to move on.

Mr. Mulroney: Mr. Speaker, I do not plan to respond to that except on behalf of all members of the House to express the view that really, after a day, it is time for Audrey to come back.

TABLING OF DOCUMENTS REFERRED TO IN QUESTION PERIOD

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, today during Question Period I made reference to a document I had and was willing to table entitled "The Digest of Benefit Entitlement Principles". In my supplementary question I referred to a transcript of a CBC Radio interview that was held this morning with regard to the comments made by Mr. Lloyd Allen, chief adjudicator for unemployment insurance claims.

I seek unanimous consent from the House to table these two documents.

Mr. Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Speaker: There is not unanimous consent.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY, S.O.81—AGRICULTURE

The House resumed consideration of the motion of Mr. Althouse.

The Acting Speaker (Mr. DeBlois): The hon. member for Gatineau—La Lièvre has the floor for at most 10 minutes.

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, the opposition motions reads: "That this House condemns the government for reneging on its commitment to Canadian farmers by changing its policy in the following areas:" and it mentions the Third Line of Defence, the Crow transportation benefit and especially the GATT agreement that Canada signed many years ago.

For several years, farmers across the country have been very aware of the threat facing them. Over the years, we in Canada have built an agricultural infrastructure that has been very good for our farmers. But with the GATT negotiations, our farmers have been in danger for some time. They know it and they show it. We saw that last year, in February, I think, when nearly 50,000 people came to Parliament Hill to protest this issue of GATT.

But we become increasingly concerned as time goes on, when we realize that the Canadian negotiators in GATT told a parliamentary committee that our position had less and less support in other countries, especially Japan, which wanted to protect its domestic market as we want to protect ours for poultry, eggs and industrial and processing milk.

We are in a situation where our country's negotiators seem concerned about our decreasing support. We are moving towards a new system for which we are not ready and with which our farmers and organizations across the country do not agree.

After this statement by our GATT representative, a small article appeared in the newspapers, reporting that the Minister of Agriculture said that our farm quota system was being vigorously defended. But, Mr. Speaker, we wonder who is telling the truth on this. We are concerned for the simple reason that with the changes imposed by GATT, our farmers' investment in their farms, the family business, if you will, will lose value, that is obvious.

This House even supported and passed a motion asking the Prime Minister to go personally to defend article XI of GATT.

• (1510)

We wanted the Prime Minister to impress upon the European countries, especially upon Jacques Delors, and the newly-elected US President that article XI of the GATT was absolutely fundamental and vital to farmers in Canada. Above all, if I may Mr. Speaker, as I have discovered in my numerous conversations with UPA leaders—that is the Union des producteurs agricoles du Québec—there is of course a great vested interest, when you think that 48 per cent of industrial milk is produced in Quebec. That is a very important market for our dairy producers in Quebec. But we are very concerned about this change to article XI of the GATT. It would be

tantamount to revolutionizing the way our producers operate.

They tell us about tariffication. Representatives from Canadian associations, whether from the poultry, egg or industrial milk industry, tell us that they are being pressured into accepting the tariffication instead of the quota system guaranteed under article XI of the GATT. We do not want the tariffication; neither do our farm organizations. I wonder, not so much for myself as for farm associations and organizations of course, who is putting pressure on this country's farm organizations to accept or at least consider tariffication? I thought their answer was pretty clear last year when they rallied on Parliament Hill.

I am sure that, if they could voice their concern in this House, the representatives of all these organizations, especially those from the UPA, they would. They actually did in another way, democratically, through letters, telegrams, petitions and so on. Except that government seems ready to capitulate and see article XI of the GATT fail in the end, and that will have a major impact on agriculture in Canada.

That is why we call upon government. This is very important. We have a motion before us and the Prime Minister has recognized that we have to fight for article XI of the GATT as it affects our farmers, but what we have to do is to stress the importance of having the Government of Canada tell not only European organizations and Jacques Delors, but also the new President of the United States of America that we, in Canada, are not exporters of farm products, that we are in no way destabilizing the global market, that we have no surpluses that could be cause for concern. In that context, it is only normal for the Prime Minister to explain to our GATT partners that it is vital for our country and that we will not accept or agree to sign a deal which will literally drive our farmers to personal bankruptcy.

The situation is very clear, and we would like this government to realize that it has a mandate to protect an agrarian structure that has worked well during all those years, a truly wonderful system for many. I could quote from articles written by U.S. organizations and associations concerning our quota system in Canada. They actually say that they would need such a system, not only for milk, but also for poultry and eggs. If there are people in the United States who believe that our system is so special, all the more reason for us, here in Canada, to protect this system through our government. But without that will, if it is not made obvious to our GATT partners, of course we will fail.

The message is clear. We have a farming system that many countries wish they had. It is therefore essential that we never agree to abandon a system that has benefited not only our farmers but also Canadian consumers.

[*English*]

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, I would like to say at the beginning of my comments today that I will be sharing my time with my colleague from Winnipeg—St. James.

It is a pleasure for me to make some comments on the motion put forward by the New Democratic Party in condemning the government for reneging on its commitments to Canadian farmers by changing policy in many different areas.

The government should be faulted not only for changing policy but having a number of consultations, and I will give them credit, with many and most of the players in the agrifood industry. However the government has been mostly all fluff and no stuff. However in the major part of the industry many players are now asking where and when is the government going to come up with solutions to all the suggestions and comments that have been given to them.

We know that agriculture in Canada is facing an unprecedented crisis. We all know the economic figures show the primary producer is facing a very uncertain future. It has come to the point where there are even food banks in rural Canada. It is something which has been unheard of and unthought of in the past, but in rural Canada we have food banks.

The average farmer feeds approximately 120 people in Canada. Yet it is very likely that one of the partners in that farm ownership, one of the spouses, is very likely going outside the farm environment and the business environment to work in order to feed that farmer's own family.

What is lacking in this country is a long-term agricultural policy, a long-term vision. We do not have that. We need that. All of us as parliamentarians need to work toward that. I am pleased to say our party in particular has been working very diligently on it and we look

forward to unveiling it to the public in the very near future.

The government says it is committed to putting into place permanent safety net programs to get away from *ad hoc* payments which have been there in the past. I personally have no problem with that but we all know that so far it has not worked. It has been tried. We have all had an opportunity to comment on the attempts that have been made with GRIP and NISA. They are good attempts but they have not worked to the extent that they should and they need a very serious reworking and revamping so that they will.

Agriculture Canada states that in 1992 the total net income in agriculture will be between $4 billion and $4.9 billion. However in 1993 that is expected to drop to $3.3 billion to $4.4 billion. I do not know how successful this government can say it is when the total net income is going to drop to that extent.

In the province of Saskatchewan alone the total income figures last year were between $427 million and $522 million. This year they will be between $250 million and $350 million, down again. How can the government say it has been successful?

This motion before us today deals with several parts of the agricultural industry but not all of them. There is no mention in the motion of a commitment of support for the processing and further processing industries which are also feeling the pinch.

It is a known fact that since 1989 Canada has had close to 100 food processing industries and plants close down. Agriculture Canada figures state there were over 20 such plants in 1989 while five opened, they will admit. According to Agriculture Canada's own figures, unfortunately 34,000 jobs have been lost in the food processing industry.

• (1520)

GRIP and NISA, which are long-term safety net programs, are being tried and are being worked with. So far in many areas they have been insufficient. They have been a disappointment to the farmers and the industry.

It has even gone so far that last week the ministers of agriculture in Manitoba and Saskatchewan made the prediction that these programs would be in such a drastic financial situation that by 1995 they might be even too expensive to continue.

Some of the concerns that many of us had when these programs were being discussed in a legislative committee, that they needed to be put in place in a different manner than they were, that they would deliver a fair bit of money in the short term, but in the not too distant future they were not going to be successful, unfortunately I think some of our comments at that time are proving to have been true.

I urge the government to make the necessary changes to those programs so that they can be effective. We had concerns they were not going to be market neutral. Unfortunately those concerns have come true.

The unpredictable prairie weather this year has resulted in a dramatic downturn in the quality of grain produced and therefore the returns to the producers are smaller. In provinces such as Saskatchewan there are estimates that the return, because over 50 per cent of the grain is of feed grain quality, is drastically reduced. The emotional and financial strain on the agrifood industry, in particular on the primary producers, is absolutely incredible.

Other facts and figures we need to consider are these. On the prairies there are more farmers over the age of 70 than there are under the age of 30. We need to consider what we are going to do. I ask this government what it is doing and what is it prepared to do to encourage young people to stay in the industry and to get into the industry.

The third line of defence has turned out to be nothing more than a mythical creature. It was stated that if everything else failed, that the third line of defence type programs would be put in place. I ask the government if this is not the time for that. If there ever was a time that we need third line of defence programs, now is the time. What is the government doing about that? If it is doing anything it certainly has not made it known to the producers.

Producers are getting discouraged. They have lost confidence. They want to know where they are going to go. If we look at what has happened in Ontario this year, I can tell members from very close observation that there are still many acres of corn and soybean crops in the fields. I know of one instance where a producer has close to 300 acres of corn and soybeans which because of the weather this year was totally written off by crop insurance. Yes, there will be crop insurance payments from

the Canada–Ontario crop insurance program. Here we are today, February 9, and that producer has not received one penny from that program when the claims were put in well before Christmas.

The federal government wants, as it always does, to lay claim to the crop insurance program and the important role it plays. How does it suggest that producer cash flow his business when the crop insurance program does not pay up? I will make just one comment. If the producer was late in paying his or her premium, my guess would be that crop insurance would say: "Sorry, you don't have any coverage".

The other area I want to stress in my last minute is that the government has, as far as I am concerned, let us and the industry down as far as supply management is concerned. I will just close with a couple of comments. How do you think the industry feels when the government's chief negotiator at GATT recently stated basically that the government's position is a lost cause. He then goes on to say that the negotiations are not over yet. I do not know how effective a negotiator he can be.

Perhaps the greatest tragedy is that I do not think the government has recognized to the extent it should the effect this has had and the human tragedy in the rural communities. Farm families just want to be able to continue to work hard for their living and provide good food to Canadians.

Finally, I want to address this to the taxpayers who wonder why governments spend billions of dollars on agriculture. The taxpayer, like all of us in these recessionary times, finds it difficult to rationalize big expenses. Why do we continue to support agriculture? The answer is because it is worth support. The cost of farm support is not cheap but Canadians should ask themselves where they want their food to come from. I believe they want it to come from Canada.

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, I consider it an honour to take part in this very important debate. It brings to light some of the very serious concerns emanating from my part of the country.

I want to start by saying how disappointed I was in some of the offerings from the other side of the House earlier today in this debate. I paid close attention to the remarks made by the Parliamentary Secretary to the Prime Minister. One would have to spend a lot of years in this House of Commons to find a more self–righteous, more sanctimonious speech than the one delivered by the hon. Parliamentary Secretary to the Prime Minister. The man stood in his place and talked about how he really cared about the farm community in this country. He talked about how this Prime Minister really cares about the farm community, that there is no greater champion of Canadian agriculture than the right hon. Prime Minister, and he said it with a straight face.

In fact, he told the story about the time when the Prime Minister had lunch with the hon. parliamentary secretary and the Prime Minister did not have his glasses so he borrowed the parliamentary secretary's. What did the Prime Minister say? "When I look through these glasses all I see is wheat". Pretty sanctimonious, self–righteous stuff.

If you listen to the parliamentary secretary and if you did not know any better, you would think that Canadian farmers had no problems at all. Life is blissful out on the land. In fact, what the parliamentary secretary is saying is that if there are any problems on the farm, if there are any problems in Canadian agriculture, do not blame us. Do not blame the federal government because we have always done our best. We are honourable and we really care.

Let us just look at the record of the government. If we want to talk about the right hon. Prime Minister, we could say that if he really wants something he usually gets his way. For example, take how he went to the wall for the big pharmaceutical companies, the multinationals that want to destroy our generic industry, that want to destroy our compulsory licensing system, a system that prevailed in Canada for 20 years and saved Canadians billions of dollars.

The Prime Minister did not have any trouble going to the wall on that issue. He did not have any trouble giving support to the big multinationals. He brought in Bill C–91 and in the process he destroyed compulsory licensing in the country.

Look at the right hon. Prime Minister's record in the field of agriculture. I will point to a study that was carried

out by the Canada Grains Council. We all know how devastating the export enhancement program of the United States has been to grain farmers in Canada. In fact, according to the study carried out by the Canada Grains Council, the export enhancement program cost Canadian farmers between the years 1985 and 1990 something like $2.5 billion. Not a million dollars, $2.5 billion.

• (1530)

One would think that this great champion of Canadian agriculture would be pretty disturbed about that. One would think that this great champion of Canadian agriculture would be down there in Washington shouting from the rooftops. He would be perhaps even trying to throttle the President of the United States for doing such a dastardly thing to Canadian agriculture.

What does the record suggest? What does the record say? The record says absolutely nothing because the Prime Minister says nothing about that. We have asked him for a number of years to address this issue of the Export Enhancement Program. He refuses. The Minister of Agriculture refuses. The entire lot refuses.

They will not do anything. Yet, these are the parrot people who stand in their place and say: "We are the champions of Canadian agriculture. We have a proud record. If you have any problems, don't look at us". I wanted to point that out because we have to get a little balance in this debate. We are not going to allow those people to get away with those remarks.

I want to point to some other things. This government is always so busy, it says, working on behalf of farmers. I will get to some of the problems in a moment. We know the serious problems that farmers face. Yet, this government finds time to be studying the possibility of a North American, continental barley market.

One would think that the government would have better things to do than to be spending its time determining whether there should be a continental barley market. All it has to do is go to almost any farm area of Canada and it will be told in black and white terms: "Forget it. Forget it. We do not want it. It will help only a few farmers near the United States border. It will help only a few farmers". In the process, it is one more exercise in the undermining of the Canadian Wheat Board.

This government and this parliamentary secretary stand up and say: "We are the great champions of Canadian agriculture. Just look at us. If you have any problems, please do not blame us".

What does the Prairie Pool say about the continental barley market? I want to refer to a statement that it has distributed. I will mention just a couple of points. I want to quote directly from the document produced by the Prairie Pool: "The CWB pooling system would not survive the loss of the single-desk selling system. If producers have the option of selling to the board or marketing directly to the U.S., the CWB barley pool would become voluntary producers who would have the option to sell only to the board when U.S. spot prices are low. This would depress the pool price and increase the risk of pool deficits. Number two, removing CWB control of sales would affect the board's ability to source grain to meet international commitments".

I could go on and on. Let us face it. What the Prairie Pools are saying makes a lot of sense. You either have a Wheat Board that has some control, or you do not. You cannot have it both ways.

We have to realize just how important the agricultural industry is. For example, it should not be forgotten that the capital value of the agricultural industry right now stands at about $130 billion. If you look at its production of just a couple of years ago, that value had been set at $25 billion. The industry contributed about $10 billion to Canada's gross domestic product.

In fact, that agricultural industry accounts for about seven per cent of Canada's trade. It earns, on the positive side of the ledger, about $3 million. That is the kind of industry we are talking about. We are talking about an industry that is in trouble, an industry that has to be saved and an industry that needs to be supported.

I want to point out in my final remarks that according to the current estimates, income may plummet by almost $1 billion this year on the prairies.

We know this government has done a considerable amount of things in terms of infusing cash into the agriculture industry. We do not deny that for a moment. I know the agricultural industry, especially the producers, are grateful for that. The fact of the matter is that

there is still a cash crisis. Farmers are leaving the land. Bankruptcies are up. There is a lot of despair.

One of the members from Saskatchewan talked earlier today about the number of suicides in his province alone. It gives you an idea of the situation down on the farm. The farmers are asking for about $800 million. It is a lot of money, but we must address that situation. We must address that problem because we have to save the farm and we have to maintain and strengthen rural life.

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I am pleased to see that the Liberal member from Winnipeg—St. James has an interest in agriculture and the farming economy and he should be commended for taking such an interest.

I heard him give some recognition to the government for some cash infusion over the past years when the agricultural sector was in some difficulty. If he read local papers—I am sure he has—some Canadians found the cash infusion very significant in terms of paying out from the tax dollars that they put in, many billions of dollars. This averaged I believe $12,000 to $13,000 per farmer per year for the last eight years so I am sure that is what he was referring to. He points out that there is still difficulty in farming, especially in grain farming. He is somewhat critical of the actions taken by this government in trying to find solutions to those problems.

I thought he might have taken some time to put forward a platform as to how his party intends to deal with it as we are going into an election before too long. If he cares to respond to this I hope he does not stand up and say: "We will not do that, and we will not do this, but in fact here are the positive steps we want to take if we form the government". That would be very helpful for this Chamber here today and for the Canadian public because he was somewhat critical of the barley markets that the minister was seeking out.

I cannot imagine why he would be critical of finding and using any effort possible to find new markets for barley as they now have with oats. Since it has been taken out of the Wheat Board, oats are worth more than barley. One cannot necessarily condemn the farmer for wanting to sell it and get a higher price.

With all due respect to his interests, he should not stand and condemn this government, but show me how he is going to get rid of it at a higher price and create markets for the farmer's grain that is going to be produced and has been produced in the past year.

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, my good friend from Portage—Interlake talks about the infusion of cash into the agricultural community. I repeat that the government—like governments in the past—has contributed in the way of subsidies and other ways toward the agricultural community and that is appreciated.

What is not appreciated is the hypocrisy of the government. I will just point out one example of hypocrisy. I believe the hon. member for Portage—Interlake mentioned the package that was announced two or three weeks ago for the province of Saskatchewan. In that package is $170 million or $180 million. Is that not right?

These people from the other side do not want to point out that that there is only about $20 million new dollars of federal money in that package. It is only $20 million. At the very same time and in the very same year, they cut WGTA payments to the tune of $70 million. For the farmer, regardless of how you cut it, that is a reduction of about $50 million.

• (1540)

In other words, this government gives with one hand and it takes away with the other. In this particular case the hand that takes is taking a lot more than the hand that gives.

That is hypocrisy. That is the kind of policy that this government has been known for for a good long time.

[*Translation*]

Hon. Pierre Blais (Minister of Justice, Attorney General of Canada and Minister of State (Agriculture)): Mr. Speaker, I welcome this opportunity to respond to today's opposition motion, which claims the government has failed to provide clear and unequivocal support for our supply management system. The opposition alleges that the government is sending mixed signals with respect to its position on the strengthening and clarification of GATT article XI.

This is patently false. The government has never changed its commitment to strengthening and clarifying GATT, article XI. It has taken a balanced position, and it did so more than two years ago. This position, which was approved by groups of farm producers, groups in the agricultural industry across Canada, has not changed. It was supported across Canada.

The so-called Uruguay round refers to a major series of negotiations which are part of that round and which have been going on for more than six years. One hundred and eight countries are involved. We tend to forget that Canada is one of those 108 countries and that these are probably the most comprehensive and most complex trade negotiations ever conducted in the world.

These negotiations involve an unprecedented number of participants who are more active than ever before. There are many issues on the agenda including agriculture, textiles, subsidies, dispute settlement, access to markets and services, for instance intellectual property, an area in which I had the privilege of working as well, and all other trade related issues.

We must be realistic and consider that when negotiations involve 108 countries at one time, with negotiating committees whose interests do not always coincide, and that when we get into the final stages, the pressure starts coming from all sides. I may say that so far, Canada has fiercely resisted any attempts by partners and allies throughout the world to urge us to drop or modify our position. Our position is clear and has been stated on many occasions.

I think members on both sides of the House will admit—there is no problem on our side—but members on the other side know that we never gave in. In fact, I attended a meeting with the group that represents the largest number of farmers in Canada who are affected by article XI, and I am referring to the dairy producers. They held their annual meeting in Calgary a little over a week ago, and my colleague the Minister for International Trade and I went to Calgary to meet them and discuss and report on the situation in Geneva to show them once again that we want to stay the course and maintain the same position.

What are the chances of success of these negotiations? Despite missed deadlines, dashed hopes and the obvious political problems, GATT member countries remain generally optimistic about obtaining a comprehensive agreement that will set the rules for trade between all parts of the world, at least for this decade.

I think that some political considerations come into play that delay proceedings or often put things in a new light. Both the Americans and the Europeans changed their negotiating team in recent months. In Europe, there were changes at the end of last year, in December. Of course, in the United States, the change of president brought changes to the negotiating team. Last week, we had an opportunity when the Prime Minister went to Washington to meet President Clinton and the Minister for International Trade also met with the minister responsible for trade there. We renewed contact to ensure that our main trading partner, the United States, is well aware of our position and that this position has not changed.

As a matter of economic policy, freer trade is justified because it promotes efficiency, competitiveness and more generally confidence among investors and business people. That encourages economic growth and job creation. We need only consider the fact that since the free trade agreement was signed with the United States, over-all trade with the U.S. has increased by something like $15 to $20 billion, I think. Despite the recession, our food and agriculture exports to the United States have increased 25 to 30 per cent in all areas, including those affected by article XI covering supply management.

You know that even in this special sector protected by a specific GATT article, some trade still goes on and some products are exported. This means that the fears expressed many times, especially by the opposition, the same people who from the very beginning opposed freer trade, in particular the New Democratic Party—these people fiercely opposed any change in our economic policies, especially with respect to trade. I think that they should be able to see that the disaster predicted after the free trade agreement was signed has not happened. It has not happened because now and for the coming years as we approach the 21st century, the economic approach will be broader, more developed trade and this protectionist approach from the 1950s particularly advocated by the New Democratic Party and supported in many

respects by their colleagues in the Liberal Party leads nowhere. It is a regressive, unrealistic policy.

Mr. Speaker, I think it is important to emphasize that as one of these 108 countries throughout the world that are trying with difficulty, we must admit, but trying nevertheless to have trade rules that apply to everyone efficiently, we have more chance of successfully building our economic future if we prepare adequately to face international trade and prepare to face market rules that will require countries to be more competitive. I would almost say that is a truism. Any attempt to take us back to what it was like 25 years ago or to the market rules of even 10 years ago could hardly work now.

• (1550)

In the supply management sector, which is a rather special case, we have a very real problem. Some countries are saying: "Hey, Canada, you want the best of both worlds! You support free trade, and you want to sell your grain everywhere in Asia, Europe and the United States. You want trade barriers to come down, not just for grain but also for beef, pork and other products, and at the same time you want to protect your dairy farmers, poultry farmers and egg producers who want you to maintain those barriers".

We are often told our position is not consistent. On the face of it, there does seem to be some inconsistency. However, a closer look will show there is no incompatibility, because what we have been doing since GATT first started is adapt our supply management system in accordance with a clear and specific—more or less clear, and I will get back to that—article, the well-known GATT, article XI. What is the underlying principle? It is quite simple. Canada demands the right to say: we have regulated our business sector in these areas across the country. We no longer produce a surplus of milk, powdered milk or poultry. We produce according to Canadian demand, with an extra margin for exports to very minor markets we have been supplying for a number of years. And we also accept certain imports of products that historically have been allowed to come into the country, such as cheese from Europe and certain quantities of yogurt from the United States.

However, under article XI, Canada demands the right to be able to say at the border: we do not send any surpluses to foreign markets, so we have the right under article XI to prevent other countries from flooding our markets with surplus products that may be dumped at prices that have no connection at all with being competitive or with observing the law of supply and demand.

Until quite recently, article XI had allowed Canadian producers to make a decent living and even enjoy some degree of prosperity, which was agreeable to everyone. However, we had a couple of setbacks, including a GATT ruling, a GATT panel on yogurt and ice cream. We have a problem with the Americans, since the Americans would like to sell their yogurt and ice cream on our markets, and we have high tariffs that prevent the entry of these products. That was challenged at GATT, which said: Canada, you do not have the right or we do not think you have the right to challenge or to prevent entry of these products under article XI in its present form. This caused considerable alarm among our own people who for the past decades had thought they were adequately protected. So what did we do? First, we obtained an agreement from the Americans that there would be no changes regarding yogurt and ice cream for the time being, so that we could continue negotiations at the international level, not just with the Americans but with other countries across the world. This led us to take the position we have now: since article XI in its present form is not sufficiently clear, we request clarification and strengthening of the article so that it covers not just fresh milk, the kind we drink, but also processed milk products like butter, cheese, yogurt and ice cream.

That was the first objective, a very laudable one. I would add that there was a certain, I do not know just what to call it, but in any event, I had a lot of difficulty accepting that the Americans could sell us ice cream or yogurt here in Canada but that we could not sell them ice cream, for example, because they have special permission under GATT. They have special permission from GATT to prevent ice cream from entering their country from Canada, Europe, Australia or anywhere else.

The same goes for the Europeans who over the years obtained a special permission called variable levies giving them a right to impose import duties of whatever amount. I will give you an example. If you take a pound of bacon or a pound of pork to Europe and want to sell it for $2 a pound or $2 for 500 grams, you are refused and the price is raised to $8, if the price in Europe is $8. I think that anyone who takes a close look at that would

see that it is not quite fair and equitable under the rules for international trade.

The purpose of this Uruguay round was to achieve more consistency in trade rules and to have the same rules for everyone. I could take an example from hockey. If you have two hockey teams, there are five players on each side, but I would not allow one team to have five players and the other seven. So again referring to the example of ice cream, the Americans have six players on the ice and we have only five. For the case of bacon in Europe, they have seven players and we only have five. We can win from time to time but it is difficult to win more often when the same rules do not apply to everyone fairly.

The over-all purpose of these negotiations is to have fair and equitable rules that apply to everyone. That is the goal we are pursuing.

In conclusion, I will say that one of the strong points in this stage of negotiations is that Canada has a comprehensive policy that was developed with the help of Canadian farmers from all regions. Whether they produce grain, pork, beef, milk or poultry, they all agree. In the negotiations, the farmers agreed to put some things on the table, in particular a cut in the dairy subsidy and permission for foreign products to take 3 to 5 per cent of the Canadian market. Nevertheless, that was a considerable effort for our farmers at a time when the domestic market is shrinking and domestic consumption in the dairy sector alone has declined between 13 and 15 per cent.

I think it was a good move for these people to allow some access to their market in exchange for strengthening Article XI. We are offering the Americans and Europeans the same thing. I will repeat what the European negotiators, Mr. Andriessen and the others, whom I met personally when we went to Geneva with the farmers last spring, said the Europeans would not allow one kilogram of butter more than the minimum allocated at the end of the GATT negotiations. The Canadian position is the same. We will not allow foreigners and foreign countries to put any more of their products on our market than was accepted.

That position still stands, it has not changed and with all respect, I still think that the motion presented today is not applicable because our government definitely does not deserve the slightest blame since it has stood up and met its commitments 150 per cent.

• (1600)

In that, it has the unwavering support of the farm community and the whole Canadian agri food sector.

We have a good system, which we have built with much effort over the years, and we will continue to defend it. That is the Canadian position on GATT.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I listened attentively to the minister's words and noted when he said the GATT was trying to create a level playing field. He talked about the difficulty he was having protecting the marketing boards.

Recently in the United States we have seen—and my colleague from Lambton—Middlesex has brought it up repeatedly—several articles in the American newspapers where the inspectors of the U.S. department of agriculture have said millions of tonnes of substandard poultry and some beef were being sold to consumers. Just recently we know of a case where young people were poisoned to death because of substandard meat.

In the hon. member's speech about the marketing boards he did not mention our agricultural industry has probably the highest standards in terms of quality and production of any agricultural sector.

Does he not believe in that extra effort and extra cost that goes into quality? As an urban member of Parliament, I know the people in my urban community are concerned about the quality of products we receive from our agricultural community. Does he not think the extra work farmers put into their products is something we should use to reinforce the uniqueness of marketing boards in this country?

Mr. Blais: Mr. Speaker, I think the hon. member is raising an important point. It is better coming from your mouth than mine that we have the best standards in the world. I believe that. Obviously we have worked hard to keep that system the best in the world.

The specific case of poultry does not really apply. We have standards in some cases that are different from the United States. Year after year I would say its system is coming closer to ours.

We are only importing about 7 per cent of our poultry products from the United States. There is an historic quota. Every time a Canadian industry wants to import poultry products it needs a permit from international trade. Those products coming from the United States have to meet Canadian standards and I totally agree with my hon. friend that we should be very tough about meeting those measures as we always are.

From time to time there is pressure from those in the sector that they need more flexibility in the system, but I am not going to give an inch in the area of inspection. I think it is important. We have the best system in the world and we stand by it.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I am pleased to hear the hon. minister does not intend to give an inch on strengthened article XI and protection for supply management commodities. I would point out to him the government's own officials are saying that their position has become untenable and they will have to eventually adopt a policy of tariffication in exchange for all border measures.

I am sure the minister is aware that tariffication even at very high rates will not provide protection some times of the year against very low priced products from the United States, which has fluctuating prices for poultry and eggs in particular. There are periods of time when prices are so low that even a high tariff will not keep the products out. Those in the United States will still be able to sell those products to Canada and make a profit.

Many dairy and poultry products that are offered at world price are products that are being dumped. The GATT has not done a very good job on agricultural products that are being dumped. The policy of the United States right now with regard to grain is a dumping process, but none of the countries that get access to that very cheap grain will take the United States to the GATT court for dumping. They simply buy it because it is very cheap.

How does he think we will be able to protect ourselves against that kind of action by the Americans or any other country, since the dumping rules are being ignored by the importing countries now? How would he see our producers of dairy products and poultry products being treated any differently than our grain growers who have seen their asset values drop by more than 50 per cent since the beginning of this action? Does he hold out the same prospect for quota values and land values for dairy and chicken producers?

Mr. Blais: Mr. Speaker, my colleague raises a different question with a number of elements. We are having some difficulty with our position in Geneva because we do not have many allies. Out of 108 countries so far only 5 or 6 are on our side. Israel, Korea, Japan, Norway and Switzerland support our position on article XI, but some of them are not totally committed.

Norway and Switzerland are close to the European Community and are trying to make some arrangements to get ready to accept tariffication. They are independent countries. We are trying to get those allies on side and are doing everything we can.

Some others like Japan are trying to make the best of the situation. I think we are not there yet. The Americans and Europeans, the two major players, are still trying to make arrangements.

Our position on article XI is supported by a few members. I think we will be able to deal with the situation as soon as we are closer to an agreement between the Americans and the Europeans. I think at this very moment it will be easier to get them on side. So far we have done well.

It is unfortunate that we cannot get more support from other countries, but our people in Canada are fully aware of the situation. We told them very bluntly and frankly that we are not going to change our position. Whatever happens we will sit down with them to discuss our position.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, the minister has talked about how committed his government and the Prime Minister are to agriculture. I would like to ask the minister why in 1991 farm bankruptcies reached 441 which was double the number of bankruptcies in 1980 when the Liberal party was in government. Why was the total farm income 53 per cent lower in 1991 than it was in 1989?

• (1610)

Could he also tell the House why the total farm debt in Canada has reached a staggering $23 billion? Why is the ability to repay the debt being seriously eroded by the government's economic policies?

Mr. Blais: Mr. Speaker, if you look at the situation we face now and that we were facing during those years, there is really a war between the major countries in Europe and America. We are facing the situation where the grain prices are lower than they were a decade ago.

Obviously, the farmers' receipts are lower and that is why the amount given to farmers has grown from $100 million to over $6 billion. We transferred $10 billion to farmers out of programs like NISA, GRIP and other special programs over the years.

That was done to make sure the farmers would be able to face the terrible situation they are not responsible for. I do not think the federal or provincial governments are responsible for this. It is an international situation and we are facing a war. Dumping prices are all over the place and we are just trying to keep our farmers in business to make sure they will be able to survive.

That is why we are being so tough at the negotiating table at GATT. We want to have a level playing field for everybody. I know it is not an easy task. I understand what you mean. The farmers are in a difficult situation and we have pumped money into the system over the years to make sure our farmers will be able to survive those difficult times.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, it is remarkable to listen to the self-congratulatory words of the junior minister of agriculture. It is such a contrast.

I had dinner last Saturday with three farmers. Two of them had sons who were working with them in their farm enterprises. One had sons and daughters who had left the farm. All three of the farmers agreed that the lucky person was the father whose sons had left the farm.

That is the kind of reality that is out there for many of our farmers throughout this country, despite the minister's fine words.

Essex county has some of the best farming country in the world. It has some of the best land in the world. Its climate has ordinarily been excellent for the production of farm products. Yet in Essex county and across Ontario the farm crisis is very real and very serious for many, many Canadians.

Low prices have been part of the reason. Problems in government policy have been another part of the reason. Pressures from the United States and its subsidies to grain exporters have been a third factor. When the negotiations took place introducing some of the new policies that have come to mark farm policy in Canada like GRIP and NISA, this government promised to provide a third line of defence if these policies were not enough. It has failed to provide that.

We needed it last year in Essex county when farmers in my constituency were hit with a severe drought. Corn was only knee-high at harvest time. The soybean crops were ruined. Most crops, if farmers were lucky, yielded 50 per cent of what they ordinarily would have produced. Costs, however, continued to be the same. Sometimes they were somewhat higher as farmers tried to deal with the drought situation.

Agriculture Canada itself has said the following: "Governments are responsible for offering support and changes to the economic and/or legislative environment when severe difficulties arise that are not covered by existing programs".

Such difficulties have arisen. They arose last year in Essex county and have arisen this year in much of Ontario especially for corn producers. They have arisen also in Saskatchewan, in northern B.C. and in Prince Edward Island.

Across the country, farmers are hurting. The first two lines of defence are price levels and the new government GRIP and NISA programs. They are inadequate. That third line of defence is desperately needed and the government's promise of that third line of defence must be respected. Yet what is the federal government doing? It is effectively letting these family farms face the catastrophe of disappearance.

The government's programs, GRIP for instance, are simply not good enough. They are based on a rolling 15-year average of prices. As the price levels, year by year, continue to be significantly poorer than are needed to cover the costs of production for many farmers, the GRIP program, as the years go forward, becomes of less and less benefit to the farming community. GRIP only gives the farmer an already insufficient price for the product produced. NISA is only helpful for those farmers who have a decent income.

The second line of defence that the government established is too weak to protect farmers from the low prices that they have been experiencing as a consequence of trade pressures that come out of the massive level of subsidies being provided in the United States.

Rural communities across the country are being decimated as a consequence. It is not just from these low prices. They are losing their post offices and processing plants. The only thing on the increase is the number of people unemployed.

For the first time last year the National Farmers Union had to establish and operate with support from the Ontario government a welfare program, a relief program, for farmers in my constituency. They had to hand out support so that farmers could buy food for themselves. That is the kind of reality that is becoming far too common across our farm communities.

The solution, I believe, is a system of supply management, a system of orderly marketing and a system which provides support for farm prices. Yet this kind of supply management, which has been so successful in our dairy industries and so successful for producers of poultry products, may be on its last legs because of what is happening in the GATT. Despite what the minister says, the pressure is very much there and this government is not making the noises which suggest that it is going to stand up to that pressure.

• (1620)

On a point of order, Mr. Speaker, I think that you may be just a little quick off the mark on your timing.

The Acting Speaker (Mr. DeBlois): I appreciate your question but this morning your party indicated that its members would share their time. However, I have no objection if you want to take your maximum 20 minutes.

Mr. Langdon: Mr. Speaker, in terms of at least how I have been following the clock, I have been speaking for six minutes. You just indicated I had two left.

The Acting Speaker (Mr. DeBlois): You have been speaking for eight minutes and twenty-three seconds.

Mr. Langdon: Your clock, Mr. Speaker, is different from the clock which is up here in the House of Commons.

Let me stress if I could in the few minutes that I have left that the uncertainty created by the GATT negotiations is something extremely serious for farmers. We have to recognize that dairy producers and poultry producers cannot make those investments that they wish to if they do not have certainty for the future.

We also see that the credit problem for many farmers continues to be extremely difficult. With a $23 billion debt in this country there has to be a change which gives the Farm Credit Corporation a significantly larger and more powerful role to play within this economy.

We also believe that changes must be made with respect to the free trade agreement. We need to get out of that agreement because we have seen our industries throughout our communities hit very hard by the impact of free trade. Just ask anyone in my county who used to grow tomatoes for tomato paste. Just ask anyone who used to grow for Campbell in Chatham. Ask farmers who used to grow hand-picked tomatoes for Heinz. They simply do not have that market.

Agriculture is presently being treated with the same lack of respect and the same recklessness that the Atlantic fishery was treated with five years ago.

The Conservatives are showing a similar lack of concern. What is needed is action, a new approach and a real sense of empathy and recognition of the problem on the part of this government.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I want to reassure hon. members that the Chair has a very precise stopwatch which gives time to the hundredth of a second.

Resuming debate, the hon. member for Regina—Qu'Appelle.

[*English*]

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I appreciate the opportunity of being able to enter into the debate and speak on the motion that was presented to the House by my colleague, the member for Mackenzie.

I also represent a constituency with a fair number of farmers. My riding is half inside and half outside of Regina. Whether one is in Regina or out in the rural areas, on a daily basis one is reminded of the crisis that is facing agriculture in Canada particularly in Saskatchewan. One is reminded from the lost job opportunities. One is reminded as one goes through Coffee Row and

hears the individual stories from people of how they are losing their land that was broken and settled by their great-grandfathers. Land that has been in the family for generations now must be sold. The sons and daughters are abandoning their land. The statistics tell it. The average Saskatchewan farm income for 1992 was about $636 million or 30 per cent below the 10-year average. That is indexed for inflation. For example, for the year 1993, the forecast is $238 million or about $4,000 per farmer.

Of course, a lot of this is due to the trade wars. It is estimated that the trade wars constitute a loss of some $6.7 billion from 1985 to the end of 1993 for Saskatchewan.

I can see it in my riding when I go door to door. There are a number of perfectly good homes that are empty with not even a "for sale" on them because they know they will never find a buyer. Slowly, these towns that used to be vibrant are now dying out and becoming ghost towns.

It is a crisis. It is a crisis that we in Saskatchewan particularly feel because so much of our economy is dependent upon agriculture. It is not just a crisis for Saskatchewan. Surely, it is a crisis for the country as a whole. Are we as a country and as a whole willing to give up an important agricultural sector, namely the wheat producers who produce most of the foreign earnings in terms of exports of our agricultural products?

We ask what this Conservative government has done. For years the Conservative government in western Canada portrayed itself as the friend of the farmers. There was a hope that with the election of the Conservative government in 1984, it would implement some programs and policies for agriculture that would produce a base and a firm foundation on which agriculture in western Canada could thrive. What a disappointment.

For the first four years of its mandate it played politics with agriculture. A good example is the last election. On November 11, 10 days before voting day, the government announced a new farm program of some $800 million. Nothing was thought through. There was no consultation. It was totally out of the blue and of course it never materialized. What was needed, of course, was a permanent and predictable program so that farmers would know where they stood and upon which they could depend.

After the 1988 election the government responded with GRIP. We have seen that GRIP has not been the answer. What was needed was a universal program free from political manipulation and easy to administrate. It would automatically kick in and allow farmers to know exactly where they stood. However, GRIP has failed to do that. We have seen this government continuing to play politics with the lives of farmers.

The second thing that stands out about the record of this government is its attempt to off-load. Generally speaking, this unilateral reduction by the federal government cost the province of Saskatchewan some $538 million. We could have been able to balance the budget in our poor province of Saskatchewan had the federal government not off-loaded in numerous areas. The key area of unloading, of course, is in agriculture. The federal government has imposed cost sharing and agricultural income protection programs. This affects Saskatchewan the worst, of course, because Saskatchewan's population consists of such a high number of farms and farm families.

In 1991 and 1992 Saskatchewan paid, on a per capita basis, $199.45, whereas Manitoba only paid $58 and Alberta only paid $40.16 for farm support programs.

Farm support programs should be national programs.

• (1630)

We have lost money because of the international grain trade wars between the Europeans and the Americans. Surely the province of Saskatchewan cannot be expected to fight that battle alone. Yet the feds have continually shoved the responsibility more and more on to the province. For example, in the last year Saskatchewan was responsible for 44 per cent of the farm aid programs. In 1988 it was zero per cent.

Of course, the irony is that the victim in a sense, Saskatchewan, is being blamed as with other Tory programs. This weekend in *The Globe and Mail* we saw the exposition of the exploitation of Saskatchewan by the Tory government of Grant Devine and his cohorts, the friends of this government. We read in *The Globe and*

Mail how they plundered the treasury of Saskatchewan leaving it with a debt of some $15 billion.

Now this government is shoving further responsibility on to the province of Saskatchewan expecting it to cough up money it does not have because this government's friends, Grant Devine and company, have squandered it all. What irony. It is something the Saskatchewan farmers are going to note.

What else has this government done? We come to transportation. No doubt, the Liberals started it with the destruction of the Crow rate. In the dying months of the former Liberal government it did away with the Crow rate and instead introduced the Western Grain Transportation Act. At that time we warned that it would open the door to the eventual abolition of the Crow benefits. Lo and behold, it is happening.

The Minister of Finance announced a 10 per cent cut in the program for 1993–94 and a further 10 per cent cut for 1994–95. Gone is the two-price system of wheat. Gone is the fuel tax rebate. We have seen user pay programs introduced. We have seen attacks on the Wheat Board. That is the record of this government.

Some fundamental decisions have to be made in this country. What type of agriculture do we want? What do we want to protect? Certainly the GRIP program and programs that pay producers on the amount they grow on their acreages helped the large producers. We see the anomalies in GRIP where some will get hundreds of thousands of dollars in benefits and many will get very little. That is no solution.

We have to depoliticize agriculture. We have to do it on a provincial and a federal level. We cannot afford to play politics with the lives of farmers any more. I strongly suggest that a permanent committee consisting of federal and provincial representatives and the producers be brought together to formulate the programs and that these become the effective programs.

Take agriculture out of politics. People's lives and well-being are dependent. There are some who will play politics with those lives and that is unacceptable. I therefore urge support of our motion.

Mr. Maurice Foster (Algoma): Mr. Speaker, the hon. member from Saskatchewan who has just spoken covered a number of the concerns of the motion before us today. I hope that the Minister of Agriculture when he speaks this afternoon, as I understand he will be, will not give us the usual malarkey that we hear from the parliamentary secretary to the Prime Minister about how many billions of dollars the government has spent over the past six or seven years.

Rather than doing that, the real problems facing prairie agriculture should be dealt with for example, the dramatic drop in income which is forecast for next year. The Saskatchewan income is forecast to drop to some $238 million of realized net farm income where the average income per farm is something like $4,000 in that province.

The government brags about how many billions of dollars in support it provided in 1986 or 1987. It is interesting that the support the government has provided always seems to peak in an election year, for example in 1988, but then drop off. Looking at the statistics, the support was higher in 1992 than it was in 1991 or 1990. Of course 1992 was a projected election year.

Clearly we need to know what the government is going to do. The government has run through the political calendar into the fifth year because the polls are so terrible. The farmers do not worry about that. They want to know what the government is going to do about the net farm income this coming year.

Clearly the Minister of Finance, the former Minister of Agriculture, chopped some $73 million off the Western Grain Transportation Act in December. Other assistance seems to be falling behind. Independent groups like the WEFA group forecast a drop in net farm income by 21 per cent. I hope when the minister speaks later this afternoon he will respond to this because that is what farmers want to know.

Groups like the Prairie Pools Incorporated are in the community and in the gallery today. I am sure they are waiting to hear what the government is going to do about net farming.

Mr. de Jong: Mr. Speaker, yes, we see the aid fluctuate and if it is put on a chart it is totally dependent upon when elections are called. If there is a provincial election we get aid or a promise of aid. Then of course what happens is that the aid comes but it is stretched out to include two crop years and stretched out a little more until the next election is there, whether it is a federal or a provincial election.

We see this playing of politics with people's lives and it is this that the farmers are angry about. It is their livelihood. It is the ability to put food on the table. It is the land that has been in their family for generations. They see politicians playing with their lives and they are angry. They are angry. They expect a national commitment.

As I tried to put on the record the province of Saskatchewan cannot support the grain industry. We cannot fight the treasuries of Europe and the United States. The province of Saskatchewan thought there was a commitment by all provinces and the federal government that the crisis in agriculture was a national commitment. We thought this commitment was made particularly when there were negotiations on the Constitution.

We want to see this government live up to that commitment instead of trying to off-load the problem on to the people of Saskatchewan who are in no position to carry that load.

Hon. Charles Mayer (Minister of Agriculture): Mr. Speaker, this is an interesting debate to listen to. I take considerable exception to what the previous speaker, the hon. member for Regina—Qu'Appelle, was saying.

I should point out that many of the ways he suggested in terms of how the government should proceed are in fact exactly how the government has proceeded. I know a part of his riding is rural. I would be more than happy if he is available to sit down with him and go over how these stabilization programs were put in place.

The hon. member talks about depoliticizing agriculture and having a committee that would deal with and work on farm safety net programs. That is precisely how the two programs we are talking about today, GRIP and NISA, were put in place.

There was a committee of 33 people and 19 of them were producers. The committee worked over a period of some months under the chairmanship of the assistant deputy minister of the Department of Agriculture. Interestingly enough as 19 members of the committee were producers, essentially the producers were designing the program.

• (1640)

The legislation, which is enabling legislation, also provided that those programs should be reviewed on an ongoing basis. That is presently under way through the signatory committee which is made up of representatives from the provinces, the federal government, as well as producers. A large amount of the input into how those programs are going to be changed and improved is made by the producers themselves on that committee.

If the NDP member who just spoke wanted to see how those programs operate he would find that the suggestions he made, which are good ones, are exactly how the programs were put in place initially and exactly how they are administered.

He also makes the point that too much of this is political. I would be happy to show him in numbers that government spending actually went down in 1988. The expenditures we put in place really had nothing to do with the election. He made reference to the fact there was some $800 million talked about as farm aid during the 1988 election. In point of fact there was $850 million and it was delivered to that amount.

We tried to depoliticize and to remove farm support programs from the political process so that there was more predictability about those programs. That was one of the reasons most people wanted to get away from what has come to be referred to as *ad hoc* programs, programs that come up on the spur of the moment to address a specific need.

The whole idea of GRIP and NISA was to make them predictable so that before you went to the field in the spring to seed your crop you could go to your banker with the program in front of you. You and your banker could be quite certain of the kind of revenue you could generate from each acre of land you were going to seed that spring as opposed to, in some cases, as has been in the past, not knowing how much you get until you finally get an envelope in the mail and you open it. The whole idea of those programs was to make them predictable.

Some of the nonsense we have heard here is people complaining that farm income is going to go down this year. There is no question that the projections do not look very favourable overall as an industry and there is likely to be a drop in over-all farm income although the year is not well advanced. There may be some things that are going to happen as far as markets and there may be some things that we are going to have to do as government. They cannot complain that we spend only in an election year and obviously when everybody knows this is an election year bemoan the fact that federal programs are going to spend less money in the farm community

this year than last year. That just does not make any sense. You cannot have it both ways.

Let me address the motion. There is no question there are problems in agriculture. There are substantial problems in agriculture. They are largely rooted in the fact that this industry produces a surplus in Canada because of the way we can produce and how competitive we can be and the fact that we have a large land base and relatively small population. As an industry, we have to export about one-half of what we produce. In other words for every dollar a Canadian farmer earns about one-half of that comes from exports. We then are very dependent on the export market. What goes on internationally has a very great effect on what happens to Canadian farmers.

Again, I come back to the NDP and its policy of tearing up the free trade agreement and not wanting to have anything to do with some of the international agreements that are going to provide some certainty.

When we are so dependent on exports and with a relatively small population it is very important that we trade on the basis of rules, with some predictability and reliability, so that we do not have to deal with the Americans and the Europeans on the basis of whims. In many cases they can act like bullies and that is what has been happening in international trade and agriculture. Because of their size and because of the lack of international rules they have been able to essentially make up the rules as they go along. The free trade agreement with the United States puts a stop to that.

As a result of the free trade agreement there is a way of settling disputes. If the Americans disagree with our trading practices or if we disagree with their trading practices we can take the matter to an international court which settles the dispute on the basis of an agreed upon set of rules: the free trade agreement.

How does that work for us? We have had three disputes to date, one of them to do with hogs and pork. We have essentially won in both those cases, although we will call it one dispute. We have won to the extent that the Americans collected tariffs from us. They were asked and are in the process of refunding $26 million or $27 million collected as tariffs that the dispute settlement mechanism found were not proper. They are being refunded.

We also won a case to do with raspberries, interestingly enough on today of all days. The Americans have been complaining about Canadians selling wheat into their market unfairly. We established a panel under section 18 of the free trade agreement. They came forward with their findings. We won. We essentially had the practices of the Canadian Wheat Board vindicated by the free trade agreement. We had a panel of five individuals, three Americans. We loss the toss and it was an American who chaired it. By the way, a former justice of the Supreme Court of Canada and a former attorney general of the United States sat on it. It was a pretty high powered group.

They essentially found that Canada was complying with the free trade agreement on five counts: that the acquisition prices of goods referred to in the relevant article include only the Canadian Wheat Board's initial payment; that only storage and handling charges paid by the board should be included; and that the Western Grain Transportation Act should be excluded from the calculations. We also won in two other areas. We won in the sense that we have had the practices of selling into the United States vindicated by a process established under the free trade agreement.

If we listen to members of the NDP, they are going to tear that up. That is not a very smart thing to do if they are going to stand up and advocate policy on behalf of Canadian farmers.

Let me give the results of what has happened in the last three years. Since the free trade agreement has come into effect we have had three complete crop years. The crop year runs from August 1 to July 31. It is different from a calendar year or fiscal year. In the three complete crop years we have had since the free trade agreement came into effect we have almost doubled our grain and oilseed exports to the United States. They have gone from about 1.68 million tonnes to about 3.25 million tonnes. It is almost a doubling of exports into the United States, quite a remarkable record when we think about it.

The United States is the largest producer of grain and oilseeds in the world. It is the largest exporter, yet we are close enough to its market. We can compete with a set of

rules that gives us access to that market on a fair set of principles and an agreed upon set of rules. We can be very successful in their market.

Not only is it important because they are close to us. It is important because the Americans do not subsidize their own market. They do not eat their own market. Along with the Japanese market, it is the second highest priced market in the world.

It is right next door to us. We have a first-class product. We have a good capability to sell into that market through the Canadian Wheat Board and through other agencies. The story is there, yet the NDP wants to tear that up.

What would members of the NDP do today when we have just had our selling practices vindicated by the free trade agreement? How would they propose to continue selling over 3.25 million tonnes into that market without the free trade agreement? What is their policy? How would they replace it with anything that would give the same protection to Canadian farmers we have under the free trade agreement?

I do not think they have an answer. If they do, it is certainly not a particularly good answer.

Another point they make in their motion concerns the lack of support for supply management. It reads:

> (e) its failure to provide clear and unequivocal support for our supply management system, particularly with respect to the mixed signals the government is giving with respect to its position on the strengthening and clarification of article XI of the GATT

I do not know where they get that kind of idea. I go back to a press release issued on October 15, 1990, a little over two years ago, prior to the ministerial meeting of GATT ministers in Brussels. We proposed greater security for supply management through a strengthened and clarified article XI of the General Agreement on Tariffs and Trade in accordance with the proposal made by Canada in March 1990 which would include minimum market access levels pursuant to Canada's international obligations.

• (1650)

In pursuing GATT discussions and negotiations with the other members of GATT we have been very aware of industry concerns. We have involved industry at all levels of the discussions through what are called SAGITS, the sectoral advisory groups for international trade.

The various industries affected have actually been at the table with members and officials of the government in developing and in sitting down with the people who negotiate on our behalf in Geneva. In some cases they are almost giving instructions to our negotiating officials at the GATT. It is an unprecedented move on behalf of the government to involve people in the actual process.

I could speak with a certain amount of conviction on this because I happened to be part of a commodity group during the last GATT negotiations when the previous government was in power. We got absolutely no consideration whatsoever relevant to what has been happening today. We provided information in many cases to the government and got absolutely no feedback. There was no input coming back from the previous government. We used to refer to it as kind of a big black hole: all the information went in and nothing came back.

In this case members of the different sectors of agriculture have been at the table working with government to set policy. Rather than move this kind of motion, I would suggest that members of the NDP talk to groups in the supply management community and ask them about the government's commitment to work on their behalf.

The Prime Minister raised these issues at the Tokyo summit. He spoke at a Cairns group meeting in Ottawa. He has raised this issue at summit meetings. We have not had a Prime Minister in the history of this country who has taken agriculture and its concerns and raised them so consistently at international meetings.

When those members talk about failure to provide clear and unequivocal support for our supply management system, I have no idea where they would get any kind of concern that would let them put those words on a piece of paper and move a motion in the House of Commons. It does not in any way indicate or represent the attitude of everybody in this government, especially and including the Prime Minister, toward the supply management industry.

They also mention its weakening of the Canadian Wheat Board by several actions such as removing oats. Everybody talks about oats. Let me say a little bit about them. Oats in many ways have become a specialty crop. It

used to be that oats were a major fuel. It fed horses when farmers farmed with horses.

In the last number of years, if my memory serves me correctly and if we rank oats in order of value of exports, they were 14th on this list after lentils and other small crops. It was not a big factor in the export market at all. There were cases when the Wheat Board had responsibility for oats where it exported 100,000 tonnes or less. For a couple of years they did not even close the pool accounts.

When we looked at the international market and realized it had essentially become a niche market, it did not make a lot of sense to have one monopolistic jurisdiction over the marketing of oats. We simply responded to a lot of concerns out there of several farm organizations by letting the private side deal with oats.

I will put it into a bit of perspective. I said before and I say again that it will take four, five, eight or maybe ten years to let things sort themselves out. This year volumes of exports of oats out of this country are expected to be as high as 600,000 tonnes. Prices are up probably $15 a tonne to over $110 a tonne compared to some $95 a tonne a year ago.

That is not a bad record when individuals are given an opportunity to compete on the basis of the quality of the product they produce as compared to having one central selling agency essentially trying to market oats. It is more difficult for them to do it on that kind of basis than when we have individuals dealing in specialty niche markets where smaller quantities can be sold in a better fashion. As I say, it will take some time to sort that out. It may take a few more years to get an over-all look at how it has worked.

Beyond that, the motion does not mention the fact that twice in this government's mandate we have kept the Wheat Board selling at a very large potential deficit. That was a considerable amount of support. In fact, a year ago we ran a deficit in the pool accounts of $744 million. That was a lot of support for the Wheat Board system of selling when we think of the difficult situation we are all in as far as deficits are concerned. That was a lot of support for the Canadian Wheat Board.

We also ran a large deficit, I think six years ago, of a little over $200 million, again an indication of the support this government has had for the Canadian Wheat Board and its system of selling. It would have been very easy at the time, when we were facing a large deficit and trying to control it, when the board was in a situation internationally that was not part of its own making and was beyond its own control, to simply say: "Stop selling. We cannot afford to see you selling at a deficit. It is going to cost taxpayers too much". We did not do that. We kept the Wheat Board selling.

When people want to point out some of the things that have happened to the board, I would suggest they put it in a little larger context in terms of the over-all support this government has given on behalf of the Canadian Wheat Board.

When the Minister for International Trade and the Secretary of State for External Affairs travel, almost without exception they speak in terms of how they can help sales and they raise issues on behalf of the Canadian Wheat Board with our customers around the world, various other countries. That again is an indication of the way we have shown support for the Canadian Wheat Board.

Let me conclude by simply saying that we absolutely need an over-all GATT agreement because without it we are going to find it increasingly difficult, earning 50 cents out of every dollar we earn from exports, if we cannot find a way of getting some discipline in the over-all international market.

Let me just give two numbers to make my point. The price a Canadian farmer receives for wheat and barley, but not oilseeds, is probably a little over $100 a tonne. It depends on the grade and where the farmer is. It depends on several things, but it is in that $100 to $105 or $110 a tonne range to a farmer.

Because of their high internal prices and the relatively low international market, when Europeans export they subsidize. The estimate for the present crop year is $140 a tonne. That means their subsidy on exports is larger than what a Canadian farmer receives. That makes it very difficult for a Canadian farmer to compete. That is why we have to put some discipline on international subsidies.

I would like to leave another number with the House. If we add the income all Canadian farmers across the country will earn this year from the production of grain and oilseeds—and we will produce over 50 million tonnes—whether sold internationally or domestically it would be less than the amount of money that the

European Community spends on subsidizing exports out of the community.

Those are very difficult numbers for a Canadian producer to compete with and very difficult numbers for a Canadian government to compete with. In the case of the Europeans they have 320 million people and on average they export a very small percentage of their agricultural production.

Unless we can reduce the over-all level of subsidy on a per tonne basis and bring down the amount of money spent in total in subsidizing exports by the European Community, we will find it increasingly difficult to compete. That is why we on this side, from the Prime Minister down, are so committed to putting some discipline in the international marketplace.

Hon. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I want to ask the minister a couple of questions, if I may.

The minister was one of the guest speakers at the big farm rally in Saskatoon two weeks ago today. I was there with the minister and with many other members of Parliament from our party and from the Conservative Party. There was a unanimous demand there for some money from the federal government in terms of a third line of defence.

I know the minister is aware of the problems we have on the prairies. His own department said that in terms of 1938 constant dollars farm income now is lower than it has been since 1938. As a result we are losing farmers and we are suffering a loss of jobs in the villages, towns and cities because farm income is down. When the farmer is worse off we are all worse off in rural Canada.

• (1700)

I also know that the minister is more aware than I am, because he is in the cabinet, of the dire financial pressures on the government. Despite those things I wonder whether the minister can tell us today if there is a timetable for a decision on the third line of defence or on a deficiency payment for farmers in western Canada. Can the farmers expect something between now and spring seeding, which is really needed?

Aid was given to the fishermen in Newfoundland which we all applaud and which was needed. Will a similar aid package be available to western farmers?

My other question to the minister would be whether, as the new minister, he is open to changing the federal support programs to a formula that is based on the cost of production with a cap so that the smaller farmer receives more than the larger farmer in terms of giving him or her some assistance on the farm?

I know that my good friend from Newfoundland, the member for St. John's East, would agree with me, because he understands the fishery very well, and that it is important to help the small and middle sized farmer. I wonder if the minister would agree that we should have a program based on the cost of production where the farmer gets so much for the first 7,000 to 8,000 bushels of wheat and after that the farmer receives the world price for the rest of his or her production.

Those are my two questions. Those are the things I hear as I travel around my riding in my province: first of all emergency assistance and deficiency payments from the federal government; and second, changing the farm support programs where the small farmer and the middle sized farmer gets a greater share of what comes from the federal government rather than someone who has several sections of land.

Mr. Mayer: Mr. Speaker, with regard to emergency aid, we said in Saskatoon and we say it here again that we are certainly prepared to work with the provincial government with the programs we have in place.

The offer is still on the table from the previous Minister of Agriculture that would see $63 million available to Saskatchewan in this calendar year on a cost shared basis. The member will also know that about two weeks ago we signed an agreement with the province of Saskatchewan, part of it unique to Saskatchewan but a big part of it to do with farmers right across the country, that will see an additional amount of cash flow available in the present calendar year. Beyond that it is very difficult to find additional dollars.

I know we have been berated in the House for simply standing up and talking about the kind of money that has been available, but bear in mind that the average amount of money that is spent by the federal government on a per capita basis on agriculture across the country is around $150 per capita. In Saskatchewan it is eight times

that; it is almost $1,300, the number is $1,285. We have recognized that Saskatchewan as the largest grain producing province in the country has a special problem.

If you add up all of the expenditures on behalf of agriculture in the province of Saskatchewan, the federal government this year will account for close to 80 per cent of it and the province of Saskatchewan about 20 per cent. When all of those things are put into context, you realize that there are problems right across the country. There are large amounts of unemployed people no matter where you go in the country with special circumstances and it is going to be very difficult for us to find additional money for farmers.

I would point out to the member from Saskatchewan that one of the things the Saskatchewan government could do and that the previous administration had on the books to do, was the question of harmonization of the provincial sales tax and the GST. This would generate close to $200 million worth of revenue on an annual basis for the province of Saskatchewan. There are some things that the province itself could do. However, bear in mind that the numbers that we talk about are pretty large numbers when you look at agricultural support by the federal government in Saskatchewan.

No matter how much money any government puts out it is not the real answer to the problem. The answer to the problem is to get more into the marketplace and that is something I think we would all agree on.

With regard to his second question about targeting, it is very difficult to look at. We are certainly prepared to consider any of those things, but when you start putting caps on you run into all kinds of situations that can cause problems.

How, for instance, do you deal with somebody who farms with two or three sons and has everything under one permit book and operates as one unit. There may be three or four families involved. However, somebody else may be operating the same number of acres of land and has chosen, for whatever reason, to operate separately? How are some of those things sorted out? As a government do you really want to start telling people the size of the farm that they should have, because that is what you are going to be doing if you limit the amount of support based on a fixed amount of bushels or production. I find it very difficult to justify some of those concepts. However, in looking for better ways to spend the money that is there, we are more than willing to consider any of those things if we can make better use of those dollars.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I have a question for the minister. I listened carefully to his comments this afternoon.

I see the chair of the standing committee on the disabled is here. We heard an interesting presentation this morning from a farmer from Saskatchewan who is faced with a very different problem as a disabled farmer who had lost both his arms in a farming accident. Yet he and his wife and family are still farming in Saskatchewan. He faces the regular problems that most farmers face but he has something additional to overcome because he has two mechanical arms. The equipment he buys is not the normal, standard equipment. He has to spend increased dollars in order to purchase equipment that his arms can operate.

One of the things we discussed was possible amendments to the Income Tax Act so that the additional costs he has could be compensated through the Income Tax Act. He also mentioned that both he and his wife work outside the farm during the winter months in order to maintain their livelihood. His 14–year old son acts as his arms. It is a tremendous burden on the family. We know that this is not an isolated case. We know that with the added stress of farming today, accidents among farmers have increased incredibly.

I would like to hear the minister's comments on that and whether he has discussed it with others. What does the government propose to do to alleviate some of the stress that not only the able–bodied farmers in this country have but those who have been disabled, for whatever reason, in a farming accident.

Mr. Mayer: Mr. Speaker, I thank the member for Nepean for those observations. She might be interested in knowing that we are trying to pursue the whole area of farm safety.

As a new minister, one of the first things I asked the department is where we fit federally when it comes to farm safety. This goes a little beyond her question of what kind of accidents put people in those positions. There apparently is no real system in Canada that I have

been made aware of for collecting data or investigating accidents to learn from them.

The next federal-provincial agriculture ministers' meeting will likely be in about three weeks. We are just now trying to decide on a date. One item on the agenda is going to be exactly what the member for Nepean refers to, which is farm safety, to see if we cannot do something in co-operation with the provinces. I have already had conversations with some of the provincial agriculture ministers along this line to see if we can work with them to co-ordinate things that are being done federally and provincially and to see if we can do something in the area of prevention of farm accidents.

Beyond that I would be more than happy to talk to any members of the House to see what we can do in the Department of National Revenue or the Department of Finance, or both, to accomplish the suggestion with respect to deductions from income tax for special equipment.

I know that some of today's equipment is very sophisticated. For instance, it used to be fairly easy to get on a tractor or a piece of farm equipment because it was relatively low to the ground. Now tractor cabs are much more difficult to get into and operate. In some cases I suspect there are literally thousands of dollars of extra equipment required to operate some of this sophisticated farm machinery. We will be more than happy to work with the committee or anybody else through the department to see if we can address some of the concerns the hon. member raises.

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, today we are here because of what I would say is extreme unrest, an almost revolution in rural Canada.

• (1710)

Last winter, approximately one year ago today, we saw thousands of farmers head to Ottawa to protest on the Hill. Many farmers in areas of Ontario like Lucknow are coming forward and telling everyone what a difficult time farming is today.

The same protests are coming from the west. It is not an anomaly that is happening in one section of Canada or in one part of the agricultural industry, it is a problem that is consistently happening across this country.

The farm community is very concerned; concerned that their incomes are getting lower and lower. Stability in the rural community is at an all-time low. There are tremendous problems that need to be dealt with by this government, by the provincial government and by everyone who has any connection or relationship with agriculture in Canada.

In my riding of Essex—Kent, up to one-third of the farmers are having serious financial problems. Those problems are very difficult for the farm community to deal with. In 1988 the agriculture production in the counties of Kent and Essex was in the area of $500 million. Yet one-third of the farmers in that area have run into financial difficulty.

It is not just limited to the farm community. It goes to the food processing industry itself. In my riding, in the last four years since free trade has come in, Olinda Foods has closed. A Nabisco plant in Leamington closed and moved to the Dresden area. A Campbell's plant just recently announced closure. It is moving to the Toronto region. The Hunt-Wesson plant has closed.

In my area four food processing plants have closed. That means every grower of tomatoes or apples for those companies have run into some real problems. We know that the pressure then is a wide broad pressure across this country. It seems to be related back to the time when free trade came in and a very different trend occurred in this country.

Farm competitiveness is the point, we hear, that should be emphasized. However every time I talk to a farmer, I never hear him ask for an increase in subsidies, an increase in support grants, an increase in money to him. The farm community is saying, give us a basis on which we can compete. We can compete with any other farm community in the world if we have an equal footing and if we have a basis on which we can compete. The problem in Canada is that our farm community has been put in a position in which it is non-competitive because of many rules, many pieces of legislation and because of the difficult circumstances under which they have been placed.

I might refer to a report entitled "Competitiveness of Canadian Fresh and Processed Fruit and Vegetable

Industry" to point this out. The report suggests that the high cost of doing business in Canada renders us uncompetitive.

What are those high costs? Certainly the input cost for the Canadian farmer is quite different from the person he is competing with. In my riding of Essex—Kent, the farmer has to compete with his counterpart in Michigan or Ohio. When we start to look at his basic costs, the first one we can suggest is interest rates. He has to pay in the neighbourhood of 4 per cent above the person he is competing with. He has a 4 per cent disadvantage on all of his input costs. He has a 4 per cent disadvantage on capital costs. He has a 4 per cent disadvantage on every cost related to financing. This makes it very difficult to sell the product for the same price as the competition in Michigan, Ohio or other parts of the United States.

He is also faced with using fuel. It may be oil or gas or whatever type of fuel he is using in his industry. The cost of those fuels are as much as a third to a half higher again than that of his competitors. As a result he is in a difficult situation in buying gasoline for his tractor or diesel fuel or heat for his greenhouses. Those costs are up quite dramatically in competition with the other industries he is facing and he has to sell his product for the same price.

At the same time we can look at the cost of a tractor or a farm implement and they are much higher in Canada than they are in the United States.

It is my opinion that certainly in the horticultural industry most of the competition that my farmers face are those products coming in from the United States. If large corporations that process products are buying tomatoes for $100 a tonne in southwestern Ontario, they will pay $100 a tonne for a producer in Ohio to bring those tomatoes into southwestern Ontario. The result is that if they are being sold more cheaply in the United States, then in many cases they are being bought in from the United States and processed in southwestern Ontario. They may also be processing tomato paste in Michigan and the food product is then brought into Ontario.

The result is that they are in direct competition with the United States no matter how that comes down. Their cost of fuel, financing, land and each commodity they have to put into that product is way above the cost facing their competitor. As a result it is very difficult to do that business competition with those in the United States.

Second, the report that I alluded to a few minutes ago on competitiveness suggested that wholesale and retail areas were taking by far the majority of the profits. I think that is quite—

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member. Since the beginning, Liberal speakers have split their time with another speaker. I would like an indication as to whether you want to split your speaking time.

Mr. Pickard: Mr. Speaker, I will give some time to my colleague.

With the next point on competitiveness, I mentioned that wholesale and retail areas are taking by far the majority of the profits in that competition. I think it is kind of clear when one starts examining the cost of farm-gate products. I believe my colleague from Lambton—Middlesex earlier held up a box of biscuits and pointed out that there is a product worth 6 cents in that box of biscuits and yet it sells on the shelves in our stores for $2.45.

One can buy tomatoes from the farm for $100 or $120 a tonne, which translates into 5 cents or possibly 10 cents for a can of tomatoes. If one goes into the supermarket, that can of tomatoes sells for $1.50 to $2.50, depending on the size of the can. The difference in cost between the 5 cents or 10 cents of product and the $2.50 the consumer pays is really dramatic.

The farmer is not getting his fair share of that cost of product. The primary producer is just not getting a reasonable return for what it costs to grow the product. The largest returns are very obviously going to the retail sector and therefore the primary producer is being left out dramatically.

• (1720)

We also know that in many cases this report has suggested that subsidization by the U.S. makes Canadian products more difficult to compete against U.S. products. The report also suggests that the government is not concerned enough about the industry. If the government were concerned, I am sure we would have some structural changes in the horticultural industry to make competi-

tion with that industry equal to its competitors in the U.S. and equal to its competitors elsewhere.

We do not see legislation coming forward to make that competition fair and equal. We do see a dragging of feet when it comes to those types of things.

We hear all about the subsidies that are given. Our farmers want to be able to be competitive and not subsidized. That clearly is the message.

Free trade, interest rates and a high dollar have been great challenges, but there is another area of this horticultural problem that growers in my riding have to face. It is that we have a Canadian policy on pesticides that is a real obstacle for them. In the United States they use certain pesticides that are not allowed in Canada, but products are allowed to come into Canada that have been treated with those pesticides.

In other words, Canada has set out rules that certain pesticides cannot be used by Canadian farmers. However those rules are not consistent with the same rules that are used in the United States. Therefore, many of the farmers in the United States are able to use herbicides and pesticides on the tomato product they grow, have that product processed and bring the product into Canada.

This goes directly to the government. If we are to pass a rule, then any product that is treated with a pesticide or an herbicide here in Canada that is not legal to use in Canada should not be allowed in with any residue. We should zero-rate any residue on those products coming into Canada.

The result would be that an American farmer could not use pesticides and herbicides that a Canadian farmer cannot use. We must allow Canadians to have that equal, fair competition. Our rules today do not allow equal, fair competition. As a matter of fact they are very heavily weighted toward the Americans with the residue ruling that we have in our trade practices.

The NAFTA agreement with Mexico is an example where this may become much worse. We know that DDT has been banned for 25 years in Canada, yet it is still being used in Mexico today.

An hon. member: It is not illegal.

Mr. Pickard: The product can come into Canada. Many people in the United States have suggested there is a real concern about the fair and consistent use of pesticides and herbicides for them. They are worried about product flooding American markets. I am more worried about product flooding Canadian markets. If we do not have a zero rating on all of those herbicides and pesticides, we will have major competitive problems in the future.

There are many things that can be done to make our industry more competitive. I believe it is the responsibility of government to put those rules in place so that Canadian business can be competitive with its counterparts in the United States or counterparts in Mexico and do that with a very rapid speed.

We also talked about the NAFTA. I mentioned the concern about DDT. I would also mention concern about some of the information I have read recently. Even the United States has recognized that NAFTA problems for agriculture may become very great. The Florida secretary of agriculture has warned that NAFTA could devastate the winter produce industry. I believe NAFTA will have some very devastating effects on the Canadian industry unless there are some controls and guidelines.

The particular devastation that I would suggest is the Canadian greenhouse industry. If the Florida industry is frightened about what NAFTA could do to it, then the greenhouse industry has a great deal to be concerned about in this country.

We see within our greenhouse industry today some great concerns about dumping. I talked to one of my constituents just recently about import products coming into Canada. He has been facing a very difficult situation in the horticultural industry. Large pots of plants coming into Canada, 10-inch plants, have been brought in to be sold in Canada in Woolco, Zellers and in many of the companies that retail these large plants for $9.75 or $10.

Look for the same plant coming into Canada from the United States, in particular from Florida. We can take a similar plant and go across the border into Detroit from my riding and those 10-inch pots for $9.75 are nowhere to be seen. In Detroit they are selling at $17 to $18 a pot. However, our Zellers and Woolco stores are selling them in Canada at under $10.

There is a problem. Why are they selling in Canada for under $10, while across the border in the United States they are more than $17? I believe that there is a tremendous amount of dumping. The producers in Florida will sell to different cities in the United States and get rid of their product. Leftovers will be transported into Canada and sold off at very low rates. They are going to get profits on the leftover plants here in Canada, but our greenhouse industry, our people who

are competing with that, are at a real disadvantage. They are not being treated equally.

I think we have to tighten down those rules on plants coming into Canada and make certain that we are not having them dumped against the Canadian industry and causing lost business. The rule clearly should be that any plant coming in from Florida or other areas should go into the greenhouses for a period of time in order to make sure diseases or problems with those plants are cleared up. It is usually two or three months before they go on to the floor of stores. Those costs should be worked into the Canadian system. However, we are seeing many instances where that is not happening and our industry is suffering a great deal because of that.

Another buzzword in Canada lately is harmonizing. There was a very prosperous Campbell industry in Chatham. They recently announced that they are moving to the Toronto area to operate. I understand that there are applications and discussions with the government having to do with importing tomato paste and the possibility of making other products such as juices, ketchup and other things.

What happens to the Canadian grower? The Canadian grower then is cut out of that process. In other words, a lot of paste imported from Mexico and the southern United States would go into a Campbell plant in the Toronto area to be processed into ketchup, tomato juice and other products. Therefore, the long and short of it is that the Canadian farmer is cut out of that industry.

I see my time has come. I will give the rest to my colleague.

• (1730)

The Acting Speaker (Mr. DeBlois): Ten minutes for questions or comments. The hon. member for Broadview—Greenwood only for questions or comments because the previous speaker used up the time.

Resuming debate, the hon. parliamentary secretary to the Minister of Agriculture, the member for Huron—Bruce.

Mr. Murray Cardiff (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I too am very pleased to participate—

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

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I just want a point of clarification. Are you suggesting the full 20 minutes have lapsed from the previous speaker's time?

[*Translation*]

The Acting Speaker (Mr. DeBlois): I want to be very clear. I interrupted the previous speaker to tell him that if he wanted to share his time, I would consider that. However, I noticed that, as was his right, the hon. member used the 20 minutes allotted to him. Therefore, there is no time left for your party. On the other hand, I asked if there were any questions or comments and nobody rose. That is why I recognized the next speaker when debate resumed.

Mr. Mills: Mr. Speaker, with your permission could I ask my colleague a short question?

The Acting Speaker (Mr. DeBlois): All right. I am prepared to be tolerant. I will therefore recognize the hon. member for a question or comment. I apologize to the hon. member.

[*English*]

On a point of order, the hon. member for Huron—Bruce.

Mr. Cardiff: I know the hon. member for Broadview—Greenwood indicated he would like to speak and I do not intend to use my full allotted time. I will make sure to leave at least five minutes for the hon. member to make some remarks if he wishes to do that.

[*Translation*]

The Acting Speaker (Mr. DeBlois): This is a fine example of parliamentary goodwill and I appreciate the comments made by members on both sides of the House. The hon. member has the floor.

[*English*]

Mr. Cardiff: Mr. Speaker, I too am very pleased to be able to rise in the House today to speak about an issue that is always very dear to me and of concern to us. We share that concern with the producers of agricultural products right across this country and the processors of those products. The entire sector includes the major producers on the farm, through the processing plants to the consumer. We have to think of all of those people when we talk about food in this great country.

We also must recognize we have always had the ability to produce high quality foods much beyond the capability of our domestic consumption. We have always had to depend on export markets for those extra dollars that are so necessary to keep agriculture going. I know some provinces probably export 80 per cent of what they produce in the grains and oilseeds sector in particular, so that does cause an extra drain when it comes to difficult times. As times become more difficult we have a tendency to produce more to try to make up for the shortfall we have had in income.

This year we have been extremely challenged right across the nation because of the devastating weather effects we have experienced. In August of this year Alberta experienced snow and frost, which is a very unusual situation. In my province of Ontario we have had similar situations where the corn did not mature.

The Essex—Kent area of my hon. colleague suffered a severe drought last year although this year the crops were better. This year in other parts of the province we have all experienced an extremely wet summer and lack of maturity of crops. We usually produce top quality corn, capable of being used for distillers, the corn sweetener plants, et cetera. This year the value of that commodity is somewhere in the number five grade, which is only fit for livestock feed and the keeping qualities of it are not as good.

We know we have to try to work with organizations and companies to find markets for that corn because we want to clean it up this year. We do not want to carry it through to another crop year and create problems then.

Despite all that, some sectors of the agrifood industry in Ontario have had some growth. There was a 28 per cent or $544 million increase in the value of those exports in 1992.

I will give you another example. Just last week the Canadian Embryo Exporters Association announced that Ontario breeders would be exporting bovine embryos to Japan, making Canada the first country to break into that Japanese market. At home, the dairy industry is strong and stable and beef prices have continued to rise.

It is high time that has happened because we have not seen a decent beef price for many, many years.

The Ontario average net cash income per farm before depreciation has shown a slight decrease from $21,592 in 1987 to $21,053 in 1991. That does not take into account any off-farm income.

I know some of the speakers have alluded to statistics that show off-farm income has been added but those figures do not include the off-farm income. Moreover, Ontario farms are holding their value. The net worth of the average Ontario farm has increased in the last four years from almost $395,000 in 1987 to almost $522,000 in 1991. That is an average annual increase of 8 per cent.

In 1991, the average equity held by Ontario farmers was 85.1 per cent. The proportion of Ontario farms with high debt loads and low cash flow has decreased in the last five years. In 1991, 7 per cent of farmers had less than 75 per cent equity and less than $20,000 in cash flow, down from 13 per cent of farmers in 1987.

Industry debt is now better held by those able to service it. In 1987 on average, Ontario farms with over $20,000 in cash flow carried 63 per cent of the debt. These farms carried 76 per cent of the debt load in 1991.

Debt is not a universal problem in the farm sector. Thirty-six per cent of Ontario farms reported no debt interest payments in 1991 compared to 26 per cent of Canadian farms. The outlook for the industry is still good.

Total cash receipts from Ontario agriculture for 1992 are expected to increase between 8 per cent and 10 per cent from 1991 to between $6 billion and $6.1 billion.

Total cash receipts for 1993 are expected to range between $5.6 billion and $6.1 billion.

Ontario agriculture is holding its own. At the same time, we realize there are some real problems in the industry. I have alluded to those problems before and most of them this year have been caused by the weather, compounded by the low prices of commodities over the last few years.

During the past year, for example, some farmers saw significant yield and quality loss to their crops because of the poor weather. The safety nets the government developed jointly with the industry and the provinces are attempting to address that situation.

In 1992, federal and provincial safety net program payments to Ontario farmers are expected to be between $633 million and $744 million. Because of the difficult growing and harvest conditions this crop year, the federal government in December announced emergency cash advances of up to $15,000 in unthreshed grain.

That program was not taken up to a great extent because of the unusual weather conditions we had in late December and again in January. It is the first time in my farming history that I can recall when the combines were out very close to Christmas and again in January harvesting corn that we had not anticipated would be harvested until spring.

We are fortunate in that way. We have to recognize the quality of that commodity. As I said before, it was not great but at least it gave some of those people the opportunity to get that commodity off the fields and be in a better position in the spring to get on with their planting for 1993.

We are eternal optimists and believe if we can get another crop in the ground, the next year is going to be better. I have farmed all my life and I guess that is how I think as well. By working together and trying to resolve the problems we have come through, we can achieve those things.

In addition, GRIP, the Gross Revenue Insurance Plan interim payments cheques totalling more than $96 million of which $39 million was for corn have been mailed to more than 25,000 farmers, including nearly 1,800 corn producers who are covered under that program.

There is also a projected $39 million to go out in April of this year to the farm sector. In October or November of this year the balance of that GRIP payment of $45 million will go out as well. A total of $180 million will be going into the farm sector for that crop year.

• (1740)

Since 1985–86 the federal government has spent more than $4 billion in support in the agrifood sector. This works out to about $7,000 per Ontario farm annually. About 60 per cent was direct income support to farmers. The other 40 per cent was used to fund research, inspection, marketing and trade activities, transportation, rural development and operating costs.

Through partnerships with the Ontario government and producers we will continue to provide those safety nets which allow farmers to ride out tough times. Meanwhile, the federal government is working hard to develop trade opportunities and a competitive business environment so that Ontario agriculture can continue to thrive in international markets.

As the minister and others spoke earlier, there are the long-term plans for agriculture that farmers can rely on and the continuity of present programs that were started by the former Minister of Agriculture and Deputy Prime Minister. Everyone is familiar with the "Growing Together" paper which I was also involved with. It is the most comprehensive agriculture plan we have had to develop in many, many years.

That is because things have changed throughout the world and not just in Canada. It is a universal market and we have to compete in it. The U.S. farm bill of 1985 or 1986 has certainly changed the atmosphere of how we trade. We have done the best we can to compete and meet markets wherever we could. Of course, we brought in GRIP, NISA and crop insurance. We have tried to create those programs to sustain agriculture through those lows experienced this year.

It is unfortunate some Canadian producers chose not to buy into GRIP or crop insurance. It is a voluntary program and it was the choice they made. It is unfortunate that they do not have some of that protection.

Granted, the programs are probably not perfect but they are the best we have for today. We have to continue and as times change and as markets change we respond to the world and Canadian demands to put programs in place. With the dollars we have to work with we have to

stay within a budget and we have to put money into sectors the farming community believes necessary. Everyone in this House knows the situation of the debt, not only of this government but also the debts of provincial governments. Therefore we have to work only with existing dollars.

We have worked very closely with farm organizations across this country for many years. I know the previous government did as well prior to 1984. As I have said, circumstances have changed so much that we have had to come up with new ideas. I think everyone in this House has good ideas on how to develop programs but it is very difficult to know what to do in a situation such as we are facing this year with limited dollars.

Farm organizations and individuals who served on committees with great ambition have tried to help the farming sector in providing the tools to work with. We have tried to put a program in place whereby before a producer goes to the field in the spring he can predict a minimum amount of acreage payment. That should give some comfort to both the lender and the borrower. We hope there will be greater participation next year.

We have also introduced legislation, Bill C-54 I believe, and we hope to get that through the House fairly quickly. We feel that would help producers in the longer run with development and promotion of their products and buying Canadian.

The Farm Credit Corporation legislation has had first reading in the House and we hope it will pass fairly quickly also. Most people in this House have had the opportunity to examine that legislation. I believe it is another tool that the agriculture sector will be able to work with, with the extension of lending beyond the farm gate to farm related business. As well it will help with the generation of transfers.

We are trying to work with existing programs. We also are working continually in trying to streamline our export programs so that if we have an opportunity to make an agricultural sale we can put the export credits in place much faster. We have to be very cautious when we do those things. All of those things are hopefully helpful.

Another one is interprovincial trade. We recognize that there are problems there. We can understand why provinces are reluctant to give in some of their cases, but those are areas where we have to work together and see if we can smooth the trade problems we have and the irritants within our country.

Another area that we feel very good about and we think is necessary and should have been done years ago is the placing of qualified persons in our key embassies around the world who can talk about agriculture and thereby put us in a better position to talk about the food services industry and the things that we have to offer to the people of Canada.

I am quite prepared to give up my time now. I will take questions for a few moments, but I want to make sure the member from Greenwood has the option to make some comments as well.

The Acting Speaker (Mr. DeBlois): I do not think it is necessary to split your time with the opposition member. We have question and comment period and then it is up to the Liberal Party to have the floor.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, first of all I would like to acknowledge the member for Huron—Bruce who has always been a gentleman in this House and who has always done a fabulous job representing his constituents. I thank him for giving me this opportunity. I will actually take this time to ask him a question. With his experience and being a farmer, he is probably equipped to answer my concerns.

About six months ago I had an exhibit in my constituency window on Danforth in downtown Toronto. It was created for me by my colleague from Lambton—Middlesex. The exhibit was entitled "Compare the share". That exhibit contained miniature tractors and combines showing the capital cost of the basic implements needed to run a farm. There were examples of what a farmer would receive at the farm gate for milk and the rate that the consumer would pay; bread, wheat, et cetera.

I believe my colleague from Lambton—Middlesex earlier in the remarks today talked about the "Compare the share" concern that he and many of us in this House have.

Does the member from Huron—Bruce share my colleague's concerns about the obvious spread between the farm gate price and what the consumer has to pay? It is an egregious spread, I agree with my colleague from Winnipeg, but more important, and I am speaking now as an urban member of Parliament from downtown Toronto, citizens are concerned about quality of product.

One of the things that we have been so proud of in this country has been our marketing boards, not just in terms of protecting income flows to our farming community but that it has given them the opportunity to have the best quality in the world. We see in the *Atlanta Journal–Constitution* dated May 26 that 84 inspectors were interviewed and that thousands of contaminated birds are shipped every day instead of being condemned. Actually millions of birds are being shipped to consumers in the United States. The inspectors are actually saying that if you blow the whistle today, you are in trouble. What concerns me is that some of that cheaper product through quota is getting in here. Because of the cartel that is basically taking over this agricultural industry, I am concerned that those low prices on food being imported from the United States are being used to lever and put downward pressure on the prices that our farmers have to sell to market. I wonder if the member would respond to that.

• (1750)

Mr. Cardiff: Mr. Speaker, I would like to respond to the member's comments, particularly about the "Compare the share" of the hon. member for Lambton—Middlesex. I know he has done a lot of work in this area and has travelled across Canada as well with that message.

No matter what the situation, we always feel that someone else is making more than we are. I believe in the situation that from the farm gate this does happen. He mentioned the example of wheat. That included the box in the value of the wheat.

We wish that was double. You would think that somewhere there would be room to double that. I do not know but I understand that is a very competitive market. If we could find a way of doing that, I do not know how much more wheat we would produce in this country. It is an area that is of concern to all of us. With regard to the quality of food in Canada, we have always prided ourselves on the food that we have. Any food that is imported, everything that comes in here, is high quality food. I believe the Canadian consumer has been protected and assured of high quality products when he or she goes to the store to purchase products.

He talked about an article on contaminated birds. I do not know the substance of the article or anything about it. I do not know of any food chain in Canada that could afford to take any risk with food that did not meet Canadian standards. We have always felt our fast-food outlets in Canada have been extremely good and we have had virtually no problem with any food contamination. I believe that is because of the standard we have set and the inspection system that we have as well.

I believe that we have been competitive because of the high quality that we have and we intend to maintain that high quality.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I would like to ask the hon. parliamentary secretary a question with respect to the Canadian Wheat Board.

The Canadian Wheat Board, as the member will know, is something that is very near and dear to the hearts of western Canadians. As an institution, it is very popular and has done a great deal of good for western Canada over the last number of decades. In fact, the support for the Canadian Wheat Board became very clear at the recent rally that took place in Saskatoon when one of the speakers made the comment: "Please don't touch our Canadian Wheat Board". That comment received a standing ovation from 13,000 farmers. It is a very popular institution.

One comment that I get time and time again from farmers is if the government is going to make changes to the Canadian Wheat Board, will it at least put it to a vote. The reason is that the Canadian Wheat Board is paid for by farmers. The government does not contribute except at times when there is a pooling deficit. It is an institution that is for farmers, to represent farmers, and farmers are saying that the government should not be ramming changes down their throats. If there are going to be changes, there should be a vote.

Right now there is a study on the future of barley and a report will be issued. I wonder if the parliamentary secretary can help me and farmers across western Canada. If when that report comes down it suggests that barley be removed from the Canadian Wheat Board for the North American market, can the member assure this House and Canadians right across the country that before any changes to the Canadian Wheat Board with respect to barley, there will be a producer vote. Can the

member give some comments with respect to that? That is something I am hearing, something that farmers want. Certainly farmers would like to hear some definite answer from the member if he can give it.

Mr. Cardiff: Mr. Speaker, I would not want to prejudge a report before it comes to us as to the future of any recommendations concerning the Wheat Board and barley. I do not live in an area that comes under the jurisdiction of the Canadian Wheat Board but we do have the Ontario Wheat Board in the province of Ontario. We have always been able to work extremely well with export permits, et cetera that the Wheat Board would issue on our behalf in the province of Ontario.

I would not even attempt to answer the question until we know what the report is. I know if that report comes in that regardless of what it says consultation would continue. I could not indicate whether there would be a vote or not. That would depend on what the report has to say.

I too would have to agree that the Canadian Wheat Board has done an excellent job for Canada and Canadians. It is not a government board, but we are responsible for the Canadian Wheat Board in any pool deficit and other similar things that happen. Also, we set the standards for the Canadian Grain Commission that the Canadian Wheat Board has to work within.

We have had good co-operation from the Canadian Grain Commission and the Canadian Wheat Board. They have had to respond to the changes in the world markets because of the EC, because of the American situation and the export enhancement program as well. They have had their work cut out for them in these areas and challenges have been there too. It has not been easy trying to compete in a market where it is being subsidized with many dollars in a traditional market for Canadians.

We are very proud of the agreement Hon. Alvin Hamilton made years ago with China which was a very beneficial market for Canada for many years. We just wish we could continue to find more markets that would give us the continuity and the projections that one did. There was a lot of security in that as well.

The Canadian Wheat Board works well and we will continue to work with them.

[*Translation*]

SITTING SUSPENDED

The Acting Speaker (Mr. DeBlois): With the conclusion of the debate, proceedings on the motion before the House have expired, pursuant to Standing Order 81(17).

Unless there is indication to the contrary, I therefore suspend proceedings for a few minutes, until 6 p.m., the time provided for Private Members' Business.

The sitting of the House was suspended at 5.58 p.m.

SITTING RESUMED

The House resumed at 6 p.m.

[*English*]

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

[*Translation*]

VICTORIA CROSS ACT

MEASURE TO ENACT

The House resumed from Tuesday, November 24, 1992, consideration of the motion of Mr. Fee 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.

Mr. Allan Koury (Hochelaga—Maisonneuve): Mr. Speaker, it is a privilege for me to finally speak on this bill standing in the name of my colleague, the hon. member for Red Deer. Bill C-305 proposes to reinstate the award of the Victoria Cross. It seems to have taken a long time to get to this point.

The Victoria Cross is the highest decoration that can be awarded by the British Empire to any member of the navy, army or air force, from the highest to the lowest ranks. This bronze cross, bearing the British lion above

the Crown of England and the words "For Valour", takes precedence over all other British orders or decorations.

Since the Crimean War, the Victoria Cross has been the Commonwealth's premier military decoration. It was a great honour to receive this decoration during the Second World War because only a very small number of crosses were awarded.

We are an independent nation, but we have no distinctive military decoration to recognize exceptional bravery by our soldiers in the face of the enemy.

This decoration is older than the Dominion of Canada. In fact, it was instituted by Queen Victoria in 1856. Among the first recipients was a Canadian, Lieutenant Alexander Robert Dunn. Over the years, Canadian recipients have totalled 93, including 10 Quebecers.

In 1972, we decided to create our own Canadian decorations and medals. However, we still have no decoration which recognizes acts of exceptional bravery. The government is now examining this situation.

The Victoria Cross is 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.

Nevertheless, on several occasions, we have answered the call to arms in defence of liberty and freedom. We still have brave, courageous men and women in this country who even today serve under the flag of the United Nations, proudly wearing the Canadian flag on their shoulders.

These Canadians are prepared to endanger their lives and act very bravely for peace and freedom in far-off lands.

Nevertheless, for Canadians serving in the armed forces today, the highest military distinction ever awarded to Canadians does not exist since it has not been recognized in Canada's system of decorations and distinctions.

In resuming this debate, I ask the government to consider Canadians' request to respect our military tradition and create military awards that recognize the bravery and courage of our service people.

In closing, I ask that the Victoria Cross again be awarded to our heroes.

[*English*]

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I feel privileged to rise in the House to address the private member's bill put forward by my colleague from Red Deer.

I regret that I did not have the opportunity to speak before at different times and in different circumstances. However I am privileged and honoured to speak because this is a subject dear to the hearts of many Canadians. I know it is dear to the hearts of many veterans in my riding.

Because it is a private member's bill, members have been allowed to express their views without the concern of following party lines or following instructions from the Whip, the House leader or anything of that nature. I am glad it has taken on the position of a private member's bill.

We all know the history of the Victoria Cross. We studied it in books in school. Some of us have had the privilege of knowing Victoria Cross winners. In my particular case I am very proud to say that I have known four Victoria Cross winners, and two of them very well. I notice a number of things when I am in the presence of those who have the honour of having been awarded the Victoria Cross.

The Victoria Cross is the highest award for gallantry in the British Empire. It was conceived and put together in 1856 by Queen Victoria. It is known throughout the world. It has universal recognition as, if not the, certainly among the highest award for gallantry in the world. If it could be recognized in the universe, I would be so strong as to say that it could be recognized universally.

Since the Victoria Cross was initiated by Queen Victoria in 1856, it has been awarded to very few people. In fact the first Canadian to be honoured with this award was in the Crimean War for his part in the charge of the famous light brigade in the battle of Balaklava. Since the award to Lieutenant Alexander Robert Dunn, the first Canadian to receive this award, 92 other Canadians have been given it.

It is not parenthetic to say that the award is given for the most conspicuous gallantry in the face of the enemy. There have been occasions when the award has been

bestowed not in the face of the enemy but these are very few and far between. Some of the 93 Canadians earned this award posthumously.

If we speak to any military man, any military woman or military family and mentioned the name of the Victoria Cross, we see the response of reverence and dignity that it brings.

Canadians became ineligible for this award when Canada developed its own system of decorations and awards in 1972.

• (1810)

I suppose one could hope that Canadians would never be asked to fight in a skirmish like World War I, World War II, Korea, the Crimean War where the award of this decoration would be necessary. In our recent past, and as recent as the Falklands campaign, the Victoria Cross was awarded to those who were involved in the battle and showed conspicuous gallantry in the face of the enemy.

I believe that most members who have spoken have generally spoken in favour of it. I can understand why they would. They would for the reason that I am, because of the universal dignity and honour it brings.

There are some difficulties in having a Victoria Cross eligible for award to Canadians. I do not think any of these obstacles are insurmountable. I understand we will not be able to talk out this private members' bill, and neither should we because of the importance of it.

If it is the intention of this court, the highest court in the land, to move forward with the private members' bill there are ways around the difficulties. I have been told there are ways that would not infringe on the rights of the Sovereign. This would be a concern from the viewpoint of the Secretary of State since it is a medal for the British Empire and is conferred by Her Majesty the Queen.

I use as a precedent the Australian situation in which that country decided to adopt the Victoria Cross as its highest military decoration. However its government did not proceed by legislation. Instead, Her Majesty was asked to issue a letters patent signifying her will and pleasure that the Victoria Cross in this case for Australia, would be the country's highest declaration and that its award would be governed by regulations that her staff had set out in the schedule.

Her Majesty also agreed that the Australian Victoria Cross itself should be identical to the original. I think it is important so that the universal recognition factor would pertain.

In addition, some of the other provisions were stipulations that award of the decoration should be made with the approval of the Sovereign by instruments signed by the Governor General of Canada, in this case, on the recommendation of the Minister of National Defence.

There has to be some staff work done to accomplish this. However it is my belief that should this House vote in favour of retaining the Victoria Cross, which would be awarded for conspicuous gallantry, the highest gallantry in the face of the enemy, then I believe the same mechanism could be applied.

The Victoria Cross could then become Canada's highest military declaration without fear of degrading or otherwise qualifying those Canadian decorations like the Meritorious Service Cross, the Award for Bravery, the Cross of Valour and the other Canadian decorations that we now have.

I do not see it in any way, shape or form qualifying the national system we have had in place. It has been evolving since 1972 and is a very appropriate and fitting complement to this award.

In conclusion, I would say that I represent those veterans who I have spoken with and non-veterans. I have discussed this with at least two Victoria Cross winners and they are certainly in favour of it. I understand why they would be.

I will tell the House something that is rather unique in this case. It is unique that it is a private members' bill and I do not have to worry about how my party is voting. It is also unique that I have not spoken to one person who has had difficulty with this. When you come down to the crunch, providing it could be done without changing the qualification of the other series of decorations and awards, no one has any great difficulty with having an award that is as universally recognized as the Victoria Cross.

I speak in favour of this motion. I would like to take the opportunity to congratulate the member for bringing this to the floor of the House of Commons. I know the difficulty inherent in stick-handling a private member's bill through and I do congratulate him on it. I know that, certainly from my viewpoint and that of other members

and constituents and Canadians I have spoken with, they would generally be in favour of this motion. I will support this bill.

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I welcome the opportunity to make a brief intervention and, I hasten to say, an intervention in favour of the intent of this bill. In doing so I want to pay tribute to my colleague from Red Deer who has introduced the bill and, as his hon. friend indicates, stick-handled it very skilfully along the way.

I think it is important that we restore the Victoria Cross to its place at the top of the military honours list for this country, a place that it had for a considerable length of time. I think it is important that we do this. It is important that we in this way pay respect to those who have served our country in a number of wars in a number of theatres.

Within this House we still have members who served actively during the Second World War. I commend the member for Regina West who was one of those people as well as our member from Burlington and the member from Athabasca who served during the Korean conflict. I am sure there are others. I do not mean to leave them out. I think it is important that we recognize the kind of contribution and the kind of sacrifice they have made so that people of my generation have been able to enjoy a lifetime free of those concerns and free of having to make that kind of sacrifice.

I simply want to lend my support as a prairie member and as a member from Saskatchewan in support of the spirit and intent of this private member's bill which would restore the Victoria Cross and make it the medal awarded in this country as the highest honour for exceptional valour. I commend my colleague from Red Deer.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Before giving the floor to the hon. member for Red Deer, I must say that he will be the last speaker since he is using his right to reply as the mover of this bill. The hon. member for Red Deer has the floor.

[*English*]

Mr. Doug Fee (Red Deer): Mr. Speaker, perhaps rebuttal is not the word that is necessary because of all the speakers who have spoken on this bill in this House, there has not been a single word expressed in opposition to the bill.

At this time I want to express a fair bit of pride and a lot of pleasure that the bill has made it this far. I also appreciate the comment and the mechanical problems pointed out by the valiant and honourable member for Bonavista—Trinity—Conception.

I look forward to following this bill through committee so that we can perhaps address some of those mechanical concerns. I think it is important that we address them, but it is also important that we look at the intent of the bill.

I want to thank the Legion members in my riding who supported and encouraged it. I want to thank the hundreds of people from coast to coast in this country who have written in support of the reinstatement of the Victoria Cross. I have not had a single letter of criticism from anyone, but I have had numerous people encouraging me and thanking me for the initiative.

I want to thank all of the members in this House who gave unanimous consent to make this votable. The member for Regina—Lumsden has already been pointed out. The hon. gentleman came in here on crutches to make a speech in support of this bill. I think that shows the type of support it has among the membership.

Mr. Speaker, I thank you and I thank the table officers for their help. One should never presume what is going to happen in this House, but having heard no word of opposition I look forward to this bill passing and working in committee to get it back as soon as possible.

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.

[*Translation*]

Motion agreed to, bill read the second time and referred to a legislative committee in the Departmental envelope.

[*English*]

The Acting Speaker (Mr. DeBlois): It being 7 p.m. this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

The House adjourned at 6.19 p.m.

HOUSE OF COMMONS

Wednesday, February 10, 1993

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

FISHERIES

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, recently the owners of the Usen Fisheries fish plant in Souris announced it was closing for the winter, throwing hundreds of people out of work and devastating the economy of eastern Prince Edward Island.

Because of federal fisheries mismanagement, the plant owners decided it was more economic to process redfish in Nova Scotia. People in the area are worried about their future and they want action from the federal government.

The Minister of Fisheries and Oceans has communities fighting communities over falling groundfish stocks. This is unfair and I call on the minister to ensure the future of the fish plant in Souris. The people of eastern Prince Edward Island want to work this winter but they cannot. The government must do everything possible to allow the plant to return to its former status as a year-round employer.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, section 30.1(5) in chapter IV of Bill C-105, which concerns changes to the Unemployment Insurance Act, doubly penalizes the unemployed.

It means that a claimant disqualified from receiving benefits because he voluntarily left his employment or lost his employment by reason of misconduct would be denied the right to receive benefits at the time the event occurs.

It also means that later on the following year, for instance, if this person again becomes unemployed without being disqualified on the grounds of the manner of termination of employment he would again be penalized because his case could be examined under subsection 6(3) and not 6(2), in which case he would need 20 insurable weeks instead of the number of weeks required under the variable entrance requirement to be eligible for unemployment insurance benefits.

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[*English*]

PORNOGRAPHY

Mr. Ken James (Sarnia—Lambton): Last October 25 through November 1 was the annual White Ribbon Against Pornography week. I was presented with white ribbons worn by concerned citizens of Our Lady of Mercy Roman Catholic Church in my riding of Sarnia—Lambton. These ribbons were worn as an expression of concern over the effects of pornography in our society.

Recently the Supreme Court of Canada unanimously upheld the anti-obscenity provisions of the Criminal Code as they apply to publications, video tapes, movies and other pornographic materials. This law is important as 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, along with all members of this House, am committed to fighting the violent and sexual exploitation of women and children.

S. O. 31

SUDBURY TAXATION CENTRE

Mrs. Diane Marleau (Sudbury): Mr. Speaker, the employees of the Sudbury taxation centre are fuming over the recently announced parking fee increase which will come into effect this April.

This marks a 33 per cent increase over the two and one-half years since parking fees were first implemented and this for a parking lot that is not accessible or usable by anyone else.

I want to remind this government that these are the same federal employees, most of whom are women, who have had their wages frozen for the next two years. Once this tired old government is through after the 33 tax increases, the GST, free trade, its assault on middle class families, the unemployed and in this case parking fee increases, the concept of disposable income will no longer exist for these hard working Canadians.

This government is an advocate, I believe, of disposable Canadians, not disposable incomes. I urge the minister responsible to reconsider his decision and for this government to give Canadians a break.

* * *

TRADE

Mr. Garth Turner (Halton—Peel): Mr. Speaker, it was just a few days ago that opposition members were screaming in this House that free trade with the United States was not working because the Americans had imposed modest duties on Canadian steel.

This was absolutely no proof that the FTA is flawed. In fact without the agreement Canadians would have no opportunity to fight arcane protectionist U.S. trade laws.

Today opposition members should be admitting that free trade works because Canada has just scored another important victory using the dispute settlement mechanism of the FTA. Canadian durum wheat exports to the United States are a success story at $65 million a year. Now a free trade arbitration panel has dismissed U.S. attempts to hurt Canadian producers. This is the ninth consecutive time that Canada has won using the terms of the free trade agreement. In addition, since the FTA was implemented, Canadian exports to the United States have soared while we have gained protection from protectionism. The least the critics can do today is thank God for the FTA.

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AGRICULTURE

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I want to join with others in welcoming to Ottawa members of the prairie pools who will be meeting with the respective caucuses later this day. They are here to discuss among other things the serious income crisis which is hurting Canadian farmers.

The agricultural industry is a fundamental pillar of the Canadian economy. Agricultural exports represent 7 per cent of all Canadian exports in a trade surplus of $3 billion.

Western grain farmers, Ontario corn producers, the Quebec milk industry and the maritime potato farmers are living in very difficult times.

I want to tell them that for a Liberal government, farmers and agriculture will be a priority. Food security and maintaining rural life are essential to the future of Canadians. It makes good economic sense.

* * *

TRADE

Mr. Jack Shields (Athabasca): Mr. Speaker, it is my pleasure to inform the House and underline an important report by a dispute resolution panel under the free trade agreement on Canadian durum wheat exports to the U.S.

The report, which was jointly released by both countries on February 9, concludes that the Canadian Wheat Board's pricing practices for durum wheat exports to the U.S. are consistent with the rules set out under the free trade agreement.

This ruling demonstrates the dispute settlement process does work. Much has been said on the durum issue but what counts is the panel ruling. As a result of the free trade agreement we are able to deal fairly with the concerns raised in the U.S. Canadian durum will be able to continue to move into the market.

The government has always maintained that the Canadian Wheat Board operates within the rules set out under the free trade agreement. This panel ruling of February 9 confirms this. The Canadian Wheat Board on

behalf of Canadian producers will continue to take advantage of all market opportunities wherever they may be.

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MEMBER FOR ESQUIMALT—JUAN DE FUCA

Ms. Mary Clancy (Halifax): A shattering event took place this morning on Parliament Hill. That noted feminist and advocate for gender equality, the member for Esquimalt—Juan de Fuca, made a mistake. Worse, this Canadian Phil Donahue, this British Columbian Alan Alda, this prototypical gender sensitive nineties liberated male made a mistake about me.

• (1410)

Knowing as I do the hon. member's utter devotion to furthering the cause of women in politics and knowing that in his long years in politics he has probably never been misquoted, I can only suppose that he attributed statements to me that I have never made without checking with me because he is too shy, too hesitant, too totally opposed to any hint of confrontation to even approach me.

I know he will say that he read it in print. I can understand that such a naive innocent would believe everything he reads. But I am here to put him out of his misery, quick.

My office door is always open. I can always be reached by phone. I even have a surprise for the hon. member. I would be prepared to speak to him in the lobby, not the lawn, not more than once a week, but I would be prepared to speak. I promise that he will never ever have to run the risk of being so totally wrong again.

I say to him, through you, Mr. Speaker: Dave, do you want to step outside?

Mr. Barrett: Let's go.

* * *

HEALTH

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, this issue was raised in the House last week by the member for Churchill. *The Queen's Journal* quotes the member for Halifax, saying that she supports the North American free trade agreement because it puts Canada in a good position. She said that NAFTA is much better than the bad deal negotiated by the Tories and the U.S. in 1988.

However, my issue today is not that. It has to do with the Minister of National Health and Welfare's lack of commitment to increasing funding for AIDS.

We cannot afford to be short-sighted when it comes to funding for AIDS and HIV. The cost in human, social and economic terms is too high. Funding for education, prevention and research in HIV and AIDS is a wise investment. It should be a question of when we spend these sums of money, not if.

Canada can dedicate adequate funds now or we can try to cut corners and pay for the far higher social and financial costs that will come later as we deal with the unnecessary, tragic and costly illnesses we will have failed to prevent.

The minister is on record saying the government must be committed to long term action. I urge the government to follow the advice of its own experts and I urge the minister to heed his own words that the government must commit itself to long term and adequate AIDS funding now.

* * *

KASHMIR

Mr. John Reimer (Kitchener): Mr. Speaker, I would like to draw the attention of the House to the tragic history of Kashmir.

A UN Security Council resolution in 1948 called for a plebiscite to determine Kashmir's future. That never occurred. Since then, tens of thousands have been killed or wounded. On January 6 of this year Indian forces killed more than 40 civilians and wounded approximately 100 more. This is in addition to the thousands of civilians over the past 40 years who have been subjected to arbitrary arrest, rape and torture.

In view of the world's disregard of Kashmiris' human rights and the resulting suffering, I urge the Government of Canada to strongly recommend that the UN Security Council actively pursue a solution that is in harmony with UN initiatives and the 1972 Simla accords.

Surely the principle of self-determination of which Canada has been a great supporter should be upheld in Kashmir. The long-suffering Kashmiri people should

not be continually brushed aside simply because other world events occupy the world's attention.

* * *

ROYAL CANADIAN MOUNTED POLICE

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, an Alberta RCMP officer has admitted to having sex with a woman in his police car while on duty and in his uniform. It is alleged that he may have asked for sex in exchange for not charging her with impaired driving.

Instead of focusing on the RCMP officer's abuse of power and appalling behaviour, an internal RCMP investigation checked into the young woman's sexual history. This so-called evidence was used to dismiss criminal charges against the officer who is still on duty over a year later.

I ask the Solicitor General to investigate this matter personally. RCMP officers must never be allowed to abuse their power. The Solicitor General must establish a fair method of looking into complaints against RCMP officers so these inquiries do not boil down to investigators conducting a witch-hunt on the complainant in defence of their colleagues.

Canadian women deserve much better than this.

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[*Translation*]

CANADA POST CORPORATION

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, recently I was invited by Canada Post to visit its control centre for the Quebec City division and attend the daily postal service control session.

If the public were given the same opportunity it would realize how much the corporation has managed to do in a very short time comes in response to extraordinary changes in our economic and social environment.

Furthermore, after operating with a deficit for 30 years as high as $600 million annually they have managed to eliminate this deficit by introducing control systems. They can now offer Canadians an efficient postal service at a much more reasonable cost.

I can testify to the tangible, positive results Canada Post has achieved by streamlining its spending and focusing on customer service.

[*English*]

UNEMPLOYMENT INSURANCE ACT

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, what the Tories have done with the UI Act is a continuation of the destruction the Liberals started in 1978. The then Minister of Finance is now the leader of the Liberal Party.

We have noticed that the Liberals are silent on the reduction of benefits. Why is that? Could it be because the Liberals support the 3 per cent reduction just as they did when they reduced benefits more than 6 per cent in 1978?

At that time they used all the same excuses the Tories are using now to attempt to justify their actions. At that time the Liberals took the meat and potatoes off the table. Now the Tories are taking the bread and milk off the table.

No one should trust the Liberals to be any different from the Tories when it comes to attacking the unemployed.

ORAL QUESTION PERIOD

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Ms. Sheila Copps (Hamilton East): Mr. Speaker, in the absence of the minister of employment my question is for the Prime Minister.

For several weeks the minister of employment has stressed that if someone is transferred or changes jobs his or her spouse is eligible for unemployment insurance if they move. However, according to the regulations released yesterday, the minister says that the community's expectation that married people will live together permanently is not an absolute principle for justifying someone who quits his or her job.

Does the Prime Minister agree with the principle that a married couple should stay together?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, for the benefit of the hon. member and members of this House, I would say that she is drawing conclusions that are incongruous, to say the least, from a document that is only a draft which I have never seen and have not authorized and which cannot change the law. I could refer the hon. member to decisions of the Federal Court of Canada which clearly

say that under the law anyone who quits a job because there is no reasonable alternative is entitled to unemployment insurance benefits. That will not change at all.

[*English*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the minister can twist and turn as much as he likes.

The fact is at the very time he was telling this House that sexually harassed women would be protected, that spouses could stay with their spouses in case of a job transfer, at the very time he was making these promises in the House his own officials were preparing regulations that did the exact opposite.

His own internal document says that a mother who has a child undergoing long-term treatment in a hospital in another city cannot leave her job to be near her child unless she can prove that no one else can fulfil her role.

How in the name of all decency can the minister ever circulate a document which would deny the necessity of a mother to be near a critically ill child?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I know the hon. member is really concerned about twisting the truth.

The member refers to a draft document of the department as regulations in preparation. They are not regulations. They are directives that eventually I will have to endorse and approve. That has not been done.

I want to reiterate with respect to any person in Canada who has to quit his or her job because there is no reasonable alternative, we will ensure that person receives benefits under the Unemployment Insurance Act.

• (1420)

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the Prime Minister shakes his head and says I am not telling the truth. The minister of trade accuses me of being in a kindergarten.

Will the Prime Minister review the documentation which quite clearly shows that in the case of a critically ill child the mother cannot be guaranteed benefits unless she can show that somebody else cannot actually be there to be with her child.

I know it is an issue of concern to the Prime Minister. Will he personally review the recommendations that are being circulated? Will he state categorically that any policy of the employment ministers department that would deny a woman the right to be with her dying child will be refuted forthwith?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I really do not know why my hon. friend in seeking to make a political point would trivialize a human situation by suggesting that an official of the Government of Canada would in any way, directly or indirectly, tolerate the kind of human condition to which she refers.

My hon. friend knows, or should know there are already 40 reasons considered to be legitimate for quitting a job. They are accepted as such by the Unemployment Insurance Commission and sustained by jurisprudence. These include: sexual harassment, dangerous working conditions, obligations to accompany a transferred spouse, obligation to take care of a child, any unilateral reduction in salary, unilateral changes in working conditions, discrimination on a prohibited ground of any type of discrimination, the refusal or loss of a right to union affiliation or participation in union activity, and so on and so forth.

It is a sensible, appropriate, humane and reasonable list of realities which makes sure that the presumption is always resolved in favour of the worker. What we have is a situation accepted by many industrialized countries in the world.

My hon. friend may have a valid point from time to time but she certainly is destroying whatever validity she has today.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I would like to remind the Prime Minister that with those 40 points he mentioned, it is always the worker who has to provide the proof.

Right now in Montreal there is a two-year delay in appealing those cases.

[*Translation*]

My question is for the Minister of Employment and Immigration. The changes that this government has

already made to our unemployment insurance system have moved it closer to the one our southern neighbours have. In the United States the government does not fund unemployment insurance and benefits are not paid to those who quit their jobs.

Why does the government continue to lower our system in order to harmonize it with the Americans? Is that another secret promise made when the free trade agreement was signed?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my friend is mistaken. I have just come from the United States and far from harmonizing downward, President Clinton and his wife have looked at our social programs and are trying right now to make theirs better and more like ours, using our unemployment insurance program as a model. My friend is mistaken. Our social programs are better than those in the United States and we intend to keep them.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I will let the people judge that the Prime Minister is mistaken. Personally I know that in the United States the American government does not help fund unemployment insurance and does not let those who quit their jobs voluntarily, for valid reasons, collect unemployment insurance benefits. We are now moving toward the American system and not the other way around. Why do that now that a free trade agreement has been signed?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the provision that my friend mentions is indeed contained in French law, and France has a socialist government which is considered "generous". Are we harmonizing our unemployment insurance system with France?

Mr. Gagliano: Not in Spain.

Mr. Mulroney: Now he says: "Not in Spain".

The fact is that we have the most generous social programs in the world, I think. Some countries imitate us and some have other provisions, but the Government and Parliament of Canada are keeping the highest standards for protecting our people.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Prime Minister.

Today it was reported that the government intends to hire 300 unemployment police, also known as the Bernard macoutes, which seems to be a new federal policy. This would mean hiring another 300 people to hunt down the victims of the government's policies, at very high cost, because 300 people more with salaries and benefits might cost as much as $12 million.

Why is the government spending money to hunt down its victims instead of helping them?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the focus of the question of the Leader of the New Democratic Party was: "The government's plan to hire 300 inspectors, 300 police". That is false.

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I quote a senior official of the employment department today who said: "There is no particular change in claimant behaviour", referring to unemployment insurance, and "it is just that if you put more resources in you catch more. It is like putting more police cruisers out on the highway. You are going to have more speeding tickets".

Instead of taking this approach to punish the victims and instead of forcing people to work in unsafe working conditions, why is the government not taking those funds to create employment in this country and stop punishing the unemployed?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I just said that the prefatory remark of my hon. friend in French was false. It is false in English as well.

The question in respect of quotes from any anonymous employment official is one you will have to ask the anonymous employment official.

As Prime Minister I am happy to tell my hon. friend that the statement on which she based her question is false both in English and in French.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I would like to note then that the Prime Minister is on the record as saying it is not the intention of the department to simply hire more people to punish the victims of unemployment. I accept his answer.

However, I have something to say to the Prime Minister concerning the proposed changes to unemployment insurance in general. It is clear, as it was from the previous questions, that the government is putting the onus on the employee to prove his or her case. This is

clearly an instance of the innocent having to prove their innocence rather than the opposite. If your spouse moves, you are going to have to hire a lawyer to see if you can get UI. If your child is sick, you are going to have to hire a lawyer to see if you can get UI.

I challenge the government to answer why it is proposing all these changes to unemployment insurance if, as the Prime Minister says, all of these exemptions already exist? Why not drop the changes and be fair to Canadian workers?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend in her third question very generously accepts my answer and then proceeds to change the context.

In French the hon. member began by referring to 300 police who are going to inquire, *les enquêteurs*. There is no such thing. I have indicated in both English and French that is false. The entire question therefore I think ought reasonably to fall.

My hon. friend asks perhaps legitimately about concerns as to how the unemployed might be protected. I pointed out to the opposition spokesman that there are 40 reasons that exist and that are viewed as legitimate for quitting a job and continuing to receive unemployment benefits.

Ms. McLaughlin: Then why change the law?

Mr. Mulroney: My hon. friend says why change it. It is because they range from sexual harassment all the way to a new position classification resulting in a lower pay for the employee. The protection for an employee is absolutely comprehensive.

• (1430)

The question that arises is a question that I suppose could be fairly debated: Is it appropriate in a society like ours that someone without provocation, without reason, without justification of any kind, quits and walks away from his or her job and asks ordinary Canadian taxpayers to pay for unemployment insurance.

It may be that we should have a social program to look after that kind of a situation, perhaps a universal social program. It is not unemployment insurance, it is not insurance against unemployment, it is a wilful act of an individual to walk away from his employment.

Therefore, I tell my hon. friend that the unemployed are totally covered pursuant to these changes, and I think generously and appropriately covered.

* * *

INFRASTRUCTURE

Mr. Joe Fontana (London East): Mr. Speaker, talking about learning from other nations, hopefully our Prime Minister can learn from some of these. Europe has committed itself to a $30 billion infrastructure program; Japan has committed itself to at least a $40 billion infrastructure program; President Clinton, whom he met last week, will commit the United States to a $32 billion infrastructure program.

I want to ask the Prime Minister this question. Will Canada commit itself today to rebuilding its roads, sewers, bridges, towns and cities, and put thousands of people back to work?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend refers to commitments by Europe. That, of course, is misleading information. It is totally misleading. At the Edinburgh summit certain amounts were discussed. They have not been accepted or implemented in any way in regard to stimulative spending; in fact, they are encountering an enormous number of difficulties.

President Clinton has yet to announce any program in the United States. However, someone who has announced this kind of a program, the Minister of Finance of Canada, expended $2 billion on a pro-active program on December 2. On a per capita basis that would amount to some $25 billion in the United States. They are talking about a $20 billion expenditure there.

I think we have done our share, although I would be happy to hear from my hon. friend about what more we could do and how we can finance it.

Mr. Joe Fontana (London East): Mr. Speaker, perhaps we will take the Prime Minister up on his challenge, if he would bother to read our position on the infrastructure program.

Canadian municipalities are looking for confidence from this government. Municipalities such as Halifax,

Montreal, Toronto and Calgary, London are prepared to put their money where their mouths are, as are the provinces, in a one-third, one-third, one-third program.

If the federal government had the guts to have confidence in the Canadian municipalities and workers instead of penalizing the unemployed, we could put people back to work and rebuild our towns and cities.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, that was quite interesting.

My hon. friend, in response to my inquiry about how it was going to be financed, said to read their position on infrastructure. That is like reading Ripley's *Believe It Or Not*. I thought in reading the position on infrastructure the member said that it would be financed out of the proceeds from their GST, the new GST.

I point out to my hon. friend we have a situation today where we have the lowest inflation rate that we have had in Canada in 30 years. We have the lowest interest rates that we have had in Canada in 20 years. We are going to lead the employment growth of the OECD and we are also going to lead in economic growth.

My concern with the otherwise intelligent suggestion of my hon. friend is what took place with our NDP friends in Ontario where they announced a billion dollar NDP job plan which created 675 jobs. That is not the way you create jobs. You create jobs by lowering interest rates and by lowering inflation.

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TAXATION

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, my question is for the Prime Minister. As you all know, the government has a legal and moral obligation to pay its fair share of municipal taxes. Canadian taxpayers do not have the option of cutting back on the amount of federal, provincial and municipal taxes they pay when times are tough. Neither should the federal government have the option to do so.

Why is the government refusing to abandon its arbitrary plan to cut $80 million in revenues from municipal coffers by freezing grants in lieu of taxes?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Minister of Public Works will be in the House on Monday. I spoke to him late last evening in regard to this matter. He has been meeting with the mayors and leaders of Canadian municipalities. No doubt he will be happy to respond in greater detail to my hon. friend during the course of the next week.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, I appreciate that. I want to ask the Prime Minister if he can do this for us.

If it is true that leaders of municipalities and the minister are meeting and that there is a lot of work to be done on the calculation and the formula itself, will the Prime Minister undertake to ask his officials to work in consultation with Canadian municipalities? At the same time as a measure of good faith, will he cancel the freeze on grants in lieu of taxes until this whole situation is cleared up?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, as the Prime Minister just said, the Minister of Public Works met with municipal leaders yesterday and that was not what they asked for. They understand the situation.

We have doubled payments to municipalities in lieu of taxes in the last six years, from some $217 million to $438 million, almost half this year. They understand the fiscal situation the federal government is experiencing as well and they are prepared to co-operate. The minister had a very good meeting with them yesterday and is committed to meet with them again very shortly in this regard.

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DAVIS INLET

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, the opposition welcomes the government's announcement of yesterday that it intends to move the Davis Inlet Innu community over to the Labrador mainland.

My concern is why it takes so long for the government to act and why it only acts in response to negative reports in the international media. There are hundreds of aboriginal communities across Canada that have substandard housing, inadequate sewer and water systems, high levels of unemployment, substance abuse, family violence as well as the highest youth suicide rate in the world.

When will the government live up to its moral and legal obligation to bring the standard and quality of life of all of Canada's aboriginal communities up to the level enjoyed by other Canadians?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, the hon. member paints a very bleak picture. Fortunately it is not a true one.

Speaking of action, it was my decision to study the possible relocation of the community at Davis Inlet. I received that report a little over six weeks ago. I took recommendations to cabinet and the government has acted in the appropriate way.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, my supplementary question is for the same minister. The government is only too ready to quote the UN development report on the standard and quality of life of member countries. From the point of view of Canadian white males Canada ranks first, but from the point of view of women it drops to eighth position.

This year's report will cite Canada as one of the cruelest countries in the world from the point of view of aboriginal ethnic groups. What steps does the government plan to take in the International Year of World Indigenous People to improve the reputation of Canada as one of the cruelest countries in the world for aboriginal people?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I do not think it is befitting of this member to mischaracterize Canada in this way. One step Canada could take would be to better educate members of Parliament who are spreading untruths about Canada's reputation in this respect.

• (1440)

Mr. Speaker: I know the minister feels strongly about a dispute in facts here, but he will want to be sure that his language does not take us into the bounds of something unparliamentary.

Mr. Siddon: Mr. Speaker, I will be careful of my use of language. I do believe the hon. member should be careful of his use of figures.

Among the nations of the world, Canada extends more generous benefits in housing, in infrastructure, in education, in social programs and in constitutional guarantees and land claim settlements than any other nation on the face of this earth.

* * *

AGRICULTURE

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, my question is for the Minister of Agriculture. He knows that the U.S. export enhancement program has cost Canadians farmers $2.5 billion. We also know that there is a bill before the U.S. Congress calling on its government to use EEP on U.S. exports to Mexico, thus directly attacking a Canadian market.

We also know that the problem of EEP was never a priority in the NAFTA negotiations. That was confirmed at committee by a chief Canadian negotiator.

My question for the minister is this. When is the government going to stand up for Canadian farmers and confront the United States of America on its export enhancement program?

Hon. Charles Mayer (Minister of Agriculture): It is interesting, Mr. Speaker, that the member did not make reference to the way we confronted the U.S. over the durum panel that was announced yesterday where essentially Canada won all five counts.

The member is absolutely right that we do not like the over-all effect of EEP and we have said so pretty directly to the Americans. Again, if he wants to be fair about it, he should also point his finger even more accusingly at the Europeans who we estimate will spend over $7 billion on export subsidies this year as compared to the Americans who will spend about $500 million.

The real solution to this is to deal with it at the GATT. This government has been putting a lot of pressure on in trying to get a solution there.

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, net farm income in this country is expected to drop almost $1 billion this year. Farm bankruptcies are up alarmingly and half of those bankruptcies are in the grains sector.

Faced with this economic crisis, farmers cannot understand the government's preoccupation with a continental barley market. Most farmers do not want it. If the

minister has any doubts about it he can ask members of prairie pools who are in Ottawa today.

When is the government going to get its priorities straight and what is it going to do to attack the current farm income crisis?

Hon. Charles Mayer (Minister of Agriculture): Mr. Speaker, the member should know that farm bankruptcies are down in 1992 over 1991. They are still plenty high, but they are down. They are going in the right direction. They are at about the same level that they were eight or nine years ago. That is not necessarily good news, but it is not totally the bad news that the member wants to put out.

With regard to the study of barley, all we are doing is responding to the suggestions of many producers and many farm organizations suggestions that we study an over-all continental market that would provide an opportunity for individuals to sell into that market. That is nothing new. That is a question that has been asked, we think very legitimately, by many producers. We are trying very hard to address that question with an over-all panel.

The other thing the member should know is that one of the suggestions that was made in the review committee that looked at regulations is that the Canadian Wheat Board consider marketing Canadian flour, milled from wheat. For the hon. member, it is spelled f-l-o-u-r, not flowers, but flour made from wheat. That is one of the things that we are also considering.

Be careful, Mr. Speaker, when this member attacks us on how we have supported the board, because we have shown—

Mr. Speaker: The hon. member for Burin—St. George's.

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FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have a question for the Prime Minister. He will recall the high seas protest by a couple of boats from St. Pierre last month off the coast of Newfoundland. As a result, the fishery there for Newfoundland in particular is still very much in limbo. Grand Bank fishermen cannot go scallop fishing.

At the same time, people from St. Pierre continue to use our ports, our airports and to shop duty free, tax free in Canada. In a few weeks the St. Pierre groundfishery is going to begin and that is going to aggravate an already explosive situation.

What is the Prime Minister prepared to do? What tough measures, if necessary, is he prepared to take against France if St. Pierre continues to thumb its nose at our codfish quotas?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the Minister of Fisheries and Oceans is unavoidably detained outside Ottawa.

I will take notice of the hon. member's question. As soon as the minister returns I am sure he will want to provide him with an answer.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I thank the minister. Since he is answering today for the minister of fisheries maybe he could tell us about the latest bit of good news, that the minister of fisheries has seen the error of his ways on the groundfish licence cancellation. The bad news is that he is about to compound the error by freezing those licences.

I want to ask the minister of fisheries, through the minister who is answering, why it is that the government and the minister are letting those people twist in the wind, those people out there who have had no landings in their name because the landings were in the names of their skippers and those people who had disastrous fish landings? Why are the minister of fisheries and the government gunning for those people whose only sin is that there is no fish to catch in the first place?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, again I will take notice of the hon. member's question and when the minister returns he shall answer.

* * *

NATIONAL DEFENCE

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, on a number of occasions my party has demanded that instead of spending $4.4 billion to buy military helicopters the Government of Canada should send our existing fleet out for a complete retrofit at a considerable saving to the taxpayer.

My question is for the Prime Minister. Given that the Government of Canada has just sold seven of its Chinook helicopters to the Dutch government, which has in turn contracted with Boeing to retrofit those helicopters at a cost of $12.25 million each, will the Prime Minister explain to the Canadian taxpayer why this government insists on spending $88 million per helicopter for new ones instead of recycling the existing fleet?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the problem quite frankly is that our fleet is so aged that it could not perform the job required.

We are building new frigates. Those frigates are basically useless or very low utility without helicopters. It does not make sense to have a new ship and a 40-year old helicopter that cannot operate in bad weather.

We also need new search and rescue helicopters. The EH-101 after exhaustive evaluation is the best helicopter and the most cost efficient way to satisfy our defence requirements in terms of the frigates plus our search and rescue requirements.

A briefing was given to all political parties and everybody interested. I do not know if the hon. member was at the briefing or not, but if he had been there he would know that his question today is superfluous.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I think there are a lot of people who believe that the minister's answer is much the same.

The minister should be aware that not only has the Dutch government recognized the value of retrofitting existing helicopters, but the U.S. government has recycled over 800 of its Labrador and Chinook helicopters with the completion date being next year for the final round.

Given the recognition by the Dutch government and by the United States government that this kind of equipment can be recycled safety and efficiently, will the minister, before Canada sells off any more of its fleet at bargain basement prices, cancel the helicopter deal and put them back in the air in the right way?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, there has never been any question that we can recycle. The fundamental fact is that we end up with a more costly option in terms of performing the duty.

We can recycle the Labradors for search and rescue, yes, but the cost would be more than acquiring new EH-101s and we would end up with old helicopters.

The hon. member knows that it is entirely possible to recycle his 1950 Ford, but at the end of the day he ends up with an inferior vehicle than his 1992 one, and it costs more in the end. It is simple economics: we do the most cost effective thing and that is what we are doing.

* * *

• (1450)

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. Section 30.1(5) of chapter IV concerning unemployment insurance doubly penalizes the unemployed. If someone becomes unemployed again, without disqualification on the grounds of the manner of termination of employment, he will again be penalized because his case may be examined under subsection 6(3) and not under 6(2).

My question is this: Will the minister confirm to the House today that someone who is unemployed would be penalized again, since his case might be examined under subsection 6(3) and not subsection 6(2)? Workers should not be getting a double whammy. Will Bill C-105 be amended to reflect this?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, as I have said before, the question raised by the hon. member is the result of an error at the drafting stage. It was not our intention to penalize people who leave one job for another job. The bill will be corrected to reflect this as soon as it comes before the House for second reading.

* * *

[*English*]

AIDS

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, my question is for the Prime Minister.

The number of Canadians from Vancouver to St. John's infected with AIDS continues to rise. Canadians need $55 million a year for the next five years to stop the spread of this deadly disease.

What possible reason could the Prime Minister give to deny this request?

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, there is no doubt that this government supports and assists the needs for AIDS research and help.

This morning the minister met with four major organizations from the AIDS group. He has listened to their concerns very carefully and will be taking a plan to support them to cabinet in the very near future.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, meeting with groups is not enough. AIDS workers have a detailed plan to address this crisis today. Why can the government not make a firm commitment today to support their efforts? AIDS workers cannot do more with less, they can only do more with more.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, with regard to compensation and an assistance package for AIDS coming up in the fiscal year, there will be arrangements made.

We know we need research. We know that we need to assist them. Education and prevention have to be number one for all of us. We will be there. I can assure the hon. member that the minister has his message and will take it to cabinet.

* * *

JUSTICE

Mr. Tom Wappel (Scarborough West): Mr. Speaker, my question is for the Solicitor General and concerns the Stephenson inquest.

Today the minister's aide, Brian McInnis, is reported as saying that the minister will ask the Law Society of Upper Canada to advise him on the propriety of the billings of the Stephensons' lawyer and the value of independent lawyers at inquests and that "the door is still open".

I ask the minister in the name of fairness and compassion to be crystal clear to this House and to the Stephensons. Has he reconsidered his categorical refusal to contribute to the Stephensons' legal costs?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, as I have suggested in the House and on other occasions, I have every sympathy for the Stephensons.

I have suggested that I am fully prepared to have this matter reviewed by the Law Society of Upper Canada or the Canadian Bar Association to determine whether, for example, the cost of engaging such counsel should be municipal, provincial or federal; whether there should be independent legal advice before such an engagement is taken; and whether, the account should be taxed.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I take it that is an undertaking by the minister with respect to the Stephensons' legal costs and not the matters generally.

The problem is that the minister's answer illustrates the frustration ordinary Canadians have with our legal system. If the murderer Fredericks had been alive during the inquest, he would have been represented by an independent lawyer paid for by the taxpayer.

This government paid the inquiry legal bills, about two-thirds of a million dollars, for former cabinet minister Sinclair Stevens. Since the legal fees of a murderer on the one hand and a cabinet minister on the other are paid for by the taxpayer, will the Solicitor General listen to the ordinary Canadians who formed the jury and help pay the legal fees of two other ordinary Canadians, the Stephensons?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, there was just one error in what my hon. friend told the House. He neglected to say that legal aid in this country or the payment of legal aid is a provincial matter.

* * *

HIGH RISK OFFENDERS

Mr. Al Johnson (Calgary North): Mr. Speaker, my question is also for the Solicitor General. It is in regard to the issue of the public's right to know when high risk offenders are released into the community.

The Solicitor General is to be congratulated for the initiatives he has already taken to protect our families and communities. Last fall he significantly changed our laws to restrict parole for high risk offenders. While these actions tell Canadians that their safety comes first there is still much to be done, particularly in relation to the release of high risk offenders such as child sex abusers into unsuspecting communities.

What assurance can the Solicitor General give Canadians that their personal safety really does come first and that where necessary their right to know will override a convicted felon's right to privacy?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, there are in fact some dangerous offenders, high risk repeat sexual offenders and others, for whom there exists in the legal system a gap, that is where they do not respond to treatment, either they do not want it, they do not accept it or it is not possible, and at the end of their sentence they are released into the community.

I am of the view—and I think it is shared by members on all sides of this House—that we should take action on this matter. I can assure my hon. friend that I have discussed it with my friend, the Minister of Justice, and that we intend to proceed in the very near future with action in order to correct this gap in the legal system.

* * *

TRANSPORTATION

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, my question is for the Minister of Transport and concerns the funding for a commuter railway through the northeast sector of greater Vancouver, one of the most rapidly growing areas of Canada.

Three days before the 1988 federal election a Conservative minister and a provincial Social Credit minister announced shared funding for such a project but after the election it disappeared. The new government of British Columbia intends to make this a priority and even CP Rail is now on board.

Will the minister, for the good of the environment, for jobs and for the economy, reaffirm the federal government's previous commitment to this project, contribute one-half the cost, and agree with me it is time to get on with actually driving the first spike rather than talking about it?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I would like to remind the hon. member that when he made his announcement on July 29, 1988 the Minister of State for Transport at the time said: "The minister emphasized that federal funds will be available after provincial officials complete operational and infrastructure agreements with CP". We have not seen any action in this area lately.

* * *

PLYWOOD INDUSTRY

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, Canadian plywood producers are outraged at the recent announcement of the minister of trade that the Canada-U.S. plywood standards dispute has been resolved.

As the minister knows the harmonized standard recommended by the binational panel has been completely ignored by U.S. plywood producers and as a result the playing field is now tipped largely in favour of the U.S.

Will the minister demand that negotiations be reopened so that Canadians exporters can gain fair access to the U.S. market? Will he demand that U.S. producers immediately adopt a harmonized production standard, and will he impose a freeze on tariff reductions until U.S. producers decide to play fair ball with Canada?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my friend refers to the interests of some parts of the industry. Other parts of the industry have been pressing the government for four years to resolve this issue. We resolved almost all of the issue as a result of negotiations last year.

There is one outstanding item in relation to the size of the knot-hole and the standard related to that. That matter is under discussion right now with the Americans. They have committed to us to resolve it as quickly as possible. I am sure that my hon. friend will support us in the discussions we will be having with the Americans to continue that process.

• (1500)

Mr. Speaker: I will take a single question from the hon. member for Winnipeg South Centre, followed by a single question from the hon. member for Halton—Peel.

CHRISTINE LAMONT

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

This morning in a TV interview, when asked about the very tragic report that Christine Lamont had contacted tuberculosis in a Brazilian jail, the Secretary of State for External Affairs said that she would only act if there were more positive tests.

We know that any further tests taken in the unsanitary conditions of a Brazilian jail could lead to more disastrous and deadly diseases. I want to ask the acting minister on behalf of the government what steps the Government of Canada is going to take to ensure that Christine Lamont will receive proper care and, if clearly diagnosed with TB, whether she will be immediately brought back to Canada.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I do not think it is appropriate on the floor of the House to be discussing Christine Lamont's health conditions. Le me simply say that from the information we have received, it is premature to draw the conclusions that my hon. friend has just drawn. What we have offered to the family is to have them come and meet with the Secretary of State for External Affairs at the expense of the government. We hope they will take up this offer and have those discussions soon.

* * *

BILL C-105

Mr. Garth Turner (Halton—Peel): Mr. Speaker, union bosses are marching in the street right now saying proposed changes to the UI scheme are heartless and that the Tories are fighting a recession on the backs of the unemployed. Nobody seems to be talking about whether or not the changes would help the economy or trade jobs.

My question is for the minister responsible for small business. Can he tell the House how independent businesses are reacting to the provisions in Bill C-105 which Canada's big unions seem intent on stopping?

Hon. Tom Hockin (Minister for Science and Minister of State (Small Businesses and Tourism)): Mr. Speaker, independent business people, small business people, male and female, have two characteristics in common. First of all, they are usually too busy running their enterprises to march down the streets for photo opportunities. The second characteristic is they are creating jobs. They have created 81 per cent of all the new jobs in this country in the last 10 years.

The CFIB members in an opinion survey about the UI changes made just three suggestions. When asked about freezing of premiums at current levels, 82 per cent were in favour. When asked about suspending UI premiums in order to have new hiring, 76 per cent were in favour. When asked about no benefits for employees who voluntarily quit without reason, 81 per cent were in favour.

These are the people, 1.6 million—

Mr. McDermid: Mr. Speaker, I rise on a point of order. I think you will find there is consent to call immediately for concurrence in Ways and Means Motion No. 25.

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

Some hon. members: Agreed.

* * *

WAYS AND MEANS

EXCISE TAX ACT

Hon. John McDermid (for the Minister of Finance) moved that a Ways and Means motion to amend the Excise Tax Act, the Access to Information Act, the Canada Pension Plan, the Customs Act, the Federal Court Act, the Income Tax Act, the Tax Court of Canada Act, the Tax Rebate Discounting Act, the Unemployment Insurance Act and related acts laid upon the table Wednesday, December 9, 1992, be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

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

(Division No. 409)

YEAS

Members

Anderson
Andre
Atkinson
Attewell
Belsher
Bernier
Bertrand
Bird
Blackburn (Jonquière)
Blais
Blenkarn
Bosley
Boyer
Brightwell
Cadieux
Campbell (Vancouver Centre)
Cardiff
Chadwick
Champagne (Champlain)
Charest
Clark (Brandon—Souris)
Clifford
Cole
Collins
Cooper
Corbeil
Corbett
Côté
Couture
Crosby (Halifax West)
Danis
Darling
DeBlois
de Cotret
Della Noce
Desjardins
Dick
Dobbie
Domm
Dorin
Duplessis
Edwards
Epp
Fee
Feltham
Ferland
Fontaine
Fretz
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Greene
Guilbault
Gustafson
Halliday
Harvey (Chicoutimi)
Hawkes
Hicks
Hockin
Hogue
Holtmann
Horner
Horning
Hudon
Hughes
James
Jelinek
Johnson
Joncas
Kempling
Koury
Landry
Langlois
Larrivée
Layton
Littlechild
Loiselle
Lopez
MacDougall (Timiskaming—French River)
Malone
Marin
Martin (Lincoln)
Masse
Mayer
McDermid
McLean
Merrithew
Mitges
Nicholson
Oberle
O'Kurley
Paproski
Porter
Redway
Reimer
Ricard
Robitaille
Roy-Arcelin
Saint-Julien
Schneider
Shields
Siddon
Sobeski
Soetens
Sparrow
Stevenson
Tardif
Tétreault
Thacker
Thompson
Thorkelson
Tremblay (Québec-Est)
Tremblay (Lotbinière)
Turner (Halton—Peel)
Valcourt
Van De Walle
Vankoughnet
Vien
Vincent
Weiner
Wenman
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Winegard
Worthy—125

NAYS

Members

Allmand
Althouse
Anawak
Angus
Arseneault
Axworthy (Winnipeg South Centre)
Barrett
Bélair
Bellemare
Benjamin
Bevilacqua
Blackburn (Brant)
Blaikie
Boudria
Breaugh
Butland
Caccia
Campbell (South West Nova)
Catterall
Clancy
Comuzzi
Copps
Crawford
Dingwall
Dionne
Duceppe
Duhamel
Edmonston
Ferguson
Finestone
Fisher
Flis
Fontana
Foster
Fulton
Gaffney
Gagliano
Gauthier
Gérin
Gray (Windsor West)
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Heap
Hovdebo
Hunter
Jordan
Karpoff
Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)
Kristiansen
Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Lee
MacAulay
MacLellan
MacWilliam
Maheu
Manley
Marchi
Marleau
McGuire
Mifflin
Mills
Mitchell
Murphy
Nault
Nowlan
Nystrom
Ouellet
Pagtakhan
Parent
Peterson
Pickard
Plamondon
Riis
Rocheleau
Rodriguez
Simmons
Skelly (Comox—Alberni)
Stupich
Tremblay (Rosemont)
Venne
Waddell
Walker
Wappel
Whittaker
Wood
Young (Acadie—Bathurst)
Young (Beaches—Woodbine)—91

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare the motion carried.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, pursuant to Standing Order 36(8), I have the

honour to table, in both official languages, the government's response to 45 petitions.

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

• (1550)

* * *

[*English*]

JUSTICE AND THE SOLICITOR GENERAL

11TH REPORT OF STANDING COMMITTEE

Mr. Bob Horner (Mississauga West): Madam Speaker, I have the honour to present in both official languages the 11th report of the Standing Committee on Justice and the Solicitor General.

Pursuant to Standing Order 108(2), the committee has considered the definition of serious harm in Section 99 of the Corrections and Conditional Release Act, Chapter 20, Statutes of Canada 1992, and the committee agreed to make recommendations for a new definition.

Under Standing Order 109 the committee requests comprehensive response within 150 days. However, I hope that the minister will report much sooner than in 150 days.

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

* * *

[*Translation*]

PEACE MEDAL ACT

MEASURE TO ENACT

Mr. Ronald J. Duhamel (St. Boniface) moved for leave to introduce Bill C–402, "an act respecting the establishment and award of the Peace Medal to Canadians serving with a United Nations Peacekeeping Force".

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Duhamel: Madam Speaker, I am pleased to present this bill, an act respecting the establishment and award of the Peace Medal to Canadians serving with a United Nations Peacekeeping Force.

[*English*]

The purpose of this bill is really quite simple. It is to create a peace medal to honour Canadians who participate in peacekeeping activities anywhere in the world.

Canadians have long held the tradition of serving with the United Nations throughout the world. They are held in high esteem across this planet. In fact, Canadians were among the peacekeeping forces who won a Nobel Peace Prize for their involvement in peacekeeping a few years ago. That is something of which we are all proud. As well, there are currently peacekeeping forces in a number of countries such as Croatia, Bosnia–Hercegovina and other parts of what was Yugoslavia.

In this particular case the minister would award the peace medal to any eligible person to commemorate an act performed as part of peacekeeping in the world and someone who gave his or her life to keep peace in the world or died from a cause attributable to his or her service with the United Nations.

Madam Deputy 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.

* * *

PARLIAMENT OF CANADA ACT

MEASURE TO AMEND

Mr. Guy Saint–Julien (Abitibi) moved for leave to introduce Bill C–403, "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, I would like to thank the Conservative member for Etobicoke—Lakeshore for supporting me today in tabling this bill.

I am presenting this bill on behalf of the taxpayers in Abitibi. Its purpose is to require the member for Abitibi to disclose to the House of Commons his expenses that are directly related to his parliamentary duties.

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.

* * *

[*English*]

SUBCOMMITTEE ON INTERNATIONAL TRADE

AUTHORIZATION FOR COMMITTEE TO TRAVEL

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, I move:

> That seven members and nine staff persons of the Subcommittee on International Trade be authorized to travel to Charlottetown, St. John's and Moncton to hold hearings on the North American free trade agreement on February 10 to February 17, 1993.

Madam Deputy Speaker: Does the hon. parliamentary secretary have the unanimous consent of the House to move the motion?

[*Translation*]

Mr. Plamondon: Madam Speaker, I am prepared to co-operate with the new parliamentary secretary, but we were not advised of this motion. We will give our consent today, but in future, we would prefer some advance notice of the various motions to be presented in this way, as has been the custom for some time.

Madam Deputy Speaker: The Chair has concluded there is unanimous consent. The House has heard the terms of the motion as moved by the parliamentary secretary. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Madam Deputy Speaker: Agreed and so ordered.

Motion agreed to.

Mr. Langlois: Madam Speaker, further to what was said by the hon. member for Richelieu, I would like to give the hon. member the assurance that in future I will do what I can to keep him informed of the motions to be tabled in this way.

[*English*]

PETITIONS

GOODS AND SERVICES TAX

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I have a petition that requests there be no goods and services tax on books and reading materials.

The petitioners point out that reading is a cornerstone of our democracy, of increased productivity and competitiveness, all things that we hold in priority and hold dear in our nation. They ask that the goods and services tax be removed.

BROADCASTING

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I have another petition which asks that the Parliament of Canada monitor very closely the use of foul language and violence on television and radio.

The petitioners believe that such use counteracts the efforts being made by many families in Canada and they point out that foul language and violence are not needed to inform or to entertain.

BILL C-91

Mr. Sergio Marchi (York West): Madam Speaker, I have a total of 17 petitions signed by residents in the riding of York West which I have the honour of representing.

The petitioners call on the government to rescind the recent legislation that was given Royal Assent, namely Bill C-91, which will basically do away with the compulsory drug licensing system that we have had in this country for years, which worked on behalf of consumers, which kept health costs down and which encouraged a Canadian pharmaceutical industry to flourish in this country.

The petitioners ask this government to rescind Bill C-91 and to allow both generic and multinational corporations to coexist to the advantage of the Canadian consumer and the Canadian health care system.

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I would like to table a petition from the residents of

Saint-Mathieu, Amos, Val-d'Or, Landrienne, Saint-Félix, Sainte-Germaine, Val-Senneville, Saint-Marc-de-Figuery, Vassan, Saint-Dominique-du-Rosaire, Dubuisson, Malartic and Rivière-Héva, in Abitibi, who say that violent films on television are dangerous and therefore unacceptable because they act as a stimulus for violent behaviour.

The petition also says that all toys that incite children to play violent games are unacceptable and their manufacture should be banned.

Consequently, the petitioners humbly pray and call upon Parliament to pass the appropriate legislation in order to eliminate violence in our society and thus protect our children and give all citizens a better quality of life.

[*English*]

JUSTICE

Mr. Brian O'Kurley (Elk Island): Madam Speaker, pursuant to Standing Order 36, I would like to table three petitions which include the names of hundreds of Canadians in and around the riding of Elk Island. These petitioners live in places like Fort Saskatchewan, Ardrosson, Bruderheim, Sherwood Park, North Cooking Lake, New Sarepta and Edmonton.

These people believe that the Young Offenders Act in itself is inadequate to deal with the problems of youth crime. They also believe that this act must be strengthened or replaced by legislation that will act as a stronger deterrent to criminal activity by our nation's young people.

Therefore the petitioners respectfully pray and call upon Parliament to strengthen or replace the Young Offenders Act with legislation that will be a stronger deterrent to youth crimes.

• (1600)

These people are most concerned with repeat violent young offenders and recommend harsher penalties including work camps. In cases dealing with theft or property damage, they suggest financial repayment to the victims.

CORRECTIONAL SERVICES

Mr. Terry Clifford (London—Middlesex): Madam Speaker, pursuant to Standing Order 36, I would like to present to the House a petition from hundreds of London—Middlesex constituents opposing the location of a halfway house for 35 federal inmates on Huron Street in London, Ontario.

These inmates on conditional release from prison will be serving the remainder of their sentences at the proposed halfway house for crimes such as rape, robbery and murder. My constituents are concerned for the safety and welfare of their children and others in their community.

I implore the Solicitor General to take these concerns into account and review this proposal before any further action is taken.

VIETNAM

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, under Standing Order 36, it is an honour and a duty to present today a petition signed by approximately 100 Canadians mostly of Vietnamese origin living in Ottawa, Toronto and Montreal.

The petitioners call on Parliament to do what it can to establish a democratic and pluralistic government in Vietnam after free elections, to pressure the Hanoi government to respect human rights and release all political prisoners, prisoners of conscience, respect religious freedom and specifically to respond to the very reasonable demands made by the Vietnamese Buddhists, and finally to make representations to the UN High Commission for Refugees designed to ensure that refugees in southeast Asian countries are treated with fairness and dignity.

HUMAN RIGHTS

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, my second and last petition is also under Standing Order 36.

It is an honour and a duty to present today a petition signed by approximately 30 Edmontonians. The petitioners call on the House and the Secretary of State for External Affairs to voice Canada's disapproval in the strongest possible terms to the Government of India for its continuing violations of human rights with specific reference to the earlier imprisonment of Mr. Justice Agit Singh Bains.

WATER DIVERSION

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is my pleasure to present a petition pursuant to Standing Order 36.

The petitioners from Barriere, British Columbia, point out their deep concern regarding the intention of a firm called Multinational Resources to divert part of its major river into a number of other channels which will eventually end up in the San Diego basin.

Therefore, they call on the government to take whatever steps are necessary regarding the North American free trade agreement to ensure that water is made exempt.

CHILD POVERTY

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Madam Speaker, I rise pursuant to Standing Order 36 to present a petition signed by a number of residents of the city of Nelson in my constituency of Kootenay West—Revelstoke.

The petitioners ask that this House express its concern for the more than one million Canadian children currently living in poverty and seek to achieve the goal of eliminating poverty among Canadian children by the year 2000. They point out that the House of Commons expressed itself in those words on November 24, 1989.

The petitioners further point out that the Minister of National Health and Welfare on May 7, 1992 said that there is no plan exclusively to cope with the problem of poverty among children.

The petitioners finally ask Parliament to take the necessary action 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

Miss Deborah Grey (Beaver River): Madam Speaker, I rise pursuant to Standing Order 36, to associate myself with literally hundreds of signatures from people in Beaver River towns such as Vilna, Smoky Lake, Waskatenau, Kikino, Lac-la-Biche, Bellis, Cold Lake, Grand Centre, Medley and Bonnyville.

These people are concerned about further changes to the Young Offenders Act, not just the token changes we saw less than one year ago in this House. The majority of Canadians support equal treatment of criminal offenders but with legislated age shelters from criminal law for very young adolescents.

The petitioners believe that chapter 15 of the charter of rights guarantees equality rights. They are asking Parliament to revise the laws of Canada, to replace the Young Offenders Act with an updated juvenile delinquents act with a lowered maximum age of 13 years.

CHRISTINE LAMONT AND DAVID SPENCER

Mr. Joe Fontana (London East): Madam Speaker, first let me concur with the remarks made by my colleague from London—Middlesex and the petitioners who he has represented with regard to the correctional services.

I have a petition from the sisters of Mount St. Joseph in London, Ontario, who are calling upon this government to urge the Prime Minister to request the Government of Brazil to expel Christine Lamont and David Spencer and return them to Canada in accordance with Brazilian law. In light of the recent health concerns with regard to Christine Lamont it becomes even much more urgent.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, the following questions will be answered today: Nos. 426 and 430.

[*Text*]

Question No. 426—**Mr. Peterson:**

Regarding the Community Futures Program for the last year (a) how many communities were assisted by this program (b) how many communities applied for assistance under this program (c) what was the total amount of moneys dedicated to this program?

Hon. Bernard Valcourt (for the Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Regarding the Community Futures Program for the last year (1991–92) (a) 231 communities (b) N/A (communities do not apply; they are selected by EIC) (c) $155 million.

Question No. 430—**Mr. Nowlan:**

With respect to the final report of the Royal Commission on National Passenger Transportation, what were the fees, salaries, wages and expenses of (a) the executive director, Dr. Janet Smith (b) the chairman, Louis Hyndman and the vice-chair, Marie-Josée Drouin (c) the other commissioners, Marc Gaudry, Susan Fish, John B. Hamilton, John F. Helliwell, William P. Kelly, Maurice LeClair and James D. McNiven?

Point of Order

Mr. Len Gustafson (Parliamentary Secretary to Prime Minister):

Royal Commission on National Passenger Transportation

Renumeration and Expenses for Commissioners and Executive Director

1989 — 1992

As at November 30, 1992

Commissioners	Honoraria	Expenses
Louis Hyndman	$ 261,000	$ 90,197
Marie-Josée Drouin	64,200	17,490
John F. Helliwell	80,000	39,076
John B. Hamilton	106,750	42,710
Williams P. Kelly	129,000	24,957
Susan Fish	189,750	45,754
Marc Gaudry	236,250	84,062
James D. McNiven	129,750	52,912
Maurice LeClair	147,250	38,784

Executive Director

Janet Smith

Salary Range – DM–2– 119,400–145,200 (on appointment)
124,400–151,300 (effective June 1990)
128,100–155,800 (effective June 1992)

Expenses $ 133,991

[*Translation*]

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

Madam Deputy Speaker: The questions enumerated by the parliamentary secretary have been answered. Shall the remaining questions stand?

Some hon. members: Agreed.

[*English*]

MOTIONS FOR PAPERS

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, I ask that all Notices of Motions for the Production of Papers be allowed to stand.

[*Translation*]

Mr. Arseneault: Madam Speaker, as you know, closing a community's post office always creates a controversy. I ask for documents in connection with a statement that the post office in Pointe–Verte in my riding would be closed. I wonder whether the parliamentary secretary would be prepared to respond to my request as soon as possible, since the announcement has just been made by Canada Post. I would like to have these documents as soon as possible.

Mr. Langlois: Madam Speaker, I can assure the hon. member that we will proceed as quickly as possible to give him the answer to his question.

Madam Deputy Speaker: Shall all notices of motions stand?

Some hon. members: Agreed.

* * *

[*English*]

POINT OF ORDER

TABLING OF DOCUMENTS REFERRED TO IN QUESTION PERIOD

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, at three o'clock today I gave notice to the previous Speaker that I wanted to raise a point of order. The Chair recognized members opposite, the vote took place, and the Speaker left the Chamber. I guess he did not want to give too much credence to my point of order.

Madam Deputy Speaker: I think the hon. member would understand the Speaker did leave the Chair when the vote was announced. I do not think it has anything to do with his giving credence or not to the point of order the hon. member is about to raise. I do not even know if he knew what it was about. I was told the hon. member would be raising a point of order and I am happy to recognize the hon. member at the first opportunity.

Mr. Dingwall: Madam Speaker, I do not think there is any necessity for the Chair to be overly sensitive about my remarks. I was not attempting to impute motive at all but merely to state the facts as they were.

Earlier this day and indeed on previous occasions on the floor of the House of Commons we have repeatedly seen ministers of the Crown and more particularly the Prime Minister make numerous references to various items and reading documents during Question Period.

Although there is no provision in the Standing Orders, there is a provision in Beauchesne's. Citation 495.(1) states:

> A minister is not at liberty to read or quote from a despatch or other state paper not before the House without being prepared to lay it on the Table.

I seek the direction of the Chair. Would the Chair want members of the opposition to continually rise on points of order after Question Period to have the respective ministers table those documents? Or would the Chair wish to take notice of the provisions in Beauchesne's and remind ministers when giving responses to questions and quoting from documents that they ought to table those documents so members will be in a position to examine them in full as to what the ministers are saying?

I ask for guidance from the Chair. If the Chair wishes, members can rise on points of order, but I thought a better way to facilitate our deliberations would be if the Chair were to take it upon itself to do this.

• (1610)

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, I respect my hon. friend opposite as he well knows. He is a man of some experience in this House and a man of considerable learning.

I am wondering whether his point today was triggered by the incident yesterday when the hon. member for Kamloops read from a newspaper ad and got into some discussion with the Prime Minister about the contents of that ad. The Prime Minister invited the hon. member for Kamloops to table what he was reading from. For whatever reason it appears that was not done and the Prime Minister tabled his own copy of the newspaper ad.

With reference to government documents which my hon. friend suggests ministers may be reading or quoting from, I know he is some years away from office on this side, in either direction one would look. It is the practice of ministers to read quotes from notes that are prepared for the purpose of Question Period. The long established practice is that ministers are not compelled to table that kind of note in the House.

I appreciate my hon. friend knows the Standing Orders very well. He accurately pointed out that there is no reference to any such necessity in the Standing Orders. I respect his quotation from Beauchesne's. I think the Beauchesne's quotation is designed to reflect on state papers and other official documents.

In the case of multiplicity of our practice here on this side at this time, it is merely working notes that are quoted from. I do not think there is any need for such a tabling to take place.

Finally, I do not want to be argumentative or provocative. That of course is not my nature. But I did hear my hon. friend, the opposition House leader, suggest that if what he was seeking was not complied with or if it was not followed through that there was an implicit threat of a plethora of points of order. I ask my hon. friend what has changed.

It is a time-honoured practice in this place that ministers quote from prepared notes. I do not think the front bench here has departed from that practice. Therefore, first it is unseemly to hold out such an implied threat and second, there is no real need for any points of order on the matter since the practice has not changed.

Mr. Dingwall: Madam Speaker, I find it rather humorous that the hon. parliamentary secretary and government Whip in his remarks would resort to such a tactic. I have seen it done in other institutions when one has a relatively weak case, one will deviate from the substance of the issue raised and try to take something in through the back door.

Madam Speaker, for your information, today the Prime Minister in response to a question raised by the deputy leader of our party said that there were 40 reasons with regard to denying unemployment insurance benefits. Quite rightly the Prime Minister could not read out the 40 reasons.

The Prime Minister did have a document which no doubt was prepared with great diligence and great care by senior officials paid by the taxpayers of this country. We would think that in the interests of those concerned about the subject matter it would only be appropriate to make that kind of document available to the House. It is in no way trying to impede or lessen the enthusiasm of ministers opposite who may be trying to give indefensible answers to superbly crafted questions, nor is it in any way to suggest to the Chair that there is an implied threat of a plethora of points of order. It is merely, if the parliamentary secretary and government Whip will recall, and if he does not recall perhaps he will refer to the "blues", seeking the guidance of the Chair as to how we might best proceed.

I am not suggesting this in order to be argumentative, to use my colleague's remarks, but I am asking the guidance of the Chair as to the best way that we might proceed in order to have a fuller examination of all of the things that are being referred to in documents which are held by ministers and the Prime Minister for the purposes of Question Period.

Mr. Edwards: Madam Speaker, I think I understand the new point my friend is now introducing. It is that when a minister or the Prime Minister begins to quote from a document or note or whatever that he then be compelled to table the entire document regardless of whether the material contained in it is pertinent to the question being asked. In other words, the document may contain information far beyond the scope of the question being asked.

I would ask my hon. friend whether that is truly his intent because the consequence could be to deprive the opposition of a great many lines of questioning. I would submit that if there are 40 reasons in a particular document that the Prime Minister is referring to and he gives a couple of them every day that would provide the opposition with 20 questions. I do not know whether the opposition would want to abnegate the possibility of asking 20 questions.

Mr. Dingwall: Madam Speaker, I will conclude my remarks and then perhaps allow the Chair to reflect on my suggestion, with the following caveat.

I have listened attentively to the member opposite and he has made reference to repeated opportunities for the purposes of Question Period. One could turn that around on the hon. member and question the veracity of the statement in the first place.

Perhaps one could conclude if one was a reasonable person, as we are on this side of the House, that perhaps the 40 reasons, when only three or four were given, are non-existent. If they do exist perhaps the Prime Minister and the parliamentary secretary would then have no reason to hide them from members of this House and then he would want, in his so-called co-operative and non-provocative manner, to try to provide that information to the House in order that members from all political parties could attest to the veracity of the comments made by the Prime Minister.

Madam Deputy Speaker: I have listened very carefully to the comments made by the hon. opposition House leader and to the answers given by the parliamentary secretary. It has been the practice in this House as long as I have been here, and for many more years before, that the the Prime Minister or ministers refer to briefing notes prepared for them by their departments.

If in this case the Prime Minister was quoting from what could be called a state document then I am sure the right hon. gentleman will have an opportunity to table it at the next sitting.

The Chair will review the debates and report back.

However, the best way is for members to make specific requests when a minister cites a document. As I said before, a minister is not obliged to table briefing notes. However, a member can ask at the time whether that document should or should not be tabled. Nevertheless the Chair will watch the tape and will also examine the "blues" and, should it be necessary, will get back to the House.

• (1620)

Mr. Dingwall: I thank the Chair for the Chair's intervention. I would just hope that regardless of whether the Chair does or does not find sufficient merit to my suggestion that at least the House would be apprised and the reasons for that decision would be given if there are cogent reasons to be given.

I would hope that my hon. friend opposite would want to confer with the right hon. Prime Minister and perhaps provide the information to the House, which I am sure is readily available, and then we can all attest to the

veracity of the remarks of the right hon. Prime Minister, soon to be the former right hon. Prime Minister.

GOVERNMENT ORDERS

[*English*]

FARM PRODUCTS MARKETING AGENCIES ACT

MEASURE TO AMEND – CONCURRENCE IN SENATE AMENDMENTS

Hon. Charles Mayer (Minister of Agriculture) moved the second reading of, and concurrence in, amendments made by the Senate to Bill C–54, an act to amend the Farm Products Marketing Agencies Act and other acts in consequence thereof.

Mr. Murray Cardiff (Parliamentary Secretary to Minister of Agriculture): Madam Speaker, I am very pleased to rise today and speak to Bill C–54, which amends the Farm Products Marketing Agencies Act to provide enabling legislation for the establishment of promotion and research agencies for farm products.

Promotion and research activities will contribute to a more competitive and self–reliant agricultural sector by helping producers help themselves in responding to market opportunities.

Bill C–54 was passed by this House on May 1, 1992. The Senate then passed the bill on June 11 with two added amendments. This House must now give due consideration to those Senate amendments. One Senate amendment was simply a necessary technical correction. However the other amendment removed the eligibility exclusion of farm products regulated under the Canadian Wheat Board Act.

As a result of this amendment all producers in Canada, including wheat and barley producers in the Canadian Wheat Board designated area, will be able to propose the establishment of promotion research agencies for farm products.

This amendment has received support from organizations such as the Prairie Pools, the Alberta Barley Commission, the Canadian Federation of Agriculture and the Canadian Wheat Board. The amendment does not affect the existing authority of the Canadian Wheat Board. I want to make that very clear.

For these reasons the government supports the amendments made by the Senate.

Mr. Maurice Foster (Algoma): Madam Speaker, the amendments to the check–off legislation, the Farm Products Marketing Agencies Act, which come from the Senate today are ones that the government attempted to make in the standing committee when C–54 was before that committee. Unfortunately the Speaker ruled them out of order because they went beyond the scope of the bill at that time.

This legislation really provides for check–offs for agencies to be established under the Farm Products Marketing Agencies Act that would allow these agencies to do promotion and check–offs for research by various farm commodity groups. It is legislation that we supported.

When this legislation came to the committee it was not clear whether groups like the prairie pools and other agencies really favoured this legislation or not.

When those representatives appeared before the committee that dealt with this bill, it became clear they thought it would be desirable to make it available for farm groups dealing with wheat and barley which are under the Canadian Wheat Board Act. They would have the same opportunity to establish this kind of promotional agency.

The amendment put forward in the House was not acceptable to the Chair. It provided for an override of the legislation as it had come to the committee by an Order in Council. When the legislation went to the Senate, they were more ingenious; they simply removed that portion of the act which prohibited promotion and research agencies being set up under the authority of the Canadian Wheat Board Act. We all know that under parliamentary procedure we can remove things from acts but we cannot add amendments which go beyond the scope of the bill.

The Senate put that forward and we have the bill back in the House. It is generally supported by many farm groups. Some do not support it. There is an ongoing concern that it is a way for the government to set up agencies to do the promotion and research government departments should be doing. In the Department of Agriculture we have seen cutbacks in the funds for research so there is some justification for that concern.

Groups in some parts of the country such as beef producers already have promotion agencies. The advantage of this legislation is that the check-off can be applied to imports of beef. We have a very healthy exchange in the market between Canada and the United States. If beef producers in Canada are having a check-off applied to them to promote the sale of lean meat and so on, that check-off should apply to meat which is being imported just the same as for domestically grown commodities such as beef. That is the only fair way.

This legislation has a lot of support across the country because it puts that caveat or provision in the law wherein imports will have the same check-off applied and will benefit from the promotion that is being carried out by that commodity group.

The amendment today would apply to promotion and research into commodities produced under the Canadian Wheat Board Act, which is barley and wheat, now that the government has removed oats from the responsibility of the Canadian Wheat Board Act.

I might say that the base legislation is not being changed. It is legislation that provides us with supply management and marketing boards. There is a very great concern that in the whole article XI of the GATT negotiations just how strongly the government is supporting those commodities under supply management. When the Prime Minister came back from his meeting with President Clinton last Friday, there was no indication that he had even raised the question of supply management or the GATT negotiations.

• (1630)

A year ago this Friday, February 12, a unanimous motion was passed in the House calling upon the government to take action to secure the support of the President of the United States and the European Community to strengthen our position for legislation which is the basis or the foundation for some 35,000 producers of supply managed commodities in the dairy and poultry industries.

There is very great concern, especially with the special briefing that was provided only three weeks ago by the chief negotiators for the Canadian government. They said that their position was apparently being weakened. They had even less support for the joint resolution that was passed by the House on February 12, 1992. They called on the government to expand its support among like-minded nations. It did not really do that because the support we had then was something like five or six countries. Now it is apparently down to only two, and we are not sure that the Prime Minister really took any effective action in his meeting with President Clinton on that issue last week in Washington.

To maintain our position and go forward on that whole issue we need his support and the support of the European Community, the main people involved in the GATT negotiations, although other countries are involved as well.

We support this amendment to section 39 by the Senate. We want to see it passed and this check-off legislation come into effect. It has been before the House now for over a year. This amendment would do what was attempted in the standing committee when the legislation passed there. I hope it will be passed and it will go forward so that the legislation can be implemented.

These agencies that will have an international aspect to them will be available to various commodity groups across the country. In a global market situation we need agencies that can promote those commodities and provide a check-off equally for commodities being imported as well as those being produced at home.

We are supporting this amendment as it has been returned to us from the Senate.

Mr. Vic Althouse (Mackenzie): Madam Speaker, I do not agree with the motion as presented from the Senate. I believe it has misinterpreted the powers of the Canadian Wheat Board. I believe it already had the power to spend money on research and promotion.

Promotion is its chief reason for existence. It is a marketing agency that promotes Canadian wheat and Canadian barley of various types and for various uses around the world. In my opinion it now has the power to introduce research projects which will produce and test new varieties and new plants to meet the requirements of consumers around the world.

Therefore I did not see any use for this particular amendment. The Conservatives and the Liberals in this Chamber and in the other Chamber have decided that such a change needs to be made so I will not oppose it for an undue length of time. However I wish to state my position quite clearly before we allow this bill to be passed in a moment or two.

It seems to me the basic reason behind the particular amendment was a second-thought position of the government. It originally decided to leave wheat board grains alone, understanding I presume that the wheat board would do an adequate job of research, development and promotion of various types of crops in the wheat and barley areas.

That position changed and the reasons given usually had as part of the argument the fact that the Alberta Barley Commission would like this amendment, the barley growers would like this amendment and the wheat growers were anxious to have such an amendment.

This gives the minister and those organizations the option of attempting to get a check-off on all wheat or barley as the case may be to aid in the promotion of the organizations and their particular usage for research and promotion.

I made the point previously and I will make it briefly now. That type of promotion and research is an extremely inefficient use of farmers' funds. I pointed to various similar groups in existence where the amount that actually arrives for real research is much less than 50 per cent of the funds collected. Most of those funds are used to promote the organization and its causes rather than to do any real research in making a better grain or better product or better commodity.

I still feel that the best source of funds would be for the Canadian Wheat Board to finance such projects internally. It already has the administrative ability and I believe the legal ability to do this.

The Canadian Wheat Board in the past has financed such diverse changes as hopper cars to improve the transportation system. It has financed the education of young doctoral candidates studying disciplines useful to the wheat board in its marketing and research capacities. It has gone into the promotion of different varieties of grains in the wheat and barley classifications. I believe it could have carried on quite well without this amendment.

However, as I said, the Liberals and Conservatives in both Houses by a very large majority have decided they want to give these opportunities for various commodity groups to take check-offs, even though the money will not be spent very efficiently. That decision has been made.

I am in a minority and recognize that I am defeated and will permit this bill to go through, even though I still oppose the idea.

Mr. Jim Jordan (Leeds—Grenville): Madam Speaker, I am pleased to talk about this bill. My colleague from Algoma put it in the context of farm marketing boards and they are living in a great deal of uncertainty these days.

The feeling in the agriculture industry is that the government is softening its position. A discussion like this is very timely right now. It is just a week or so short of a year when we had a rally of about 40,000 farmers here. I think it was on February 21 last year.

Since that time I believe the government has been using a lot of double-talk. It is saying: "Oh yes, we want to strengthen Article XI at GATT. We want to lend strength to that". Why does it not just come out and say: "We want to support you, plain and simple. We are behind you. We will go to the wall with you on this". Instead of that it is being fuzzed over a little bit by double-talk.

There is a great deal of uncertainty out there. I have a letter—and after listening to the discussion between the government Whip and our own House leader a few minutes ago I will be glad to table it—which was sent to the Minister of Industry, Science and Technology and also to the new Minister of Agriculture. It is pleading with them, asking them to give some sort of new endorsement of support. That is the basis of the letter. As interesting as the letter is, it is the letterhead that is worth noting. The letter comes from the Canadian Broiler Hatching Egg Marketing Agency, the Canadian Chicken Marketing Agency, the Egg Marketing Agency, the Turkey Marketing Agency and Dairy Farmers of Canada.

• (1640)

Those are five agencies in Canada that are making a little money now. It is one of the glory spots in the agricultural industry. Not every aspect of agriculture is making a little money. Why are they making a little money? It is because they have an organized, controlled marketing system. It is worth supporting and I hope when those ministers receive their copies of that letter dated February 1 they will give some measure of guaranteed support to those who are negotiating on behalf of the marketing boards.

The government has done this in the past. I have a quote from *The Globe and Mail* of December 7, 1991: "Canada's farm marketing boards will survive international trade talks now taking place in Geneva". That quote was made by the current Minister of Agriculture. Of course, he was not the Minister of Agriculture then. Would he say that today? I wish he would. I think there would be certain assurances if the new Minister of Agriculture would make that statement which he is attributed to have made a couple of years ago in *The Globe and Mail*.

I have another one from the current minister of fisheries who at that time said: "Canada intends to continue its supply management system". I wish that the current minister of fisheries who was in a different role when he said that—it is a quote from *The Globe and Mail* way back—would come out today and make that kind of statement. That would seem to be reassuring for an industry that is operating in terrible uncertainties right now. In addition to the five agencies asking for an update, a current renewed approval from this government, we find that the government is hedging. It is talking from both sides of its mouth on this one.

All the farmers are asking for is the kind of assurance they thought they were given about a year ago. My colleague from Algoma referred to that also. All parties in the House said they supported farm marketing boards.

We are at a critical stage in the negotiations. What would be wrong with saying that again? There are about 36,000 dairy farmers waiting to hear it. There are about 2,300 or 2,400 poultry farmers waiting to hear it. It does not have to be a flamboyant statement, just a statement, a repetition of what was said here approximately one year ago. They are not going to settle for anything less than that. They thought they had the assurance of the government at that time and they just need reassurance.

There is a clipping from the National Farmers Union with reference to the Japanese government and its position on imported rice which says that the Japanese government has maintained a staunch defence of its highly protected rice market regime which it considers essential not only to national food security but also to the social objectives of its agricultural industry. I think we have social objectives for our agricultural industry and they are just as important to Canadians as the Japanese social objectives for its agricultural industry would be.

I do not know why the government is hedging on this. It would seem to me it would not be unusual to come out and repeat the kind of assurance that it has given farmers who are working under the marketing boards and also working under a great deal of uncertainty in that industry these days. They are looking for reassurance from the government.

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: On division.

Madam Deputy Seaker: Motion carried on divison.

Motion agreed to, amendments read the second time and concurred in.

* * *

FARM CREDIT CORPORATION ACT

MEASURE TO ENACT

Hon. Charles Mayer (Minister of Agriculture) moved that Bill C–95, an act to continue the Farm Credit Corporation and to repeal certain acts in consequence thereof, be now read the second time and referred to a legislative committee in the Natural Resources envelope.

Mr. Murray Cardiff (Parliamentary Secretary to Minister of Agriculture): Madam Speaker, I am very pleased to rise to speak on Bill C–95. We hope this bill will be passed in all stages today rather than going to the Committee of the Whole House. We will see how the time goes.

Bill C–95, the Farm Credit Corporation Act is replacing the old Farm Credit Act passed in 1959 and the Farm Syndicates Credit Act passed in 1964. This bill will update FCC's legislation and give the corporation the flexibility to adapt its financing instruments to the evolving needs of the farm community.

We all know from our debate yesterday and other debates we have had in this House before that it is very necessary. We know and recognize that the parliamentary committee is changing, not only in this country, but throughout the world.

Bill C–95 is another example of the ongoing commitment of our government to the farm sector in Canada. There is no greater symbol of the strength and resilience of this country than the Canadian farm. The preservation and development of rural Canada has always been a priority of this government. This is another part of the Growing Together paper that was started by one of our previous ministers of agriculture after the last election.

The working groups on farm finance and management recommended that the Farm Credit Act be amended to increase FCC's operating flexibility in their 1991 report. This recommendation was supported by all interested groups during the consultative process.

Bill C-95 will give the FCC the latitude to offer financing instruments to assist farmers to compete in a global marketplace. This legislation will allow the FCC to broaden its target market and widen its range of services to better serve farmers and rural Canada.

I would like to highlight some of the key elements of the proposed legislation and show how it will strenghten the agriculture base in Canada. The Farm Credit Corporation will be able to focus its attention on value added production and diversification into other entreprises located on the farm, as well as traditional farming operations.

Part-time farmers and farmers with other full-time occupations will be eligible for loans in recognition of the shift to alternative sources of income. It will also provide those who are working in the hope of becoming involved in agriculture the opportunity to supplement their income when they first start to farm. It was a problem in previous legislation when the corporation was unable to make loans in those situations.

Today those who wish to enter farming on a small scale basis with the hope of eventually becoming full-time farmers will be able to qualify. This will be of great assistance to them.

Financing will be extended to the agribusiness areas which supply and serve farm businesses. Such entreprises as farm supply businesses and abattoirs, for example, could qualify for financial assistance. In addition, agricultural support industries, such as livestock trucking businesses and grain cleaning facilities could also be eligible for this financing. I am sure there are many other areas which we have not even thought of.

For the FCC to adequately serve these new markets, the corporation's mandate needs to be expanded beyond its traditional role. The Farm Credit Corporation will continue to contribute to growth and stability in rural communities through financial services for value added financing, diversification through non-farm businesses, agribusinesses and the rural development initiatives.

The Farm Credit Corporation will play a vital role in co-ordinating other federal farm finance initiatives directed by rural development, as well as co-operating with other financial institutions and organizations in supplying financial services.

To tap into these new markets and deliver these new services, the corporation will consult the farming community to offer products tailor-made to the conditions inherent to farming.

This new act will also increase Farm Credit Corporation's administrative flexibility to respond quickly to changes in the marketplace. For example, the corporation will be able to set and offer interest rate changes more quickly in response to the financial markets rather than waiting for an Order in Council each time the bank rate changes.

It will enable the Farm Credit Corporation to accept a greater range of security instruments rather than being restricted to primary security of mortgages on rural property. For the farmer this will mean a greater range of options to meet his financial requirements with the corporation.

• (1650)

Finally it will allow the Farm Credit Corporation to increase the limit on loans offered to meet all of the projects and objectives we have mentioned.

The government is proposing the deletion of subsection 4(5) during the clause-by-clause review of this bill. It had been included to provide greater certainty of the corporation's jurisdiction over its own property.

However, this constitutional question is now before the courts and will be decided there. Therefore ths clause is no longer necessary in that legislation.

There is perhaps no better way to illustrate the need for this legislation than to set examples of actual situations throughout the country where new financing tools can be matched with the initiatives of innovative farmers.

In Horsefly, British Columbia, a community of 426 people, cow-calf operations are the mainstay of agriculture and one rancher is teaming up with a local abbatoir to supply beef to nearby communities.

In working with both the rancher and the abbatoir operator the Farm Credit Corporation could develop a financial package to suit their specific capital needs.

Cut Knife, Saskatchewan, is a town of 600 people located west of North Battleford serving 135 area grain farms. Cut Knife entrepreneurs plan to build a flour mill and a pasta plant adding value to the production of wheat in the area. The corporation could assist in meeting the special finance needs of these vertical

integration product projects of local farmers and business people.

In Winnipegosis, Manitoba, the capital requirements for agriculture, including commercial fishing and fish farming, must be met to maintain existing operations and provide the basis for expansion.

Financing this activity could be achieved through a memorandum of understanding between the corporation and an agency like the Manitoba Agriculture Credit Corporation of western economic diversification. In La Patrie, Quebec, a village of 357 in the eastern townships silviculture plays a key role in maintaining the rural community.

The Farm Credit Corporation could finance equipment purchases using loans to terms approximating the useful life of equipment on the security of promissory notes, cattle mortgages or lease to own arrangements.

My farm example takes us to Drummond, New Brunswick, where the economy is based on agriculture and forestry. Farm operations are expanding to include the production of fresh broccoli for export. The FCC's ability to lend beyond the farm gate in this community would provide producers and processors with financing for packaging and marketing initiatives.

These are but a few examples of the potential revitalization that will be assisted with the passage of the Farm Credit Corporation Act.

This legislation would allow the Farm Credit Corporation to continue to provide an effective alternative source of credit for the current and future needs of Canadian farms with the flexibility to grow and keep pace with the industry it serves.

This proposed legislation will allow the Farm Credit Corporation to deliver the products needed by the farming community and thus fulfil its mandate.

It would also enhance the competitiveness and profitability of Canadian farmers while creating vital economic activity in rural Canada for the benefit of all Canadians.

We are always trying to find ways to enhance the income of farmers and we believe that this is another tool that will be beneficial to the future of agriculture for the long-term planning and viability to meet the balance of the years in the 1990s and to prepare ourselves for the challenges that will be there in the year 2000.

Mr. Maurice Foster (Algoma): Madam Speaker, I am pleased to have an opportunity to say a few words this afternoon on Bill C-95, the Farm Credit Corporation Act.

This is a major change and rewrite of the farm credit act, the former act, and we support the bill in principle because we think it does a lot of the things that perhaps should have been done four, five, or six years ago.

I listened to the parliamentary secretary and he told us a great deal about the kinds of things that could be done under this new act. What he failed to mention was that essentially over the last five or six years we have seen the Farm Credit Corporation effectively going out of business. If we look at the number of loans in 1987-1988, not going back to how many there were in 1984 or 1985 when this government came to power, we see there were 72,182. In 1991-92, which I guess is the last fiscal year report, we see that the number of farm credit loans out there is 59,845. That is a very dramatic drop from the number of 13,000 less mortgages.

Clearly if that is the direction this government is moving regardless of the fact that we have a new act that is going to be more flexible and have a number of advantageous arrangements, if the amount of dollars is going down as it has gone, the amount of mortgages it holds has gone from $4.7 billion to $3.5 billion. That is a dramatic reduction in the amount of money that is made available.

I think the idea that legislation will provide for further processing off the farm or a group of farmers work together is very commendable because it provides more flexibility and gets us into the further processing which has been dramatically reduced in the last four or five years in this country.

I think farmers and groups will want to know if the government is willing to put more money into the industry, not take it out as it has been doing for the last five years. In fact the reduction in the number of mortgages of 13,000 is just about the number of farmers who have given up during the last five or six years and left the land completely because they simply could not

live with the kind of pressures that were put on them by the Farm Credit Corporation and by this government.

Clearly when we look at this legislation that is before us today I would say we have one of the most desperate situations that we have ever faced in this country in terms of agriculture. We only have to look at the situation that we saw a couple of weeks ago in Saskatoon when 13,000 farmers gathered for a rally to protest the lack of support by the government in terms of stabilizations programs.

We only have to look at the rally that was held just a week or so ago in Lucknow where 1,000 farmers gathered to protest the lack of action by the government. Underlying all that in the field crop area is the concern that Ontario corn producers feel, wheat and barley producers feel and grain producers feel in Saskatchewn. We have the uncertainty of the whole supply management sector.

We hear reports from the chief negotiator at the GATT negotiations that the government is weakening its position. If a GATT agreement is reached after the French elections next month, and while it could be that the whole underpinning or the major underpinning import controls for the whole supply management sector will be blown away in the next few years, the value of quotas will tumble to a fraction of their value and perhaps the most stable and successful sector of our Canadian agriculture industry could be destroyed.

We are pleased to see the government bringing in this legislation which is a major rewrite of the farm credit legislation but it does not really solve the problems and the tremendous uncertainty which producers face across this nation this winter.

The legislation, Bill C-95, comes mainly from the recommendations of the farm financial task force. They made a lot of recommendations. As I go through the legislation and Bill C-95 itself I see a number of the recommendations of the 1988 agriculture committee when they made recommendations about support for finances for agriculture. So it comes about from many of those changes. It will clearly provide a great deal more flexibility in the lending arrangements for the Farm Credit Corporation. The act removes many things which are really provided for in the Financial Administration Act, some of which were apparently in conflict before.

• (1700)

The Financial Administration Act controls many things such as the approval of the Minister of Finance for borrowing and the approval by the government of bylaws that are passed by the Farm Credit Corporation. It provides for the auditor to be appointed by the Governor in Council. Of course, it is often the Auditor General. It provides for the tabling of annual reports and corporate plans. That is the legislation that was passed in June 1984. It is the Crown corporations legislation under the Financial Administration Act. That has all been stripped away in this major rewrite of the Farm Credit Corporation Act.

Some of the powers under the new act are very similar to the existing legislation, for example it covers the cost of loans and mortgages for land and buildings. It provides for loan guarantees, which is a new feature. I do not believe that was in the previous legislation. It provides for personal property and consolidation of debts. Many of these things were in the existing legislation but often were not used unless incredible pressure was applied on the government.

Many people who have gone through the farm debt review process say that the government agencies, whether the Farm Credit Corporation or the Alberta government agency, are the toughest to deal with, often more difficult than the banks and that is pretty tough.

A major change is that this legislation also provides for the diversification of enterprises, whether it is a slaughterhouse or a seed processing plant or any new further processing. It is my understanding that the majority of the funding must relate to primary production. That is clearly an important step forward.

Producers are asking: "If we are going to have this funding for further processing will there be additional money?" When we get into major processing plants, if that money is going to be taken away from primary producers then there are other sources for that further processing. The government and the minister in committee will have to make it clear that there must be more funding.

The reduction in funding has totalled $1.2 billion over the last five years. If we keep squeezing the amount of money that is available then there is really nothing to be

gained because although there may be funding for a further processing plant in one part of the country it just means that several dozen or a hundred primary producers will not have any money in some other part of the country. It must be clarified by the government that there will be additional money available.

The free trade deal and the government's policy for further processing has been a disaster. In the Canadian food processing industry 100 processing plants had gone out of business since the free trade deal was passed in the fall of 1988. The government's own estimate, and this figure is almost six or eight months old, was that 34,000 jobs had been lost. I am happy to see this legislation and I think there will be an opportunity to provide this.

However we must compare that with the pressure that is put on Canadian food processors by the FTA and by the government's own taxation policy. In 1987 the government had a fast write-off for new further processing industries for food products of 50 per cent declining balance. That has been reduced to 30 per cent. Even the government's own agriculture competitive council is recommending that it be returned to the 1987 level. It also recommends that there be fast write-offs and improved incentives for agri-research because we are dealing with a global industry. If the incentives are greater in western Europe, Ireland, or the United States our producers will clearly have a hard time competing.

It is therefore important that the government not only provide this funding for further processing but also provide the fiscal and monetary policy to encourage that industry to survive. It is the second largest industry in the country and clearly incentives must be provided. If we lose further processing industry for food products we obviously lose that market. That is a major problem.

Under this legislation the FCC will have the power to set its own rates. That is beneficial. The way in which the FCC is currently run is unfortunate. It continues to lose its market share of the farm loan industry. Its rates are higher than those of the banks. We must wonder what the policy really is.

Under this act the board of directors will be increased. There will be more flexibility for security, and that is beneficial because a very large percentage of our producers work off the farm in addition to running their primary production units.

The other area that is beneficial, and I believe this was also recommended by the farm financial task force, is the provision for a grievance between the provincial government lending agencies, the private sector and so on.

It is interesting that in this legislation it provides that the headquarters of the FCC would be in Regina, Saskatchewan or any other place in Canada. The Tories lost most of their support in Saskatchewan in the last election. One just wonders, and God forbid that they be re-elected, that if they lost the rest of their support the headquarters would move to some other location. Regina has worked out to be a very good location because of the tremendous agriculture potential and work in that province. It is interesting that they have left the headquarters' location rather open. Later I will discuss why they might be doing that.

It is interesting that appointments to the enlarged board will be made by the Minister of Agriculture as approved by the Governor in Council while the chairperson and the president will be appointed by the Governor in Council. The procedure for the appointment of these directors and senior officers is the same as currently stipulated in the existing legislation. However, the proposed legislation takes away the power of the Minister of Agriculture to remove directors at any time, as deemed appropriate. It also eliminates the power of the Governor in Council to remove officers of the corporation at any time judged suitable.

• (1710)

It is amazing that the power of the government to remove people has been taken away. If we examine the *Votes and Proceedings* at the end of December we can see that there were some 54 Order in Council appointments and on February 3 there were 105 Order in Council appointments. We wonder if the government has some intention to lock people in for as long as possible.

There were such outstanding non-partisan appointments made on February 3 as Brian Peckford and William H. Neville to the board of directors of the Canadian Broadcasting Corporation. Obviously the gov-

ernment is taking great care in these appointments and seems to be getting ready for something or other.

It is interesting that in this legislation the power to remove people is being removed, whether it is the Governor in Council's power to remove officers or the minister's power to remove members of the board of directors.

There are a number of beneficial elements of this legislation. They represent a number of recommendations. There are a number of things that could be improved, and I hope they will. I am sure there will be other recommendations when this bill goes before the legislative committee and we have heard from an appropriate number of witnesses.

It seems to me that the idea of an advisory board should be provided for in this legislation. There does not seem to be any provision for that. I know that the Minister of Agriculture has had an ongoing battle with the advisory board of the Canadian Wheat Board and perhaps that is why the government wants to remove the advisory board of the Farm Credit Corporation. It is useful to have an advisory board.

The argument is made by the government that the board of directors is larger but the board of directors has a statutory corporate responsibility to defend whatever it is doing. An advisory board is closer to the grass roots. It does not have that corporate responsibility. It is able to be a sounding board to reflect the feeling of the producers. There should be provision for an advisory board.

It is interesting that the Farm Credit Corporation would be able to make loans to non–Canadians and to people who are not even residents of the country. With the credit crunch that so many farmers are feeling in this country at this time, and especially if we are going beyond the farm gate and providing funding for the food processing industry, it seems to me that we should at least provide that these funds are available to Canadians or at least to Canadian residents, to landed immigrants.

Even though the board of directors is substantially enlarged, almost doubled, there does not seem to be any provision that a set number of the directors be primary producers. Even though this legislation is providing for further processing plants it seems to me that the primary concern should be and must be primary producers and that the funds available should be made available to primary producers. I hope that additional funds will be provided to compensate for the fact that this is going beyond the farm gate and that it will not just have the same amount it has now because that would obviously take funds away.

The government has already chopped something like 25 per cent or 30 per cent of the funds available under the Farm Credit Corporation Act in the last five years. It should be providing additional funding as it is undertaking a responsibility beyond the farm gate.

There is no provision in the act for an appeal board. It seems to me there are always human personality clashes in any sphere of human activity. The FCC representative may fall into a situation where personalities get in the way of sound business decisions and it seems to me there should be provision for an appeal board. I hope the government will consider that when we get to a legislative committee.

The other area I want to look at is whether this legislation is strictly what it seems or whether it is the first step toward privatization. The Nielsen task force report in 1985 suggested that the government should consider privatizing the FCC, possibly into an agriculture co–operative.

Whether the government has this in mind or not, nobody knows for sure. Only the government knows. It would not be surprising. The government has moved to privatize practically every other Crown corporation. After all Erik Nielsen was sort of the philosopher king of this government for many years. His move to privatize everything that moves is clearly the direction in which the government is moving.

I cannot help but wonder if a number of the provisions are designed to ultimately be there for privatization. There is the fact that the government has moved the headquarters to Regina. That is clearly set out so it would be easy if the government proposes at some stage in the future to sell off the agency. The headquarters could easily be moved to where the rest of the banking industry of this country is located.

A number of things about this bill suggest that the government is moving toward ultimately privatizing the Farm Credit Corporation. I think that would be extremely undesirable. The Crown corporation should be expanded. It should be designed to provide special arrangements for Canadian farmers and not be just

another agency of government with no special responsibility except the bottom line. The agriculture committee recommended that in its report several years ago and I am sure it will be the view of the committee reviewing this. The record of the banking industry in this country as far as producers are concerned is not that great. It is a tough situation. We want to see the Farm Credit Corporation setting an objective and producers given the benefit of the doubt. We do not see that necessarily.

The rates of the FCC are higher than the private sector. Its share of the market is going down. As we see from the figures that I quoted earlier its contribution to Canadian agriculture is dropping all the time.

We support this bill. We think there can be improvements made in it. The farm community will have suggestions which will be useful to us. We want to hear from witnesses in the private sector as to how this legislation can be improved. We want to see some amendments in the legislative committee but we are pleased to support it.

• (1720)

We are aghast at the government's general and cavalier attitude toward the dramatic reduction in farm income that we are facing in 1993. It is almost a $1 billion reduction. We have seen the government's support programs already dropping. We assume that something will happen there.

If you look at the government funding over the years, especially for those commodities in the grain and oilseed sector, it usually comes to a peak in an election year, as happened in 1987 and 1988. It came to a peak last year compared to previous years but even that was dramatically lower than 1987 and 1988 even though world prices for grain are not much better.

We hope the government will recognize the desperate situation that thousands of producers are facing this year and provide those support programs that are required to stabilize the industry to see us through this difficult time.

We hope that the predictions of the chief negotiators at the GATT negotiations will be false and that the government will stand up and support those producers in the GATT negotiations. Otherwise we will see thousands of producers who have been self-sufficient and doing a great job in their commodity areas of poultry and dairy facing the same kind of dismal situation which so many grain and oilseed producers have faced for these long years.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, we have before us a bill to create a new expanded Farm Credit Corporation which I approve of in principle.

It was a bit more than a decade ago in this House that I recommended to the then Minister of Agriculture, Eugene Whelan, that a farmers' bank was something that would be useful, given the situation that existed then. An expanded Farm Credit Corporation would have been able to provide credit to put in crops, to finance livestock, to finance buildings and the expansion of the farm itself, as well as the equipment and the wherewithal to expand off the farm into businesses which were integrated into the farm either forward or backward. It was a dream that I proposed to the Minister of Agriculture at that time.

That was just over a decade ago. Unfortunately we may be too late, but it is better late than never in this case. It is long past the time that the Farm Credit Corporation began to act in a way that will make it of more use to farm people than has been the case in the past.

Farm Credit, as I saw it 10 or 11 years ago, was well positioned to play the role that needed to be played in the strapped financial times farmers were facing. They were already evident in the early 1980s. Most of their credit advisers had a fairly good background in agriculture—much better than most of the banks had at that time—and they would have been well positioned to have assisted farm families in making the shift into the kind of adjustments that took place in the 1980s.

Unfortunately the Liberal government at the time did not see fit to act. It is good to see, although it is in the dying days of this Parliament and of this government, that the Conservatives have now decided to put such an agency in place.

I am not certain this new agency can still be competitive. The banks, both private and public—public meaning the Federal Business Development Bank—and the various provincial organizations that provide financial and banking services have a leg up on this new organization.

The Farm Credit Corporation is on very shaky ground at the moment financially. It will retain the backing of the Government of Canada which is a good thing because in its most recent past, if it had not had that backing it would have technically been as bankrupt as many of its clients have become. Therefore it has a big challenge in front of it to carry out the mandate this bill will give it.

I see the corporation being involved in providing loans for farms to expand into the farm supply side of their business, to allow farmers, either singly or with neighbours, to set up machinery agencies, fertilizer plants, fuel supply centres. Some of this is already being done in most of the farming areas of this country through co-operatives. This provides other options for those small communities where perhaps the co-op has failed or where there is a new alignment.

Its greatest possibilities lie in the further processing of farm products. This sort of financial institution would have been given consideration by individuals in my community who have recently set up a food processing plant which turns pea flour into a product that resembles potato chips but, of course, tastes a bit more like peas. It is healthier because it has a higher protein content and is finding a fairly good demand in the market at the moment.

Peas are grown in the area and in the future I can see the grinding of peas into flour for this further processing into what we call a chip continuing in the future.

There are a great many projects being planned and designed in the rural part of Canada I come from. Feedlots that make use of the grain to produce ethanol as a sideline with the feedlot using the by-product from the ethanol production are in place now and more are being planned. Having a source of funds from the Farm Credit Corporation is a further place for such institutions to get financing. Alfalfa dehydrating plants and further processing of food also have possibilities.

As I said at the beginning of my comments, farmers and provincial governments have provided new ways for people to act co-operatively. A number of farm communities have already figured out ways to set co-operative structures in motion that have attracted the attention of the financial institutions, including the six or seven large chartered banks, to the point where some of these banks are now offering such co-operative ventures credit at less than prime.

I only mention this because it seems to me that this new expanded Farm Credit Corporation is going to have its work cut out if it is going to be a competitive institution facing the experience other lenders and other credit institutions have developed in the 10 or 12 years that the federal government sat and did nothing with regard to the expansion of powers of the Farm Credit Corporation.

I do not think we should spend a lot of time reviewing this legislation.

• (1730)

I approve of the parliamentary secretary's statement when he opened this debate in which he pointed out that the government intended to withdraw subclause 4(5) of the bill. It was an unnecessary part of the legislation and would probably result in a lot of political wrangling.

It is quite clear from my point of view as a federal member of Parliament who understands the need for strong federal powers over financial institutions that the final power rests with the federal jurisdiction in that regard. I do not think it had to be reasserted in legislation. That is spinning wheels and creating unnecessary verbiage and unnecessary conflict. I am pleased to see that it was withdrawn.

I will cut my remarks short so that we can go on to further stages of this bill. I believe it could be dealt with in all stages before this day's session is finished.

The Acting Speaker (Mr. Paproski): I will recognize the hon. member for Prince Edward—Hastings and then the hon. member for Kent who will split 20 minutes.

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, it is a pleasure to have the opportunity to make some comments on Bill C-95 which is redoing the Farm Credit Corporation legislation, the act covering it.

As my colleagues have said before me I will say from the outset that I support the bill in principle. There are some ways the bill could be improved. I am not excited about the fact that it may go through all stages today because there is some work that could and should be done on it in committee. My recommendation to my

colleagues and to the House is that indeed that should happen.

It is an important piece of legislation. I do not think we need to rush it through today. I am not saying I want to drag my feet on it, but we need to have at least a meeting or two in committee on it.

As we know it is permissive legislation and there are some good changes. One of the questions I raise is that I am not so sure that we need 12 members in total on the board of directors. I will leave it at that. I just raise that question. I am not sure we need that many.

Without going over the good things the bill does point by point, it expands the way in which moneys can be used that are borrowed from the Farm Credit Corporation by including value added parts of the industry and enterprises. In the minds of some people it may be moving away a little from what we think of as traditional Farm Credit Corporation loans for barns, machinery and land, to what I will call cottage industries, as long as they are on the farm and one of the spouses wants to get involved.

We know there is an incredible amount of stress, strain and financial pressure on the farm community today. In far too many cases one spouse has to go off the farm. As I said in the House yesterday, the average Canadian farmer feeds 120 people, but one member of the average Canadian farm family has to go off the farm to make enough money to feed the family. This will make some money available for a cottage-type business or industry that might spin off from the farming operation.

It also makes it possible for an individual to use other assets to guarantee the loan, whether that be another property some place else. In the past it had to be a first mortgage on the assets the money was being borrowed to buy. If an individual with a full-time job wants to start a farm business or livelihood in a smaller way and he has a piece of property some place else or has some investments he can use them.

It also gives the FCC the power to set interest rates. I might make a comment here that I hope with the new powers and the flexibility it will have the FCC will make the banks nervous.

There have been times in the past when maybe the FCC has been a little too lenient when it has lent money. Quite frankly there was a period of time a few years ago when the FCC was seen as the lender of last resort. Probably some of the files it started at that time, we can say with hindsight now, were not good investments.

As the previous speaker just said, some chartered banks are lending money to agrifood operations at less than prime. If some changes in the Farm Credit Corporation can bring a bit more reality to the chartered banks and other lending institutions and therefore a little more support to agrifood and the farm community, it is way overdue. That should take place.

I become very upset every week when I get calls at my office from farm businesses that are struggling. They are working hard. They are doing the best job they can do and they say, basically with no notice, that their bankers phone them up and say their operating loans are cut. They just start tightening that old vice and the first thing we know they have restricted business to the stage that it just cannot survive any longer and we have lost it. Not only have the people lost their incomes. We in the agrifood industry in Canada have lost that input and that production.

There are a couple of places where there should be some improvements. I am not at all happy with the fact that there really is not a proviso in the legislation, unless I have missed it, for an appeal board for people who are not happy with the way they have been dealt with. I think that provision should be there.

If there are to be twelve members or directors in total, one being the chairman, one being the president and ten being directors, three of those directors should definitely be primary producers. That stipulation should be included in the make-up of the board of directors. I am not saying it would not happen, but I think the industry and I would feel more comfortable if it were there.

I have discussed the next one with the minister in the last few minutes. I do not know what the answer is. It is being checked out, but I think we should follow it up. I know there is concern—it is a concern of mine and of some other people I have talked to since this legislation has been out there—that this legislation makes farm credit loans available not only to Canadian citizens or landed immigrants but to non-Canadians and non-landed immigrants.

People could come into Canada from another country and avail themselves of the benefits of the Farm Credit Corporation. I do not know where that fits in as far as the charter is concerned and what that would do, but it definitely does concern me and others who have brought it to my attention. In a nut-shell the feeling is that Farm

Credit Corporation loans should be available only to Canadian citizens or landed immigrants.

I do not have any other comments I would like to make. This is a move in the right direction. It is a little overdue. The industry needs a lot of help. There is a lot of uncertainty, uncertainty whether it be over GATT, whether it be over the future of the Western Grain Transportation Act, whether it be over the future as to whether barley will be in or out of the Canadian Wheat Board. I could go on and on.

Farmers want some more certainty. This is a piece of legislation that can start giving that. I stress again that I feel very strongly it should go to committee for a bit of work there and then back to the House in the not too distant future. Mr. Speaker, as you said, I will share the rest of my time with my colleague from Kent.

• (1740)

Mr. Rex Crawford (Kent): Mr. Speaker, it gives me great pleasure to rise today during debate on Bill C-95 respecting the Farm Credit Corporation Act.

I am personally inclined to support this bill, especially since many of the changes proposed in it are the result of the farm finance task force. Farmers have had input into this bill and I believe that on the whole they are in favour of it.

The major concern I have with Bill C-95 is the fact that it will seem to act just like a bank. The Farm Credit Corporation should be there for farmers. It is a lending institution of last resort.

If Farm Credit Corporation offers interest rates at the same or even higher levels than banks, what is the point of having a separate organization for farmers? I say that as a farmer. I have seen too many farmers go bankrupt in my day for many reasons, not the least of which being that the banks and farm credit were unwilling to take a risk and lend to a farmer in trouble.

Yes, the money has to come from somewhere, and I would be the first to applaud greater efficiency in the use of tax dollars. Farm credit uses tax dollars while banks do not, but we must support our farmers. They are faced with Mother Nature, low commodity prices and global competition. We ought to use every means possible to ensure that Canada remains self-sufficient in food and retains the ability to export quality grains and oilseeds to world markets.

I think that a lot of people in Canada need educating on the importance and greatness of agriculture. Too many take it for granted. They go to a restaurant, shop at a grocery store and perhaps never once think about how that food got there in the first place.

Canadians would dramatically increase their appreciation of agriculture the day our farmers shut down and we were faced with a famine or food shelves were not stocked the way they were used to seeing them. This is not Russia; this is Canada. We must maintain and improve our farmers' ability to grow crops and food while helping to ensure a fair market price.

One of the things I favour with this new Bill C-95 is the fact it will allow farm credit greater flexibility in long-term financing. This is so important to farmers because no loan officer can base their figures on one, two or even three crop years.

If that were the case, no farmer would ever get a loan as they could be faced with drought one year and floods the next. We see that in my own riding of Kent. It seems to me that the aim of Bill C-95 is to extend and strengthen the mandate of the Farm Credit Corporation. Market conditions and the farming economy in the nineties are much different from those in the fifties and sixties.

We are competing in a global market so this legislation must have a global outlook. Today there is more emphasis on added value in the agrifood sector. This is an important departure from the existing Farm Credit Act which only allows the FCC to lend money for agricultural purposes.

For example, farm syndicates would now be eligible for FCC loans. As well, the expansion of financial services as outlined in this new bill will permit loans to people who lease farm land but do not own it. This is an important addition. If our farm land is being used for agricultural activities we ought to help the farmer to the greatest extent possible, even if he is just leasing the land. He is

making good use of the land so the farm credit option should be available to him. Bill C-95 does that.

One thing that should be clarified is that the new legislation does not require farmers to be Canadian citizens to get an FCC loan. Why not? It is Canadian tax dollars used on Canadian farms. Is this the new globalization when foreigners can buy up our land and then be eligible for loans? I would like to know the government's thinking on that one.

The Liberal Party believes that an FCC loan should be available to a Canadian citizen or a landed immigrant.

Something brand new in this bill is the notion of giving the FCC the power to make guaranteed loans to farmers or a group of farmers for business related to their farming operation to allow value added production. Bill C-95 expands the availability of financial services to this kind of production. The loan would be conditional on proof that the input is going into farm production and where the output is part of farm production.

As long as the inputs and outputs of a diversified operation can be seen clearly, the proposed legislation will allow the FCC to provide a loan to a business located off the farm but within the rural sector.

Under the law presently in place the FCC could only make a loan to a business venture on the farm, but subclause 4(1) of the bill does not come right out and say that the value added part of the farm operation must be located in rural Canada to get an FCC loan. The legislation does not set any boundaries on population size to distinguish between rural and urban centres and yet this same subclause says the bill is for the benefit of rural Canada. Why is there not a clarification on that?

The original mandate of the Farm Credit Corporation was to lend money for agricultural purposes only. Bill C-95 is a significant departure from this. The new bill proposes to include loans to farm businesses that diversify beyond the farm gate for value added production.

I feel the result of this move while logical at first glance could mean a large percentage of FCC funds being transferred away from helping our primary producers and instead to further value added production facilities.

Clause 4(2)(a)(iv) fails to explain how the FCC will deal with problems which could arise when dealing with laws under provincial jurisdiction. For example, if a farmer obtains an FCC loan to diversify into ethanol production and then later he decides to diversify again into the distribution of ethanol blended fuels, how can we justify FCC financed oil tanks on farm land zoned as agricultural?

There are still kinks to be worked out in this bill. That may come through actual implementation.

One of the major changes in the proposed legislation is found in subclause 4(2)(g) which gives the FCC board the power to set interest rates charged on loans. Under the current law it takes six to seven days for the Governor in Council to set interest rates and fees for guarantees. Now FCC loans charge a higher rate of interest than the banks in keeping with the greater risk of farm loans.

We still must address the real problem which is the government's economic policy. Even though the FCC increased its lending by 86 per cent last year, it continues to lose market share to banks and credit unions. Many banks have adapted well to the marketplace with agricultural specialists, regional head offices and bank managers trained in farming pursuits.

Something that bears closer scrutiny is that under subclause 4(2)(h) the FCC must operate on a break-even basis. No farm credit program will be allowed if it is losing money. The only way the FCC could operate a money losing program would be for the federal government to provide farm credit with equalizing payments.

Something that is a positive move is the reduction debt to equity ratio. The current debt to equity ratio is 25 to 1. Subclause 12(3)(b) imposes a limit on liabilities to 12 to 1.

Under the current legislation the FCC would be allowed to borrow up to $28 billion, whereas under the new rules the FCC would be limited to between $13.5 billion and $16.8 billion. The reason behind increasing the FCC's capital limit and imposing a lower limit on liabilities is that the government is interested in Farm Credit growing through its own profits like any other private corporation. I certainly do not have any problem with that.

We are all very aware of the problems with agriculture today. The number of family farms has dropped steadily over the years with roughly 280,000 farms remaining today, down 13,000 from 1986.

• (1750)

The total farm debt has reached a staggering $23 billion. The ability to repay that debt is compounded by a farmer's low income. In 1991 farm bankruptcies reached 441, double the number from 1980. It is amazing to note that the average Canadian farmer has about $525,000 invested in the farm, yet only realizes $15,707 in annual farm income, of which over half is producer support payments by the Canadian taxpayer.

The GATT discussions are very important to farmers, especially in my area of southwestern Ontario. The future of supply management is in doubt. Marketing boards account for over a quarter of total farm cash receipts and supports 38,000 farm families.

We have a grain subsidy war on our hands and I know the new Minister of Agriculture shares our concerns. He knows that the impact of the grain subsidy war on the price of Canadian grain between 1985 and 1990 resulted in the loss of $4.7 billion in farm revenues on the export of 90 million tonnes of grain. Now under the free trade agreement we have opened the border to U.S. wheat.

I believe that the FTA failed to protect traditional Canadian grain markets from U.S. subsidy programs such as the Export Enhancement Program. According to the Canadian Grains Council, between 1985 and 1990 the EEP has resulted in the loss of $2.5 billion in grain sales.

In conclusion, the level of desperation in rural Canada is increasing tenfold. As established farms face foreclosure, farm families are under tremendous stress and rural communities are in decline.

Bill C-95 goes some way to increasing the flexibility required to handle the unique needs of the farmer. It moves the system into the globally competitive nineties. If in the long run it helps farmers more effectively and efficiently than the old Farm Credit Act, then I am all for it. Despite some of its imperfections, I am pleased to support Bill C-95.

Mr. Jordan: I rise on a point of order, Mr. Speaker. I notice our colleague from Saint-Denis has joined us. I just wanted to remind all sides of the House that he has been here a long time.

It was 29 years ago today that our colleague from Saint-Denis was first elected to the House of Commons. He is one of the senior members. In a by-election on February 10, 1964 this very shy and reserved man who is reluctant to speak very often came to the House of Commons. I have a lot of admiration for him, the rather multi-dimensioned guy that he is.

I am sure that all sides of the House would like to congratulate our colleague from Saint-Denis as he starts the second half of his political career.

Mr. Boyer: I rise on the same point of order, Mr. Speaker. In recognition of the dean of the House, I would like to say on behalf of Progressive Conservative members and certainly myself that ever since being in this House the hon. member has been if not an institution at least a very familiar part of the scene and the setting, the debate and the mood that is always created here by his participation and his guidance.

It is not only for his 29 years of service in the House of Commons that he is recognized as dean of the House, it is also his contribution to the public debate of our country, as well as the years of long service.

I can remember as a student at Carleton University in the mid-1960s joining with some other young Liberals, and I think even a few young New Democrats, in an organization of young Canadians interested in politics. We held a meeting at the Chateau Laurier Hotel. In came this effervescent young member of Parliament and he was introduced as the newly elected member for Saint-Denis. That was my first encounter with the hon. gentleman.

The point of order was introduced with a reference to the first half of his political career which is now 29 years in the House.

The riding of Saint-Denis has grown accustomed to longevity in its elected representatives. The hon. member's predecessor, Azellus Denis, was first elected to this House of Commons in 1935. He served here for a full 28 years as well. When Mr. Denis retired from this place, he went on to the other place, the red chamber along the corridor and served there for another 28 years. He found

political heaven after and on the basis of that, I think the incumbent for Saint–Denis is already one year overdue to find his reward in political heaven.

Wherever that might be and with whomever he might associate as a colleague, they will be as fortunate as those of us who are currently members of this Parliament to be present with the hon. member who has brought a lot of distinction as well as good humour, wisdom and passion to the public affairs of our country.

Mr. Althouse: Mr. Speaker, I would like to join my colleagues in congratulating the hon. member for Saint–Denis on his anniversary. I do not envy him his 28 years. It is not something I anticipate for myself but I do appreciate the hon. member and the contributions he makes.

Those of us who have come in after him particularly appreciate the very kind way he has of making new members feel comfortable when they first arrive. He was one of the first members I recall running into. I imagine it is just part of his personality that he greets all new members. He probably does not even remember, but it was very much appreciated to have one of the long–standing members welcome me to the Hill, someone from the other end of the country so to speak.

At that time he was quite close to the then Prime Minister. I think he was his parliamentary secretary. He was one of the members who travelled a great deal for three or four years. He kept Canada in front of a lot of countries. I am sure with his personality and his elegance he made a fine impression on all he met on behalf of Canada.

The member has been a credit to the House. While it is up to him whether he wishes to stay another 28 years, I am sure that he has been looking down the hall at the other chamber. I am not sure he will get 28 years there as his predecessor did, but we wish him well at any rate.

[*Translation*]

Mr. Langlois: Mr. Speaker, I would like to add my comments to those of hon. members who paid tribute to the hon. member for Saint–Denis. When the hon. member started his career in this House, I was a very young man at the time, but I have always appreciated and admired the excellent job done by the hon. member for Saint–Denis. I may add that he has always very ably represented his constituents, the entire Montreal region and of course Quebec as a whole.

As a member of the delegation that attended the canonization of Mother d'Youville in Rome, I had the pleasure of making that trip with the hon. member for Saint–Denis. I must say that the hon. member was very well known in Vatican circles and at the Holy See, and it was a privilege to have him with us on that occasion.

For the past few months I have also had occasion to sit with him on the House Management Committee, where his advice and comments are always of very high calibre and much appreciated. Therefore, on behalf of all Quebec members sitting in this House, I would like to pay tribute to the hon. member of Saint–Denis and wish him a long life in this House. Should he consider continuing his career in another House of Parliament, I would be delighted to support him in this endeavour.

• (1800)

[*English*]

The Acting Speaker (Mr. Paproski): I have another member here.

An hon. member: What does this have to do with agriculture?

The Acting Speaker (Mr. Paproski): Somebody just asked me what this has to do with agriculture. He is going to mention all the agriculture ministers he has met and seen leave.

Mr. Maurice Foster (Algoma): Mr. Speaker, I am happy to join with the House in expressing congratulations to the member for Saint–Denis. I am sure it has nothing to do with the real stuff of agriculture that we are talking about here today. It is about a member who has really made an outstanding contribution to this House.

I think back to the mid–1970s when I had the opportunity of serving as the vice–chairman of the external affairs and national defence committee. The hon. member was the very distinguished chairman of that committee and led it through some very difficult and complicated hearings, not only in Ottawa but outside the country. I came to appreciate his contribution tremendously. I think that he brings a sense of balance and a

sense of the best traditions of this House. Often there are issues that seem to be inflamed and a few words from the hon. member seem to cool the situation.

I think the work he has done on the Member's Services Committee is also important because it is not strictly a matter of legality or a matter of quick judgment, but a matter of putting this in that committee in an historical perspective. I think he always does that, certainly with our caucus. Although I have not had an opportunity to attend those meetings, I am sure he brings that same balance and judgment to the deliberations of the committee.

Our time in the House of Commons often is judged not so much by the years but the number of elections. The hon. member has gone through nine elections and that is a great many. I think it is very fitting that if his predecessor had 28 years in the Chamber and 28 years in the Senate then it would be very fitting for this member to serve 29 years in this House and 29 years in the upper House so he would one up him by that amount."

I am sure we have very powerful representatives on the government side who might want to speak to the Prime Minister about this. I know the hon. member is very close to the Prime Minister on issues such as this.

There is another issue this member really brought to the House. I travelled with him on committees dealing with the Constitution in the early 1970s when he was able to put the national perspective with regard to the two founding nations of this country and bring some good will, good sense and judgment. That is not always easy. However, members like the member for Saint-Denis are able to bring out the goodwill that exists on the national level and makes our country really function. He has done a great job in that regard.

The Acting Speaker (Mr. Paproski): I think it would be unfair if we did not let the shy and very modest member from Saint-Denis reply, as he wipes the tears from his eyes.

[*Translation*]

Mr. Prud'homme: You are right, Mr. Speaker. I must say I am very touched by this tribute from my friends in the House.

[*English*]

Needless to say, I am thankful to the hon. member for Leeds—Grenville.

[*Translation*]

Mr. Jordan, which is how I always refer to him, was the first to rise and draw your attention to my presence in the House.

[*English*]

Yes, indeed, it was a great day then and I want you to know it is still a great day.

I always remember when I was introduced in the House by the Right Hon. Lester B. Pearson, a man for whom I had great respect. My colleague from Algoma, who was last to speak, is a faithful and remarkable successor to Mr. Lester B. Pearson.

When I came into this House I held Mr. Pearson a little bit in order to pay a salute, just a short salute like this, when I passed in front of the Right Hon. John Diefenbaker. It was quite surprising for people. Some say it was even surprising to me, maybe it was nervousness, but I thought that was the only way to act in the great political system called the British parliamentary system. We are not and should not be adversarial all the time.

I am very touched by the kind words of the member for Leeds—Grenville. Yes indeed I remember because I make it a point when I see new members coming in. When I came into this House, I came alone. Everybody thought that I knew everything, but I had to find my way around. I said that if I had a chance to stay longer the first thing I would do is to go and see every member from every party and say: "If you need anything, if I can be helpful, not push, but if I can be helpful I would be honoured and delighted". I have done so and I remember.

I cannot say I remember speaking to the student, but I spoke to many students. I thank the hon. member for Etobicoke—Lakeshore. Yes I think it is a great occasion for parliamentarians to share with the young people of this country, trying to build this country, and we are still trying today.

[*Translation*]

I would like to thank the hon. member for Manicouagan for his kind words. I have the pleasure of sitting with

him on the House management committee and I must say it is a very rewarding experience.

[*English*]

At the same time, I am still here. Do not announce anything. I hear the good voice of my esteemed colleague who like many here represent exactly the definition of what they call civility. This is something that seems to disappear but civility is important.

[*Translation*]

Thank you, Mr. Speaker, for giving me these few moments. I was away this afternoon because the duties of a member of Parliament include going to funerals, and that is what I did this morning. I am very rarely absent, but one has an obligation to one's constituents. Elio, a restaurant owner who started his business, incidentally, when I was elected for the first time 29 years ago, lost his mother, so I was at the funeral, and yesterday I attended the funeral of Marcel Léger, a great Quebecer with a great affection for the Acadian people. Reconciliation is still possible.

[*English*]

If I had to say a very few words to my younger colleague and to Canadians at large I would say that this is a great institution. I am not shy to be a member of Parliament. I am proud to be a member of Parliament of Canada. We should stand up for our noble institution and we should never hesitate to exchange, as I like to do, with each other. We are all elected so we must have a reason to be here. We learn so much from each other.

[*Translation*]

I think it is essential for parliamentarians to know each other beyond the official speeches, beyond their partisan role playing because we have an incredible task—and thanks to you I can say this—which is to build this country, because it is a country that is evolving, a country that belongs to youth. We have a responsibility to hand it over to them in good shape.

[*English*]

I appreciate this moment. I thank all my colleagues and you, Mr. Speaker, for your graciousness because I know the subject is agriculture. I would like to say something on agriculture. I never hesitated, as a city boy, to go on a radio hot line to say that if we do not protect our agriculture, we will be dependent on other countries. I do not want my country to be dependent on others. That is why we must make the link not only between colleagues but a link between the people of the city and the country. We must protect the people on the farms. My people, my family, comes from the farm. I know what it is to work hard. We must stand up and talk to people in the cities. It is in their own interest to have a very strong vibrant agriculture in Canada so that we will not be dependent.

• (1810)

I can link the celebration of today, thanks to your graciousness, with the debate that is taking place.

The Acting Speaker (Mr. Paproski): I knew he would come back to agriculture.

Some hon. members: Hear, hear.

The Acting Speaker (Mr. Paproski): On behalf of all my colleagues in the House, all colleagues here who were not here at this time but were probably watching you on television, we wish you Godspeed, lots of health, and hope it will not be today, but tomorrow or the next day that you will be going to the red chamber.

Some hon. members: Hear, hear.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, it was not very long after the member for Saint-Denis came into this House of Commons that I had the honour to meet him. Before he leaves, I hope he will listen for a moment.

It was at a political convention and he was true to his word. Of course I was involved in agriculture being a farmer. The hon. member for Saint-Denis at that very first convention demonstrated to me an individual who had a very broad outlook on life. I admired and respected him and I can assure him that my admiration and respect continued to build.

I want to say it was an honour in later years to sit with him in this House of Commons as a colleague. If there is anyone in this House who demonstrates the sincerity, passion, elegance and the sense of pride that he spoke about a few moments ago that is clearly understood by this country, it is the member for Saint-Denis.

That is a sense of pride that I believe we as Canadians have to rekindle if we are going to achieve the greatness of which this country is capable.

I too want to add my congratulations to Marcel Prud'homme, the hon. member for Saint-Denis. Marcel, I mean it sincerely.

Bill C-95, the bill before us today, amends the Farm Credit Corporation Act. This act has assisted thousands of farmers, myself included, over the years. I was a client going back a lot of years ago when I first started and later expanded.

It is a good organization and provided a service that was badly needed because back in those times we could not get a mortgage from the banks. I am happy to say that over the term of that mortgage, I believe it was 25 or 30 years, through a lot of scrounging, a lot of improvising and a lot of worry, we were able to meet our commitments. Only once or twice over that time span did we have to ask for a delay, but when we asked we were always granted that request.

I have been upset in more recent years when I see younger farmers struggling to make ends meet. I would like also to point out that we have a lot to look at in this act. As was noted in the report of the Auditor General, this is the second consecutive year the Auditor General did not have sufficient evidence to conclude that the allowance for loan losses, and consequently certain other items in the FCC's financial statement, were fairly presented in accordance with generally accepted accounting principles.

I want to repeat that last part, that the Auditor General found there was insufficient evidence to know if the FCC's financial statements were fairly presented in accordance with generally accepted accounting principles.

I am afraid that this bill may very well lessen the corporation's accountability to Parliament and may well lessen the ability of the Auditor General to investigate the accounting practices of FCC.

I have been approached by many producers, not just from my own constituency, but outside my own constituency. They feel they have been dealt with unfairly by the FCC. They were led to believe that all these people like themselves are malcontents and trouble makers. I am very sorry and shocked to hear this.

Just last week I was contacted by a producer who has been unable to get a proper accounting of his mortgage account history. This is a client of a corporation that has to respond to the Parliament of Canada and he cannot get an accounting. He made repeated requests for the information. Until my office called the local office he was told he could get this information only by filing a court request. Yet when we requested this information we were assured that it was sent. But FCC continues to stonewall and did not send the requested information. It sent some but not what was requested.

I am beginning to feel that on this and previous situations, my role as a member of Parliament may well be infringed upon when I am asked by a constituent or someone outside my riding for specific information and ask for it in writing.

In fact I want to go back a few years to the 1988 five-year plan required by the legislation that was supposed to be tabled in this House within 15 days of the next sitting of Parliament. I had to wait three years for that corporate plan and so did this House. It was not received until nearly three years later. I suggest that my rights as a member of Parliament were infringed upon by not being able to have that information.

This particular producer wants an exception to end the date of mortgage and reamortization application of payment, with the rate of interest and how that interest is calculated in a statement from the FCC, not just a summary of the amount owing. Surely this is not too much to ask from any institution.

I do not see anything in this bill that will ensure that producers have a right to their own information when dealing with FCC. This bill really should be increasing the accountability of FCC to Parliament and to producers, not reducing it. It is most essential that accountability be available to all of the borrowers.

One also has to wonder about the removal of the provision that a future Minister of Agriculture can remove members of the FCC board. If this is so, can the government appoint a new batch of members? I also object to the removal of the stipulation that half the members of the FCC board be agriculture producers.

In another case, an individual who deals on a regular basis with FCC cases sent me a fax the other day with some interesting figures. He did an analysis of information we sent him on request. He points out that the FCC claims to have a 75 per cent rate of success in dealing with the Farm Debt Review Board. However, that figure refers to cases resolved, but resolved does not refer to cases where the applicant is allowed to continue in the

business of farming, but the FCC getting some sort of settlement.

In this person's mind the figure is a 72 per cent failure rate in Ontario and a 74 per cent failure rate across Canada, as only 28 per cent and 26 per cent of Farm Debt Review Board cases involving FCC result in the producer being left with a farm operation.

I do not see anything in this bill either that would direct the FCC to deal fairly and openly with the Farm Debt Review Board. All too often I have been running into the FCC using a bait and switch tactic with producers before the Farm Debt Review Board. That is the case where the producer believes they have a deal struck to make a settlement with FCC and makes the financial arrangements to do that from another source only to be told that the deal is all off now. We have something else in mind. The FCC made one deal before the hearing and another deal at the last minute, either after or during the hearing itself.

• (1820)

A constituent of mine whose case I raised primarily in this Chamber, in an attempt to get the FCC to deal fairly with him, wrote me a letter in November 1992 notifying me that 1,350 days after the last Farm Debt Review Board and attempting to reach a settlement with FCC, a court ruled that FCC could not liquidate him without going to court.

I want to read a section of this letter into the record that describes dealing with FCC in flesh and blood terms. I want to point out that this particular client is severely handicapped. He writes:

> As with every major fork in the path the family has been forced to travel, the timing is contrived to enhance the maximum stress damage to the cohesion of the family and the individuals carrying on the struggle.
>
> To schedule such decisions for Christmastime is no coincidence. It is also no coincidence that in an Ontario Court of Appeal before the proceedings began, the lawyer for FCC called my father a loser while looking at my father and within my father's hearing range.
>
> That a Crown corporation answerable to the Parliament of Canada, and directed by the Minister of Agriculture, would put a family farm through a war of—5.5 years—that a Crown corporation answerable to the Parliament of Canada and directed by the Minister of Agriculture would spend or lose between $1 to $2 million doing it—are actions that the family demands be stopped, ended, explained, corrected, compensated, published and prevented.

This is another case reported to me. The FCC arrived at the farm gate with several police cruisers just as the children of the affected family were waiting for the school bus. This type of tactic is devastating for the children, the parents and the community. Think of those children trying to explain to the other children in that school bus or at school what a group of police cruisers were doing at their farm gate just as they are going off to school when the Farm Credit Corporation was serving a foreclosure notice.

Such tactics are not acceptable for any organization, let alone an organization that operates under legislation passed in this House and supervised by this institution.

FCC is the largest single holder of land in Canada. I notice that as of December 31, it has acquired over 1,000 properties but it has over 2,500 properties on hand worth $240 million.

When you look at this sort of accumulation of properties, one has to ask about the state of mind of the people who are being forced off the land by this institution through no fault of their own.

The number of properties acquired by FCC from 1986 to 1991 increased from 324 in 1986 to over 1,000 in 1991 alone. The dollar value of properties climbed from $14 million in 1984 to the $240 million I just mentioned. That is an increase of 1,700 per cent.

This is outrageous. I worry about what lies ahead. I am sure the provisions in this bill to allow the FCC to lend money to non-Canadians so that it may dispose of the land that it has accumulated is not coincidental. Land has been accumulated from hard working Canadian farmers who are losing it not because of their own doing but because of government policies and world market conditions over which the individual has no control.

I want to go back to that letter I received in November 1992 asking how "a Crown corporation answerable to the Parliament of Canada and directly responsible to the Minister of Agriculture that put a farm family through a five and half year war with all the stress and that a Crown corporation answerable to the Parliament of Canada and directed by the Minister of Agriculture would lose between $1 and $2 million doing it". These are actions

that this particular family demand be stopped, ended, explained, corrected, compensated for and certainly be prevented in the future.

We know that times are difficult. I spoke in this House yesterday on the direction agriculture is going in the world today and that more and more huge corporations are taking over the world's food production. We see it in Canada now with two of these firms involved. I have to worry about what is going to happen not to these farmers who are having their battles now but also in the years ahead.

I suggest that we cannot hide our heads in the sand and ignore that this problem exists. As Canadians who have watched the situation develop we have to recognize it and force it to a halt. We have to make sure that food producing and processing in Canada becomes a matter of national security. I also suggest that the cases I spoke about are going to continue to multiply until such time as the Canadian producer receives a fair share of the Canadian consumer's food dollar. That does not exist at the present time.

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, I welcome the opportunity to speak briefly to Bill C-95. I want to address a specific area of concern relating to this bill that is found in clause 4(1). I would just like to quote it.

> The purpose of the Corporation is to enhance rural Canada by providing specialized and personalized financial services to farming operations and to those businesses in rural Canada that are related to farming.

I am well aware, as are colleagues from both sides of the House who spoke previously, about the tremendous amount of anxiety in the rural agricultural community and the need for any amount of support, particularly at this time of tremendous need.

Next to my riding of Stormont—Dundas, is the riding of my good friend and neighbour the member for Glengarry—Prescott—Russell. We have a very pro-active group called the Seaway Valley Energy Co-operative that has been working very hard toward constructing an ethanol plant in the Cornwall area.

Cornwall is not in a rural area. It is a small community of approximately 47,000 people and as such would qualify, I am sure, as a small yet urban centre. We have an opportunity in partnership to recognize the needs of our agriculture community and the potential an ethanol plant would present for both the agricultural sector and job creation in the urban centre of Cornwall.

More specifically there is one site where regrettably a closure took place late last year. This particular plant offers a very sound potential site for the location of such a project. I have some serious concerns that without a clearer definition, specifically, what is a rural sector?

• (1830)

I would hope if the Seaway Valley Farmers Energy Co-operative people wish to make a request to the FCC for funding that they not find themselves being disqualified on the basis of the plant itself being located just adjacent to our rural area, but being of course situated yet in the city of Cornwall in an urban setting.

I might add that last week Mr. Robert Smith who is the president of this Seaway Valley Farmers Energy Co-operative Group, received some positive news from the province which allocated some funds for a feasiblity study. We would hope that in fact this is only the beginning but certainly a step in the right direction for this initiative which would serve the needs of the rural sector of my riding and also the need for good employment opportunities in the city of Cornwall.

I do not want to delay the debate any longer. We welcome this piece of legislation and we recognize the need. Certainly any assistance that can come forward to our agriculture community at this time certainly is well appreciated by all of those stakeholders.

Once again I would hope that we would be able to clarify in that particular section of the bill as to what the interpretation might be if in fact someone came forward and asked for assistance for a loan or for a project which will go a long way into assisting particularly our corn growers and so on. At the same time it is a tremendous positive input into areas related to our environment and of course in the area of employment. I welcome this opportunity to put this on the record.

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, it is a privilege for me to stand here today and debate Bill C-95, the Farm Credit Corporation Act.

Farm groups across this country and farmers themselves have over the last several years experienced drastic economic problems. There is no question that all we have to do is look at the financial record of what has been going on to see a real need to revamp or change our

financial institutions which do serve us, the farmer in this country.

I do support the move to change some of the financing institutions. I certainly would like to see a guarantee of better interest rates, a guarantee of more money and a guarantee of better financial situations for our farm community. All one has to do is realize that the total farm debt in Canada today has reached a staggering $23 billion. The total net farm income was 53 per cent lower in 1991 than it was in 1989.

In 1991 there were 441 bankruptcies. The average farm family income in 1990 was $36,900 of which only 42 per cent, $15,700, was earned on the farm. We can see in that situation off farm income provided the farm community with a much higher income than the farmer working on the farm with an investment of $1,000, $2,000, $3,000 or $100,000 could make. It really is a sad situation that we see today with extremely low commodity prices.

We see a very difficult time suffered by the farm community and not a great deal done to help ease that situation.

Many farmers in my riding really face the fact that bankers, the Farm Credit Corporation and many others have put extreme pressure on them because they are not able to service that debt on many farms.

The average Canadian farmer has roughly $525,000 invested in his farm and he realizes only $15,000 of income from that huge investment. The economic statement of 1992 cut $63 million from the western grain transportation costing the farmer a great deal more money.

The future of supply management which accounts for 28 per cent of the total farm cash receipts and supports 38,000 farm families is currently at risk because of the negotiations at GATT. That causes a tremendous amount of concern in those supply management farm families who are so concerned about the status of their livelihood today and in the future.

We really have failed that farm community as a government. We failed the farm community at the federal level. We failed the farm community at the provincial level seeing year after year very difficult structural problems.

Then, looking at some of the free trade negotiations, they really failed to protect the Canadian grain farmer from subsidy programs that the U.S. supports its farmers with. The NAFTA right now is causing a tremendous amount of threat to many of our basic producers.

As we look at the income side of farming, we see a dramatic problem that I believe this government has to address. I am pleased at this point to say that possibly there is some address here to the side of financing in the farm. There is still going to be a problem if this bill passes of raising moneys on the farming situations that we see today to pay those loans the Farm Credit Corporation may be giving our farmers.

Farm groups seem to be satisfied with many of the proposals that have come down in this piece of legislation. Therefore I feel that we should in this House support that piece of legislation. However there are some difficulties and I think those difficulties may be more clear when we start to look at the expanding practices of loans that may come about with this legislation.

The proposed bill will certainly create an over-all boader focus in the farm community and financing will be available to, as one of my colleagues stated earlier today, some cottage industry on the farm, support processing in the farm community or other activities that will be going on as diversified businesses in farming operations.

I think a great concern must be said about the numbers of dollars that are going to be available for the farm community. Will they be as high after this bill passes as they were before? I have my concerns if these loans become too diversified and move too far away from the basic producer, the basic producer may not have the access to loans that he previously would have had under this piece of legislation.

There are some areas of this new legislation that must be clarified. Does it require farmers to be Canadian citizens? As long as the input and output diversification operations are clearly identifiable the purpose of the legislation will permit the FCC to provide loans to businesses in off-farm rural sectors. However will these off-farm rural sectors start to become operations in the middle of metropolitan Toronto? Could they possibly become operations which may be moved into the urban sector and leave the rural sector in a difficult situation? Certainly, I talk about very, very large centering areas that I may have a great deal of concern about. I would

hate to see corporations like Campbells, Heinz, and other large institutions find it more advantageous to locate in metropolitan Toronto than locating in the rural communities where they are today.

• (1840)

I certainly realize that they have moved out of a smaller community to move into that area, which does cause me some concern. Certainly it is not to get their base product from the rural community. It is looking more at possibly importing tomato paste to move into a metropolitan area in order to service that way.

I also have some concern about loss of operations within the rural sector, within the rural communities, moving more to the large metropolitan areas.

In looking at the legislation. I believe that setting interest rates is very important. I hope as we look at the new board and its individual powers that it will take very careful consideration to be competitive with the banking institutions that we have in this country and have competitive rates for the farm community.

One of the problems that I have seen in the past few years is the increasingly higher and higher rates that farmers have had to pay to service loans. That has become a very important problem in dealing with the structural debt that farmers face. It is my hope that with the new structure they will be able to handle farm debt and keep interest rates in line with most lending institutions, banks, or even give the farmers a bit of a break in that area.

My final concern is that the Farm Credit Corporation will become very independent, as I see the structure being created. The 12-member board will be appointed by the government but there is no area within the legislation to take away or alter those appointments at a later date. I know of nothing in the legislation which would allow changes to occur in those appointments after they are made, which causes me a bit of concern about how independent and almost self-serving that board may become in the future. This may create some difficulty, a board that could not be controlled otherwise.

I appreciate speaking on this bill today.

The Acting Speaker (Mr. Paproski): I believe that is all for this afternoon.

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

Some hon. members: Agreed.

Mr. Cardiff: Mr. Speaker, the government would be quite prepared to move forward with this bill if the House so desires to Committee of the Whole. However if that does not receive unanimous consent it will go to a legislative committee.

Mr. Foster: Mr. Speaker, we would prefer to see it go to a legislative committee as provided in the order.

Mr. Cardiff: In that case, Mr. Speaker, as it is only 6:45 p.m. we could move into Private Members' Hour, if that is the disposition of the House.

Motion agreed to, bill read the second time and referred to a legislative committee in the Natural Resource envelope.

The Acting Speaker (Mr. Paproski): I will call it seven o'clock. It being seven o'clock 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*]

FINANCIAL ADMINISTRATION ACT

MEASURE TO AMEND

The House resumed from Monday, November 30, 1992, consideration of the motion of Mr. Crawford that Bill C-301, an act to amend the Financial Administration Act (financial information), be read the second time and referred to a legislative committee in the Economics envelope.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I am honoured to take part in the debate tonight on the bill put forward by my colleague the hon. member for Kent, Bill C-301.

I want to commend him on the work he has done on this bill. I see a need for such a bill. I did not only recognize this need as a member of Parliament but as a taxpayer before I ever became a member of Parliament. We always shuddered when we thought of some of the waste that was reported in the Auditor General's report.

If passed this bill with its innocuous sounding title, an act to amend the Financial Administration Act, it would radically change the manner in which the Canadian government spends its money.

The bill is a common sense bill, as my colleague from Kent says. It only makes common sense that there should be a a bill like this in the statutes of this institution because it would ensure the strict monitoring of spending by the federal government, particularly in the areas of project cost overruns.

This bill would require long-term planning on the part of cabinet ministers. They would be required to present to Parliament a detailed report showing the objectives of any proposal, the costs, the method by which this cost had been computed and its effects on the economy, the environment, employment and social programs.

Too often money for proposals is announced before the specifics of the proposal are known. This often leads to cost overruns and inflated price tags.

The Auditor General, in tabling his second report on government operations, said we needed truth in budgeting. He said: "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 and a little bit later. We want to get away from that".

This bill would fulfil the Auditor General's intent to have truth in budgeting.

If we examine the reports of the Auditor General over the last few years we can certainly see the need for such legislation. For example, in 1991 it reported that science, industry and technology gave out $28 million to companies involved in the defence industry productivity program rather than let it lapse at the end of the year. Then it reported later that the companies involved had never asked for the money nor did they realize why they were receiving it. This is ridiculous.

This bill we are debating here this evening would stop this kind of year-end spending. If we have money left let us return it to the Treasury rather than spending it or losing it in next year's budget. We might need it next year. This attitude is prevalent in the bureaucracy.

This bill would also address situations such as one discovered by the Auditor General involving Transport Canada. In October 1988 Transport Canada entered into a 41-year lease agreement with a developer for construction of a $20 million hotel adjacent to Halifax International Airport. This project has since been terminated and only a foundation has been constructed because the department did not verify the company's financing arrangements. Important revenues were lost and future liabilities concerning this land will remain with the department.

If the department had followed the process outlined in this bill in all likelihood the error would have been caught.

• (1850)

I would like to offer another example from the Auditor General's 1990 report that shows why it is important that ministers, not just departments, are covered by this bill. The Auditor General found in 1990 that the Laprade Fund had been inappropriately managed since 1987 when authority for the fund was transferred to the Department of Regional Industrial Expansion, now the Department of Science and Technology.

In 1986, $87.3 million was set aside for contributions to economic development projects that would create permanent jobs. Approval for the funding of these projects was left in the hands of the departmental minister and one other minister. The Auditor General found that there were cases in which the ministerial approval given, the level of support given, was more than department analysis identified as necessary for that particular project to proceed.

The Auditor General also found that in one case the project was split in two and as a result received double the amount of funding approved. It is also interesting to note that all project funding went into ridings held by government members, which can only be classified as patronage.

Another boondoggle that might never have occurred if all government spending was required to be approved by the rigourous process proposed in Bill C-301 is that of the case of sky-rocketing computers.

In his 1989 report the Auditor General found that the on-line secure information communication systems program had cost overruns of close to $100 million. The project was budgeted to cost $111 million. As a result of the fact that performance specifications were not included in the contract for the project's automated

switching system the budget increased to $208.6 million in 1989.

In his 1991 report the Auditor General noted that in spite of warnings in 1987 and its inclusion in the 1989 report this particular project was not operating and the cost was an additional $53 million.

Lastly I would like to point out that if implemented this bill would stop the awarding of polling contracts without scrutiny by Parliament. It was reported in *The Ottawa Citizen* on January 15, 1993 that $3.2 million in polling contracts were awarded without competitive bids. It was also reported that in some instances contracts were signed after the surveys were done and the pollsters had submitted their bills.

According to *The Ottawa Citizen* most of the work went to two firms, Decima Research and Anderson Strategic Research. Both firms had close ties to the government. It is to put an end to such practices that a bill such as Bill C-301 is needed.

In conclusion, I would not deny that this bill requires some amendment, perhaps in committee, and that some of the details will need to be ironed out. However the principle and intent of this bill is sound. Therefore I am proud to be supporting this bill and encourage all members on all sides of the House of Commons to do likewise because, as the member for Kent says, this bill is indeed a common sense bill.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State and to Minister of Multiculturalism and Citizenship): Mr. Speaker, I welcome this opportunity to speak to Bill C-301, an act to amend the Financial Administration Act.

First of all I must say that as far as I can see the purpose of this bill is to embarrass the government by shortening the time frame for the tabling of public accounts. For instance, the bill proposes that these should be tabled in October instead of December and that the Auditor General have the authority to comment on long-term planning. I listened very carefully to the hon. member who spoke before and who referred to this bill as a common-sense bill and a measure for expenditure control.

I am sure that in the House spending control has been dear to the hearts of all parliamentarians for the past 40 years. However, as hon. members are aware, it is not always easy.

It is high time the House considered this bill, which was given first reading on October 24, 1991. Hon. members have had plenty of time to analyse its implications.

Before considering the amendments proposed by the hon. member for Kent, perhaps I might briefly recall the history of this act, which dates back to 1951. It is still a very important piece of legislation and regulates a large part of the internal operations of government that form the basis for its financial administration and public-sector accounting.

To ensure the legislation remained appropriate to the needs of a government constantly adjusting to today's modern and complex world, the act has been amended on several occasions. On the last of these occasions, in May 1991, an in-depth review of the act resulted in amendments to some 70 sections.

The amendments were a response to recommendations by the Auditor General, to which the hon. member referred earlier. The Auditor General had made several recommendations. Recommendations were also made by the Standing Committee on Public Accounts and the Standing Senate Committee on National Finance. The purpose of all this was to simplify the administration of public finances and bring it into line with private sector practice, to reduce the paper burden by taking advantage of computer applications—now everything is computerized to clarify certain terms both in English and in French and, last but not least, to save taxpayers money. I am sure parliamentarians on both sides of the House will agree with these goals.

However, the amendments being proposed today do not fit that mould. They are basically concerned with three aspects: the special warrants issued by order of the Governor in Council and subject to his signature, long-term planning, and the date for tabling public accounts.

As I said earlier, it is not always easy to table public accounts. As hon. members are aware, there are times when public accounts are always being held up by one of the departments. They are also aimed at providing Parliament with more specific information on the way public money is spent and bringing the time frame for

tabling the accounts more into line with practice in large publicly-owned companies.

Although at first glance these amendments seem to be desirable, I do not think it would be appropriate to adopt them. It would not be reasonable to set conditions that would inhibit the ability of the government to govern effectively and to provide accurate and quality information to this House. Let me explain.

Let us consider the first condition, which concerns subsection 30(3) of the Act. It deals with special warrants, issued by order of the Governor in Council and signed by him, to authorize payment of funds from the Treasury. The amendment to this subsection would provide that for every warrant, in addition to a detailed statement of the purposes to which the payment was applied, there should be a statement indicating the amount and the reason for the urgency.

I would remind the House that these warrants can be issued to provide the government with funds only when three conditions have been met. First of all, Parliament must not be in session. Second, there are payments to be made which are urgently required for the public good. Third, there is no appropriation to which the payment may be charged.

Some members of this House are concerned about the irresponsible use of these warrants. Actually, they are seldom used, since the occasions on which all three conditions are met are few and far between. The last time the government resorted to the use of special warrants was in 1989 in a rather unusual situation. Members will recall that following the 1988 election Parliament sat for only three weeks. Before it adjourned, however, the House had been informed of the need for further supply in the 1988-89 fiscal year. The government tabled supplementary estimates on December 16, 1988.

• (1900)

Later, when Parliament was not sitting, the government asked the Governor in Council to issue four warrants, on January 19, February 16, March 23 and April 1. Parliament was recalled on April 3.

Issuing these four warrants when Parliament was not in session was not at all different from the nine other cases when such warrants were issued since the Financial Administration Act was passed in 1951, 42 years ago. Considering that all in all successive governments have issued such special warrants only 13 times, we cannot really say that the system has been abused. I believe that I can also say in all good faith that in the case with which we are concerned, the government acted responsibly in using public funds and respected the spirit and the letter of the Financial Administration Act.

The other point I would like to dwell on concerns the date when the public accounts should be submitted to Parliament. Bill C-301 would make the time limit for presenting them October instead of December.

I would remind you briefly that the public accounts show the spending on each item, government revenues and other payments credited or charged to the Treasury. They are reported to this House by the President of the Treasury Board no later than December 31 following the fiscal year-end, or if the House is not sitting, within 15 sitting days of that date.

Under the proposed amendment, subsection 64(1) of the act would be changed so that the date would be October 30 instead of December 31.

The government fully realizes that the deadline of December 31 for submitting the public accounts to Parliament is late. By then nine months have passed since the fiscal year-end. The question we might ask is whether it really takes nine months to report Canada's financial situation.

The government is the first to admit that this delay is too long. That is why it has always given high priority to having the public accounts tabled well before that deadline. Indeed, in six of the last ten years, the public accounts were tabled in the first week of November. However, we think it would be pointless to set the highly desirable deadline of October 30 in the act, and here is why.

The information in the public accounts requires a great deal of thorough, time-consuming research. This research is delayed and hindered by all kinds of difficulties. Also, the information in the public accounts comes from the departmental accounts which are not closed until two or three months after the fiscal year-end.

The departments and Treasury Board are not responsible for other difficulties that are due to circumstances beyond our control. For example, it sometimes happens that certain points are discussed with the Auditor General's office and are not settled until he tables his report. In the past this report has been tabled in October, but it

has also not been tabled until the end of November, as it was this year.

The process for drawing up the public accounts is both long and painstaking. It is detailed work and moving up the deadline for tabling the public accounts by nearly two months would only compromise the process.

I note that I do not have much time left. In a way the purpose of this bill is much more to embarrass the government than to come up with good figures. That is why I would ask the House not to go ahead and pass this bill because its purpose is much more to embarrass the government than to have accurate financial statements.

[*English*]

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, it is a privilege to rise on behalf of the New Democratic Party and lend our support to Bill C-301, brought forward by our colleague from Kent. It is indeed a rare occasion that a private member's bill gets this far. One that has been labelled a common sense bill, it is only appropriate that it gets this far, and let us hope that it gets a little bit farther. I will start by dealing with what I consider to be some negatives for 30 seconds and then get on with 9 minutes plus of positives.

As the previous member indicated, I suspect this is going to take some more time for the government. It is going to create more work for the Auditor General. It is going to be a continual internal audit on behalf of the government. It may have to create more bureaucracy to deal with the mechanics of the bill, but the bottom line is that it will bring forward fiscal responsibility and accountability. We know the public demands those now.

Indeed it is an appropriate bill. If I may just read one of the clauses so that if anybody is listening he or she can relate to the common sense of the bill, clause 42.2 reads:

> Where the Minister is informed that the cost of a program on which he has laid a statement before Parliament pursuant to section 42.1 will exceed the estimated cost shown in the statement for any year, the Minister shall lay before Parliament a statement showing:
>
> (a) the amount of the excess cost for the year,
>
> (b) the reasons for the excess,
>
> (c) the alternates that have been considered before concluding that the excess is unavoidable.

One might ask for a concrete example or several examples and say: "Does this happen? Just how bad are the overruns when the government loses control of spending?"

I want to cite a statement I made in May 1991 talking about cost accountability at external affairs. It was noted that the estimates for external affairs revealed that between 1987-88 and 1990-91 construction sites in Algiers, Buenos Aires and Tokyo all experienced severe cost overruns.

For Algiers the increase was 169 per cent; for Buenos Aires, a mere 200 per cent; for Tokyo, 478 per cent; the Canadian pavilion in Seville, 50 per cent; the Canadian embassy in Washington, the cost overruns for those buildings out of one department of this government was $102 million. To go from the ridiculous to the sublime, the Canadian government said that it had to put a gate up at its embassy in Washington and that the gate was going to cost $170,000. This is a very special gate. We found out that it was too heavy and that it would not swing so we had to replace the gate. Perhaps that shows some of the fiscal irresponsibility of the government.

It does happen. It happens on a regular basis. What is the problem with making the government fiscally responsible and accountable to Canadian taxpayers? I am sure if they were told about these overruns on a regular basis as they happen they would be horrified. It does continue. We can go to whatever lengths are necessary to bring fiscal responsibility to whatever government happens to be in power at the particular time.

The Museum of Civilization is a classic, something of which Canadians can rightly be proud. In 1982 the estimated cost was to be $80 million. In 1985 it had risen to $122 million. In 1987 it went up another $46 million to $168 million. When we are in so deep we cannot really say: "Well, let us not proceed with this museum"; we have to finish the job. In 1988 it was just another $8 million because the designer of the building said: "Look, this building is more expensive than we thought it would be and I need my royalties to go up a little higher; my charge is going to be a little higher". It was another $8 million. In 1989 the cost of that museum started at $80 million. It finished at $340 million and it is not yet complete.

• (1910)

I was called over there a year and a half ago and they said: "We think the building is leaking". After $340 million, the building could have a leak in it. In fact some said there was a faulty structure and there was danger that the building was going to shake and collapse. Heaven forbid. That is veering off the point, but it went from $80 million to $340 million, a cost overrun of $260 million, and the museum is not yet complete. Once we get in that deep we cannot get out. That is the reality of the situation.

Right at the very end they wanted to get the museum opened so they said: "We had better hurry up and get all these things finished". They had to toss in another $11 million to get it ready for opening day. Unfortunately on opening day some ammonia fumes got into the museum and they had to postpone the opening. I do not know what it cost to get rid of the ammonia and straighten things out. I am sorry to have picked on such a prized structure but nevertheless that is reality. It really points to the fact that a bill like this one would bring direct accountability and fiscal responsibility to the government.

I urge the government side to support the Official Opposition and the New Democratic Party in approving this bill and getting it to committee. Some say it is not perfect. Let us deal with it. Having had a bill destroyed in committee yesterday, I really appreciate that the member would like it at least to get into committee. I think it is a bill worthy of support. It should be retained, studied and supported.

Mr. Bob Hicks (Scarborough East): Mr. Speaker, I am pleased to participate in the debate of the motion of the hon. member for Kent. I know he has put a lot of thought into it. I know his heart is in the right place. I would like to make some comments though and draw some attention to some aspects of the particular bill that need particular consideration.

Bill C-301 seeks to amend the Financial Administration Act in three areas: special Governor General's warrants, long-term planning and the tabling of public accounts. Some members may feel this is a worth-while bill to support. However many others will recognize that these changes may not be in the best interest of this House.

Allow me to respond to the concerns of the hon. member with regard to section 30 of the Financial Administration Act which authorizes the use of special Governor General's warrants during periods in which Parliament is not in session.

Members of this House will recall how in May 1989 the House debated the government's use of special Governor General's warrants in the context of the 1989 Main Estimates. At that time the government's actions were not only determined to be in full compliance with the Financial Administration Act, but they were also determined to be fully justified.

The provision to use special Governor General's warrants under prorogation and dissolution has been provided for in our legislation since 1867. In 1951 the first Financial Administration Act was passed. That act broadened the provision to use the warrants during periods when Parliament was under extended adjournment.

The changes made have not fundamentally changed the original criteria governing the use of special Governor General's warrants. They have only clarified the scope of their application. The provisions of the Financial Administration Act which govern the use of special Governor General's warrants sets out three conditions under which the warrants may be used.

They are: Parliament must not be in session because it is dissolved, prorogued or adjourned; payments are to be made which are urgently required for the public good; and there is no other appropriation to which the payment may be charged.

I would like to review for the hon. member the circumstances surrounding the use of Governor General's special warrants in 1989. As most members of this House recall, that session of the 33rd Parliament lasted for almost two years before the general election of November 21, 1988.

Parliament was convened a mere three weeks later to complete the business of the previous Parliament. Even though the Speech from the Throne made it clear the purpose of the opening session was to deal with free trade, the government clearly informed the House of the need for further supply in the 1988-89 fiscal year by tabling Supplementary Estimates (B) on December 16, 1988.

Later when the House adjourned and subsequently prorogued, the government requested the Governor General to approve special warrants in accordance with section 30 of the Financial Administration Act.

The issuing of the four Governor General's special warrants in 1989 cannot be construed in any way to be a breach of rules or convention. Each of the three conditions as required by the Financial Administration Act for the issuing of warrants were satisfied.

The government's use of those special warrants in 1989 was consistent with the nine other instances that special warrants were used since the Financial Administration Act was passed in 1951. The government in no way extended the scope of the special warrants since the items covered by the 1989 warrants were similar to the items financed through Governor General's special warrants in 1979 and again in 1980.

I would like to make some comments regarding the proposed changes to section 30(3) of the Financial Administration Act. These changes would require the President of the Treasury Board to present a detailed statement for each warrant issued within 15 days after the commencement of the next ensuing session of Parliament.

As members of the House are aware, the President of the Treasury Board can attest to this urgency in the report to the Governor in Council. Information regarding the urgency of warrants is not required in the president's report to Parliament.

The question still remains as to whether there is a proven need for Parliament to have this additional measure to monitor expenditures. I suggest that the ministers who are accountable to this House for their decisions are the best judges of whether or not the appropriation is of an urgent nature.

Allow me to state now some observations regarding the proposed changes to section 30(5). As stated in the Financial Administration Act, the issuing of warrants must only occur when urgently required for the public good. It is the government's belief that by changing the definition of adjournment within section 30(5) from 15 days to 90 days we are not acting in the best interests of the public.

It would be a grave mistake to paralyse the government by restricting the ability to issue Governor General's special warrants when Parliament is not in session. In fact, it has been recognized that access to these warrants is necessary from time to time and under carefully delineated circumstances for the good and orderly functioning of the government.

History has demonstrated to us that these warrants have been issued in order to carry out urgent repairs to public buildings or to pay employees their due wages. I am confident that members of the House will realize the need for conducting timely repairs, should they be required, to public properties where the public is served while the House is not in session and to pay employees for doing so.

The next point I wish to address is the proposed addition of sections 42(1) through 42(4) to the Financial Administration Act. This amendment proposes that when new programs are established the government must table information regarding the long-term cost profile of that program as well as give the Auditor General the opportunity to review and to comment on this information.

This proposal has numerous flaws. Perhaps the most critical of these is that the proposed amendment would appear to be in conflict with section 7(d) of the Financial Administration Act. Parliament under section 7(d) has delegated the authority for long-term resource planning to the Treasury Board. This proposal would thus create ambiguity and work toward undermining the role and accountability of Treasury Board as the authority for solid financial planning practices within the government.

• (1920)

A concern also arises from the proposed requirement to table information relating to the establishment of new programs. Such public disclosure may have the effect of jeopardizing the intended result of new programs by impairing the effectiveness of the program delivering mechanism and reducing the benefit to the public. Surely this is not in the best interests of Canadian taxpayers who contribute their hard-earned money toward such programs.

This proposal also calls into question the role of the Auditor General. The proposed amendments significantly alter that role from one of being an important accountability agent within the system of government to one of being an active participant in government decision making. Decisions of this nature are to be made by the ministers.

Similar to auditors in the private sector who provide an opinion to the board of directors and shareholders, the Auditor General's responsibility is to provide an opinion to the Government of Canada and the taxpayers. The responsibility for delivering this opinion is assumed at the end of a specified period of time, not at the point before the period commences. The Auditor General's resources are already well used as it is. Any new

responsibilities would only increase the costs of the audit office which are already touching $60 billion per year. This proposal would undermine ministerial responsibility for resource management by introducing another level of governmental decision making.

The government is charged with the responsibility of delivering programs which are deemed to be in the best interests of Canadians. During the development of these programs the government consults with many groups including business and academia to design the best possible programs. The cost of these programs during these times of restraint is a fundamental consideration.

Keeping this in mind, the Comptroller General is already consulted with regard to the sound financial management of governmental programs. There is no need to spend additional taxpayer money to set up a system to second-guess a decision which has been made by those who have the responsibility to make those decisions. I see I am nearly out of time.

An hon. member: Thank goodness.

Mr. Hicks: I regret that these comments were necessary. I regret this to hon. members opposite but I think these observations are necessary and I hope they are taken to heart. As hon. members have assumed by my comments I cannot at this time support the bill.

Mr. Joe Fontana (London East): Mr. Speaker, I am pleased to be able to rise in the House today to support this private member's bill, Bill C-301, an act to amend the Financial Administration Act as proposed by my colleague for Kent who through this bill has brought some long-awaited fresh air and common sense to this House.

Perhaps, like me, it comes from the member's municipal background where one needed to but could not run deficits and get heavily in debt. In fact you had to balance your budget and be fully accountable for expenditures each and every day to the taxpayers. I believe his roots do come across in this particular bill.

A colleague from Sault Ste. Marie started to talk about the over-expenditures in the Museum of Civilization. After the next election we will probably be putting a lot of Tories in that museum so that future Canadians can view the period between 1985 and 1993 as one of the most dismal in Canadian history, but we will let the electorate look after that.

I want to talk about a different perspective on this bill because it embodies the real essence in the purpose of what private members' bills are all about. It speaks for the people of Canada and to a government that no longer listens.

Listening to government members I have found it rather curious that it would be the Conservatives who are voting against the bill for fiscal responsibility and the Liberals and the NDP who are proposing the bill for fiscal responsibility. One would think the government would be in favour of such a bill.

Bill C-301 is a call for the federal government to be accountable to the people of Canada for the tax dollars that it spends. The federal government's yearly tabling of the budget and the accompanying estimates is no longer sufficient to accountability. The tabling of the budget and the estimates only provides for a minimal amount of debate by members of Parliament.

I believe that the Prime Minister and his cabinet are the key decision makers and that members of Parliament are really sitting on the sidelines giving brief comments on the most important decisions that the federal government makes each year.

The Auditor General in his recent report concluded: "There is a general widespread breakdown of management controls including fundamental parliamentary controls. Canadians are worried about the impact of the annual deficit and the accumulated national debt on their standard of living".

That statement rings true in many respects. This bill does not only address the issue of the government's accountability to the people, it also addresses the issue of responsibility. Who is responsible for the fiscal decisions of government? As members sitting in this House, we are accountable to our constituents for these decisions. However, how can we take responsibility when much of the information which is provided to us is not given to us by the decision makers, those in cabinet?

This bill will ensure that members of Parliament can act responsibly for their constituents. Canada is faced with a population that no longer trusts its politicians. We know that. We make promises every time there is an election. We arrive in Ottawa wanting to change things

for the better. We are accountable to our constituents who elect us.

How can we fulfil this accountability when the government we represent is not even accountable to us in this Parliament? This bill addresses this concern because it requires the government to cost out fully all the programs and expenditures before they can be implemented. Any cost overruns would require special authorization.

An important implication for this bill is that it will force the government's cabinet ministers to plan for the long term, not the short term for political expediency but for the long term. That is so people will know what the plans are, how much it is going to cost and what in fact the benefits will be to the population.

As parliamentarians we do not want a government introducing sweetheart deals or sweet deals just before an election. I believe the public is sick and tired of that kind of government. We want and they want a government that is fully accountable for the implications on the federal expenditures, the taxpayers' dollars.

This bill forces cabinet ministers to present to Parliament and the people of Canada a detailed account of the cost and the effect on the economy, the environment and the employment of any new program.

All detailed financial statements would also be referred to the Auditor General and the House of Commons public accounts committee for closer inspection.

Let me give an example. We have heard that in the public accounts committee this very day there is a tremendous amount of debate on the GST as to what those numbers really are. The members from this side of the House on that public accounts committee will tell you they are absolutely frustrated in not being able to get the right numbers as to how much GST was collected, how much GST was rebated or credited back and how many tax dollars this government is really taking in by this very bad tax that we intend to eliminate in the next election.

There are some valid points on this particular bill that bring back the whole concept of accountability and responsibility which I believe are the hallmarks of democracy and parliamentary representation.

We are spending tax dollars on behalf of the Canadian public and therefore we must account for our spending practices. As members of Parliament and caretakers of the public purse, we must have the power to do this job effectively. The only way we can do it is for members of Parliament to have meaningful input and meaningful debate on government expenditures, on long-term planning and government tax policies. I believe that this private member's bill will do this.

• (1930)

I compliment my colleague from Kent who I believe has put forward a common sense bill, as he has pointed out. More important, I believe it is a bill that every member of this House should support because it talks about parliamentary reform and making members of Parliament truly what they are, representatives of the people they represent.

Mr. Bob Corbett (Fundy—Royal): Mr. Speaker, I would appreciate some instruction from the Chair as to the time limitations.

The Acting Speaker (Mr. Paproski): The hon. member will have 10 minutes. This is a private member's bill. It is 10 minutes debate and there are no questions or comments.

Mr. Corbett: I certainly am pleased to have the opportunity to speak in this debate on Bill C-301 dealing with amendments to the Financial Administration Act. My interest is specifically with regard to the final section of the proposed bill.

At the outset I should relate to the Speaker that I am particularly interested in this bill because it is of specific interest to those in my community who are involved in the small business community.

I think it is terribly important that we have an opportunity to participate in the development of the organization of Canada's economic development in a small business way. Let me say that I think it is important that this bill be given at least a fair hearing in this Chamber. Clause 4 states:

Section 64(1) of the said act is amended by striking out the words "December 31" and substituting therefor the words "October 30".

The change to the Financial Administration Act that is being proposed here is to move forward the deadline for tabling the public accounts from the present date of December 31 to October 30.

I think that there are all kinds of opportunity for all of us to appreciate. We can as small business people and as the small business community particularly can make suggestions to the government as to how it might improve or make things more appropriate from the perspective of dealing with our particular businesses and more substantially from the point of view of how we should deal with our day to day regime.

However, it is also important to recognize that the government has responsibility to the fiscal community as a whole. That is why I would suggest that we have to take into account the entire aspect of this particular bill.

Mr. Speaker, the government, as you are well aware, is always open to new ideas about ways in which management processes can be improved and government can be made more accountable to the Canadian public. These new ideas come from a wide variety of sources. I am sure you are aware, Mr. Speaker, that views are commissioned by the government and come from recommendations of parliamentary committees, one of which I am a member, the transport committee, audits by the Auditor General and in some instances even from members of Her Majesty's Loyal Opposition, which we have often said that we were open to. Hopefully we will have an opportunity of hearing more constructive suggestions as we move along.

Today we are debating a suggestion for changing the timing of the tabling of the public accounts which was made by means of a private member's bill put forward by a member of Her Majesty's Loyal Opposition, the hon. member for Kent. While we welcome the suggestions of the hon. member and we applaud his diligence in the pursuit of improved management processes in our country we do not always necessarily agree. That is what our democratic society is about and certainly is what this House is about. We do not always agree with ideas that are put forth. This is an excellent opportunity to suggest alternatives.

The hon. member's suggestion to bring forward the tabling debate of the public accounts from December 31 to October 30 is an example of what we on this side of the House, and myself as being a private member, not a member of the government but a member of a party who supports the government, are not in concurrence with. We do not agree with the idea and would like to put forth our reasons why.

In order to understand why we disagree with the hon. member on this point it is important to understand the context in which he is proposing to make changes to the Financial Administration Act.

I should explain that the Financial Administration Act provides the legislative basis for financial management and control in government. I hope that the House will bear with me because I am not a technical person, a technocrat, or someone who is intimately involved with the department. I do not have intimate knowledge but I can only share how I feel about this particular bill. Therefore I will ask the House to bear with me as I go through the process.

The act originated in 1991 and in that year there was passage of Bill C-91, which was entitled an act to amend the Financial Administration Act and other acts in consequence thereof.

That is obviously material that would be well beyond most of our capacities to be able to digest. It is certainly beyond my capacity to digest as an ordinary civilian who is only interested in being the representative of the people in my constituency of Fundy--Royal. The entire concept is something that we should all be concerned about. I know that we should talk about things that are somewhat more considerate of the people who we represent.

Let us go back to things that are entitling us to develop conversations with reference to the bill itself. The delays, which I am told are not important, that we have been encountering in the past years have been primarily caused by external factors mainly beyond government control.

The Auditor General has been involved with things that are of interest to all of us. We should be cognizant of his report. I would suggest that a deadline of October 30 could impede the full resolution of issues that we want to deal with in the House. For this reason I am totally

opposed to the tabling deadline of October 30. I would have to vote against any suggestions before the House saying that we should change that deadline to October 30.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I rise today to support my colleague. I certainly wish I could understand what was said by the member prior to me. Perhaps we can look at *Hansard* in the morning and an editor will have made it cohesive and understandable. I say that in jest. He is our colleague and I think he said at the end of his speech that he truly supports the legislation that my colleague from Kent is putting before this House.

I compliment my colleague from Kent who has brought this legislation forward. He has put this private member's bill through the whole tedious procedure that private member's legislation has to go through. His success on being able to get it on the floor of this House and to have it at this stage is truly a credit to his ability as a parliamentarian and a hard worker. I am truly honoured to be able to call him my colleague.

As I stand in the House I do not see anyone to my left. There are supposed to be 40-some members but there are not many members representing one party here tonight.

The Acting Speaker (Mr. Paproski): I must bring this to the attention of the hon. member. I know he has been around here for a long time so he should not make these types of statements in the House. I am sure hon. members are watching the hon. member on television and they will probably be down here very shortly and getting up on a point of order.

Mr. Comuzzi: Mr. Speaker, I do not think I mentioned any particular group or anyone in particular who was missing. I apologize if I offended the rules of the House.

I want to also compliment my colleague from Kent for the hard work that he has been doing and the leadership he has been providing. He comes from an area of Ontario that is very important in the agricultural industry which is so important to our country. It is sometimes lost in our discussions that Ontario produces the majority of the agricultural product in our country. It is an industry that needs assistance. We know that people in the agricultural industry are frugal in their operations and they would expect that feeling to be carried on in government.

The essence of what we are discussing today can be expressed as accountability and responsibility of government actions when it comes to the spending of the taxpayers' money. It can be summed up best in the speech my colleague from Kent made in the House when he introduced the bill. I would just like to paraphrase some of his words.

He said that the notion of big government not managing our money properly is coming from farmers, factory workers, students, housewives, small business owners and teachers. The list goes on and on. "I hear throughout this country as I travel that members of Parliament on both sides of the House are not paying enough attention to the way that this government overspends. This bill will go a long way toward restoring accountability to federal programs. It is what the people of Canada are telling me. It is what the people of Canada want implemented in so far as spending is concerned".

One of the fundamental reasons for problems that existed as we were beginning to become a nation was that we were upset with the foreign power coming in and providing what I call taxation without representation. That is fundamentally what we have here today. The government takes a program and allows cost overruns in the exorbitant amounts that we have been hearing about today, without having to refer the matter back to the House of Commons for further approval. In essence it is bordering on the statement that elected members of Parliament have no say in how the government is spending its funds. That is just not what was intended in the parliamentary system. My colleague has proposed legislation that is trying to correct the dilemma we find ourselves in.

When we talk about accountability and reliability, I would like to just spend the balance of my time on one issue, the goods and services tax that was introduced.

The Acting Speaker (Mr. Paproski): I think it might be just about time to call it 7.45 p.m.

The time provided for Private Members' Business has now expired. The hon. member will have seven minutes in this debate the next time it comes up.

Private Members' Business

Pursuant to Standing Order 93 the order is dropped to the bottom of the order of precedence on the Order Paper.

It being 7.44 p.m this House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

The House adjourned at 7.44 p.m.

HOUSE OF COMMONS

Thursday, February 11, 1993

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 38 petitions.

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

* * *

[*English*]

INTERPARLIAMENTARY DELEGATION

CONFERENCE ON THE ENVIRONMENT AND DEVELOPMENT

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): 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 the Interparliamentary Union where it represented Canada at a Parliamentary Conference on the Environment and Development in Brasilia, Brazil, from November 23 to November 27, 1992.

* * *

EXCISE TAX ACT

MEASURE TO AMEND

Hon. Tom Hockin (for the Minister of Finance) moved for leave to introduce Bill C-112, an act to amend the Excise Tax Act, the Access to Information Act, the Canadian Pension Plan, the Customs Act, the Federal Court Act, the Income Tax Act, the Tax Court of Canada Act, the Tax Rebate Discounting Act, the Unemployment Insurance Act and a related act.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Hockin for Mr. Mazankowski 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.

* * *

• (1010)

[*Translation*]

PETITIONS

VIOLENCE

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, I have the pleasure to present two petitions, signed by over 1,100 people in my riding of Carleton—Gloucester and surrounding areas.

[*English*]

These petitioners are as outraged as I am that the serial killer board game, with the object of having players kill as many babies as possible, is allowed to be distributed and sold in Canada.

They call for an immediate ban of this board game and any other material which advocate violence.

[*Translation*]

I have the honour to support them in this. I congratulate all the petitioners who took part and I ask the government to act on this issue as quickly as possible.

[*English*]

INCOME TAX ACT

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is a pleasure to present a petition on behalf of a number of teachers from central British Columbia, adding to what would be many hundreds of petitioners.

They point out that under the Income Tax Act selected professional groups can deduct or write off dues, equipment or services necessary for the operation of their profession.

They indicate that teachers are precluded from receiving such benefits. They ask the Government of Canada to introduce legislation that would provide equal treatment by amendment to the Income Tax Act so that teachers would be treated in the same way as other professionals.

WATER DIVERSION

Mr. Nelson A. Riis (Kamloops): Madam Speaker, on another matter the petitioners are by and large from the Kamloops area. They point out their opposition to any possibility of water diversion to the United States.

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I would like to table a petition from Amos, Saint-Félix-de-Dalquier, Saint-Mathieu, Saint-Dominique-du-Rosaire and Preissac 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 that incite violent games are unacceptable and should not be made. They also state that freedom of the press should be limited in reporting acts of violence.

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

[*English*]

YOUNG OFFENDERS ACT

Mrs. Diane Marleau (Sudbury): Madam Speaker, I am pleased to rise again today to deposit petitions signed by a large number of Canadians in memory of a young girl, namely Rosalynn Dupuis, who died at the hands of a young person.

They ask that the young offenders system be looked at very seriously. Questions concerning the security of people and the way we treat the the accused in serious cases are very much on the minds of Canadians.

It is important that Parliament deal seriously with the matter. We must remember the victims at the end of the process.

BILL C-91

Mr. Jim Karpoff (Surrey North): Madam Speaker, I have the privilege to present two petitions this morning.

The first one deals with the government's Bill C-91. It points out that under Bill C-22 there was an increase in drug prices both to individuals and to provincial pharmacy programs.

They request that the government not proceed with Bill C-91 and repeal Bill C-22.

VIOLENCE

Mr. Jim Karpoff (Surrey North): Madam Speaker, I have a second petition pointing out that many studies have linked the violence in entertainment with the desensitization of our society.

There is growing concern that because of violent games there is a lack of understanding and respect for the humanity of people, particularly when they become victims.

It calls upon the government to make sure that the serial killer board game be banned from sale in Canada.

EXTERNAL AFFAIRS

Hon. Alan Redway (Don Valley East): Madam Speaker, I have two petitions to present this morning, both dealing with the same matter.

The first is signed by some 200 residents of metropolitan Toronto, mainly from the city of Toronto but many in my own constituency. The second is signed by some 75 residents of metropolitan Toronto, mainly from the city of Etobicoke.

Both draw the attention of the House to the fact that two Canadians, Christine Lamont and David Spencer, are presently serving some 28 years in a Brazilian prison.

They express concern and recognize the fact that the only relief available would be for Canada to request the expulsion of those two Canadians by the Government of Brazil. They call on 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.

BILL C-91

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, it is my honour and duty to present a petition duly authorized under Standing Order 36.

When this petition was drawn up Bill C-91 had not been passed. It asks that the bill not be proceeded with and that Bill C-22, passed in 1987, be repealed. We now have to ask for the repeal of Bill C-91 as well.

The petitioners, who are mostly from the constituency of Saskatoon—Dundurn around the city of Saskatoon, state that when Bill C-22 was passed in 1987 the promise was that drugs would be cheaper and that the government would keep a tight rein on the increase in the price of drugs.

The petitioners said at that time they had no faith in that occurring. That was not the case. I certainly concur with their request that Bill C-91 be repealed, as well as Bill C-22.

CHILD POVERTY

Ms. Barbara Greene (Don Valley North): Madam Speaker, I have six petitions that I would like to table today.

The petitioners call upon Parliament to take the action necessary to reaffirm its commitment to seeking the elimination of poverty among children in Canada by the year 2000 and to develop a plan for the implementation of this commitment.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, the following questions will be answered today: Nos. 433 and 449.

[*Text*]

Question No. 433—**Mr. Skelly (Comox—Alberni):**

With respect to resolution No. 1992-44 adopted by the United Nations Commission on Human Rights on March 3, 1992, concerning the rights of indigenous peoples, (*a*) what comments has the government given to (i) the Working Group of Indigenous Populations of the Subcommission on Prevention of Discrimination and Protection of Minorities (ii) the Secretary General concerning the draft universal declaration on the rights of indigenous peoples (*b*) has the government made a financial contribution to the United Nations Voluntary Fund for Indigenous Peoples and, if so, in what amount (*c*) what steps has the government taken or does it intend-to take to ensure the full participation of indigenous organizations within Canada to participate in the activities related to the tasks of the Working Group of Indigenous Populations (*d*) has the government provided funding to send delegates to the Indigenous Youth Conference to be held in July 1992 in Quebec City?

Hon. Barbara McDougall (Secretary of State for External Affairs): The Working Group of Indigenous Populations (WGIP) has been engaged for the last 10 years in considering standards unique to the rights of indigenous populations. Representatives of indigenous groups have been putting their case to the five experts of the WGIP. These experts, drawing from their legal and human rights background, the experience of indigenous people and the observations of governments, have produced a draft declaration on the rights of indigenous people.

The Government of Canada has played an active and participatory role in the activities of the WGIP. It has the lead in drafting the resolution in the Commission of Human Rights from which the WGIP draws its mandate. The government has also contributed on a regular basis to the indigenous voluntary fund of the human rights centre to enable indigenous representatives from the Third World to attend and participate in the WGIP sessions. These contributions are important for those indigenous groups which do not have the financial means to attend the sessions or those whose attendance is not sanctioned by their governments. Rigoberta Menchu, this year's winner of the Nobel Peace Prize, has benefited from this fund, financed as well by the Nordic countries, the Netherlands, Australia and New Zealand.

The most important contribution of Canada has been the sharing of its experience with the WGIP and other governments attending the sessions. Probably no other country has been as involved in the settling of claims of lands, grievances from the past or in looking to new concepts of governance within the state. Canada is seen by other governments and indeed many indigenous groups as a leader. This is but one of the reasons why Canada has been given the honour and the responsibility of the lead on UN resolutions regarding indigenous people.

The Cree youth of James Bay received active support from the government for the holding of their Indigenous Youth Conference. The delegation of Canada at the Human Rights Commission ensured that the 1991 mandate resolution for the WGIP included a reference to the conference to encourage others to attend. The Department of External Affairs used its network to spread news of the conference through our embassies and to facilitate the travel arrangements from countries requiring visas to enter Canada.

The department also encouraged the authorities of the Government of Quebec to support the conference with funds and logistics. The Department of Indian Affairs and Northern Development and the Canadian International Development Agency each contributed $125,000 for the over-all logistics of the conference and to enable indigenous youth from around the world to attend. By all accounts the conference was a success and brought much credit to the aboriginal youth of Canada and the Cree nation in particular.

Question No. 449—**Mr. Angus:**

With regard to American railways, did the minister of immigration authorize the company to operate a train through Canada between Buffalo and Detroit, and, if so, (*a*) under what authority were the American personnel allowed to operate in Canada (*b*) has the government received any additional request for such trips, and if so, on what route(s)?

Hon. Bernard Valcourt (Minister of Employment and Immigration): No, the Minister of Employment and Immigration did not authorize the company to operate a train through Canada between Buffalo and Detroit.

[*Translation*]

Madam Deputy Speaker: The questions as enumerated by the parliamentary secretary have been answered.

Mr. Langlois: I ask that the remaining questions stand.

Madam Deputy Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1992-93 (NO. 2)

MEASURE TO ENACT

The House resumed from Thursday, February 4, 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 third time and passed.

Madam Deputy Speaker: The hon. member for Bonavista—Trinity—Conception.

Some hon. members: Hear, hear.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I am pleased and somewhat overwhelmed by the support from my colleagues this morning, particularly the House leader and the Whip. I am delighted that I am starting off this very busy day with support from this side of the House, from my two highly esteemed and very important colleagues. I even got a sort of welcome from the other side of the House. I see even the NDP is smiling. I hope they are all smiling and clapping their hands when my presentation is completed.

This borrowing bill is a very important bill. I know the government will try to get this through as quickly as possible. It will try to limit debate on it so that Canadians will not be too aware of how it is running the economy and how the finances of this country have been put together.

In order to put it in perspective I have to go back the four and a half years I have been in this House, but I also want to reflect back to 1984. It is my understanding that the three essential elements of any government are to legislate, to legitimate and to educate.

As far as legislation is concerned, the government has a good record in numbers of bills put through the House, the numbers of *projets de loi* passed. The quality and the legitimacy of the legislation along with the education process certainly causes me, and a lot of members of this House on both sides perhaps and the Canadian public,

difficulty. I believe this confusion of the three principles is one of the root causes of our problems as politicians.

• (1020)

I have only to speak of the unemployment insurance bill, Bill C–21. The goods and services tax bill will go down in history as a bad piece of legislation introduced at the wrong time and in the wrong manner. I include the bill on Canada Post, the bill reducing VIA Rail, the bill reducing transfer payments to the provinces.

The most recent bill we have been discussing which will have difficulty getting through the House—the government is bound to limit debate—is on the drastic and insensitive cuts to unemployment insurance. It is the subject of major discussion in our country.

Countless bills have been the subject of great discussion in this House and regrettably the opposition was not given the time or the volume of effort necessary to oppose the bills and to discuss them to the point consensus could be reached.

I believe I am safe in sayin I am not going to quote statistics, as I have done a dozen times in this House, and as my colleagues have also that the record number of closures and debate limitations that have been placed on the House of Commons by this government is greater than all the other numbers of those combined since Confederation. In other words, debate has been limited more in the last eight and a half years than it has been at any other time up to and including 1984 since Confederation.

The legislation part I have discussed and I will now turn to legitimacy. In a democracy, how really legitimate in a generic sense, not in the legal sense, is a bill or are a number of measures that are passed in Parliament, the highest court in the land, when back in the previous 125 years of Confederation, the limiting of debate, or closure on a debate was almost enough to call a general election.

It has happened so often in this Parliament and in the Parliament before that it is now common procedure and hardly gets a note in the media. I will leave it to hon. members to decide how to combine the legitimacy with the legislative aspect.

As for the education part, I believe Canadians are confused on what it is this government is doing. I can quote countless examples of statements that have been made or election promises that have been declared. The Prime Minister has said certain matters were sacred trusts, or these are our plans, or this is what we want to do in the election. However, as the legislation unfolds and as the mood of the government becomes apparent, it is obvious to the House, to the media, and indeed to Canadians in a downstream manner that the promises made were not kept and the sacred trusts that were discussed were thrown out the window. It is an indication of what happened in 1984, but more so in 1988, that if it was not diametrically opposed to what in fact happened, it certainly did not follow the course of the promise.

I will use two examples. I will use the example of the sacred trust to which the Prime Minister referred, the unemployment insurance program. In October 1988 during the campaign he said, and it was repeated by the minister responsible for Newfoundland, the Minister of Fisheries and Oceans, that he reiterated and reinforced that unemployment insurance and social programs were sacred trusts.

A sacred trust is a very strong term. *The Concise Oxford Dictionary* describes sacred as associated with or dedicated to God and trust is defined as a firm belief in the reliability or truth or strength of a person or thing. The words sacred trust convey a commitment. The Prime Minister did not just casually mention to Canadians that he would maintain a social program, or he would do this or he would do that. It was presented to Canadians as a commitment of a higher order and as a pledge that was related to God.

Having pledged that the unemployment insurance program and the social programs were a sacred trust and nothing would happen to them, even as the election was being planned and the campaign unfolded, officials were preparing legislation which eventually became Bill C–21. It totally changed the unemployment insurance system and in fact took the government out of the business. It increased the input from the employers and the employees by over 50 per cent and took away job development programs which in Atlantic Canada have been the mainstay of job creation. Regrettably but pragmatically it was a very important thing.

I recall when this happened in June three years ago. I am still explaining to people why jobs that were planned and why projects that were planned were, at the stroke of a pen, taken away. I had no control over it. The officials in Atlantic Canada had no control over it. The

government just wiped its face and got on to the next unpopular legislation.

Another sacred trust, although it was not put forward as a sacred trust, was regional development. On October 3, 1988 in Saint John, New Brunswick, during the election campaign the Prime Minister said—I do not have the exact words here—words to the effect that "I am not going to govern a country where all regions are not treated equally".

That statement was made in October and in the budget that came out in the spring of 1989—I think it was April 27, one day premature because of some difficulties the government experienced—the Western Diversification Fund for the prairie provinces was reduced by $55 million, and in my case ACOA was reprofiled to lose 25 per cent of the funds and resources that were so important for regional development. There is another promise that not only was changed by some minor significance, it was a total change from what was promised.

There are other areas that I want to examine, and I hope that time will permit. I mentioned unemployment insurance and I talked about regional development and funds committed to regional development. While I am on that subject I want to mention transfer payments.

Transfer payments to the extremities of Canada are very important. Very briefly, in Newfoundland where the budget is between $3 and $3.5 billion it used to be that 49 per cent of that resource input came from the federal government. When 49 to 50 per cent of all the expenditures of one province come from the federal government it is easily understood that if you tampering with that input of $1.5 billion plus in any way is going to cause major perturbation, major upsets in the finances of a government.

In the case of Newfoundland, starting in 1989 with the reduction in the growth of transfer payments, the input to Newfoundland was reduced from 49 per cent to 45 per cent. This represents a total input of $200 million. This has meant downstream that the provincial government—I would say it has done it quietly and without major complaint—has got on with the job of running the province. It has had to cut back in critical areas, particularly welfare but in the general sense not necessarily on the social programs which have increased because of this. It has had to cut back on education and health care. Those are critical areas that were directly related to transfer payments.

• (1030)

Newfoundland is not alone. Atlantic Canada is not alone. With the implementation of Bill C-20 which capped the transfer payments by the year 2000 the federal government will be denying Canadians $97.6 billion, almost $100 billion of services and resources, particularly those focused on health care and post-secondary institutions. That is a major blow to Newfoundland. It is a major blow to Atlantic Canada and the rest of Canada.

On the question of transfer payments in health, education and particularly social programs there is a group of parliamentarians on the other side of the House, a group of wealthy business concerns in Canada and a group of people who really have not given this much thought who are beginning, because it is trendy, to say that we can no longer afford the social programs Canadians have become accustomed to.

The deficit we have this year is the deficit we had eight and a half years ago. I am not going to get into that because I have spoken on that twice already in the last 10 days. With the rising cost of social programs and the need to do all the other things this government has been trying to do we can no longer really afford social programs.

A closer examination and a better analysis of that trendy thought does not bear evidence. It does not bear out the facts. The facts are that Canada's social spending as I speak is 21.5 per cent of our gross domestic product. The average for all the other industrialized countries in the OECD is 25.6 per cent. So do not give me false information or try to mislead me with the hogwash information that we cannot afford our social programs.

Many of the European countries that have high standards of living and successful economies spend even a larger percentage of their GDP on social programs: Belgium, 37.6 per cent; Holland, 36.1 per cent; West Germany, one of the best industrialized countries in the world, 31.5 per cent; France, 29 per cent. The only major industrialized countries where social spending is lower than Canada are the United States at 20.8 per cent, and

we are trying to emulate them with the free trade agreement and the NAFTA, and Japan at 17.5 per cent.

In my mind, borne out by the facts, clearly the portrait of Canadian social programs is very much in a favourable position with the other industrialized countries of the world that we compare with in the G–7 analysis and that we compete with.

Therefore, I do not want to hear much more of this trendy thought that we cannot afford social programs. Their name of the game is that we have to hit the social business, we have to reduce transfer payments because we cannot find money any other way.

In November I had the opportunity and the privilege to sit in on the closed session with the Auditor General and later the open public session. In the Auditor General's report the charge and observation was made that hundreds of millions of dollars were being lost in tax revenue because of the way we organized our corporate tax and to a certain extent our income tax for offshore capture. Some of my colleagues may recall, I believe it was on November 24 or 25, 1992 during Question Period, that question was put to the Minister of Finance and he denied it.

After meetings with the public accounts committee and other questions that were asked the finance department officials finally admitted that hundreds of millions of dollars in corporate tax revenues were lost to offshore tax schemes as the Auditor General claimed. This did not occur until some time in December, I believe. That was certainly a reversal of the department's initial stand. Not only does it know that it can get taxes and incomes from other revenue sources but it also denies that this possibility is there.

Back to the three principles of government in a democracy of legislating, legitimizing and educating. That is a very poor way to educate those desperate Canadians who are wondering legitimately and with great motivation how we can reduce the national debt and the deficit.

I now want to talk about another area that is of current and topical concern in the House of Commons and in Parliament. This is unemployment insurance.

The present bill before the House is one that will change yet again unemployment insurance principles which were developed by the Liberal Party in the early 1940s. It will change unemployment insurance to the point where its effectiveness will be reduced another notch.

Unemployment is at a record high and is predicted to be by the Conference Board of Canada the second highest in the G–7 countries at 11.3 per cent for this year. Instead of attacking this difficulty and organizing programs to put Canadians back to work the budget announcement in early December penalized the unemployed to the point of $2.5 billion. They are already paying 50 per cent more in unemployment insurance fees. Now the government wants to reduce the benefit rate on the maximum insurable weekly earnings of $745 from 60 per cent to 57 per cent. It also wants to eliminate benefits to workers who quit without just cause or are fired for misconduct.

I heard this morning that those unfortunate people who through no fault of their own and in a lot of cases through no fault of their companies are being retired and receive severance will be cut off from unemployment insurance.

There are other areas I could mention in wrapping up. Canada Post is an area of major concern with 10,000 jobs being lost. Another area is our social programs.

In conclusion, if the government had put measures in place that would have increased growth and employment it would not have had to borrow as much. People would be paying more taxes, would be showing more confidence in the government and the country. If the government added this to those areas of corporate taxes and offshore taxes it is not capturing worth hundreds of millions of dollars, then we would not be in the predicament we are. I do not see any change between now and the next election. The government will have to answer to the people after this bill is passed.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Madam Speaker, I always listen with great care when my hon. friend from Bonavista—Trinity—Conception speaks. I have two questions I would like to ask.

I must observe first that there is clearly a difference of philosophy on his side of the House compared with those of us over here. Those of us over here think that if revenues are down expenditures should be brought in line rather than just carrying on and ignoring the fact

that perhaps there is not the same amount of money to work with.

• (1040)

The government's revenues are down some $8 billion this year. Obviously that means if we are going to spend at the same level, let alone increase expenditures, we are going to lose control of the deficit completely.

I have noticed his leader is proposing to scrap the GST. This is now definitive we are told. He had said earlier he would scrap it, then he said he would keep it, then he said he would modify it and now he is going to scrap it. I am not sure what he is going to replace it with because that has not been made clear. If the $15 billion or $16 billion of revenue that accrues is added to the $8 billion shortfall then $23 billion or $24 billion has to be made up.

What is the hon. member's proposal to replace the GST? Is it going to be the new GST, the Grit sneaky tax as it is being called, which is apparently being proposed? That would be a hidden tax, the business transfer tax, which would be on everything including food, medical services, and so on.

Where does he propose to make up the revenue shortfall in order to provide the programs that certainly we on this side of the House would agree are desirable?

My second question has to do with the EH-101 contract. His leader has said that one of the ways to make up for the deficit shortfall is to cancel the EH-101 contract which will cost $4.4 billion over 20 years. That is not really a big thing on a year-to-year basis in that sense. They sometimes forget it is spread over 20 years.

I know that many of his former colleagues in the navy starting I might say with Admiral John Anderson, the new chief of defence staff and the new deputy chief, also an admiral in the navy, are all very ardently in support of the necessity of the EH-101s, both for search and rescue purposes but also for maintaining the preparedness of our military.

Does he agree with his leader that the EH-101 contract should be scrapped or does he think this government is right to proceed with it? If he believes it should be scrapped, what is his proposed alternative? Does he think we should also scrap the Canadian patrol frigates which without those helicopters cannot obviously fulfil the purpose for which they were established? I put those questions to my hon. friend and I look forward to his answers.

Mr. Mifflin: Madam Speaker, I am delighted to hear from my good friend the hon. member for South Shore. I am very familiar with that part of the country and love it dearly. It is a lovely part of Nova Scotia.

Quite frankly sometimes I am sorry he is in the position of having to argue some of the cases that he does. I know he has difficulties with his constituents in following these policies and that is the unfortunate fallout of politics. It happens to all of us from time to time.

I remind my hon. colleague it is the government that is on the firing line for having introduced the GST, the most unpopular tax in the history of this country, possibly in the history of the world. There was the misinformation that it was going to be revenue neutral at a time when we were heading into one of the worst depressions ever experienced in this country. If he thinks he is going to put the ball in my court when this government is responsible for these three aspects, he is wrong. He asked me what we were going to do about the GST.

The last figure I could get showed that the GST accounts for 12 per cent of the government's total income of $122.2 billion in the last fiscal year. That hits those in the middle class more than anyone else because the middle class and the lower income class spend more of their money on essentials that are taxed with the goods and services tax. While the tax was supposed to be spread across a reasonable distribution it hits middle and low income people harder, irrespective of the credits. Also last week we heard that small businesses are going under at a record high of 77,000. So do not blame me for the GST. He is asking me what we are going to do.

The Auditor General's report says that the goods and services tax accounted for around $29.5 billion and the government says that it accounted for $15 billion—we are not sure whether that was the $1.5 billion it cost to collect. How does anybody on that side of the House have the gall and audacity to ask this side of the House, given that the figure could be $30 billion or $15 billion, how we are going to introduce a tax to replace the revenues collected from the GST?

We will not continue with the GST in its present form. We will not continue to tax the kind of people who have been taxed by the GST. We will not continue the onerous burden that small businesses have had to bear to the point where they are going out of business. I know many and I am sure my colleague from South Shore knows many.

He wants to talk about the helicopter and I am quite happy to talk about the helicopter. If he were here in the House when I made a presentation last Thursday, and maybe he has read my presentation, he would know why we have a problem with the EH-101 helicopter. Our position is very clear.

Mr. McCreath: It is not a problem with that side of the House. It's a problem with the front row.

Mr. Mifflin: Madam Speaker, my colleague asked a question. If he wants an answer he has to listen for it.

Mr. Charest: We're not getting an answer.

Mr. Mifflin: They are getting an answer but the Minister of the Environment says they are not getting an answer. He would hear it if he would listen instead of shouting and screaming and trying to pressure people into doing things they really do not want to do. I would not accuse this side of the House of doing that because they are all very well disciplined. I know that the three gentlemen in front of me are very reasonable and want to listen to what I have to say.

The position of our leader and the position of the Liberal Party on July 24 was no different from what it is now. We believe that something must change with regard to the Sea King helicopter and the search and rescue fleets. They need refurbishing. They need to be replaced. That is on record.

However at a time when there are 1.5 million Canadians unemployed, when the number of soup kitchens is at a record high, when the unemployment line-ups are great, when the debt is mushrooming, and when small businesses are going broke at a record rate we question the government's priorities in committing $4.5 billion to helicopters.

Subsequent to that position, in July the Auditor General examined the defence management system that handles these megaprojects and said it was ineffective and expensive. He may be wrong, but if he is wrong I want the minister to tell the House. I have given the Minister of National Defence, two different ones, two opportunities to say that our system is great and explain why it is great. The government will not discuss it in Parliament. It will not discuss it in defence committee. It will not discuss it anywhere. The minister should say whether it is wrong or right. The Canadian people have been told that $4.5 billion of taxpayers' money is being committed to a system that the Auditor General in his report to Canadians says is ineffective and expensive.

In January the Minister of National Defence herself said that she was not convinced that this was the right program. Do not point the finger at my leader, do not point the finger at this side of the House and ask why we are doing it because the minister herself has done it.

When she is not convinced, being privileged to the discussion in cabinet and on the expenditure committee, how in the name of everything holy can she expect us to be totally convinced? How can she expect the opposition to roll over and play dead on $4.5 billion? This is one of the biggest programs in terms of spending in Canadian history. It is one-half of the total cost of the frigate program, which I would remind my hon. friend was a Liberal program. We are totally dedicated to that and we will continue to be dedicated to that. Why we are opposing it is pretty obvious.

If the member for South Shore thinks that I am going to bolt my caucus because he thinks I do not agree with my leader he is wrong because it is only the other side of the House that does that. It has lost more members than I have fingers and toes. It is not going to happen with this party and it is not going to happen on this side of the House because I support my leader and I support his decisions for the reasons I have given.

Madam Deputy Speaker: I am sorry but the time for questions and comments has now expired.

Mr. Charest: I ask for unanimous consent to ask a short question.

Madam Deputy Speaker: Is there unanimous consent for an extra question?

Some hon. members: Agreed.

• (1050)

Hon. Jean J. Charest (Minister of the Environment): Madam Speaker, I was interested in the member's comments. I want to remind him that there were two members of the Liberal caucus who left close to the very day when their leader was elected. By no means is there any monopoly on members leaving by any side of the

House. If I remember correctly the hon. members for Shefford and Hull—Aylmer left their caucus.

I have a much more precise question for the hon. member concerning the GST. I found his refusal to answer the question quite revealing, especially given the role of Her Majesty's Loyal Opposition. The role of the opposition is not only to question the government, as he seems to do with some enthusiasm and I accept that, but also to offer an alternative. Its role is to tell the Canadian people what it would do if it was the government. That is the fundamental role of the Official Opposition.

On the question of the GST I must admit I do not know whether my hon. friend is satisfied with the answer or whether the minister of sport was satisfied. Frankly, maybe I missed something in the response. Maybe we can phrase the question differently.

What would the hon. member's response be during the next election campaign when a constituent whom he represents in this place and is called upon to defend in this place asks him as a member of the Liberal Party of Canada, given the fact that he has stated that his party would axe the GST, with what would his party propose to replace it?

If his response to us is not clear I would think that he would certainly want to give a very clear response to his constituents.

Mr. Mifflin: Madam Speaker, I am delighted to rise in response to the question. I gave unanimous consent to my colleague, the hon. Minister of the Environment, because I have a great deal of respect for him. I would not want to do anything that would upset his chances in the leadership race.

I want to give him as much opportunity as I can for exposure because I have a lot of faith in him in terms of where he is going in that race. It is only fair if one likes somebody to give them an opportunity.

How delighted I am for him to suggest to me that five members of that side of the House are not satisfied with my answer.

I sit in this House practically every day that the House is sitting and have done so since December 13, 1988. The number of answers that are given to the questions that Her Majesty's Loyal Opposition asks here that I, my leader, my party and the people of Canada are satisfied with—and the reason why they are at 18, 19 and 17 per cent in the polls—represent the major effort put into those questions.

Last year taxes for individuals went up 11.5 per cent and they went down for corporations by 15 per cent. Our alternative to the GST is that we are not going to have one. We are not going to have a tax that burns the individuals and the small businesses, which then go broke because they cannot afford the people and computers to do it.

We will do it in such a way that it will not hurt the working Canadian. That is my answer to him.

Mrs. Diane Marleau (Sudbury): Madam Speaker, I am really quite pleased to follow in the footsteps of my colleague in speaking to this borrowing bill. One of the things that the people of Canada would like to know is when the government is going to call an election.

The government has made such a mess of things and is continuing to make a mess of things.

They really want to know when it is going to call an election. It is really frustrating. I am just wondering when the government can answer that question because everyone in Canada is waiting with baited breath. They think that maybe they will be able to get an alternative that can actually consult people, speak to them, try not to hurt them, and above all not always introduce the wrong thing at the wrong time.

One of the key questions is when there will be a budget. Normally the government presents a budget at the end of February but this time it is saying just think back to the economic statement and do not worry about the budget. The government is going to wait until Bill Clinton presents his budget. Then it will tell us what it is doing.

What kind of an answer is that? Come on. Either give us a budget or call an election and let us get on with governing this country. There are too many problems to be addressed. This is a tired, old, and paralyzed government. The members opposite are all waiting to see whether the Prime Minister will step down. That is really what is on everybody's minds.

There are people running all over the place and not really getting anything done. Everyone is waiting. It is especially important that the Prime Minister make up his mind, put the question to rest once and for all and step down and then we can go on with encouraging others in their leadership campaigns. Then we can possibly get to the real business of governing a country and addressing the economy.

We talked about the economy and how this Conservative government had promised that after the referendum in October it would address the economy. I am very disappointed with the way it has addressed the economy.

The government has given us a drug bill that was more like a price hike for the average Canadian. It will cause very serious harm to the medicare system in this country. It has given us a bailout of the airline industry that was a lot more like a crash than anything else. Our airline industry continues to be in desperate shape.

The government has promised us jobs but the only jobs that we have seen are cushy seats for this government's friends. That is not what the people of Canada mean when they talk about jobs. It is now giving us a UI bill that it claims will catch all these bad Canadians who really do not want to work but want to sit at home and collect unemployment insurance.

I remind those members how difficult it is right now to get a job for most Canadians. Furthermore, if they have a job they do not leave it because collecting unemployment insurance is not the panacea that the government seems to think it is. Right now there are very serious penalties for people who leave jobs with no valid reason, as there should be, but they are not in the majority.

The government must address the problems that these people face: the shutdowns and layoffs that cause these people to not have a job in the first place and that causes there to be no other jobs for them to find.

I feel certain that after the next election many members on the other side of the House will face that and realize that it is not easy out there to get a job. There are young people with good educations but there are very few jobs for them. They are working part time as sales clerks and so on even though they may have a Masters degree in business administration or degrees in economics. This is a reality that we all must face. It is a serious problem. We cannot just sit by and wait for things to happen.

This government speaks of its strategy toward the economy. Its short-term strategy is to do nothing, hope the U.S. does something and ride on its coat-tails.

• (1100)

Its medium term strategy is to pretend it is doing something good because then it will not have to worry about it. Things will get better and the government members can pretend it was because of them.

Then there is the long-term strategy to just keep going because it probably will not be there to bear the consequences. It can pass the problem on to the next group. That is no strategy.

We have to face what we have today. We have to stop being so partisan. I am saying this as I stand here in the opposition and perhaps at times I am as guilty as the others. We have to stop fighting one another. We have to start co-operating. I am not just talking about the federal level, I am talking about all levels of government.

For instance, this year we are going to top the $450 billion mark in the national debt. That is just at the federal level. We are not taking into consideration at this point the debts at the provincial level and the problems that all of these serious constraints cause to the other levels of government such as school boards and municipal systems.

We have to stop shifting the blame, playing little games among ourselves and saying we are going to cut back on transfer payments. Then the provinces will blame the federal government members and we will say: "It is their problem. It is not ours". Then the provinces will cut back on transfers to municipalities and the story goes on.

We all must realize that if a province has a debt it is also a national debt. If the federal government gets out of debt at the expense of an ever increasing debt at the provincial level, we are not going to be any better off. We are going to be worse off. It is long overdue for the federal government to sit down with the provincial governments and decide how they are going to proceed in the future. They must stop fighting one another.

We have an example of that happening now. There has been an announcement of cutbacks in grants in lieu of taxes to municipalities. Municipalities have nowhere to go. They are at the bottom of the line. If there is a

cutback in the grants this government gives municipalities in lieu of paying municipal taxes then it is the municipal taxpayer who picks up the burden. The same taxpayer is paying income tax to the federal government and the provinces.

Is there not a better way to distribute the burden more equitably? It will not be easy, but it is absolutely essential. We all know that the debt is a serious concern. The sooner we distribute the burden more equitably the better off we will be as a country.

We have some very good things going for us. If we can build on them we will move ahead far more quickly than in this partisan atmosphere where we always blame somebody else for our misfortunes. We are all Canadians and we are all responsible.

I know we have talked about many things with regard to debt, deficit and the GST. I want to remind the people in this House that according to figures presented to the public accounts committee the GST burdened the Canadian public to the tune of $29.5 billion. That is not the net figure. It is what was actually taken into government coffers before expenses. It means that for every dollar of GST collected it cost 50 cents in 1991–92. That is not a very efficient tax.

There is a lot of confusion in terms of the information given to MPs about the GST in that particular year. I am aware that both the Auditor General and the Comptroller General were asked to clarify the differences between the $29.5 billion and the $15 billion net result of the tax. Neither of them has really been able to answer the questions. We are awaiting responses.

How can we opposition members give the government members all the answers when they cannot answer our questions? What is the real effect of the GST? Who is being hurt? Who is paying? Let us know that. It is absolutely essential that the people of Canada be given the whole truth and nothing but the truth on this tax.

I know for a fact that a tax bill was introduced yesterday by a Ways and Means motion. Now a tax bill of this kind will have a lot of measures and means but it also includes a section that would remove the GST from access to information. Why would they remove the GST from access to information? It is quite normal to want to protect corporations from revealing their sales figures, et cetera, much as you protect people by not giving out information on their private tax returns. I respect that, but I am really worried that it will be a way for this government to restrict information to the opposition and the people of Canada about what exactly has happened with the GST.

I would like the government to answer that question for me, because so far there has been no answer. This is very serious and we want to know. If we are prevented from accessing the information how can we give realistic answers? Our questions must be answered. We have to stop playing games. We need to know the facts.

The Comptroller General and the Auditor General are having a difficult time answering questions. When there are secrets being kept it does not look good. Where there is smoke there is usually also fire. That is what this looks like to me. I ask the government to be absolutely above reproach in terms of access to information and stop playing games.

When it comes to prospects for this country I know that the majority of Canadians are hard workers and do not want to be on unemployment insurance. There will always be people who are not quite as honest as they should be, but the majority of Canadians are honest, hard-working people. When they do claim unemployment insurance they are very much aware of how serious it is.

I think sometimes the people of Canada are not aware of how serious the penalties are if they make a mistake and how they can be charged $100 or $200. For instance, if they make a mistake reporting income on their UI claim form and worked a few hours in one week, they will not only have to pay back the $100 they forgot to mention, but they might be fined as much as $100 or $200 for that one mistake. There are very strict guidelines, as there should be. But let us not pretend that all people on UI would cheat the system because they would not. I know many people who are very frightened of making a mistake.

• (1110)

I also know people who have not really made a mistake but have been seriously penalized by the UIC. I know of a recent case of a man who was laid off when his company closed down. He is a family man with three young children and a wife at home. He had worked for the same company for 16.5 years and was given a severance package that was the equivalent of approximately six months of wages. In case members do not know, when a person gets a severance package he or she is not allowed to claim UI until he or she has exhausted that severance package. In other words, he would have had to wait six months and if he did not have a job at that time then he could have applied for unemployment

insurance. This is fine because it at least gave him a chance in those six months to find a job.

This man really looked for a job in those six months. He was able to find some part-time, minimum wage occupation for eight weeks of that time but was laid off. He took a short-term job because he is very conscientious, did not want to be a burden on anyone and wanted to support his own family. At the end of his severance package when his money was gone and he still did not have a job, not even a part-time job which he was willing to take if he could find one, he applied for unemployment insurance.

Because he had worked those eight weeks at a minimum wage job the money he will now receive is far lower than what he would have received had he not worked those eight weeks at a minimum wage job. This man has been penalized because his remittances to UI from this minimum wage job were far reduced from what he was making before.

I want the Canadian people to know that the UI system is a very harsh system now. It is not easy to take advantage of. It always surprises me when I hear what people go through.

For instance, two people worked as cooks in a restaurant. They left because they could not take any more abuse from the owner of the restaurant. They both left at the same time, applied for UI and were fined for having quit their jobs. Not only were they fined 10 weeks in the case of one and 9 weeks in the case of the other—and do not ask me why there was a difference because I do not know—but they only received 50 per cent of what they would have received otherwise.

This case has gone before arbitration and has not been settled yet. They may get full benefits at some point and they may have some portion of the penalty reinstated, but it has been at least eight months since they left their abusive employer. They have not received that money yet and they may never get it.

I want the people of Canada to realize that these are the kinds of measures in place today. They should not be side-tracked by this government that insists on bringing in the wrong measures at the wrong time. I ask the government to do the right thing for once. Let us give this country a chance and call an election, please.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Madam Speaker, I see in the press that the leader of my hon. friend from Sudbury's party has recently appointed a transition team to put together his new government, demonstrating the confidence he seems to have that he will get that opportunity.

I listened to my hon. friend talk about people who do not answer questions. She talked about the partisan atmosphere in the House and various other things. I would like to make a suggestion in asking her a question. The sooner we go to the polls the better. I am ready for an election campaign. I think that she and her colleagues are going to find that the Canadian people are no longer satisfied with empty rhetoric. As well, she will find that the Canadian people want to scrutinize not only the candidates but the leaders.

Liberal Party policy seems to vary from day to day, depending on what the opinion polls have to say. The polls seem to be telling it to keep its leader hidden and it might have a chance of winning because there is a perception that the Prime Minister is unpopular. That may or may not be true. However, as I have heard the Prime Minister say: "Nothing focuses the mind like the issuance of a writ". I can tell the member that we on this side are ready for that writ. When people take a look at our leader and then look at her leader I am not too discouraged about the chances of this government for re-election.

I might also say that when people start asking: "What do you stand for", they know what this government stands for. We have put policies before the people. We have put forward an approach that says we have to live within our means. We have implemented tax reforms that for 40 years were recommended by committees of

this place and royal commissions but which they on the other side did not have the courage to face.

I asked the previous speaker from that side the same question and I did not get an answer. If her party is seriously proposing to get rid of the GST, what is it proposing to replace it with? Is she going to get up now and bafflegab like the hon. member for Bonavista—Trinity—Conception: talk a lot and do everything but answer the question. I ask her in a very specific way because she is one of the finance critics for her department and she has some knowledge of this area. In plain, simple English, what is their proposal to replace the GST with?

Mrs. Marleau: Madam Speaker, the first thing would be to remove the government. Second, give us an answer about what is in that GST package. There is nothing empty about $29.5 billion. I want to be honest and realistic. I have worked as an accountant. I can say that until I personally know what is on the books, it is very difficult for me to say absolutely what should be done or what I would do without knowing what I have before me. In opposition, I am absolutely unable to get answers. So far there have been no answers from the Comptroller General and no answers from the Auditor General. We want the facts. We want to ensure that we are not restricted in access to information on the facts. One thing we on this side of the House want to be is realistic. Why should I make empty promises when I do not know what is in the books?

Mr. Jelinek: Madam Speaker, I rise on a point of order. I very seldom rise on a point of order in this House, but when I hear an hon. member opposite inadvertently misstating the facts and putting on the record totally erroneous information it is my duty to stand to correct her. All of the figures and all of the information have been made public in a variety of ways and means, in all parliamentary committees as well as in financial statements and in reports from the Department of Finance and the Department of National Revenue. In fact next week the public accounts committee will have an opportunity once again to review all the facts relating to the GST.

Madam Deputy Speaker: The hon. minister knows that is not a point of order but a point of debate. I would be delighted to recognize him on debate later today.

• (1120)

Mrs. Marleau: Madam Speaker, the hon. Minister of National Revenue said it. The information has been provided in a variety of ways, totally mishmashed here and there.

There is a lot of creative accounting going on. It is wonderful. I challenge the minister of revenue to sit down with me and the chairman of the public accounts committee and show us all of these wonderful figures. The chairman has also been asking for these same answers.

It is absolutely essential that we quit these beautiful accounting cosmetics that show the people only what we think they should see. They will not really like what they see.

Mr. Jelinek: What a phoney you are.

Mrs. Marleau: I am not the minister of revenue. I will have to defer to the minister of revenue. After all, it is his responsibility to give us the answers that we seek. I remind him that he was the one in charge when the GST was brought forward. He is still in charge and therefore has to answer to the people of Canada and MPs in the House of Commons.

Hon. Otto Jelinek (Minister of National Revenue): Madam Speaker, the hon. member who is full of gobbledegook obviously has not been following any of the reports that have been made public over the course of the preparation, implementation and follow-up of the tax which replaced the old manufacturers' sales tax.

She has the audacity to stand up in the House and challenge me to sit down with her. I accept that challenge. I would be very happy to invite her for a briefing in the department to show her in detail all the figures pertaining to the preparation, implementation and collection of the GST at any time that she wishes.

Mrs. Marleau: Madam Speaker, that is wonderful. I will take the minister up on his offer and I will bring along the chairman of the public accounts committee. It is important that I have witnesses at this meeting so we make sure that we do not carry on with the gobbledegook.

Mr. MacDonald (Dartmouth): You had better do it quickly.

Mrs. Marleau: That is right. I am really anxious to get all this information because it will certainly help us in formulating our future policies. It is essential.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Madam Speaker, in the kinder, gentler spirit which always dominates the House of Commons in an election year I would like to give the Liberal member for Sudbury an opportunity to answer the question that my colleague across the way asked a few moments ago. With the enthusiasm with which she wound up and attempted to respond I think she forgot what the question was.

My colleague across the way asked her exactly what the Liberal policy was to replace the goods and services tax. Was it the position outlined by her leader, that they would simply take a visible tax and replace it with a hidden tax and thus put a tax on food as well as on everything else?

As she knows my party, the New Democratic Party, outlined some years ago when the GST was coming in exactly what methods we would use. The Prime Minister has acknowledged that we did put forward an alternative. He may not agree with it, but he gives us credit for that. I thank him for that obvious and deserved recognition.

Once again, I would ask the member to cool down a little bit, not to be so overenthusiastic and perhaps pay attention to the question. Maybe she can give us an answer. Where does the Liberal Party stand on replacing the GST? Are the Canadian voters supposed to look at the Liberals like Mowgli looked at Kaa the snake in *The Jungle Book* as Kaa sang *Trust in Me*?

Mrs. Marleau: Madam Speaker, that sounded to me like a speech. I am sorry, I did not quite understand.

I want to throw the ball back in the NDP court because obviously we have not heard anything from those members on what they would do regarding the GST. They are not in government. Their party is in government in Ontario and it is not responding there to what is happening.

I am not particularly threatened because we want to be as honest and as realistic as possible.

It is time we stopped trying to mislead the public into believing that everybody has all the answers. We have to all work together. If when we have all the facts we all sit down together I know that we can find an alternative that will satisfy the need for finances for this country as well as take away the burden that this horrendous tax has placed on Canadians. That is really what it is all about.

I want to personally ensure that we do not hurt Canadians any more than they have already been hurt. I think that is the bottom line to anything that we consider.

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, it has certainly been an enlightening debate so far. I am pleased to participate in it.

The bill before us is Bill C-98, the borrowing bill by which the government is trying to get authorization from the House of Commons to borrow another $34.4 billion.

Before I get into my remarks regarding the bill, in case there are any friends and relatives watching us on television today, I would like to explain that while I realize my face has never been my number one asset in politics it is looking a little worse than usual. It is not as a result of political persecution from the other side but because of a close encounter with the ground when I was tobogganing with my son on Sunday. It is my favourite winter sport, never having been a figure skater like my hon. colleague across the way.

That aside, I would like to deal with the challenge that is before us. If we do not like the way the government is spending money, borrowing money and handling the nation's finances, what are the alternatives?

In my remarks I would certainly like to deal with all the national issues that are involved but it is much easier to focus on my own constituency of Prince Albert—Churchill River. It is a very diverse constituency; 46 per cent is the city of Prince Albert, 36 per cent northern and aboriginal population and 22 per cent rural. In many ways it is a microcosm of the country.

The reason I would like to focus on my constituency is because I do not believe we need to be borrowing as much as we are today. I believe there are better ways of spending our money. I would like to demonstrate that by using my constituency as an example.

I was first elected in 1988. When I was running for election the question was already before us: How are you going to pay for the alternatives that you are suggesting? I took up that challenge and did some research. I found that in 1988, four and one-half years ago, the federal government alone was spending $125 million in that constituency on unemployment insurance and welfare.

Those high welfare costs are a result of the fact that 25 per cent of that population are treaty Indian people. The welfare costs are paid directly by the government. Unfortunately 80 per cent of that population is unemployed. Also there is the federal government's contribution to cost sharing arrangements with the province.

We started in 1988 with $125 million. I have kept track of that over the years. With this new financial statement going into this new budget year I find the federal government is spending $170 million in my constituency alone on welfare and unemployment insurance.

If there is any waste of money, it is that particular sum of money. Not only is it costing the taxpayers directly in having to shell out that amount of money, but there are also the secondary costs that come with the broken lives that need to be repaired health costs and the cost of imprisonment of people and all costs associated with that level of poverty and with those people in the constituency who are not working.

How does this government propose to tackle this problem of the deficit, in other words, spending more money than we are taking in? The government is planning to cut UI. In a constituency like mine where 80 per cent of the people are unemployed the 3 per cent cut in UI benefits will really be a disaster for people, and not only in economic terms. In a constituency with unemployment that high a person is very vulnerable when trying to find another job. It makes it very easy for employers to take advantage of that situation and subject people to unsafe working conditions and other kinds of working conditions on the job site that they would otherwise never put up with. People are very vulnerable. Yet this government goes after those unemployed people.

• (1130)

What else does the government go after? It goes after the Crow rate, the historic arrangement between the Government of Canada and the farmers of the prairies which transports our grain to an export position and also for domestic use in eastern Canada under guaranteed regulatory rates. The government has cut that by 10 per cent in this economic statement.

What does that mean in my constituency? It means $1 million to the farmers in my constituency. Now the government is talking about cutting the family benefits plan and other ongoing cuts, and off-loadings on to the provincial government.

I would like to propose an alternative. I would like to propose that we take one-quarter of that $170 million and try to put one-quarter of the unemployed people in my constituency to work. In other words, we are talking about $40 million of that $170 million which the government is now wasting in my constituency.

Where could that money be spent? First, I would like to suggest it should be spent on the Athabasca Road. This House and Canadians were shocked to learn approximately a year ago that in this day and age there is a tuberculosis epidemic in northern Saskatchewan in the Athabasca region, centred in the communities of Fond du Lac, Black Lake and Wollaston Lake.

Emergency measures have been taken to deal with the situation and health care professionals have done the best they can. However, the underlying problems of poverty, poor housing, lack of opportunity and lack of good nutrition remain. Those problems cannot be solved unless we can get a transportation system into the Athabasca region, where 5,000 people live, that will meet their needs. A transportation system will allow us to bring in food more cheaply and will allow us to bring in building materials so that we can build more houses with the limited funds available. We can open up the Athabasca region to commercial opportunities like tourism and fishing in Lake Athabasca, a lake currently hardly ever fished because it costs more to fly the fish out than fishermen get in return. We need that road.

How much is it going to cost? It is going to cost $35 million. The provincial government is currently negotiating with the federal government to get funding for that road. The provincial government is suggesting that the federal government pick up 75 per cent of the cost of that road based on two arguments. It would replace something like a $2 million cost to the federal government of having the Coast Guard dredge the Athabasca

River to get barges on to Lake Athabasca to supply those communities. The government would save that $2 million a year. The vast majority, approximately 80 per cent of the people in the region which would be served by that, are treaty Indian people. The economic benefits which would flow from the development would accrue directly to the federal government.

It would mean a cost to the federal government of $27 million over about five years. We would have to spend about $5.5 million a year for the next five years to get that Athabasca road into place. The benefits would be immense and have been well documented.

Second, I would like to mention the whole issue of cleaning up the Gunnar and Laredo mines. I see the Minister of the Environment is diligent today and is at his desk. I was surprised to hear from a reporter yesterday that the Minister of the Environment seems to have dismissed the notion of his department participating in the clean-up of the Gunnar and Laredo mines.

For the benefit of the House and the viewing public I would like to explain that issue a little bit. There has been uranium mining going on in northern Saskatchewan since the late forties and early fifties. In those days the environmental standards that we operated under were much different and much more lax than they are today.

When the Gunnar and Laredo mines were decommissioned in 1964 very little clean-up was done. There were very low standards. It probably is not anybody's fault particularly, but the clean-up was never done. Tailings are getting into the environment through leaching and blowing around in the wind. Some of the old buildings are contaminated. Although the site poses no immediate health hazard it is certainly something we would not tolerate in this day and age.

It has been identified as a major public issue because the premier of Alberta saw fit to make reference to it in some year end remarks and it is now on the public agenda. It is the appropriate time for it to be on the public agenda because while we are discussing this clean-up issue we are also contemplating expansion of the uranium mining industry in my constituency.

Through the Department of Energy, Mines and Resources, the Atomic Energy Control Board, Atomic Energy of Canada Limited, which engages in commercial ventures, and many others, the federal government has been very much an advocate of the uranium mining industry and indeed of the nuclear industry as a whole in all kinds of ways, even the former government's old Eldorado Mining which mined in that area.

The federal government has a clear role to play. What would it cost to clean up that site? The Minister of the Environment probably knows this. It would cost about $8 million. If the federal government paid $6 million of that cost, 75 per cent over a period of four years, that would be a cost to the federal government of $1.5 million per year.

There is money. Funds have been established to do this kind of work. There is a national contaminated sites program which provides for the clean-up of orphan sites for which the corporate responsibility can no longer be established. That certainly applies here. There is money in that fund for innovative technology. We intend to use innovative technology, to let nature do its own clean-up to enhance the natural processes that are already going on. It is very innovative technology.

As well, the Department of Energy, Mines and Resources is already engaged in the clean-up of uranium mining sites in Ontario and the Northwest Territories and could help contribute toward that $1.5 million a year.

I would suggest that the government restore the 10 per cent cut that it made to the Crow rate benefit. That was pointed out at the farm rally in Saskatoon about two weeks ago, where 13,000 people from the farms, the cities and the towns of Saskatchewan met at Saskatchewan Place and outlined their situation. At the rally we were told that this year farm income in Saskatchewan is going to be at its lowest level since the 1930s.

A lot of Canadians know what the 1930s were like through movies, through folklore within families and through books. People know what kind of misery existed in the farm community. We are returning to that level again. It is projected in the next year that the average income of the average farm family is going to be $4,000, which is less than those families would receive if they were receiving welfare.

There is a clear need for income in the farm community. That affects not only the farm community but it affects the businesses in the towns, in the villages and even the cities of Saskatchewan. It is still a fact in Saskatchewan that if the farmers have money everybody has money. If the farmers do not have money, people get laid off and businesses go bankrupt. This is a trend we have to reverse.

As I mentioned earlier in my remarks, $1 million in my constituency would restore that level of income to the farm community.

I would suggest that the government take a look at what its training policies are doing in a constituency like mine. Communities in the constituency have as much as 80 or 90 per cent unemployment. The real unemployment rate over all is probably 25 per cent of the work force. A lot of people are unemployed. As this government says and as the prosperity initiative people said, the key to getting Canada out of the financial mess it is in is through empowering people through education, training and through being able to give people some control over their lives.

What is the government doing in this constituency which might well have as great a need for training as any in the country? The government is cutting back between $1 and $2 million a year. How is it doing that? It is doing that by tying the funding for training to the unemployment insurance training fund through Bill C–21. In a region like mine where a lot of people never have been in the work force on a permanent basis, where many of the jobs are marginal, very short term or part time, and the economy is depressed, an awful lot of people never even make it on to UI. If the UI funds follow the UI claimants it means that a region like mine where people have never worked or worked very little absorbs massive cutbacks, while money streams into the large metropolitan areas where the government rightly is fighting the devastation wrought on our manufacturing sector by free trade.

• (1140)

People should not be under any illusions here, especially the Minister of Employment and Immigration, that diversion of funds means massive cuts to training for the people who need it the most, the people who are not even literate in this day and age.

The government argues that part of this money that is being lost through training and through regular channels is being picked up through the Pathways Program in the aboriginal community. That is also a smoke and mirrors operation, because it started with a $200 million allocation which now has been cut to $150 million nation–wide.

At the local level it is also not working, because the aboriginal communities have had to create an infrastructure to deliver this training which parallels the infrastructure of Canada Manpower and absorbs probably 25 to 30 per cent of the money originally intended for training. As well, a lot of the initiatives that have been funded directly through the federal government, like the Meadow Lake Tribal Council learning centres and the Athabaska Training Council, are no longer being directly funded. It is incumbent on Pathways to pick up that slack. It is not designed to do that and therefore we have a massive shortfall, both in aboriginal training and training for other people.

I suggest the government restore this funding, enhance it to some degree and spend $2 million a year on that.

Another area where the government could well be spending money much more profitably than the $170 million on welfare and unemployment which they are spending in my constituency now, is to support community economic development organizations. My region of the country has been one of the pioneers in developing community–based economic ventures. Like the maritimes, like Montreal, like some other regions of the country, my region is one of the places where these kinds of movements originated. The co–operative movement has strong roots in that region. The first co–operative community health clinic was established to provide medical services during the doctors' strike in 1962 in my constituency.

We now have another form of business development, which is the community economic development corporations, the economic development authorities and all the other means that communities are engaging in to try to mobilize capital to take control of their own economy, to create jobs and opportunities for their people. Organizations like the Creighton–Denare Beach development corporation, the Kitsaki Development Corporation, Visions North, community corporations like Ile–à–la–Crosse, La Loche, La Ronge and the new Prince Albert Regional Economic Development Authority are doing good work with very limited resources. They involve a lot

of volunteer time for a lot of people. In order to be effective they need some basic core funding in order to function and play the proper part they need to play, especially at the organizational stage they are at now.

I would suggest to the government that $2 million out of that $170 million it is blowing could be well spent on these local vehicles for economic development.

I have only a few minutes left. I have outlined $12 million worth of spending that the government could be doing in my constituency out of the $170 million it is blowing now. I suggest it takes one-quarter of that, which is $40 million, and devote it to job creation. I am not talking about new money. I am talking about the money it is spending now.

I have identified $12 million worth of projects. Another $8 million could very easily go to the Indigenous Summer Games which the minister for sports and fitness is very actively looking at. I would encourage him to recognize the need. The government could spend money for the SEED program which is being cut back again, the Summer Student Employment Program, for student loans or for the Brighter Futures Program which is supposed to deal with family problems, child care, family violence, and so on, and is really a smoke and mirrors operation that has no money, no criteria, and is very difficult to access. Some real money in Brighter Futures would help, as well as in child care. I am suggesting out of that $40 million we are diverting from welfare and unemployment insurance let us spend $12 million on projects and $8 million on these projects. That would leave $20 million to help reduce that province's deficit. If it did that in every constituency it would amount to $280 million in Saskatchewan and would cut the Saskatchewan deficit in half. The government would still be money ahead because in that constituency we would still be collecting approximately $20 million more in taxes directly from people working.

The problem with this government is a failure of the political imagination. This government has run out of gas.

I have just run through a scenario in one constituency on how any government could spend its money more wisely to put people to work. I have demonstrated that the taxpayers of Canada would benefit from it. It is time for this government to go. If it cannot do it let somebody else do it. We are ready to do it. We are ready to help other people do it. It is time we got on with it.

Madam Deputy Speaker: As we are resuming debate, I would like to advise the House we have now completed the first five hours of debate on this bill. We will now proceed with 10-minute speeches.

Mr. Ron MacDonald (Dartmouth): Madam Speaker, this is indeed an interesting bill to be debating at a time of record unemployment in this country. There is record despair and a record number of bankruptcies in this country. Record numbers of Canadians are unemployed and on welfare. Record numbers of children are living in poverty. A record number of individuals say that the current government in power, if it ever has the gall to go back to the electorate soon, would receive the biggest trouncing of any elected government in the history of this country.

We are here debating the bill for borrowing authority so the government can further its desires for some of the measures it put in the last budget.

It is an interesting time for Canadians. We are sitting here debating a bill that will allow the government to continue economic policies that have been a travesty to the Canadian public.

In order to put this government's economic agenda in perspective we have to understand what it has done over the last eight years. What has it done since it came into power? Way back in 1984 Brian Mulroney was canvassing across the country. He was promising jobs, jobs, jobs and two chickens in every pot. He said Tory times were going to be good times again. He talked about fundamental tax reform. The Conservatives were going to make sure the tax system was fair because under those dirty old Liberals it was not.

What did the Conservatives do? They created jobs, jobs, jobs all right, but unfortunately they were not in Canada. They created jobs, jobs, jobs in places like Buffalo, Detroit, Toledo, Chicago and every border city in the United States because the free trade deal forced

many Canadian manufacturers to shut their doors and move to their parent plant operations somewhere in the United States.

The clock is ticking but the Conservatives do not want to go to the electorate because they know what is going to happen to them. The Conservatives will probably try to fool the Canadian public with the NAFTA and promises of jobs, jobs, jobs again. This time the Canadian public will not be fooled.

It is important for us to understand what the Conservatives have done with taxation. Since these people came to power in 1984 with a promise of fundamental restructuring of the Canadian economy they have increased taxes in 40 different areas, excluding the GST, to July of last year. That is real fundamental tax reform. It is called: "Take more from those who have the least amount to give".

Since this government came to power the middle income groups have paid $1,500 more on average per family in constant dollars per year. Even those individuals whose incomes are around $10,000 per year are paying more taxes in 1992 than they would have paid in 1984.

• (1150)

The government said it had to come in with this new tax, the GST, because that old awful federal sales tax was unfair, that it was taking too much money and was making Canadian businesses uncompetitive.

Do you know how many times the government has increased it? Let me see. I have a chart here: October 1984, January 1986, April 1986, July 1985, July 1987, January 1988, June 1989, January 1988, May 1985, February 1986, February 1986, January 1988, April 1989, February 1991. That is the number of times by budgetary measures this bunch opposite raised that dirty, awful, old federal sales tax that it had to replace with that wonderful example of genius called the goods and services tax.

The implication from increases in federal sales tax alone from 1984 to the time that government replaced it with the GST was an extra $9 billion in revenue.

In short what we have is a government that from 1984 to 1992 has set about a legislative regime to introduce more tax increases and increase the federal revenues at a greater rate than at any other time in our recent history.

The government was raking the dough in. It was coming in hand over fist. One would have assumed, since Tories are supposed to be such wonderful economic managers, that the deficit would have been dropping like a stone. *Au contraire*. It did not happen. At the same time as it was raking in record amounts of revenue this bunch opposite was spending like money was going out of style. They are probably the worst fiscal managers we have seen in this century in this country.

They misspent themselves into a doubling of the federal deficit in eight years. They have doubled the federal deficit at a time of record increases in revenue, record tax increases, and have also made a new record for record deficits.

It took them almost two years to admit that we were in a recession. It took them less than two minutes after Statistics Canada came out with the first positive figures to declare the recession dead.

The current Minister of Finance one year ago came into this House and indicated that all was well, recovery was around the corner, not to worry, there was a light at the end of the tunnel, things were going to be wonderful again, just in time for another federal election.

At that time the Minister of Finance had estimated that the federal debt for this current year was going to be about $27 billion or $28 billion. Now we find out that maybe he was wrong again. Just like his predecessor was wrong each and every time he stood in this Chamber, since I arrived here, and gave an economic projection. He is not wrong by a mere $1 billion or $2 billion, or $3 billion, or $4 billion. He is wrong by between $7 billion and $8.5 billion.

The man cannot add. He certainly cannot read, because every economist in the country has been saying the direction this government's economic policies were taking the country would lead to further despair and disaster.

Twelve months ago the Minister of Finance stood up in response to the second record year of bankruptcies in Canada. He told us not to worry that it was the end of the recession and that it was just a final big blip on the scale before bankruptcies dropped like a stone. But that was not true. He went for the real triple crown and that was the third record year of bankruptcies. Only one week ago, after we were supposed to be out of the recession, after he told us 12 months ago that all was well, we debated and asked questions of this front bench about

the reasons that another record was broken because 1992 was another record year for Canadian bankruptcies.

In the province of Nova Scotia we saw a 25 per cent increase over the last record year in the number of business bankruptcies. We saw a slight decrease in the level of personal bankruptcies, but the fact remains that in the province of Nova Scotia last year there was approximately one bankruptcy for every 318 Nova Scotians. That is this government's brand of economic recovery.

What the government did during these record years of revenue and record years of deficit building is something else which will take perhaps a decade to repair. What it did was to destroy the partnership federal governments have always had with their provincial government counterparts.

The federal government has the power of taxation. It has the power, if it has the will, through legislative programs and through constitutional requirements to equalize wealth in this country. But what has it done at a record time of tax increases? While it has been building record deficits it has been transferring the deficit from its mismanagement down to the provinces.

I want to quote this: "As a result of four successive budgets by this government, the May 1985 budget, the April 1989 budget, the February 1990 budget and the February 1991 budget, these budgets had provisions in them for a decreased participation by the federal government in cost-shared programs". We call them EPF, Established Programs Financing. That is for post-secondary education and for medicare. It is supposed to be 50 cents on the dollar. The result of those changes alone would amount to $42 billion less being transferred to the provinces for just those two programs over a 10-year period. In effect, the government has taken its fiscal mismanagement and transferred it down to the provinces right across this country which in turn have had to transfer it down to the municipalities.

This government seeks the authority and the support of this House to do more of the same for Canadians. I think not. The only good thing about this particular bill is that it will be the last time this government has an opportunity to come before this House and seek authority to borrow money. It will be one hell of a long time after the election before the Canadian public puts its faith and its treasury in the hands of the bunch opposite.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I am pleased to stand in the House today to speak to third reading of Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992.

I am somewhat disturbed. Although the government certainly has been trying to present a positive picture, the government's incompetence is well-known across this country.

We are in the midst of probably the worst recession since the 1930s. We have 1.5 million Canadians unemployed, 2.3 million on welfare and 3.8 million living below the poverty line, and that includes more than one million children. More than two million people in this country are forced to rely on food banks.

Recently the Minister of Finance had the audacity to appear on a television program and declare that his government had created more jobs than any other G-7 country. What the minister failed to say is that Canada has lost more jobs than any other country and the jobs the government has created are low paying, part-time jobs.

We on this side of the House have steadfastly put forward ideas to stimulate growth through policies that will create jobs and encourage the private sector to expand. Last January, as an example, we proposed a five-point emergency economic plan designed to help create jobs and encourage growth. The proposal's centrepiece was a national shared infrastructure program with equal funding from federal, provincial and municipal governments. These initiatives would have been an investment in people.

I have been campaigning for a significant commitment to municipal infrastructure for years, first as a 10-year municipal councillor, then as a co-chair of the Liberal Party's national task force on municipal infrastructure in 1989 and repeatedly in this House during my four years in office.

In the summer and fall of 1989 my colleague from Ottawa Centre and I travelled to every province and territory in Canada to look into the crisis facing Canada's

towns and cities and to increase national awareness about this serious issue.

The task force hearings confirmed my fears about the environmental and economic dangers which are looming as the result of inadequate infrastructure throughout the country. Only 10 per cent of all raw sewage east of Ontario is treated. More than eight million Canadians, or one-third of our population, live in municipalities without sewage treatment.

I heard horror stories about raw sewage floating down ditches, about harbours where boats plough through sewage floating in the water and about public beaches which are closed each time it rains due to polluted storm sewer run-off.

• (1200)

I visited towns without any sewage treatment and towns with aging systems that were never designed to handle the toxic discharges of modern communities. The threats to public safety are many and obvious. The report of the task force proposed a broad range of measures which were applauded by the Canadian Federation of Municipalities.

During the weeks leading up to the December mini budget I waited anxiously to hear from the Minister of Finance. Rumours were ripe that his government would finally see the light and make a commitment to Canada's infrastructure. The minister's proposal turned out to be a huge disappointment.

The present Minister of Transportation is a former colleague of mine. He was a director of the Federation of Canadian Municipalities. At that time the present Minister of Transportation in this House used to stand up as director of municipalities and say how much the federal government should be participating in this Canada-wide infrastructure program.

The member then became a member of this Parliament and he did an about-face. He is hiding behind the skirts of the Prime Minister and will not take a public stand on this issue. The government announced that it expects to create under 5,000 jobs, half the number to be cut at CN Rail alone.

The $500 million committed by the government to the infrastructure program over five years amounts to only about a fifth of the $2.5 billion taken from the unemployed. None of the spending will be on desperately needed local community projects. In other words, the infrastructure program is inadequate. What else can we expect from a very inadequate government?

The government's announcement also contained a frightening message to employees in Canada, particularly women. As the Liberal critic for human rights and the associate critic for women's issues I am appalled that Canadians who are fired or who quit their jobs will not get any benefits. This leaves people near the bottom of the economic ladder, particularly women, open to abuse.

Up to this point female employees who have been harassed by their employer, supervisor or colleagues have had the option of quitting their jobs and receiving UI benefits to which they have contributed. Once removed from a bad work environment the employee can more easily take formal action against the alleged offender, whether by way of an action for damages or a human rights complaint.

The new provision means a fundamental change in the power relationship between employers and employees. Women will have to put up with harassment from unscrupulous employers or quit and go on welfare. The onus of proving just cause in order to be eligible for UI benefits will fall solely on the employee.

Short of taking legal action how will she prove just cause? What is the level of proof required? Will naming an employer or other employee as a perpetrator of harassment result in an investigation by a government department? Will this increase the risk of a libel suit against the employee who makes a complaint outside the judicial process? Will there be an independent tribunal set up to determine the guilt or innocence of the employer?

Fifty thousand people turned out in Montreal this past weekend to protest against this unfair measure, yet the government's response to these protesters was weak and totally erroneous. It said: "They are all separatists".

The government has also reduced the unemployment insurance benefit rate for new recipients from 60 per cent to 57 per cent. The effect of this reduction will be to freeze the average benefit per recipient. The savings will amount to $550 million in the first year and $1 billion in the second year.

This will have serious effects on women, who continue to earn approximately two-thirds of what men do. The impact on unemployed female workers of having their benefits reduced from 60 per cent to 57 per cent will simply ensure that women, many of whom are single parents, continue to live near or under the poverty line.

This measure continues the treatment that women received from this government in the February 1992 budget. For example, the child benefit has been widely denounced as a totally inadequate anti-poverty measure. The cutbacks to social housing expenditures and the elimination of the co-operative housing program means that single mothers will be denied affordable housing.

Not only has the government done nothing to assist women to get back into the labour force but it is forcing the unemployed, the poorest of whom are women, to shoulder the responsibility for deficit reduction. Also, the government has again hacked at our Public Service by once again freezing the salary of public servants, tens of thousands of whom earn an income below the poverty line. At a time when consumer confidence is so low it is wrong to make public servants bear the brunt of the federal government's fiscal mismanagement.

This Conservative government has underlined its philosophy that collective bargaining does not have a role to play in Canada. This is a total contradiction of this government's own legislation.

I am appalled at the total lack of regard for the Ottawa-Carleton region. It is also obvious that this Conservative government, including the Minister of Supply and Services, has given up on the National Capital Region.

If the government was serious about saving money it would stop spending the millions it spends on partisan polls and Conservative consultants. If the Prime Minister was truly interested in spending restraint he would slash the size of his cabinet.

The Conservative commitment to the environment, its green plan, melts each time the Department of Finance looks at it. Another $172 million has been cut from the 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, less than one-third of the money the government promised for the green plan will be spent before the next election.

For small business the government is launching what it calls a small business employment and investment package. The package has five components but all but one do little to address the two fundamental problems facing small business today, which are the credit crunch and the lack of equity financing.

I welcome the 10 per cent investment tax credit but would have liked to have seen it extended to all small businesses. The small business financing program has been blasted by both the small business and banking communities. Eligibility requirements are simply too restrictive and the program's scope is inadequate. To date only a very small number of businesses have actually been able to take advantage of the program.

I do not oppose raising the ceiling for loans made under the Small Businesses Loans Act as the government has done, but the measure does nothing to address the fact that banks are simply not lending money. In addition, by failing to expand the definition of what constitutes a small business there are still enterprises in new service industries that are ineligible.

Fortunately there are a few proposals put forward by this government with which I agree, though I must admit there are very few. I was pleased to see that the home buyers plan, first proposed by the Liberals last January, has been extended to 1994. The minister also proposed to increase funding under the industrial research assistance program first put forward by my party.

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, I must confess that speaking on the borrowing bill of the government this morning is no great pleasure, despite the fact that it is truly a pleasure to be speaking in the House of Commons.

If this government had come close to living up to the promises it made at the time of the last election we would not be standing here talking about having to borrow money to anywhere near the extent that we are. On the other hand, what if we had taken the advice of the minister of fisheries, if we had heeded his words before the last election? In the city of Regina, the capital of the province of Saskatchewan from which I come, he quite blatantly said that if he were to tell the Canadian public what the Conservatives were going to do once they got elected the Canadian public would not vote for them.

• (1210)

He certainly lived up to that promise because during the last election they did not tell the Canadian public in any real terms what they were going to do other than create jobs, introduce the free trade agreement with the United States and create prosperity like this country had never known.

The unfortunate and predictable part of the situation is that they have wrought havoc on this country such as we have not seen since the days of the depression of the thirties. It is not any coincidence that it is the same government and the same political philosophy that led us into the last depression.

The fact of the matter is that we have not seen such a tremendous decrease in production in this country since the 1930s. It certainly speaks ill of this government that we must be here today borrowing excessive amounts of money and paying excessive amounts of interest on money being borrowed to cover up the mistakes it has made and to cover up for promises it made. The Canadian public took for granted it was telling the truth when it made those promises and it has not fulfilled them.

There are any number of areas in which we could examine what this government is doing, whether in monetary or social terms, and find it lacking on almost every count. In fact it is lacking on every count.

I do not know how many budgets we have had since I came to the House of Commons in 1988 but every one of them was presented in the most glowing of terms. The Minister of Finance of the day assured us that the budgets being introduced would get the country back on track, that they would get the deficit and the accumulation of the debt of the nation back on track and then decrease them.

In last spring's budget the government miscalculated by a mere $10 billion, and of course we find ourselves talking about borrowing money as a result. The promises have simply not been there. Some of the solutions the government is coming up with to try to save some money are just beyond imagination. Some of the programs it is coming up with are unimaginable in their severity for a civilized country in 1993, in the latter part of the 20th century.

Canada has been a world leader in many of the social programs which we have instituted. We may not have initiated them first but in a lot of cases we certainly were not very far behind in the implementation of those programs, throughout at least the first world as it is sometimes called. I am referring to social programs such as the unemployment insurance and pension plans we have, and labour legislation to some extent, although that falls far short of the OECD countries particularly.

We find ourselves speaking at the present time as a result of the mini budget, Bill C-98, introduced last December. We find ourselves in a situation, and this is the vicious part, in which those people who for whatever reason find themselves unable to continue in a job and quit now find themselves not only having had their unemployment insurance benefits reduced from 60 per cent to 57 per cent but are now disenfranchised and prevented from being able to collect any unemployment insurance at all. I stress, for any reason whatsoever.

The government is implying that there are hordes and hordes of people out there who quit their jobs for the most frivolous reasons, with the sole purpose of collecting unemployment insurance.

The situation is similar with people who are on welfare. The implication from the other side of the House is that because of some of the Draconian measures it has taken in the past people on welfare are also out to cheat the system. The fact is that living on unemployment insurance or welfare is not exactly easy street. It is simply a vicious move on the government's part to insinuate that so many people are going on unemployment insurance because it is easy street. Unfortunately it is feeding fuel to the fire of the prejudices held by the general public.

I would suggest to anyone in this House and anyone watching the proceedings of the House that if they know of anyone who is supposedly cheating on unemployment insurance they ought to report him or her. No one in this House would ever suggest for a moment that anyone who is cheating on unemployment should not suffer some kind of a penalty.

The supposition is that people are out there looking for work, but in this day and age when work is so difficult to find and millions of people are unemployed, the prospects of finding a job are very slim. Nonetheless, that does not excuse anyone from looking for a job.

I am suggesting that there are very few cheaters out there. The government is trying to make a case where none exists. It is out to punish those who discontinue employment for very good reasons. In some very unfair situations people find themselves fired because they cannot contemplate continuing where they are presently working because of the attitude of the employer.

Just within the last day or so the minister has said that if there are valid reasons these people will be able to receive unemployment insurance. There are 40 categories in which they are allowed to exercise their right to quit and still receive unemployment insurance.

In the last couple of days we have seen the case of fishers, which is the terminology today for people who go out to sea to catch the fruits of our oceans. There was the tragic loss of a fishing ship in the Atlantic and now the comrades of the dead fishers, some of whom were out on the rescue mission, are refusing to go to sea. We saw their employer on television saying: "No, no, no, there are hazards in all occupations. Going out to sea and having your ship sink underneath you is just one of the hazards. There really is no reason whatsoever not to go". If the employer says go, you go. That is a good example of the kind of intimidation employers use most frequently to force people to stay in jobs which for the most part are really quite intolerable. In the final analysis, the government's proposed changes are not going to save it a tremendous amount of money anyway.

The cuts of 10 per cent to the Crow benefit are equally as devastating to the agricultural community in the province of Saskatchewan.

• (1220)

Mr. Maurice Foster (Algoma): Madam Speaker, I am delighted to have an opportunity to speak on Bill C–98. This very small document sets out the very large figure of $8.2 billion that the government is asking for today.

One really has to ask what has been accomplished by this government since 1984. It is difficult to look anywhere in the Canadian economy today and find a bright spot. There are some dim bulbs, especially on the other side of the House, but there is hardly a bright spot in the Canadian economy. I come from northern Ontario so I have a particular perspective. It is difficult to describe the economic chaos that exists.

It is discouraging that this government was launched into office in 1984 at the time of the longest sustained growth period in our history. The six–year period from 1984 to the spring of 1990 was the longest sustained growth period since World War II. What did the government do? It totally squandered it.

It talked about balancing the books; deficits continued to rise and the Minister of Finance was never right. In spite of that taxes were increased dramatically every year. There were 31 new taxes during that six or seven year period. It is incredible. It was the longest sustained growth period in history. The Tory government increased taxes dramatically and yet the deficit rang in every year at $27 billion, $28 billion and $30 billion. There was an opportunity to reduce the deficits we suffered from the very strong recession we had in 1981–82 but nothing was accomplished. In fact the deficit today is double what it was when this government took office. It was some $176 million then and is now over $450 billion today.

It really is an incredible time and a very discouraging time for Canadians. That is why this government has languished in the public opinion polls between 12 and 18 per cent during the past two or three years.

Besides increasing taxes on businesses and people—and I have not even come to the GST yet—it has really put an incredible tax on the provincial governments. They in turn have pushed that down to municipal governments.

If we look at what was done with the Established Programs Financing Act since 1985, it is incredible that financial institutions, hospitals and medicare systems in our country even continue to function. The provinces have had to compensate for the reductions. The government began reducing assistance in the 1985 budget. The Established Programs Financing arrangements had previously been a 50/50 arrangement. The government gradually moved away from that toward a system where the increase in cost of health care and education programs due to inflation was reduced by 1 per cent, 2 per cent and then 3 per cent. In other words, if inflation was 5 per cent, the provinces picked up all of that amount. In the first year of the Established Programs Financing the reduction in funds for the 1986–1987 fiscal year was $316 million. By 1992–1993, the current fiscal year, the reduction in funds being transferred to the provinces was $5.9

billion. Imagine any province, especially the smaller provinces, trying to pick up $5.9 billion. By 1995–1996 the reduction in assistance to provinces for health and education will be $9.3 billion. The total reduction over that 10-year period will be $42 billion.

The government is not only preying on the people and putting the economy into the worst recession in history since 1990 but it is off-loading its financial responsibilities for the key areas of health and education.

It is interesting that everywhere in the competitiveness arrangement the government has set up there is reference to education and training. This is how we are going to be more competitive and take on the markets of the world. What the government has done in post-secondary education during that 10-year period totally flies in the face of its talk about further education and training.

Over the 10-year period for post-secondary education the government has reduced transfers to the provinces. In 1986 they were reduced by $91 million. For 1992–1993 funding for secondary education is being reduced by $1.7 billion. Over the course of the 10-year period the reduction totals $12 billion for post-secondary education.

This government is talking about globalization and international competitiveness. Those two concepts do not even begin to make a believable arrangement.

The bankruptcy statistics for this past year for the three provinces that historically have had major economic growth are really quite frightening. The figures are extremely high even in provinces like Nova Scotia, where in 1992 there were 2,678 bankruptcies.

This did not just happen. It happened because the government brought in a fiscal and monetary policy in 1990 which drove the country into recession. If people think that John Crow does not get his orders from the previous Minister of Finance they only have to watch the Prime Minister and the Minister of Finance defend those policies.

In 1988 we signed a free trade deal with the United States. By 1989–1990 there was a disparity in the prime interest rate of at least 5 per cent or 6 per cent. Historically it has always been 1 per cent or 1.5 per cent. During 1989 and 1990 we drove the economy into a recession and did not let up for even a year or two after that.

The government had the gall to bring in its statement of constitutional reform but the responsibility of the Bank of Canada was to keep inflation at zero. Nobody had ever heard of such a proposal before but this government decided that its policy was to drive down inflation to a level that drove literally thousands of businesses out of business.

• (1230)

This was at a time when we were entering into a free trade deal with the United States, and our producers, exporters, and our forestry and manufacturing sectors were experiencing a total financial blood-bath. Hundreds of thousands of jobs were lost because of the interest rates, certainly in Ontario and in other provinces as well. Those extremely high interest rates of 14 per cent in the spring of 1990, five or six percentage points above those of the United States, drove the dollar so high that they were simply not able to compete.

We can examine those figures concerning bankruptcies in the province of Ontario. Between 1991 and 1992 there was an increase of 4 per cent, 1,429 more in 1992 than in 1991. That is an increase from 29,989 to 31,418. These businesses were destroyed by the fiscal and monetary policy of this government. It is a tragedy. This bill to give this government another $8 billion of borrowing power should not be approved.

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Madam Speaker, pursuant to Standing Order 26(1), I move that the House continue to sit beyond the normal hour of adjournment for the purpose of continuing consideration of Bill C-98, the Borrowing Authority Act.

Madam Deputy Speaker: The Parliamentary Secretary to the Minister of the Environment moves that the House continue to sit during lunch hour for the purpose of studying Bill C-98. All those members against this motion will please rise.

And fewer than 15 members having risen:

Madam Deputy Speaker: There are not 15 members rising in objection to the motion. According to the provisions of Standing Order 26(1)(6) the motion is deemed to be carried.

Motion agreed to.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, that was one of the government's most interesting speeches so far. It has suggested extending the debate until Question Period, in other words, until 2 p.m. I have no objection. I have no problem with a debate on government bills.

Bill C-98 proposes to authorize expenditures, by way of loan or by the issue and sale of securities of Canada, in an amount or amounts not exceeding a total of eight billion two hundred million dollars. That is a lot of money. One billion means one thousand million dollars. A very substantial amount of money is involved.

Canadians and members who speak in the House on their behalf have the right to ask the government to account for its administration of public funds. Parliament has the right to expect the government to inform the House of Commons and the general public on its financial administration.

Canadians have every reason to be concerned about the government's ability to manage public moneys as they should be managed. During today's debate, many members raised a number of serious questions, including the unemployment problem. Canada now has 1,600,000 unemployed workers. These are people who are actively looking for work, are able to work and want to work, but cannot find jobs.

In Ottawa-Carleton 700 jobs were lost in January 1993, in one month. According to the experts at Statistics Canada, however, the recession is over.

Tell that to the 1.6 million unemployed workers. Tell that to another million Canadians who are living in difficult circumstances after losing any hope of finding a job that pays and are either on welfare or being supported by their families. Tell them the recession is over, that the government is compassionate and that it has an economic recovery plan. That is not what I hear at my riding office.

It is unfortunate to have to say this, but Canadians have lost confidence in a government that, as we have said repeatedly, has outlived its usefulness. It is time the government was replaced and the people were given a chance to decide. It is time Canadians had their say about managing change to make the economy more dynamic. That is what counts: letting Canadians decide and meeting the challenge of more effective and efficient government.

[*English*]

This morning we heard people talk about the GST and its impact on Canadians. In the past while we have come under attack by the Conservatives and sometimes by the NDP over what we would do to replace—

Mr. Johnson: Oh, are we going to hear?

Mr. Gauthier: Sit down and listen. It will only take 10 minutes. I only have 10 minutes. I may tell the member a few things about what Liberals will do—

Mr. Soetens: Probably nothing.

Mr. Gauthier: The member can make that judgement after I am finished speaking.

Let us look at the facts first. The Conservatives have raised taxes or imposed new taxes on individuals 38 times since taking power in 1984. That is a fact. The average Canadian family is paying $1,500 more in taxes than it was in 1984.

The GST, the most hated tax in Canadian history, was imposed on Canadians without proper consultation. It was imposed on small business despite its opposition to this tax. It was imposed on the provinces without consultation and over their objections.

The GST destroyed public confidence in the fairness of the tax system. It has expanded the underground economy, and I do not think anybody would deny that. The underground economy is made up of those who work but do not report their earnings or pay taxes. If all Canadians paid the taxes they were supposed to pay our tax load would be diminished.

It has undermined consumer confidence to the extent that people are now not spending. It slowed down the economy. It lengthened and deepened the recession. It was imposed at the wrong time. It is complex, it is costly and it is unfair. Those are words that we have heard over the last two and a half to three years.

There is an army of bureaucrats administering the GST right now. There are 4,000 to 5,000 public servants who spend their day administering this tax.

We in the opposition have difficulty having any confidence in the information that is made available to us. I defy anybody in this House to examine the public accounts of 1991–92 and honestly tell me that he or she understands the very complicated way in which those figures are presented.

• (1240)

This morning in this House the revenue minister said: "We have presented all the facts in a variety of documents". He sure has. Finance has done that and Revenue Canada has done that to the extent that nobody understands exactly what has happened to the $29.5 billion in gross revenue from the GST and the net result of the $15.1 billion or $15.2 billion that remained at the end.

Mr. Soetens: Madam Speaker, I rise on a point of order. The member invited me to stay so I could hear some ideas from him and he is spending time on facts. I would like to hear the ideas rather than the history.

Mr. Gauthier: I want to get to that point because that is exactly what I intend to do for the remaining two or three minutes of my speech. We will clean up the mess that was made for Canadians by the Progressive, God forbid, Conservatives. What nonsense: progressive and conservative. How one can be progressive and conservative at the same time is beyond me.

We will not do what the Conservatives did, which is to railroad a tax, the GST, through Parliament with closure and everything else. The Liberals will implement a replacement in full consultation, and I emphasize that, with individual Canadians, the business community and the provinces.

That is the essence of democracy. People must be heard. People must be asked what they think. We Liberals have been trying to do that. We will ask Canadians to help us, through full consultation, to replace this mess of the GST with a tax that is possibly unlike the existing one but will be understood and accepted by Canadians. We are not pretending like the NDP that it comes down with the snow in the middle of November and disappears. The $15 billion that must be replaced will be replaced. That is true. It is income. The government needs it. Parliament has to authorize it. It has to come from somewhere and it cannot come from Santa Claus.

There will be a public consultation, which is what we need. In the first session of the new Parliament—the hon. member should stick around, maybe he will be there—members will be asked and will be involved. The NDP are always sanctimoniously saying we should not be taxing people or we should not be spending money. In my province of Ontario the NDP is making a mess of the Ontario economy. I regret to say I have no time for these armchair socialists who know everything yet can deliver nothing.

We have been saying for years that the House of Commons and its parliamentary committees should be actively involved in trying to resolve issues in this place. This is a very important issue called taxation, fiscal measures, or the GST. In the next Parliament members of this House should be sitting down with the people of Canada and coming to grips with this issue. They should do so in consultation with Canadians, the business community and the provinces. I am sure that will be done with the assistance of the experts and with the information that will be available to us. When we come into Parliament we will open the books. They will be transparent to Canadians. They will know where they are. They will know where they are going. We will know exactly what to do.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I too wish to participate in this debate on Bill C-98, the Borrowing Authority Act, which would allow the Government of Canada to borrow large sums of money.

It is rather ironic that on the very day in which this House will give approval to this particular bill information has been made available to the public with regard to the way in which the members opposite have conducted themselves and the finances of this country.

It is interesting to note that in 1984 members opposite campaigned on a theme of fiscal responsibility and balanced budgets. Shall we say they were to be the new team in Ottawa which was to have a balanced budget? They were the ones who were to take fiscal responsibility, as they said, to the Parliament of Canada.

They also said something else. They also criticized opposition parties and others who had a different approach. They shunted them aside and told Canadians

that they and they alone had the capability, the knowledge and the political will to address the national debt.

In 1984 that deficit was in the vicinity of $180 billion to $200 billion, as I am sure hon. members opposite would want to attest. Those great protectors, those individuals opposite in the Progressive Conservative Party, said repeatedly across this country in 1984 that they and they alone had the capability, the political will and the knowledge to have a balanced budget and to reduce the deficit.

Today, on February 11, 1993, we know the success the government opposite has been able to achieve. It has taken a $180 billion to $200 billion deficit and has increased it to $450 billion. What a record, what a record of the administration opposite. It was a sham when it said it in 1984 and it is more demonstrable today. It is an even bigger sham on February 11, 1993.

One thing it said was that it would bring a new sense of taxation fairness to the Canadian people. For eight years the Tory administration has put in place over 40 new taxes, one of which is the GST, a tax brought in at the wrong time. Canadians from coast to coast have told them that. The distinguished, elegant Minister of Labour knows very well that the people he is supposed to represent in this Chamber, his constituents and indeed labour organizations across the country, have told him chapter and verse that 40 new taxes, the GST and a $450 billion deficit is not the way to go.

Surely this minister has a responsibility, if not to the labour organizations he represents then to his conscience. His conscience must be nagging at him each and every day as he walks into this Chamber. He knows there is only one way to clear the air, only one democratic way to put these issues to rest for the next four years, and that is for the hon. Minister of Labour and his colleagues to do the honourable thing: to go to the Governor General to call a general election and give the people of Canada an opportunity.

I have had some deliberations and discussions on other matters with the hon. minister opposite. I want to say for the record that he is a most honourable person, perhaps one of the most honourable opposite. Let the hon. minister be the first to call upon his Prime Minister and his cabinet colleagues to do the right and honourable thing and call a general election to allow the people of Canada either to affirm or disapprove of that administration which has been in office for four years and 75 days.

• (1250)

It was not I as opposition House leader who stood in this place in 1984 and said the following words. I will paraphrase them. The quotations are on the record. They were given time and time again by the hon. member for Ottawa—Vanier, the hon. member for Saint-Léonard and my colleagues from Edmonton and Hamilton. It was the right hon. Prime Minister who said that after four years the right and honourable thing to do was to go to the people of Canada.

I say to the Minister of Labour and to the right hon. Prime Minister: "If it was good in 1984 it is certainly good in the fifth year of your mandate. Go to the people and allow the people to decide whether or not your administration has been able to live up to what you stated in 1984 and in subsequent years".

The issues of a general election, tax reform, the proliferation of taxes and the GST concern all Canadians, not just those of us who are in opposition. This very day the leader of the Liberal Party of Canada made a statement in Toronto regarding the fiscal policies of that administration and what we would do if we were given the confidence to run a national government.

We believe it important to have economic growth. We do not have economic growth when the Minister of Labour focuses on the unemployed of this country. I remind the Minister of Labour of what the former right hon. Prime Minister, the member for Yellowhead, said in 1978 when we as the administration brought in changes to unemployment insurance. I ask the Chair and members of the House to compare what he said then to what is going on now.

On December 21, 1978 the then Prime Minister said: "This legislation before us is a terrible abuse of the unemployed, a terrible disservice to Canadians out of work". What is more demonstrable, what is more a disservice to Canadian people than what the Minister of Employment and Immigration is doing to the unemployed?

Our party and our leader have called for fiscal policy commitments. We are committed to fiscal responsibility, unwavering discipline, expenditure control, holding off new programs that do not contribute directly to econom-

ic growth and job creation, and reducing the deficit, reducing Canada's debt as a percentage of the GDP.

There might be disposition in the House for me to continue my remarks. I am sure hon. members opposite would agree. It is very clear with regard to federal-provincial fiscal co-operation that monetary policy is a necessity in the Canadian context as we understand it today. We have clearly spelled out our trade policy, unlike the New Democratic Party that heels to one side of the issue regardless of who it may affect or hurt and our views on skills training and small and medium size business. Of course hon. members will hear more about these matters in subsequent speeches as well as through media reports covering the remarks of the Leader of the Opposition.

In conclusion, if members opposite were true to their convictions and the convictions of their Prime Minister they would do the honourable thing and seek out the confidence of the Canadian people by going to the Governor General and calling a national general election.

Mr. Kilgour: I rise on a point of order, Madam Speaker. Since there has been a movement by the government to extend hours I wonder if there might be disposition in the House to have the House leader of our party speak for another few moments.

Some hon. members: Agreed.

An hon. member: No.

Madam Deputy Speaker: There is no period for questions and comments after this point. We will resume debate with the hon. member for Surrey North.

Mr. Jim Karpoff (Surrey North): Madam Speaker, I am pleased to rise to speak on the borrowing bill.

As most of the House is aware I come from one of the most dynamic and growing communities in Canada, Surrey North. Since the last federal election 11,000 additional households have been built in Surrey. Right now the new Surrey Centre will become the second town centre on the lower mainland. By the year 2010 Surrey will be bigger than the city of Vancouver.

Part of that development is being done by the Gateway project, a $100 million project involving private developers, union pension plans and a general contractor who works with the unions and private developers to ensure that the jobs are filled by union labour. It is now the biggest integrated development taking place in North America in terms of capital construction involving residential and commercial properties.

An hon. member: All this good news because of the free trade agreement.

Mr. Karpoff: All this good news because of the vitality of the NDP government and its co-operation with the labour movement in developing jobs in B.C.

It is interesting to see what the federal government is doing in a growing community like this one. Last week we had three examples of that.

First, out of the blue the federal government announced that it would close the immigration office in Surrey, one of the busiest offices on the lower mainland because of our vital ethnic population. Suddenly it decided, in order to prop up the member for Vancouver Centre, to close the Surrey and New Westminster offices and move them to Vancouver, to her riding.

An efficiency study had been done of the offices in Vancouver, Surrey and New Westminster. Lo and behold, Surrey and New Westminster were far more efficient than the Vancouver office. An application could be processed in Surrey in five weeks whereas it took six months to do so in Vancouver. An extension of a visa was done within two days in Surrey and took two weeks in Vancouver. Per man productivity was much higher in those two offices.

It will cost the government $330,000 more for leasehold costs in downtown Vancouver than it is paying in Surrey. The total cost in Surrey and New Westminster was $80,000 so it will cost nearly $250,000 to move those offices downtown to prop up the seat of the Minister of National Defence. The Surrey office is a money-maker. It raised $4 million in application fees last year.

This is one of the things the Tories do in a vitally growing community.

Second, the Tories announced that it would close the main Surrey post office and sorting service, affecting 100 jobs. Lo and behold, they will move them to downtown Vancouver. This is after a year and a half of discussion. The greater Vancouver regional district and the mayor of

the city of Vancouver have gone on the official record as being opposed to centralizing jobs in the downtown core. It also goes against the structural engineer's report that says the main post office in Vancouver is unsafe and that there should not be a consolidation.

• (1300)

As a side issue, how did this government which values itself on labour relations inform the employees that their jobs were gone? It sent a letter to my office in Ottawa at seven o'clock in the morning announcing that the Surrey post office was being closed.

At ten o'clock I phoned the local union president to find out what he knew about the details and particularly what would happen to the 100 workers. Were all their jobs going to be transferred downtown? Would there be a job loss?

What did I find out? The government had not informed the union. It had not informed the employees. How the employees and union found out about this closure was by putting me on the speaker phone. I read the part from the press release that said the government was going to work in co-operation and had been consulting with the union and the employees about this decision.

An hon. member: Pitiful.

Mr. Karpoff: It was pitiful. Later that morning, of course, I found out from the regional manager that contrary to what the press release said, all the jobs were not being transferred downtown, that there would be a loss of 20 jobs.

We had this vibrant residential community where the GVRD is saying: Keep the jobs in the community where people live. Keep the jobs where the growth is. What do we have? We have this government, for crass political reasons, trying to prop up the seat of the Minister of National Defence against all the advice and recommendations by transferring jobs downtown.

What was the third blow? There was the announcement that the federal government was not going to increase grants in lieu of taxes. It just so happens that Surrey has a number of very large federal facilities. One is the taxation centre which processes taxes for B.C. and most of western Canada. We have all sorts of federal facilities along the border because of customs and excise. Traditionally we have had, but are in the process of losing, one of the two big mail sorting services. The grants in lieu of taxes for Surrey amount to nearly $1 million. The tax increase in Surrey that would be expected is about 4.5 per cent this year. Therefore around $45,000 will now have to be raised by local taxpayers through cutting school programs, not proceeding with park development that is so necessary, or by raising residential property taxes.

An hon. member: Off-loading.

Mr. Karpoff: This of course comes on the heels of this government already off-loading a number of things on to the local municipalities, particularly through its withdrawal from the unemployment insurance program and making sure that was being funded by employees and employers.

The cost to the municipality in terms of increases to the school board, the municipality and the hospital is well over $1 million a year. The three largest employers in Surrey are the hospital, the school board and the municipality. They are the ones who have had to pick up the off-loading from the unemployment insurance program.

This is the kind of triple blow this government has laid upon my Surrey, the community that is the growth area. It has absorbed 60 per cent of all residential housing starts in the lower mainland in the last five years. It is being projected as the new centre of the lower mainland. Within 20 years, into the next century, it will be the centre of the lower mainland because of its geographical situation and its population growth.

I want to close with one comment. We have heard a lot from the Liberals about unemployment insurance and they have made some quotes which are quite interesting. When the Tories were criticizing them the Liberals were dropping the unemployment insurance fund by 6 per cent, reducing it from 66 per cent to 60 per cent. Now the Liberals are screaming when the Tories are doing only half of what the Liberals did before. Shame.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, I wish I had time to talk at more length because 10 minutes is not very long. Bill C-98 would authorize the government to borrow not exceeding, in the whole, $8.2 billion as may be required for public works and general purposes. A number of points have been made and I would like to reinforce some of them.

First, the government has raised taxes or imposed new taxes on individual Canadians 38 times since taking office in 1984. The GST is the most hated tax in Canadian history. As the member said, I think it was certainly the major reason I was expelled from your party, Mr. Speaker. I had received phone calls, visits, petitions and letters from, I believe, 7,500 constituents in opposition to the tax. I think I heard from less than 20 constituents speaking in favour of the tax.

Having worked as a tax lawyer and briefly as an economist I was convinced that it was a bad tax, extremely harmful to the small business community. A man down the street from where I live in Mill Woods tells me that he still spends two hours a day at his convenience store trying to fill out the forms and keep the GST and his credits straight. That tax is an abomination for the small business community which we know has been creating up to 80 per cent of the new jobs and can create many, many more once a new government can turn the economy around.

The GST was imposed on Canadians without proper consultation and very little was said about it during the 1988 election campaign by the then Minister of Finance. It was imposed on small businesses despite their objections and was imposed on the provinces over their objections.

The GST destroyed public confidence in the fairness of our entire tax system. It expanded the underground economy. I am told by a resident of your city, Mr. Speaker, that an increasing number of Calgarians who can afford it and can have their finances adjusted to do it are living through their companies in order to avoid paying the GST. If they buy a car in the name of their company, because of the credits and so on a number of Calgarians are avoiding the GST.

That is the kind of abuse this kind of a tax creates. It is undermining consumer confidence, lengthening and deepening the most serious recession we have had since the Great Depression of the 1930s. It is complex and costly for small business to administer and it takes an army of about 4,000 who were hired to administer the GST. It has made federal-provincial fiscal relations much more difficult.

If this party on this side of the House is called upon by the Canadian people to form a government we will have to try to clean up this mess. Unlike those opposite who have railroaded the GST through Parliament we intend to implement a replacement in full consultation with Canadians across the country, the business community and the provinces.

Unlike the NDP, which thinks it can cancel the GST and have $15 billion fall from the sky, our party acknowledges that the only responsible course is to replace the revenue brought in by the GST.

In the first session of the new Parliament this party, if called upon to form a government, will mandate the all-party Commons finance committee to consult Canadians and provincial governments on all options to the current GST and to report within 12 months. Our object is clear: to replace the GST in a way that generates equivalent revenues is fairer to consumers, is easier for small business to administer and promotes federal-provincial co-operation.

• (1310)

One example is the state of Washington. It has a sales tax. I am told that if people are subject to that tax, if they are manufacturers or otherwise caught by it, once a year they write a cheque for 1.5 per cent of their gross sales. Because it does not have the credit system and all the administrative headaches, that tax produces virtually as much revenue as our tax does with its credit system.

This brings me to page 2.28 of the Public Accounts of Canada. At the bottom of that page signed by the Auditor General of Canada there is a statement I think Canadians will find of considerable interest. It is called: "The Debt Servicing and Reduction Account, Statement of Transactions for the year ended March 31, 1992, in thousands of dollars". It says: "Goods and services tax gross revenue: $28.76 billion, more or less. Goods and services tax refunds and rebates: $11.329 billion, more or less. Goods and services tax quarterly tax credits: $2.2 billion".

Plainly, the system is not working. I was not at the public accounts committee meeting but I gather that even professionals of the Government of Canada went to great pains trying to explain this particular table I have been referring to.

In the time available let me speak on what we are going to have to do as a new government in trying to make some order out of the finances of the Government of Canada. Before I do so I will quote from one paragraph of a speech given by the Auditor General in Quebec City on January 19, 1993. He said:

[*Translation*]

You may have read the result of a Gallup poll in the press about two weeks ago. In that survey, Canadians were asked what percentage of their taxes the federal government wasted. I am sorry to tell you that for all of Canada, people believed that 47 cents of every dollar was wasted.

[*English*]

In other words, it would appear that for Canada as a whole half of the money raised by the federal government is perceived to be wasted by the federal government.

I did a poll in my riding, Mr. Speaker, and I suspect it is no different in yours. The question was: "Does the federal government use your money in a responsible way?" Ninety-seven per cent of those who replied, the highest consensus I have ever had on any issue in a questionnaire, thought that the federal government did not use public money in an efficient way.

Very few Canadians have to be told that the most urgent task of any new national government, I hope the Chrétien government, is creating and maintaining jobs and training and retraining people of all ages.

Far too many families with jobs today fear that a family member could lose a job. That is why speeding up the delivery of training and retraining programs is a key feature of my party's emergency economic plan.

Key elements in it include our proposal for a federal-provincial shared-cost program on infrastructure, roads and that sort of thing and an increased capital cost allowance for new plants and equipment. These are to come from existing spending allocations within the federal spending total.

On January 27 the leader of this party said that the people will come first to his government. One of his first points was that we must: "raise the level of knowledge and skill of the vast majority of our students so that we can compete effectively in the economy of the future". He reminded listeners that the apprenticeship programs in Germany graduate 600,000 people yearly, whereas Canada as a whole now produces only 24,000 apprentices yearly. Canada needs 200,000 to do as well as Germany in this area.

The leader of our party also noted that the role of government must change. Times change. He zeroed in on fiscal responsibility and sound economic management. He committed himself to reduce the ongoing yearly deficits both in absolute terms and as a percentage of GDP, partly by fostering economic growth and partly by "unwavering discipline in controlling expenditures". Quite properly, the $4.4 billion the Tories have proposed to buy 50 submarine-chasing helicopters will not survive the election of a Liberal government.

If we spent the same huge amount on education or training, for example, it would create up to 75 times as many jobs. Until the deficit is significantly reduced other new programs, other than those directly related to economic grants and jobs, must be financed from the allocation of existing spending.

Hon. William Rompkey (Labrador): Mr. Speaker, I want to continue on from where my hon. colleague left off. He is quite right when he talks about the need to emphasize education and training. That has been one of the abysmal failures of the present government.

We are talking about an $8 million borrowing bill today in addition to what the government has already spent. The fiscal policy and the monetary policy of this government has helped to create the recession in this country.

What is the effect of the recession that we have just come out of? The effect of the recession is to weaken the economy of central Canada. When the economy of central Canada is weakened there is a multiple effect on the extremities of the country because the transfer payments to Atlantic Canada, for example, rely on spending across the country and on the health of the economy of central Canada.

As a result of the economic collapse or near collapse of central Canada transfer payments to the extremities of this country and to the Atlantic provinces have been reduced.

In addition to the reduction in those transfer payments the government has also reduced or frozen, which is the same thing, Established Programs Financing. In this country Established Programs Financing is what pays for post-secondary education and health. There is less money going to my province in transfer payments as a result of the recession and there is less money from Established Programs Financing, which means that all

post-secondary education in my province has less money to work with.

What does that mean? It means that tuition fees have increased. It means that fewer people are able to afford to go to university and post-secondary institutions. It means that the institutions in my province, and I suspect across the country or at least in many parts of the country, are starting to become institutions for the rich, for those people who can afford to go.

In addition to the increased tuition and the lack of accessibility for students across the country let us not forget that those who are affected most at a time such as this are young people in the following categories: Women, who need education the most to gain equality; native people, who need special attention and special help and are doubly affected; and disabled people. All of those categories of people who need extra attention are doubly disadvantaged by the programs and policies of this government which gave rise to the recession.

At the same time as young people have been affected workers have been affected. This government has paid lip service to training. In each of the last two budgets $100 million has been cut from the training programs available from the Department of Employment and Immigration.

The government has said that the unemployment insurance fund is supposed to take up the slack and it made changes to the unemployment insurance fund. However that has not happened. There has been a reduction in the amount of training dollars from the Department of Employment and Immigration but at the same time the slack has not taken been up by the unemployment insurance fund.

Workers in this country have less to work with at a time when they need it most because there is a direct connection between productivity and training. There is a direct connection between being competitive and having an educated work force. This is a knowledge economy. This is a time when one does not gain wealth through simple machinery, the physical work of one's hands and physical labour. One gains wealth today through knowledge. If we are going to be competitive as a country we must have a trained work force. That is essential.

We have heard every responsible leader in the world, from the President of the United States and the Prime Minister of Great Britain to the leaders of Japan and Germany, all talk about education being number one.

• (1320)

George Bush wanted to be the education president. Whether or not he was is immaterial. The point is that everybody has recognized that this is paramount. Yet at this time this government has seen fit to cut back on these issues which are of most importance to us.

In this country we have a drop-out rate in secondary school of 30 per cent. There is a 30 per cent drop-out rate across this country. We have an illiteracy rate of something like 25 per cent. In some parts of the country it is more like 40 per cent.

Can we countenance these things at a time when we are in a knowledge economy and we are supposed to have an educated work force? My colleague is quite right in saying that we are asked today to agree to more spending power for a government that has spent wrongly, that has spent money on the wrong things and that has not helped the Canadian people to become competitive.

The second issue I want to talk about is another one to which the government has given lip service. It is infrastructure. Infrastructure must be a public investment. If we are going to be competitive again we must have that infrastructure.

My colleague has talked about the recent speech of my party leader in which he emphasized the importance of training and the importance of infrastructure. We on this side of the House and in this party have a plan to enable that renovation and revitalization of infrastructure across the country.

What is the attitude of the Government of Canada? In the recent budget we heard about a roads program across the country. At first blush it seemed to be a very interesting and very attractive offer. However, the reality is that in my own riding there is a highway that is partly built which would be an excellent investment, the trans-Labrador highway. It would be equal to the Yukon highway in terms of what that highway has done for the Yukon territory. In Yukon tourism is the number one

industry. It has been able to build its economy, to build that industry in Yukon, but what does it need to do so? It needs infrastructure. What do we need in my area? We need infrastructure.

The Minister of Finance mentioned the trans-Labrador highway and we were all very excited. What happened? What happened was the offer of $10 million over two years. That is not all. That $10 million was to be cost shared by the province in this country which is the least able to pay. The government is asking Newfoundland and Labrador to come up with an equal amount. If that does not happen then the investment does not go ahead.

We are seeing the nickel and diming of infrastructure in this country. We are seeing lip service to an issue which is extremely important to our economy because it is an investment that will pay off. There is a way for the Government of Canada to make use of dollars it already has to build this infrastructure.

We have seen the example in the fixed link to Prince Edward Island. The proposal for the fixed link to Prince Edward Island is that we make creative use of Marine Atlantic subsidies, which are for shipping on the east coast. I am not talking about cutting out Marine Atlantic totally because we will have an ongoing need for certain ferries but we can reduce that increasingly costly service. We should look at that. We should see where else in the Atlantic provinces we can take those subsidies and put them into roads, as is happening with Prince Edward Island.

The theory behind that is that we take increasingly expensive subsidies which we will have to pay over a period of 20 or 30 years and put them into an investment, in this case a surface road link, which makes a great deal more sense and will pay off in the long run. That is the kind of thinking that we need from the government.

What have we seen? We have seen nickel and diming. We have seen $10 million over two years cost shared 50/50 with a province that cannot afford to pay and has been impacted by the recession brought on to a great degree by the timing of the government in introducing the GST and other measures.

If I were to support and ask my own people to support a government that wants to borrow another $8 billion I would be laughed out of town if I were to go back. They would say to me: "What have we seen?"

What have young people in my area seen in the spending policies of this government? What have construction companies seen in the spending policies of this government? What have tourist operators and fish camp operators seen in the spending policies of this government? We have not seen the kind of policy that we need to improve our position.

Nobody in the Atlantic, in spite of the failure of the fishery, wants a handout. There are things that can be done. There are economic possibilities and opportunities. We need a policy that will seize those opportunities and invest the money in the areas from which there can be an economic pay-off. However that is not within the policy of this present government and we on this side of the House will counsel voting against this particular bill.

Mr. Mike Breaugh (Oshawa): Madam Speaker, I want to participate just briefly today because there are some interesting phenomena to observe. It was said in the last little while that the recession is over. Someone here in Ottawa decided that in a technical sense the recessionary period has ended and we are now moving on to something else.

This is all news to where I live. Where I live the recession continues. General Motors of Canada made its first major announcement of a cutback in its work force in the Oshawa plant. Almost 1,500 workers will be dislocated in some way by the end of March. Housing starts, although a growth area, are not still not what most people would like them to be. In the retail sector there is still not that kind of movement. People are still reluctant to spend, even though during the Christmas period there seemed to be some relief. However, in general economic terms the recession is still with us.

What can governments do to participate in speeding up the recovery period? What can they do that will be sensible and sensitive?

I suppose that we all look to the south where there is a new president trying to introduce some new policies. They do not seem to be in place yet. Initially at least they seem to reflect that the ability of our free trade agreement to protect us from conflicts, or at least to resolve conflicts, seems to have misfired somewhat. In major sectors such as steel we are in a punitive stage again, even though this was not supposed to happen and despite the fact that in a technical sense it was dealt with in a different way than in the free trade agreement. In

my part of the country, in southern Ontario, we are still feeling some very negative effects from that recessionary period, from that entry into a free trade agreement with the United States, and from the uncertainty of what a North American free trade agreement will bring.

For us in southern Ontario times are still pretty tough. It is difficult to convince our shopkeepers that the recession is over. It is certainly very difficult to talk to auto workers. Among those who are taking the layoff now are young men and women who have assumed mortgages, have assumed responsibility for educating children, are trying to maintain a family, and thought they had a relatively secure lifestyle but now find that it is all dislocated again.

There is still reasoned apprehension, not doom and gloom. People are worried about their own economic future.

On the good side there seems to be a bit of a resurgence from the private sector and local government. People are saying that they should not look for big handouts from somewhere else but should try to determine what would be a sensible thing to do. Members have talked a little bit about some of them so far today.

In my area there is an airport that needs a little bit of work done. The local municipal government was examining that and trying to decide if there was some assistance available to expedite that process. It was also looking at our harbour. These are our transportation modes. Now is a rational time to try to do something about that. It is important to note that.

Around Ontario one of the things that has impressed me in the last little while is that the Government of Ontario, although it is hard to tell this by reading the Toronto papers, has decided that there are some government initiatives that must be undertaken. Even though in a traditional sense the Government of Ontario, like every other provincial government across Canada, is strapped for cash it is now beginning to proceed with those announcements and is looking at some non-traditional ways to finance them. For example, it is looking to the private sector to participate in the funding of public highways because it is the private sector that, with everyone else, uses them to make a profit. It is looking at experimenting with the idea of a toll system for highways which we have not used in Ontario for quite some time.

• (1330)

What it comes down to is: If one is faced with the decision of making a major transportation announcement and there is a shortfall of cash is it not a better course of action to try to find a non-traditional way to finance that and to proceed with the actual construction?

I think it is, because we need the transportation links. Sometimes they are subway systems in places like metropolitan Toronto. In some places they are new highways, such as highway 407 running through much of eastern Ontario. Sometimes it is a connecting link like highway 416 from Ottawa to highway 401.

All of these are difficult to do in the traditional way because the government in Ontario lacks the sources of revenue. Like every other government it is in hard times. It should get this kind of accommodation. It has not given up on the task. It has attempted to find different ways of doing this. Maybe it is not the traditional way but it has two little hallmarks that are worth noting.

One is identifying this as a good thing to do. It is not just having our own staff saying that is what ought to be done but listening to the needs of the general public, of the private sector and of local government to try to establish what kinds of expenditures are necessary. What would be the spin-off effects of that? What kind of jobs would be created? What other problems would be resolved, in come cases environmental problems?

Perhaps what I ask governments to do these days is a very unusual thing, but they should start the process of trying to assist in an economic recovery by listening. Listen to those around us who are in a position to identify for us what would be a sensible expenditure of public funds at this time and entertain some non-traditional ways of doing that.

I see this government cutting back in very traditional conservative terms by being punitive to people. It is cutting people off benefits for this, that and the other thing. I wish I could believe this would solve all of Canada's economic problems but I do not believe it will. I do not think the kind of punitive action such as it is promoting under the changes to the unemployment insurance system serves a positive function in our society. I suppose a hot line could be set up to have everybody turn in their neighbours. A few bucks will be

saved here and there, but I bet the operation of the hot line will probably take away any cash benefits received.

I would like to see this government and governments across Canada take a more positive stance. I know that education is a long-standing problem in many parts of the country and our educational systems are big institutions. I am happy to see that in many locations around Ontario we are beginning for the first time to understand that these systems cannot operate in splendid isolation. They have to work together. There has to be a sense of co-operation and a sense of need from the community up to determine how the system is run and what those young men and women do after they have gone through a period of learning new skills. If there is no job at the end of that it becomes a rather hollow exercise.

There are some good signs ahead for us but it would be folly to insist that because some bureaucrat in Ottawa has decided that the recessionary period has ended that it actually has. It has not as yet. There will be a need for governments to continue to do things but to do sensible things and to do them with some sensitivity.

One of the greatest follies politics brings about is that some political party thinks it is so bright, so smart that it is the only one in the world that has the right idea about what to do. I do not think any person in our society believes that anymore. They should not because it is simply not true.

The political process as I understand it works well when a great many people are involved in the day-to-day decision-making process. When it decides that it does not have a corner on the market of intelligence and that it can reach out to the rest of our society, listen to what its needs are, listen to what its ideas are and break from traditional ways of doing things then that would be a unique thing for governments across Canada to do.

I am happy to say I see some signs of it occurring in provinces like my own. I encourage it to happen in other provinces across Canada. Most of all, I encourage this government to change its ways. Simply stop and think and listen to the rest of Canada and see what it can do of a positive nature to help the men and women across Canada who are still feeling the effects of this recessionary period.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I am glad that the parliamentary secretary has come into the House. It is nice to have one member on the Conservative side to listen to the debate. I have always taken the view, even when I was a student of Parliament, that ministers of the Crown ought to be here during a debate on a government bill. I have raised that point frequently in the House, but I am searching in vain to find one.

The fact is that this is an important measure. The government is asking for authority from this House to borrow an additional $8 billion that frankly this House should be very reluctant to allow the government to borrow. It has borrowed far too much at the cost of Canadians already in the eight and a half years it has been in office.

It is time for a change. Canadians want a change and they want a chance to express that change in an election. The government persists in coming to this House with legislation instead of going to the people and allowing them to express their views on the government's maladministration, its destruction of the Government of Canada for the last nine years. It has done a great deal of damage to our government systems, as everyone well knows.

I want to turn and look at the record of fiscal mismanagement that this government is engaged in and of which this bill is the product. I neglected to say that this is the second borrowing bill in this financial year that the government has brought before this House. Normally, just so people listening to this understand, the government comes once a year with a budget and asks for borrowing authority in an amount sufficient to enable it to borrow whatever money it needs to get a balanced budget in the course of the year.

This year, because it was so wrong in its projections in the first budget it has had to come back with a second borrowing bill and ask for an additional $8 billion. That is really quite unsatisfactory. It shows a complete lack of competence on the part of the government, the Minister of Finance and his advisers in the cabinet, particularly his

cabinet colleagues, in their organization of the business of both this House and the Government of Canada.

Recently the government issued, as I think it does monthly, *The Fiscal Monitor*. It revealed some very interesting statistics. Normally when statistics are damaging to the government it presents them in a different way so it does not look so bad. This government is notorious for doing that.

It will normally show, for example, a graph on the deficit. It starts it in 1984 and runs it to 1992 or 1993 as it would be now. It tries to show that really over the years it has been in office things have improved, or it will go back to some earlier date when things were particularly bad in its view and then show the decline since.

The government always picks on a year like 1983, 1984 or 1980. It goes to the previous recession and then shows how much better things are today, or something like that. That is always the aim in the graphs it chooses. It has the option of choosing any date it wants, so it picks up one of these early dates and in effect fudges the graph. Then Canadians think things are better when in fact they are worse.

In this particular issue of *The Fiscal Monitor*, something slipped through the net because there are a few facts in it that are important and are not really explained to Canadians in any of the government statements. I suspect that somebody is going to get fired for having put this in *The Fiscal Monitor* after I use it in my speech. I am sorry about that, but it is a public document and I think it is worth drawing attention to this. I am sure that the Minister of Finance is going to come down on this group of people like a ton of lead bricks.

The Fiscal Monitor points out that personal income tax revenue from this year over last year for the same period has declined by 3.5 per cent. Given the large number of unemployed people, that is hardly surprising. People are not earning so much so tax revenues are down.

Corporate tax revenues have plunged 16 per cent. Again given the lack of profits because of the Tory-induced recession we are enduring in this country, that is not surprising either. Corporate profits are at some of the lowest levels on record.

Also, we have unemployment insurance contributions. What do you think happened to unemployment insurance contributions? Do you have any idea? They went up. There are fewer people employed generally than there were before. There is a lot of unemployment in Canada.

It will be found in the employment statistics that the numbers are down over the period. In spite of that there is a 16 per cent increase in unemployment insurance payments, that is receipts, income from unemployment insurance premiums. Why is that? It is because of the increases in the rates. This government has jacked up the rates two or three times. They are very significant increases. Now it is proposing to change it so that people who have paid all this money into the unemployment insurance scheme will not be able to collect when they lose their job.

That is what the government is doing. It is in effect hiking the rates. It has an additional 16 per cent year over year increase at the very time when it is proposing to reduce the benefits that will be paid out of this scheme to people who have lost their jobs. Talk about hard-hearted. Talk about the wrong time to do it. It could not be worse. Yet the government comes to this House and says it wants more borrowing authority.

• (1340)

Let us look at some of the other figures. The goods and services tax, the tax that was supposed to save us from everything, was well concealed during the election campaign in 1988 and then brought forward with fanfare as the great thing. Of course the government brought it in at the worst possible time. Almost every economist in the country denounced the government for its timing on the thing. It has brought in less money in 1992-93 so far than it did in 1991-92, 4 per cent less. It is not a big difference, but Canadians are not spending. Everybody knows that. Many of them have lost their jobs and so they are not spending money.

Sales and excise taxes and duties have gone up 24.5 per cent. Do you think it might have anything to do with cross-border shopping? Do you think it might have to do with the collection duties at the border as people come back from their shopping trips abroad? One suspects so. There is a 24 per cent increase in sales and excise taxes and duties.

Those are rough figures that were contained in the most recent *The Fiscal Monitor*. Those figures are important for Canadians because they show the way the government approaches people in this country. It has in effect suffered a reduction in corporate taxation and it certainly has not had any significant increase in corporate taxation for many years.

However, it has significantly increased the very regressive and very expensive unemployment insurance premiums. It has brought about a substantial increase in those so that revenues from that source are up very significantly, and at the same time it is proposing to reduce the benefits that are payable presumably so it can earn some kind of profit on the unemployment insurance fund.

This is an unsatisfactory way for the government to operate. We have said so before. Opposition members, as I said the other day in the debate on this bill, are getting tired of having to say it over and over again. The sooner we have an election the sooner we will be able to stop saying it because we will get rid of this group opposite who are doing so much damage to Canadians and to the economy.

I want to turn to the criticism that members opposite have made of our party. They claim with the goods and services tax alternatives we have bandied about that we have not put any firm proposal before Canadians and will not. They say that is unfair and wrong.

Of course, the proposal on the GST that the government discussed during the 1988 election was vague too. It was supposed to be a tax on everything. When Canadians realized there was going to be a tax on food and we criticized and pointed this out to Canadians, the government changed that so that there would be no tax on food.

When it brought the tax in it was not just food that was to be not taxed. It took the GST off basic groceries. Canadians all around this country know that food is taxed. If we go to a restaurant we pay GST on our bill. Every Canadian knows that. A restaurateur certainly knows it because it drives up the cost of the food in the restaurant significantly in relation to the cost of buying the food elsewhere.

The Canadian restaurant industry knows a lot about the GST. Of course restaurateurs face the difficulties of collection. It is collection of the GST that represents one of the most significant costs to Canadians and to the Canadian economy. It is one of the most inefficient taxes because it does not dovetail with the other sales taxes levied in this country by the provincial governments.

We have the spectacle in Ontario of small businesses having to maintain three sets of books: one for items that are subject to only the GST, one for items that are subject only to provincial sales tax, and one for items that are subject to both taxes. It is inefficient. It is wickedly expensive. Many small businesses have been forced to hire an accountant or some person to keep books for them only because the GST was brought in.

It was the wrong tax at the wrong time and it is still the wrong tax. I am very pleased to say that our party will look at alternatives and will consult with people on alternatives.

I see the hon. parliamentary secretary, the only Conservative in the House, has perked up his ears and is paying attention to this. I invite him to pay very close attention because this is quite important. I want the hon. member to relax because he will enjoy this solution. It will be very good for him. If he manages to get re-elected in the coming onslaught then he will be here and perhaps he will get on the proposed committee.

In a new parliament our proposal would be to mandate an all-party House of Commons finance committee to consult Canadians and provincial governments on all options to replace the GST and report within 12 months. Our plan would be to get a new tax that generates equivalent revenues, that is fair to consumers, that is easier to administer for small business, and that promotes federal-provincial co-operation.

Those are the objectives of our tax policy. That is what we will be looking for after the next election.

[*Translation*]

Mr. Langlois: Madam Speaker, my point of order concerns what the member for Kingston and the Islands said at the beginning of his speech, when he mentioned that I was the only government member present on this side of the House.

I would remind him that when he began his speech he was also the only member of his party present on his side of the House. Given the experience that the member for Kingston and the Islands has, he must know that the

custom of this House is not to refer to the absence or presence of members.

Furthermore, I would remind him that the government agreed to extend the debate between one and two o'clock, which is normally the hour when members have lunch or go about other business that they have scheduled. So I think it is normal that if the House is sitting at that time members are going about other business that they have already scheduled, especially if the extended hours for debate were not planned.

The purpose of this extra hour of debate is to give opposition members and others a chance to speak and the member for Kingston and the Islands took advantage of this extension. Nevertheless, Madam Speaker, I wanted to point out to you that his remarks were out of place, to say the least.

Mr. Milliken: On the same point of order, Madam Speaker.

Madam Deputy Speaker: I would appreciate it very much if the hon. member for Kingston and the Islands would be so kind as to drop this point of order. He has twice mentioned the absence of some members in this House. I did not see fit to interrupt him at that time, so that we could have as much time as possible to debate the important bill before us. The hon. parliamentary secretary made some remarks. If the hon. member still wants to speak I will of course recognize him, but I would not want this exchange to degenerate into a debate on something other than the bill now under consideration.

The hon. member has the floor.

Mr. Milliken: Madam Speaker, the hon. parliamentary secretary said that I had erred in my remarks because I said that only one member of his party was present. I certainly did not say that all the others were away. I only pointed out that he was here and that is why you did not interrupt me.

The other thing he said is that the government agreed to extend the debate over lunch hour and that is not correct. The government forced this House to continue sitting because there were not enough members here to prevent the government from continuing its deliberations over lunch hour. That is why—

Madam Deputy Speaker: To prevent this from really becoming a debate perhaps the members would agree to call this exchange a tie. Anyway, I think that we are already in overtime.

[*English*]

Mrs. Christine Stewart (Northumberland): Madam Speaker, it is rather sorrowful we have to continue debate on Bill C–98 respecting the borrowing authority of this government, because we have lost so many debates on this side of the House against the government. Everybody in the country knows we have a government that is incompetent and unable to govern with policies that benefit the people and do so in a fiscally responsible manner.

When we look back at the economic statement or the mini budget presented in December we see that the government is not only fiscally irresponsible but is bankrupt of ideas on how to help turn around that situation. In the last years of governing the government has more than doubled the national debt. The government said in February 1992 that the deficit was going to be in the order of $25 billion this year and in fact it ended up by announcing that it would be $7 billion more than that.

• (1350)

If we as individual Canadians were not able to budget better than that all of us without exception would be bankrupt. This government has constantly put its emphasis on the cutting of programs in order to deal with the debt and deficit. Cutting the legs out from beneath the people of this country is not going to help to reduce the deficit and the debt of this country; what we need to do is create wealth.

This government in its statement in December, instead of trying to find new ways to generate growth and create wealth by lending some support to municipal infrastructure programs, took the dreadful measure of making further cuts to the unemployment insurance program, thereby making the poorest people pay for the ineptness of this government. Those people who are least able to pay are being asked to pay the burden of this government's wrong-headed policies and ideas.

We have had a lot of debate in recent days about the unemployment insurance changes. The economic statement stated that people who quit their jobs without just cause will not be able to receive UI benefits and that these changes to the unemployment insurance program are going to save the government $2.4 billion. Besides being a morally bankrupt policy it is also wrong-headed. There are other ways for the government to save some money. It could have made some changes to unemployment insurance to look after the problems which the Prime Minister raised yesterday concerning people who do take advantage of the system. The bulk of people who are going to be negatively affected by these unemployment insurance changes grieve what the government is about to do. It makes our situation in this country worse.

I have heard from many constituents in my riding of Northumberland who have spoken about this. I have spoken to people who work on commission, people who sell life insurance policies. Many of these people in recent times have found themselves newly employed by insurance companies selling insurance policies and they are paid a commission based on their sales. The companies set specific targets for them. Many of these people were recently unemployed and this is a new form of employment for them. They are learning the ropes. If their companies find that they cannot reach the target, which is very difficult to achieve in recessionary times, then they lose their jobs. These people would not be eligible for unemployment insurance benefits. People who have never before in their whole lives had to take advantage of unemployment insurance benefits find themselves ineligible.

As I said, there are things that the government could be doing in the area of unemployment insurance to improve the situation in this country. However the government will not do them and many people have lost confidence in this government. They are convinced that the government is wasteful. I want to quote from a letter from one of my constituents which I received recently. It points out the source of this lack of confidence in the government and the policies it takes. This constituent has recently become unemployed and states that she was taking university courses part time to upgrade her education so that she could get a better job and would no longer be required to ask for unemployment insurance. She told the unemployment insurance person who was looking after her that she was taking courses on a part time basis, and that to make up for the part-time courses she was taking she was willing to work in the evenings and on weekends. Because her courses cut into her daytime work it was not allowed. Therefore, she was cut off unemployment insurance. She was penalized for being honest with these people.

She says: "First of all, honesty does not pay and second, UIC discriminates against those they will not assist". Then she goes on to talk about her husband who was laid off from his job but was offered employment in northwestern Ontario. He went to the employment office to see if it could provide funds to assist him to get to his job.

He was told that normally there would be assistance but the fund was empty and he would not get anything. If he had gone on UIC benefits for five or six months there were funds for that but no funds to help him travel to a job in northwestern Ontario. However, he was able to borrow funds to travel to this job and work, even though it meant splitting up the family for months at a time. For the Canadian government it means there is one less person collecting UIC benefits. She went on to ask: "Does the system help those who are really willing to work? It appears not". That is just one example.

I get many letters from constituents who have good ideas about how systems can be more helpful, how the government can reduce waste. I believe, as my colleague said in relation to the GST, that this government must do a lot more consulting before it slashes and cuts any more.

I have a lot of concerns about the fact that this government does not do the proactive things to help increase wealth in this country. We have not seen the promised adjustment programs we require. There is some training but each time the government announces training the money is coming out of unemployment insurance funds. After the government's unemployment insurance bill of a few years ago it no longer contributes to the fund. It takes training funds out of the funds that are contributed only by employers and employees.

We need more training. We need more research and development. We need more assistance to adjust in this country. We need to have this government working together with provincial and municipal levels of govern-

ment, with management and labour, to find new solutions and new wealth creation opportunities.

I cannot close my comments on this bill today without mentioning the unconscionable cut to international development assistance. This government has cut over $4 billion in international development assistance since 1988. Our Prime Minister went to Rio, spoke there of how important it is that the north help the south, how important it is for their well-being. He also acknowledges that it has a lot to do with our well-being. Yet he consistently and repeatedly cuts our government's support to underdeveloped and Third World nations. We cannot for the health of our planet continue with these constant cuts.

There are many people in this country who are suffering today from the cuts of this government. We urge the government to reconsider its position, to be more proactive and to come to this House with proposals. Consultation has already taken place and we really do not need more on many issues. We have done a lot. The government has the information it requires. We have made many suggestions and put forward ideas in the House in debate for years now. We urge the government to act on some of those recommendations and bring about programs that will produce wealth in this country, help improve the economy and get people back to work. We cannot urge the government strongly enough to change its approach in governing this country.

Mr. Speaker: It being two o'clock p.m., the House will now proceed to statements by members.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

VETERANS AFFAIRS

Mr. George Proud (Hillsborough): Mr. Speaker, last week I called on the Minister of Veterans Affairs to give a clear and unequivocal commitment regarding the future of her department and its employees, as well as veterans who are served by this department'.

At that time and again today in Charlottetown the minister made a statement assuring the employees and the veterans there would be no program cuts and there would be no staff cuts to the department. I believe this is encouraging news for Charlottetown, for Hillsborough, for Prince Edward Island and for Canada.

With that in mind I have to ask the minister to do one more thing. In light of the fact that a directive from a Privy Council official indicated a further cut of 10 per cent could be expected in all departments, the government House leader, upon being confronted with this, would not deny that there would be cuts to programs and staff.

Therefore I ask the minister if she will come into the House and make a clear and unequivocal statement in support of Canada's veterans and the employees of the Department of Veterans Affairs who serve them so well.

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NATIONAL BURNS AWARENESS WEEK

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, I take this opportunity to urge all members of the House and indeed all Canadians to recognize and lend their support to National Burns Awareness Week from February 7 to 13, 1993.

Burn injuries are a leading cause of accidental death in Canada with children, the elderly and disabled Canadians being at the highest risk. Most burn injuries and deaths can be prevented by increased public awareness and education. Burn prevention through education means greater use of smoke detectors, increased home escape planning, teaching children not to try to hide from fire, and training and techniques such as stop, drop and roll'.

Prevention through education will result in many lives being saved and great reductions in suffering.

Finally, I wish to thank the members of the Shrine of North America, including the Canadian chairman, Mr. Don Burnard of Sarnia, Ontario, as well as all fire-fighters across Canada, for their hard work and dedication and for supporting and promoting National Burns Awareness Week.

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NATIONAIR

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, in this House on February 3 the Prime Minister in response to questions with regard to a plant in Atlantic Canada locking its doors and moving out in the middle of the night made some disparaging comments about that

company and the kind of corporate mentality that existed there.

I want to draw to the attention of the Prime Minister another company in Canada that deserves the same kind of commentary from the Prime Minister. I am speaking of Nationair.

Nationair locked out its workers in November 1991 and has refused during that whole period to bargain fairly and faithfully with the workers. It has gone so far as to reject the mediator's recommendations time and time again even though the workers at Nationair are getting less than one-half of what their colleagues at Air Canada or Canadian are getting. At the same time Nationair thumbed its nose at the Minister of Transport who requested the aviation industry in this country to reduce its capacity. Nationair responded by cutting into the already in jeopardy bottom line of Air Canada and Canadian. Six hundred passengers a day were siphoned off Air Canada alone.

On the other hand the government by itself is involved because it has an ongoing contract with Nationair to transport military personnel from Canada to overseas. It has just entered into a contract to supply hangar services to a Nationair subsidiary. Finally, it has seconded a person from Transport Canada to work for the company.

I think it is time the Prime Minister took charge of this file and did something about Nationair.

* * *

[*Translation*]

MEMBER FOR SKEENA

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, in a recent letter to his constituents, or rather in his householder paid for with taxpayers' money, the NDP member for Skeena said: "The bad news is that the choice will be between the Liberals led by a Quebec leader and the Conservatives also led by a Quebec leader".

How can the New Democratic Party endorse such remarks and how can the member for Chambly remain silent in the face of these remarks by his colleague from Skeena?

The member for Skeena has made clearly unacceptable remarks. Quebec is one of the cultural and social treasures of this country, but the New Democratic Party does not seem to recognize that fact.

We do have a Prime Minister who hails from Quebec—and we are proud of that—and is working hard for the well-being of all Canadians.

The hon. member for Skeena should make a public retraction.

* * *

[*English*]

BLACK HISTORY MONTH

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, as North America celebrates Black History Month this February it is a special time not just for the black community but for all North Americans.

As a Montrealer I am proud that the celebrations started here, highlighting the black community's notable contributions to Montreal life and to the wonderful tapestry of Canada's diversity.

Who among us would not benefit from understanding the role of black Canadians in every facet of Canadian life in science, music, dance, business, labour and athletics through events such as seminars on Olivier Lejeune, a Métis interpreter and the first known black to have been brought to New France in 1628.

It is important too that children are being involved through writing contests for this special month to help everyone understand the multicultural nature of Canada.

Given the strife and racial conflict today, we hope Black History Month fosters through knowledge mutual respect regardless of race, religion, gender or language.

What better foundations are there than awareness and understanding to build the sturdy bridges that will bond the diversity within our society and help eradicate systemic discrimination for a tomorrow of fairness and equality for all.

I ask for unanimous consent of the House to table the Op-Ed page of today's *Citizen* which highlights "Some facts about black history in Canada" and that this text be

appended to today's *Hansard* as a wonderful learning tool for everyone.

* * *

DRUG STRATEGY

Mr. John Reimer (Kitchener): Mr. Speaker, over the past two decades education has played a crucial role in reducing tobacco use and impaired driving.

Much of the success was due to concerted efforts by government, the media, police forces and our schools. Today, in order to combat the serious harm of drug use and trafficking such as death by overdose or even murder, violence, lawlessness like break and enter and prostitution and the economic costs for society, a similar thrust has been initiated through Canada's drug strategy.

Canada's drug strategy works in part with law enforcement and the courts to battle the drug trade. It is through education that demand for drugs will be reduced. With no demand dealers will go broke.

Canada's drug strategy is everyone's concern and everyone's business. All Canadians from parents and teachers to community workers and police working together are needed to make this strategy work.

I urge the government to increase its efforts and heighten Canada's awareness to eliminate the scourge of drugs.

* * *

THE ECONOMY

Mrs. Diane Marleau (Sudbury): Mr. Speaker, today our Liberal leader has outlined the Liberal Party's approach to economic growth in the 1990s. Here are some of the highlights.

A Liberal government will shift the focus from a shrinking economy to a growing economy. This means jobs with a future and industries with a future. A Liberal government will focus on fiscal responsibility and call for unwavering discipline in expenditure control.

A Liberal government will take a balanced approach to inflation and growth. A Liberal government will promote federal-provincial fiscal co-operation. The Tory or Conservative practice of off-loading the federal debt to the provinces can no longer continue. Debt is debt to all Canadians.

A Liberal government will focus on making Canada's work force second to none. A Liberal government will challenge Canada's major banks to give small business a break. We will develop concrete measures to facilitate the growth of our economy.

We congratulate our leader on a program which will put Canadians first.

* * *

[*Translation*]

GREAT WHALE RIVER PROJECT

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I am extremely surprised and profoundly disappointed by the remarks the NDP member for Skeena made in a video shown to the energy and environment committee of the New Hampshire Senate. In this video the NDP member urged Americans not to buy electricity produced in Quebec, electricity coming from James Bay Phase II installations because:

[*English*]

"There is blood on that electricity".

[*Translation*]

Not only does the NDP member for Skeena make assumptions about the outcome of the ongoing environmental assessment of the Great Whale River project but he is joining in the chorus of people who are systematically defaming the evaluation process used in Canada and in Quebec, while everyone agrees that the guidelines applied by the commission on the Great Whale River project are the most thorough and rigorous ever seen not only in Quebec but in the United States as well. Even the International Water Tribunal has recognized the value and reliability of the evaluation process used for the Great Whale River project.

I formally request that the NDP member for Skeena withdraw his remarks on the Quebec workers involved in the Great Whale River project and that steps be taken to ensure that the video in question not be shown again in the United States, or elsewhere for that matter.

• (1410)

[*English*]

FREE TRADE

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, Conservative members attending the NAFTA committee hearings were outraged that Bob White dared bring to committee 20 unemployed Canadians representing the evidence of Tory economic policies, including the free trade agreement.

Extra security was mobilized to control the threat. One Tory insisted on knowing who paid their way and then tried to recruit them to the new neighbourhood snitch program of the new PC KGB to capture UI cheaters.

Not a single Tory asked Lorraine Wilkinson of Windsor how after 24 years at Champion Sparkplug it felt to see her job and her husband's job at Kelsey-Hayes move to the United States. Not one Tory considered that any of the concerns of the 20 unemployed or the thousands represented by the CLC were worth even slowing down the corporate agenda for gaining cheap labour in Mexico through the NAFTA at the expense of workers in Canada.

The workers were unanimous: NAFTA has to go. The FTA has to go. And the Tories will go.

* * *

CANADA POST

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I want to applaud Canada Post for its announcement on Monday of a new customer service call centre to be established in Fredericton to consolidate its telephone inquiry operations for eastern Canada as a means of improving and expanding postal services to customers.

This will be one of three locations serving all of Canada in these respects and will open in the spring of 1993.

This will be a new state of the art telecommunications centre and is expected to employ over 100 people once all phases are in operation.

This development is an example of the way in which federal privatization policies are working to enhance public services on a competitive cost basis. It is an investment decision which demonstrates great confidence in New Brunswick and particularly in the people of the Fredericton—York—Sunbury community, and one which I hope that other major telemarketing companies will be emulating in coming months.

* * *

REFUGEES

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the Conservatives have shown that they are not interested in listening to those who argue that Canada must change its refugee policy.

Perhaps ministers will listen to their former colleague, Miss Flora MacDonald, my predecessor as member of Parliament for Kingston and the Islands. Noting that the government spends about $300 million processing the 50,000 refugees who come here each year while donating only $20 million a year to help those trapped in refugee camps world-wide Miss MacDonald said in a recent interview that she is "appalled by this allocation of resources".

Canadians are also appalled by the government's apparent inability to help those in dire need. While we must assist those refugees who make it to our shores, often jumping the line, we ignore the millions more who are trapped in poverty and famine.

I urge the Minister of Finance to listen to the views expressed by his former cabinet colleague and provide adequate funding to those agencies who help refugees around the globe. We need more bang for the buck in our efforts to assist refugees.

* * *

CANADIAN BROADCASTING CORPORATION

Mr. John A. MacDougall (Timiskaming): Mr. Speaker, Canadians again have been misled and manipulated by the CBC with its blatantly biased accounting of the activities surrounding the wolf hunt in the Yukon.

Anyone knowing the facts of the wolf and wildlife population in Yukon will agree with the decision made and the actions about to be taken by the Yukon government. Leader John Os-Ta-Shek is correct when he describes the planned wolf cull as responsible wildlife management.

Let us not allow green activists or pink CBC journalists to confuse the issue. If a cull of 150 wolves is not undertaken an entire region will be depopulated of caribou, moose, elk and sheep and that is a fact.

The CBC should be fostering understanding of this issue and educating those environmentalists who know little of the wilderness of Yukon.

With its coverage this week I do not know why it chose to highlight the activities of the American greens in Alaska and the potential for confrontation.

Cheap journalism that smacks of irresponsibility provides for no understanding of the natural habitat of this region.

Canadians deserve better of the CBC, better information for the viewership and better coverage for Yukoners who are attempting to deal with a very difficult problem.

* * *

JUDICIAL APPOINTMENTS

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, the most recent judicial appointment in Manitoba is causing great concern to Manitobans. It has sent off to the Court of Queen's Bench a prominent Conservative, a friend of the Prime Minister, a man out of legal harness for 15 years.

An appointment of this kind does nothing for the good name of the judicial selection committee in Manitoba.

Was the committee given its marching orders? We may never know.

This appointment sends a disturbing signal to the dozens of qualified men and women who are prepared to serve on the bench. Hard work and first-rate qualifications mean nothing if the powers that be play politics.

At last count only three of the 25 positions on the Court of Queen's Bench in Manitoba were filled by women. I am told that 14 women lawyers have applied for judicial positions. It is likely that all have been approved by the selection committee. However, they were ignored in favour of a pal of the Prime Minister, a man who apparently sees the bench as his penultimate resting place and was quoted as saying: "I am a tired kind of guy".

Manitoba deserves better.

THE LIBERAL PARTY

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, the leader of the Liberal Party has failed miserably in his attempts to come up with an alternative to the GST.

The Liberals got a lot of political mileage by initially opposing the goods and services tax, but the Liberals' alternative to the GST is deceptive, expensive and would hurt those most in need.

As reported in *The Ottawa Citizen* on February 2, 1993, the Liberal Party is considering a hidden sales tax to replace the highly visible GST. There are a number of problems with this option proposed by the Liberals. The major problem is that basic groceries would be taxed. This would hurt those Canadians most in need.

Also the Grit sneaky tax, or GST, would be hidden. Consumers would not know how much tax they were paying each time they made a purchase, thereby making it easier to raise that tax when required.

They are not going to tell us too much now about the GST, the Grit sneaky tax. They want to get elected first.

ORAL QUESTION PERIOD

[*English*]

EMPLOYMENT

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the minister of employment.

The minister thinks he is the top cop of UIPD. He wants to set up a 1-800 ratfink line for anonymous accusers. The minister must know that the idea of anonymous accusers went out with the disappearance of the KGB.

Why is the government pursuing a deliberate policy of portraying unemployed Canadians as liars and cheats?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, there will be no 1-800 snitch line. The suggestion had been made by members and other people but the government is not of the view that

it is necessary to have that kind of operation in this country to enforce the provisions of the act.

Canadians are responsible people. They should be encouraged to individually act responsibly, which the vast majority of them do.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, we are glad the minister reversed yesterday's policy to create a "1-800-rat-fink" line. The fact remains, however, that for the past few months he has been suggesting across Canada that the unemployed are people who cheat the system and do not want to work.

I would like to ask the minister this: What specific policies does he have in mind to help the unemployed, instead of punishing them with his policies on unemployment insurance?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, unlike the Liberal Party's policy which prefers to remain oblivious to the tax burden on Canadian workers, this government has frozen employer and employee premiums. We have increased funding for worker training to help these people get back into the labour market. I do believe that the unemployed are best served by a government that protects the integrity of this system.

Only a Liberal would argue that today in 1993, with the current high rate of unemployment, a person who leaves his job voluntarily, without provocation, without just cause, without reasonable grounds, is entitled to benefits. They would ask other workers and employers to pay those benefits. That may be the position of the Liberal Party, but it is not the position of Canadians or this government.

• (1420)

[*English*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I would like to suggest to the minister, who unfortunately is continuing his vicious attack on unemployed Canadians—

Some hon. members: Oh, oh.

Mr. Speaker: I think it is obviously a matter of great concern to the hon. member and members on both sides of the House, but I would ask the hon. member to use appropriate language in putting the question to the minister.

Ms. Copps: Mr. Speaker, I would like to ask the minister how in the name of all that is decent could he ever consider a policy which would deny unemployment insurance to those thousands of Canadians who, in the case of 3,000 Dofasco workers, have chosen voluntary retirement to save jobs for their fellow workers? How could he ever consider a proposal to deny those workers benefits?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member may say whatever she wants but the law will be enforced. The law provides that no person in Canada will be denied unemployment insurance benefits if that person has no reasonable alternative but to quit his or her job and that will not change.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, officials of the minister's department seem to be saying something quite different. In point of fact, with companies that adjust to the market economy, trim their payroll and pay severance to employees it has now been determined by CEIC that these very same employees will be classified as quitters, hence, no unemployment insurance.

Will the minister clarify for the House why this government has chosen to hit these older workers at the very time they are in the greatest need?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I know the hon. member is concerned about the truth. He will know, or maybe he does not, that the Federal Court of Canada has already interpreted the provisions of the act. The act is clear. This Parliament has decided that any person in Canada who quits a job because there are no reasonable alternatives to quitting will be entitled to his or her benefits and that will not change.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I suggest to the minister that is quite a twist on words. The minister knows full well these severances I am referring to are not voluntary severances. Workers take them because they have no other choice. That is the reality in many parts of this country.

Is it fair for these older workers, the steel workers in Hamilton, miners in Nova Scotia, plant workers in British Columbia, textile workers in Quebec, to be denied benefits when their severance is through no fault of their own?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, again for the benefit of the member and maybe to enlighten him, I quote: "For the purposes of this section, just cause for voluntarily leaving an employment exists where having regard to all the circumstances the claimant had no reasonable alternative to immediately leaving the employment".

In any situation in Canada where a person has no reasonable alternative but to quit his or her job then that person is protected.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister of Employment and Immigration.

[*Translation*]

Every day, hundreds of people lose their jobs across the country. The lucky ones are offered a voluntary loss of employment with severance pay.

The minister just said it was possible for these workers to receive unemployment insurance benefits.

As of April 1 this year the government's proposed changes to the Unemployment Insurance Act would deprive these people of benefits after the severance period. Loss of employment, whether voluntary or not, means just that, and it is hard to take. Why should these people who contributed to the Unemployment Insurance Fund be deprived of what is rightly theirs?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, for the umpteenth time, in Canada a person who leaves his job because he has no reasonable alternative will be protected under the Unemployment Insurance Act, as he is now.

The hon. member rises in the House to claim in front of Canadians that for those who are eligible for unemployment insurance benefits the issue of just cause will be different after April 1, while that is absolutely false. The only difference is that to protect the integrity of the unemployment insurance fund and protect taxpayers across the country the government has decided that anyone who without provocation, without reason, without just cause, leaves a job should not expect other Canadians to pay his benefits. I think that is a position Canadians support.

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the minister continues to attack the unemployed and to say that those people who have a choice to take early severance or early leave will receive benefits. I suggest to him that he would like to talk to the director of public affairs for employment and immigration who has said the opposite. I will leave that with the minister.

Yesterday the minister said that he was welcoming the idea of a hot line or a snitch line for UI cheaters. Today he says he does not. I guess it shows one day makes a big difference.

I hope the minister comes to my office in Whitehorse and takes the hundreds of calls we get weekly from workers who simply want the benefits due to them. They are not fraudulent. They are not cheaters. They are laid-off miners who are suffering, who cannot get their benefits for eight or 10 weeks. Laid-off miners in Faro and Watson Lake, Yukon are still waiting after eight weeks to get their benefits.

If the minister wants to talk on the phone, this is where he—

Mr. Speaker: I would ask the hon. member to put the question.

Ms. McLaughlin: Will the minister stop attacking the unemployed, start addressing unemployment in this country and make sure that workers get the benefits they are owed?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, it may seem politically expedient for the hon. member to twist the fact that yesterday at the suggestion of members and others I said I would consider any suggestion. The difference between her members and mine is that we are making suggestions to improve the situation. I do not think she should have a problem with that.

As for the people in her riding or anywhere in Canada, I want to assure Canadians that the Unemployment Insurance Act will continue to be implemented fairly. If there are ways we can improve the way the act is

administered, the intent is not to deprive good hard-working Canadians of the benefits they are entitled to. It is simply a measure to try to protect the taxpayers, the workers and the employers who pay into this account.

All we are saying is that a person who voluntarily without any reason whatsoever wants to quit his or her job should not ask other Canadians to pay the benefits.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the government has said the UI cuts will save $300 million this year. The Auditor General through the Department of National Revenue has said that the government could save $1.2 billion a year by cutting down on income tax fraud.

As the minister wants suggestions, I will give him some. Kill this UI bill that is simply punishing workers. Instead of giving a club to the little guy, why not give him a carrot? Make sure that the unemployed get the benefits due to them. Cut down on tax fraud. Far more money will be saved for the Canadian taxpayers. They are really who the minister is worried about.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I invite the hon. member to read the royal commission report from the province of Newfoundland and Labrador on the UI system.

• (1430)

The hon. member would be well advised to take into account the impact of the Unemployment Insurance Act in certain regions of the country and what it does to our people. This is also about trying to foster self-sufficiency among Canadians and avoiding measures that create dependency.

I know the hon. member for political reasons wants everybody to believe they will be deprived of rights, but I can assure Canadians who have no alternative but to quit their jobs that they will be fully protected under the Unemployment Insurance Act.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, we learned this morning that between October 1991 and September 1992, 44,539 claims for UI benefits in Quebec were challenged and the claimants were subject to penalties varying from 7 to 12 weeks. If the proposed UI reform had been in effect during that period, these 44,539 claimants would have had no income in a province where unemployment is about 13 per cent.

Does the minister think that these 44,539 Quebecers are cheaters?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, we never, and I never, called someone a cheater for voluntarily quitting a job for no reason, quite the contrary. Far be it from me to call that person a cheater for only taking advantage of the provisions of the act.

Right now there is indeed an incentive in the legislation which encourages people to quit their job for no reason. These people rely on other workers and employers to pay them benefits.

All we are saying is that today, given that we must protect the UI fund and the integrity of the system, we can no longer afford to pay benefits to people who, without provocation or reason, quit their job for no just cause. That is all.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, the minister keeps referring to the notion of just cause.

Mr. Corbeil: That is reality.

Mr. Gagliano: The Minister of Transport tells me that is reality. Let me ask a real question. With this bill, given that we have an economy in which the number of jobs is always decreasing, if an employee receives severance pay is that just cause to qualify for UI benefits? In his regulations, the minister says that people must first justify their action, and prove that they have used all available means to find another job.

If a company negotiates with its employees to reduce its work force do those employees qualify? That is reality.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member will surely be reassured to know that a claimant is justified in quitting his job voluntarily if, given all the circumstances, the only reasonable option was for him to leave immediately.

This is the test which is used by UI officers as well as by the courts in this country. In the circumstances described by the hon. member, if this was the only reasonable solution for that person then that person would qualify.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is for the minister of employment.

I quote in part a statement which the hon. member for Laval-Est is said to have made concerning the unemployed: "I have reported some myself and I am still alive. I am fed up with paying taxes and giving to the poor. I want everybody to be rich because if I am surrounded by poor people, some day they will steal from me or kill me". Does the minister endorse such comments? Why does this government continue to force upon Canadians policies which turn them against one another? I find this situation—

[*English*]

Mr. Speaker: I have listened with some care to the question and I must say at the moment that I think it is out of order. The hon. member may want to put a question to the minister, but it is not appropriate to ask the minister what he thinks about what somebody else may or may not have said.

[*Translation*]

Mr. Duhamel: Mr. Speaker, my question is very simple. And here is a comment from a parliamentary secretary who says that he supports—

[*English*]

Mr. Speaker: I have asked the hon. member to rephrase his question and I know that he would want to co-operate.

[*Translation*]

Mr. Duhamel: Is that the policy of the minister and his government? Yes or no.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the government's policy is to protect the integrity of the unemployment insurance system and to protect Canadian taxpayers by taking action to help our economy recover so that we have much less unemployment. I believe that the economic statement of my colleague, the Minister of Finance, in December was a very big step in that direction.

[*English*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have another quotation attributed to the same individual with respect to reporting others.

Some hon. members: Order, order.

Mr. Speaker: Members can argue about it later if they wish. At the moment I am not satisfied with the way the question is being put. I am asking the hon. member to put a question directly to the minister and I am not entering into debate as to what somebody said or did not say.

Mr. Duhamel: My question then is a very simple one. As a result of an article I have read I am asking the minister why he and his government are putting in place police state-type tactics where Canadians are rewarded for snitching on their neighbours or family members.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, obviously the hon. member wrote his question before the start of Question Period. If he looks at *Hansard* he will find that I answered that earlier.

Mr. Duhamel: Reporting others. Don't you know the difference?

Mr. Valcourt: As I indicated earlier, there will be no 1-800 snitch line.

Mr. Duhamel: No telephone, but will you permit the reporting of others?

An hon. member: Drop dead.

Mr. Duhamel: I don't plan on dropping dead.

Mr. Speaker: I would like to remind hon. members that the public of Canada in elections do not send members here to be faint of heart.

On the other hand it is necessary to conduct our affairs with some kind of civility, or else there will be no freedom of speech at all. I am asking hon. members to co-operate in that regard.

Mr. Cid Samson (Timmins—Chapleau): My question is for the Minister of Employment and Immigration. Time and time again the minister has referred to 225,000 abusers in the UI system, manufacturing for political gain a perception of huge numbers of abusers. I ask the minister to table statistics.

How many people gave sexual harassment as a reason for quitting their jobs? How many people had to move with a spouse or care for a child? How many people, like the Nova Scotia dragger crews, gave health and safety as a reason? How many had a just cause for quitting that was rejected by the system?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, obviously we do not have the time in Question Period to answer that question.

Mr. Samson: Table it.

Mr. Valcourt: The Order Paper is the answer to your question.

Mr. Speaker: I listened very carefully to the question. The minister was prepared to rise in response. However I have to point out that if one wanted to analyse the question very strictly, it was a question more designed for the Order Paper as it involved a lot of facts and figures. The hon. member knows perfectly well that ordinarily that is a question to be put in another way than as a verbal question in Question Period.

• (1440)

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, I assure the minister that the question will be forthcoming through the Order Paper.

My supplementary question is for the same minister. How does the minister propose to benefit the economy by restricting the local purchasing power of the unemployed through a reduction from 60 per cent to 57 per cent in benefits, taking away about $200,000 per month in the Timmins area alone?

In addition, how will it benefit taxpayers to have their provincial and municipal governments paying out more money in welfare payments as a result of Bill C-105?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, as a result of Bill C-105 and the measures the Minister of Finance announced in December, Canadians will actually have to pay less tax than they would have paid prior to the statement of the Minister of Finance.

The argument of the hon. member that people will be left with less spending money in their pockets does not bear up in light of the reductions the minister announced and confirmed in December.

Ms. Mary Clancy (Halifax): Mr. Speaker, my question is for the Minister of Employment and Immigration.

This minister has repeatedly insisted that it will not be difficult for victims of sexual harassment to receive UI, but his employees have a document stating that a woman who is sexually harassed cannot quit her job and receive UI until she has demanded a transfer, used her collective agreement, hired a lawyer to make application under provincial and federal law, and tried to prove her case under the charter of rights. Even then it might take up to nine months to receive UI.

Why has the minister continued to tell the House that sexually harassed women would have no problem collecting UI when his departmental policy is so clearly the opposite?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I indicated yesterday that the document to which the hon. member is referring was not government policy.

This is a draft document that has been circulated at some levels in the department. Instructions and directives will be given to employees of the Department of Employment and Immigration to administer these provisions in a fair way so that women will not be deprived of their rights under the act.

I can assure the member that great care will be devoted to ensuring that on this sensitive issue women are protected.

Ms. Mary Clancy (Halifax): Mr. Speaker, we need more than that kind of assurance. The minister knows that current procedures to attempt to prove just cause in sexual harassment or other matters are a sham.

Rather than just ensure, will the minister outline today what new procedures he has put in place to protect such workers?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the government is very sensitive to this issue of sexual harassment. I have met with my colleague, the Minister responsible for the Status of Women. I have also received a lot of assistance from the Minister of State for Employment and Immigration.

We are in a position to assure Canadians that everything will be done to ensure that these women are treated fairly.

[*Translation*]

GRANTS TO MUNICIPALITIES

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, my question is for the Minister of Finance. Since 1949 the federal government has agreed to pay grants in lieu of taxes to Canadian municipalities for municipal services to federal facilities. Now, suddenly and without consultation the government has changed this system. For example, the city of Montreal will lose $10 million this year, $10 million that the people of Montreal need.

I ask the minister to cancel this freeze immediately and to continue his discussions with the cities.

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, if the hon. member had studied this subject he would know that it has been a very fast rising cost to the federal government. It has more than doubled since 1987 from about $215 million to $438 million. There have been discussions ongoing with the municipalities to try to restructure it to contain that cost.

I am sure the hon. member would be interested in knowing that in the last two years the grants in lieu of taxes have increased by 30 per cent. That is clearly not sustainable when we are trying to contain government expenditures across the board.

We are continuing to work toward the restructuring of this. In the meantime no municipality will receive less than what it was receiving last year.

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, maybe there were increases in recent years, but these were in accord with the Municipal Grants Act and were critically needed by the cities. The problem is that the government changed a long–standing system without consultation with the cities and after many cities had already prepared the 1993 budgets. As a result, the city of Montreal is suffering a shortfall during the recession of $10 million.

I ask the minister this: Would he at the very least postpone this freeze for one year while he consults with the cities on a better way to deal with these problems?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we will continue the discussions and the consultations but we clearly have to put a cap on this. As I said, we are freezing the transfers at $424 million.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Hon. Lucien Bouchard (Lac–Saint–Jean): Mr. Speaker, my question is for the Minister of Employment and Immigration. In today's newspapers we can read that the government added 100 unemployment insurance investigators in 1992 and that it is planning to add 300 more in 1993.

I would like to ask the minister whether he can tell us how much it will cost to hire these additional investigators and if he believes that this money would not be much better spent on improving benefits for the unemployed and the poor.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I do not have on hand information on what it cost to hire investigators last year, but I can tell the hon. member that hiring these investigators saved Canadian workers and employers over $200 million.

Hon. Lucien Bouchard (Lac–Saint–Jean): Mr. Speaker, this is an all–out attack on people who are now the victims of this government's economic failure.

I would like to ask the minister if he will not admit today that this government in disarray is taking far–right measures to outflank the Reform Party on the right.

Hon. Bernard Valcourt (Minister of Employment and Immigration): No, it is just to protect the Canadian taxpayer, something that would be far down on that member's list of priorities.

[*English*]

TRADE

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is for the Minister for International Trade.

Today before the subcommittee looking at NAFTA we had 20 victims of free trade. These people who did not receive the adjustment programs that the Prime Minister promised during the last election told about their cases and the cases of their co-workers.

How does the minister respond to Marian Fraser who was laid off after 16 years, to Lorraine Wilkinson who was laid off after 24 years, to Bev Lafleur who was laid off after 25 years, to Diane Rupert who was laid off after 39 years, and to Frances Walsh who was laid off after 31 years?

How does the minister answer those people and how does he dare go into a new program, a new trade agreement with the U.S. and Mexico when these people are unemployed and when this government has done nothing for them?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, first of all, in that same presentation Mr. White recognized that there is a recession, that there is some substantial restructuring under way in the economy. He and I and my hon. friend have a great deal of sympathy for those people who have lost their jobs as a result of this.

To simply say that all of this is the result of free trade is simply not right. I ask my hon. friend to consider the situation of Clearly Canadian Beverage. In 1988 it sold 200,000 cases of its sparkling mineral water. It is a Vancouver company and in 1991 sold 10 million cases and 96 per cent of its product is for export, largely to the United States.

In Saskatoon there is a company called Flexi-Coil which develops a lot of its products through its own research facilities; 20 per cent of its business is for export and it cannot keep up with the orders now. New Flyer Industry in Winnipeg, 50—

• (1450)

Mr. Speaker: I am sure the hon. member knows there is another way to put that information across.

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, my question is for the Deputy Prime Minister.

Without a doubt during the next federal election one of the most important issues facing Canadians will be the North American free trade agreement. The implementation of this agreement will be of crucial importance to the Canadian people.

The New Democratic Party has stated clearly that we will not implement the agreement. The government has stated clearly that it supports implementation. Today the leader of the Liberal Party again reiterated his ambiguous position.

I want to know from the Deputy Prime Minister whether the Canadian people will be given a right to vote on this issue before implementation so every political party says exactly where it stands in front of the Canadian people.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, political parties will be able to vote on this.

We will have the legislation before the House. Then we will see where the Liberal Party stands. There are few things on which my hon. friend and I agree. One of them is precisely what he has just said.

The Liberal Party does not have a position on free trade. There is an old saying: "Vote Liberal and you have a choice, a choice—".

Some hon. members: Oh, oh.

* * *

NATIONAIR

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have a question for the Deputy Prime Minister.

A large group of Nationair flight attendants are presently sitting in at the West Block offices of the minister of defence because she refuses to meet with them and explain why her department has contracted over $30 million worth of work with Nationair which has locked out these workers over the past year.

Why does the government of the Deputy Prime Minister, which claims to be neutral in this bitter dispute, continue to expand its business with Nationair, knowing full well that this company is attempting to force poverty level wages on its workers, 80 per cent of whom are women? Is that the commitment to fairness this government holds?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, this dispute is between Nationair and the union representing its employees. The government is not involved in the dispute in any way, shape or form.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, the House leader says the government is not in any way involved in the dispute.

Recently, after the dispute started, the government went ahead and signed new agreements to store the CF-18s which had just returned from Europe on Nationair facilities. That is not being neutral.

I want to ask the House leader or the Deputy Prime Minister if they will recognize their responsibility in this matter? Will they at minimum instruct the minister of defence who seems to have other priorities outside this House to come back to Ottawa, meet with the workers and explain why this government is interfering in this conflict?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, we could debate whether that is neutral or not. In fact it is wrong.

The hon. member frequently gets his facts wrong. Canadair has the maintenance contracts for the CF-18 and Canadair apparently has leased space from Nationair to store the CF-18s. If he wants to scream and yell, let him phone Canadair.

* * *

ADVERTISING CONTRACTS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is also for the government House leader.

Over recent days the minister has been saying that there was no political consideration in the awarding of the $21 million worth of government advertising contracts.

If that is so and if he still insists it is the answer, can the minister explain to Canadians why the ads in question were backed by a chorus singing lyrics commissioned by the Conservative Party? Does that not at least sing off key to most of us?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the hon. member got stuck on this issue when that false media report came out saying there was no competition.

The approach used by this government since 1985 was not used by the previous government which appointed its own agencies. It is to have a competition. It is in fact a duplicate of what is done in the private sector.

If a company wants to have an advertising program it brings in the agencies to make a pitch. It is exactly the same policy we have been using. The ad agencies came in and made a pitch to a committee of civil servants and the agencies were selected to carry out the program.

It is as fair a program as exists anywhere, infinitely fairer than what the Liberals did previously. The hon. member should get on to some other muckraking.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I shall let you decide whether that was parliamentary.

I want to ask a supplementary of the minister. This is not private sector money. These are taxpayers' dollars. I want to ask the minister why he is spending $21 million of taxpayers' money through a Tory ad agency to run the Tory jingle on Canadian television. Is that not wrong?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the hon. member seems to think if he stands in his place and screams his falsifications become true.

Indeed, as our attempt, which was agreed to by all the parties in the House and every provincial government, to bring this country together united behind the Charlottetown accord there were advertising programs celebrating Canada 125, celebrating this great nation and all of those things.

The agencies put together ads which I guess in the end we can say were not enough to bring about the result we

all wanted, but for the hon. member to suggest this was all done as some sort of illicit pay-off is to wallow in the mud, and I think he should get out of it.

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INDIAN AFFAIRS

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I have a question for the minister of Indian and northern affairs.

As the minister will recall, last May at a public meeting in Fredericton former Chief Emmanuel Polchies of the Oromocto Indian Band requested support from the department of Indian affairs for a formal inquiry into his earlier conviction for theft from a land claims settlement.

Mr. Polchies indicated that he was not able to pursue his appeal to the Supreme Court for lack of personal funding and was requesting financial support to do so.

I have a question and a quick supplementary. Will the minister recommend this request for an inquiry to ensure that justice is done and perceived to be done?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I certainly did receive in the company of the hon. member, a submission from former Chief Polchies. In a letter which I sent to him, I believe on January 4 of this year, I suggested that in the matter of the criminal conviction against him in 1984 that I would ask the Minister of Justice to review the circumstances underlying that conviction and to get back to me with further information.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, will the minister consider helping to fund Mr. Polchies' legal costs in pursuing this matter to a just conclusion?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, my department does provide assistance in certain cases under a program called Test Case Funding. The criteria under which Test Case Funding is awarded involve matters which are of widespread importance to Indian communities and if the particular case meets those criteria we will look at it very carefully.

TELECOMMUNICATIONS

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, my question is for the Minister of Communications and involves the iniquitous 976 use by Bell Canada and other telephone companies as a money-making scheme.

This number is supplied to anybody who wants to make a deal with Bell and anybody who uses the phone number pays a fee on their telephone bill for the use of the line.

You cannot get out of it unless you pay Bell telephone.

I was wondering if the Minister of Communications would step into this mess. Will he ask the CRTC to rule on the 976 number and stop the use and abuse by Bell Canada of 976 and make it possible so that when anybody has 976 they have to sign a contract for 976.

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, generally I try to avoid stepping in messes but I would be pleased to accept my friend's invitation.

It is not the fault of Bell Canada that individuals or companies take out 1-976 numbers. Indeed the most recent instance was one where people who had received notices from the provincial attorney general's office in Toronto of having unpaid traffic fines received a notice suggesting they should call a 1-976 number only to discover that upon calling it they got a recorded message and were charged $24 for doing it.

I have brought this to the attention of the CRTC whose responsibility it is to protect consumers from scam artists.

• (1500)

I would invite consumers to contact Bell Canada to ask that any unfair charges be dropped because this is provided for in the Bell tariffs.

* * *

EMPLOYMENT

Hon. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is for the Minister of Finance. It is about jobs.

Yesterday members of the Canadian Worker Co-operative Federation met with his officials in the Department of Finance as well as other members of all three parties in this House to remind us that one year ago at a federal-provincial conference ministers responsible for co-operatives agreed that worker co-ops should be one of the four priorities in that area.

In view of the fact that the Quebec government has established a venture capital fund and the Ontario government has spent some $1.8 billion out of its job fund to help worker co-operatives, or it will spend that much—

An hon. member: One million.

Mr. Nystrom: One million I should say. What is the federal government going to do to help worker co-ops in this country? Is it going to establish a venture capital fund to establish worker co-ops? What are its plans and when will the government be announcing them?

Hon. Charles Mayer (Minister of Agriculture): Mr. Speaker, the hon. member is absolutely right. For the last two days we have had a co-operative advisory committee meeting of about one dozen members of co-ops right across the country in Ottawa. I met with them at noon and had a chance to go over their concerns. That will be one of the things we will be looking at.

The hon. member should also be aware that in the last seven or eight years we have held, under the auspices of the federal government and the provincial governments, several federal-provincial co-ops ministers meetings across the country to discuss various aspects affecting co-operatives and how they operate.

One of the papers we looked at was worker co-operatives in addition to child care and other areas. The federal government is working very closely with the co-operative sector to see what can be done to advance its concerns in many areas, not only in worker co-operatives but in other areas as well.

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UNEMPLOYMENT INSURANCE

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, my question is for the minister of manpower and immigration. I ask the minister, in view of some of the earlier questions and today's news report, to clarify this question of severance pay and UIC benefits. I will really bring it right down to this House.

Without making a pun of a thing and to explain it to myself and our staffs, as I understand it, if members do not come back after the next election, either by choice or by choice of the electorate, and their staff receive severance pay which they do have to a point, would they then be entitled after that severance pay runs out to receive unemployment insurance benefits?

If not, does the minister think this very fair in view of the fact that those members who do not come back are going to receive an interesting pension.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, all I can say to the hon. member is that under the act any person who quits a job because he had no reasonable alternative to immediately leaving the employment is covered.

He can construe that with the situation which he described, in light of the basic legal statement in the act. This is what would be applicable.

* * *

BLACK HISTORY MONTH

TABLING OF OP-ED PAGE

Mr. Speaker: I wish to bring to the attention of the House an incident that happened during statements by members.

The hon. member for Mount Royal, who made a statement as other members were doing, suggested to the House that she be allowed by consent to table a document from which she had quoted.

I am putting it to the House whether there is agreement for that.

Some hon. members: Agreed.

Mr. Speaker: So ordered.

* * *

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, before I put the business question, may I seek the guidance of the Chair with regard to Question Period.

I presume the Chair was under the impression that some of the comments or remarks made by my colleague, the hon. member for St. Boniface were somehow offensive.

Yet at the same time the government House leader used words such as falsification and wallowing in the mud which—

Mr. Speaker: Just a minute. I know that there was some concern about the fact that I interrupted the hon. member for St. Boniface. I indicated that if it was necessary it could be discussed later.

I do not think it is appropriate to turn my ruling into a debate at this time. I will be very pleased to see the hon. House leader, and if it is then necessary to raise it on the floor of the House I of course will invite him to do so.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have a new point of order concerning comments of the government House leader during Question Period. He used the word falsification. I am not referring to the other case that Mr. Speaker ruled on earlier, only the exchange between the government House leader and myself when he used the words falsification, wallowing in the mud or whatever. I may have asked the government a question which was direct but I did not use language which was inappropriate. I am sure I would have been reminded of it by the Chair or hon. members across the way.

I asked why the taxpayers of Canada should be paying for an advertisement which basically advertised the musical interlude or a jingle of the Conservative Party. I think it is a legitimate question; it is a fact, it is well-known and it is acknowledged. Surely I had a right to ask that question without receiving those kinds of insults from across the way. That kind of abuse is totally unnecessary.

I seek the guidance of the Chair to see whether at the very least the government House leader could control himself in the future as he has not been able to do so in the past.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I have no desire to see this carry on. The falsification I was referring to was of course the original newspaper article which the hon. member took as fact. He now knows it was totally false in its representation.

He had been endeavouring to build a case on it when an hon. member opposite screamed out the allegation that the entire advertising program was designed for one purpose and one purpose only: to reward Tories and so on. I consider that wallowing in the mud. If that is unparliamentary I withdraw it and I apologize.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I want to thank the government House leader for his apology to the House.

Mr. Speaker: Perhaps it should be accepted and we could move on to something else.

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BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, what a day it is. Perhaps the government House leader would indicate to the House what the business will be for the remainder of today, tomorrow and Monday and Tuesday of next week.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): I will be pleased to, Mr. Speaker.

This afternoon we will continue with third reading of Bill C-98, the Borrowing Authority Act. After completion of that we hope to complete second reading of Bill C-93, the government organizations bill, and get to report stage of Bill C-76, the budget implementation bill.

Tomorrow, if necessary, we will continue with Bill C-76 in the morning after which we will deal with Bill C-111, the Tobacco Restraint Act; Bill C-69, air and maritime safety; Bill C-79, the Divorce Act; and Bill C-73, the Canada Post Corporation Act. Some of them are relatively non-controversial. I understand there is considerable agreement among the parties that these could be passed.

On Monday and Tuesday, if necessary, we hope to complete passage of Bill C-76. If time permits, it is my hope that it can be used to complete any of the previous legislation that I have mentioned which remains outstanding. We will continue discussions with House leaders concerning business for the remainder of next week and on to the week after that.

PRIVILEGE

COMMENTS OF MEMBER FOR ABITIBI

Mr. Jim Fulton (Skeena): Mr. Speaker, my question of privilege arises from remarks made by the hon. member for Abitibi.

In the remarks contained in today's *La Presse* it states:

[*Translation*]

> Guy Saint-Julien, Tory MP for Abitibi, struggled to find words to express his disappointment yesterday upon hearing this kind of statement from a Canadian. "I was surprised and deeply disappointed. This is serious, this is a case of intellectual racism directed against Quebec".

[*English*]

The concern that I have is in the utilization of the words "intellectual racism" in relation to a video which I have never seen and is in the hands of people who I do not know. In fact it is in the United States.

• (1510)

The remarks I made at some point in the past in relation to either James Bay I or James Bay II were certainly true at the time they were made. For the member for Quebec Hydro to be making these kinds of allegations outside and inside the House and using the words intellectual racism is quite improper and contravenes my rights and privileges in a free and democratic society and should be withdrawn.

Mr. Speaker: I have a short question and then I will listen to the hon. member for Abitibi.

I want to be absolutely sure about this. The statements to which the hon. member referred were made outside this House. Is that correct?

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I am not here to avoid criticism, and I wish to raise a point of order on the same matter.

On February 8, 1993 a video was screened before the New Hampshire Senate Committee on the Environment, in which the NDP member for Skeena was introduced as the MP from the National Democratic Party of Canada. The hon. member said in this video:

[*English*]

"There should not be any question in the mind of any American consumer in buying power from the province of Quebec that comes from the James Bay II project. There is blood on that electricity".

[*Translation*]

The video was produced by McAusland Film and Video Inc., under No. MA-617-329-7335. In my statement to Lisa Binsse, reporter with *La Presse*, I said that the hon. member's statement—

Earlier, the NDP member for Skeena said twice that I attacked what he said. I did not attack him as a member from British Columbia. I told the reporter that what the hon. member for Skeena had said was a direct attack against Quebec workers at James Bay and the Government of Canada.

I was once a technical survey worker with Hydro, a job I held from 1965 to 1968. When the NDP member for Skeena says in this video: "There is blood on that electricity", it is a serious matter. It is unfair to the employees of Hydro-Québec and to the Cree and Inuit of James Bay.

The James Bay Cree and Inuit have always used the courts to defend their rights. There has never been bloodshed. The same applies to Hydro-Québec workers.

I think it is odd that the hon. member for Skeena should say there is blood on that electricity, in referring to hydro projects in Quebec, while there are hydro dams in British Columbia and the other provinces as well.

It was not my intention to call the hon. member for Skeena a racist. I was mainly concerned about his reference, in a video that was screened for the Americans, to Quebec workers who have been employed by Hydro-Québec on major dam-building projects for many years and will be in the future as well.

Mr. Speaker: I thank the hon. member for Abitibi for his comments.

[*English*]

I want to say this to the House. First of all, except under very rare and unusual circumstances I have no authority to rule on statements made outside this House.

I think we can all have some sympathy with the concern of the hon. member for Skeena if there was an implication that another hon. member was referring to him or to any other member here as racist. The hon. member for Abitibi has made it very clear that was not the intention, even though the comment was made outside the House.

I do want to say this. I think we are at a stage in the history of our country where we should be very careful in our language and what we say about each other, whether it is in the House or outside the House, with respect to any suggestion that anybody is a racist.

We have gone through a very difficult period of time in this country and some things have been said outside this place and by people right across the country that I hope upon reflection a lot of people regret having said and a lot of other people regret having heard. I think it is very important that we carefully watch how we express ourselves out of respect for each other and this country. Again, I thank the hon. member for Abitibi. Strictly speaking procedurally it was not necessary for him to reply but he has done so generously and I think he has added to the dignity of this House.

* * *

[*Translation*]

POINT OF ORDER

BILL C-88

Mr. Louis Plamondon (Richelieu): Mr. Speaker, I had a question for the government House leader about the business of the House for the next three days. There was no reference to Bill C-88, which received the approval of members of all parties. I wonder why the bill is being held back and why the government does not table it as soon as possible. All authors and composers in Canada and Quebec are waiting for this bill. Perhaps someone on the other side would like to comment.

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Mr. Speaker, regarding the question put by the hon. member for Richelieu, we intend to debate and dispose of Bill C-88 starting Monday, in other words, early next week.

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 on April 1, 1992, be read the third time and passed.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I want to rise this afternoon to say a few words on Bill C-98 which seeks authorization from the House of Commons to borrow approximately $8.2 billion for various public works and other purposes by the Government of Canada.

The subject of borrowing additional sums by the government is of great concern to Canadians, particularly considering the awesome debt this government has accumulated in its eight years in power. Last week, according to the debt clock in Vancouver this debt now stands at $450 billion. This is more than double the debt this government inherited less than eight years ago and pledged to control. It is clear that in eight years it has failed miserably to manage the nation's finances and today it is asking for $8.2 billion more of taxpayers' money to add to the awesome debt it has accumulated.

Today in *The Globe and Mail* a Japanese investment house was quoted as expressing its grave concern about the fiscal capacity of the Canadian economy that this large debt represents. A further indication of the mismanagement of this government is the fact that since it came to power it has increased the proportion of this debt which has to be financed outside Canada, causing upward pressure on our interest rates, downward pressure on our dollar and affecting our economy in many ways. In fact the Japanese own $50 billion of our debt. That is a serious issue. It is not one that was inherited from the Liberal government. It is also a serious problem for the Canadian economy.

In addition this government has achieved this debacle while adding significantly to the debt which it has off-loaded to the provincial governments. They have also seen a tremendous increase in debt, which is also a burden on the Canadian economy. We need to be very concerned as parliamentarians when the government

asks for $8.2 billion more of taxpayers' money to finance unspecified services.

• (1520)

I would like to say a few words on this subject as it concerns my constituency of Cape Breton Highlands–Canso. I just returned this morning from two days in my riding where I attended public meetings to deal with the growing crisis in the fishery which has encircled the constituency I represent.

Last night I was in Canso. We were dealing with how this community and the surrounding communities were going to cope with the loss in income which the downturn in the fishery represented. The previous evening I was in Arichat where we discussed the same question. All around Cape Breton and eastern Nova Scotia that is on peoples' minds.

When they think about the government's fiscal dilemmas my constituents wonder why we are continuously and ever more deeply in debt. The deficits this government continuously mounts up year after year have increased rather than decreased despite the fact it has provoked a recession which is now into its third year and shows no sign of abating, certainly not in eastern Nova Scotia. They wonder where all this money is going.

We have been paying the GST now for two years. Apparently this GST collects over $15 billion per year. Despite the massive new intrusion on the pocket-books of Canadians which the GST represents, the government's debt continues to mount. The Minister of Finance has been way off on his deficit projections.

The people of Cape Breton Highlands—Canso are asking themselves where this money is going. Why does this government feel compelled to continually borrow more and more money and tax us more for projects when we do not see any results? Our economy is still mired in recession. We are still facing an unemployment level which is much too high. While the government is piling debt upon debt it is cutting out the basic lifelines and support services which people in areas of high unemployment need and depend upon to survive.

For example, the fishery is facing a severe downturn in our area. There will be a need for adjustment assistance or some form of plan for compensation to deal with those communities which are going to be left in a severe state as a result of the lack of fish, provoked largely by the mismanagement of the federal government.

The people of Cape Breton Highlands–Canso say they have yet to see a plan announced by the minister of fisheries to deal with this particular problem. They have been told it will come later this year in April, but people are already hurting in eastern Nova Scotia. The people in fishing communities have no unemployment insurance benefits remaining and no jobs. They realize that this year the fishing will be a disaster.

Today during Question Period we talked about the unemployment insurance program and what the Minister of Employment and Immigration is doing by denying unemployment insurance benefits to those who quit their jobs. Our members have tried to dissuade the government from this wrong path. In terms of sexual harassment, people are provoked into leaving their jobs.

It provokes people to leave their work. Now they will be put into more of a trap. The changes that are being contemplated by this government in Bill C–105, the unemployment insurance bill, make no sense from an economic standpoint because they will only decrease the ability of the labour force to adjust smoothly to changes that it has to adjust to in order to get the economy out of the present recession.

Rather than taking these regressive measures the government should be assisting the unemployed to take training programs. It should be using UI and other programs more creatively in order to assist people to get off unemployment and to find full-time work in job opportunities for the future.

In my area one of the problems which is of real concern is in connection with the student loan program. Many young people are being denied the opportunity to take university courses or other courses at trade school and other facilities because there are insufficient moneys available through the student loan program. That is somewhere that this government could help. If it was

helping students that way we might not be so concerned about the borrowing demands of this government.

In addition the government is forcing young people in particular, but also those who are on unemployment insurance, to make the choice between staying on unemployment insurance and not taking training or taking some form of training and being denied unemployment insurance because of silly rules that exist in that program. They could easily be removed.

These are the kinds of measures which the government is not taking and which it could be taking to improve the economy, to get us out of this recession that we are in and to prepare Canadians for meaningful jobs in the future.

I just want to mention that in connection with these borrowing demands of the government. The question which is on our minds in Highlands—Canso is where is this money going. A sad situation occurred last week in Port Hawkesbury with the Premium Automotive plant abruptly closing its doors after receiving almost $2 million in government grants, concessions and generous loans. This company callously closed its doors on its workers. It took the occupation of the plant for them to get their severance pay.

Those people are now going to be facing unemployment with no immediate prospects in sight. This happened after the government provided awesome sums to a company that stayed five years and left.

These are the kinds of policies that have to be changed and on which the government has to rearrange its focus. Since it is far too late in its mandate to do so it should go to the people. It should call an election to let a better group of individuals take over and run the government.

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

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, you did it again. It is Kootenay West—Revelstoke. There are a lot of similarities between east and west Kootenay but the current member for Kootenay East and I, apart from having shared an equally interrupted record of service in the House, do represent different areas.

In rising to debate the motion of the Minister of Finance for the third reading of Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992, I wish to make a few comments relating first of all to the government's record when it comes to deficits.

I do not know how many times since 1980, with the previous government from 1980 through 1984 and certainly since being back in this House between 1988 and this year, I have heard continuing statements by ministers of finance and continuing budgets that forecast almost exactly the same projections for deficit reduction year after year after year. It puts me in mind of an old quotation from a poem by Frank R. Scott, entitled W.L.M.K.—William Lyon Mackenzie King—in which he said of W.L.M.K: "Always he led us back to where we were before; do nothing by halves that can be done by quarters". In this case and in the continuing record of the government, it seems to be: "Do nothing by quarters that can be done by halves", at least when it comes to increasing the debt of this country and increasing deficits.

• (1530)

To be more exact, if controlling the deficit is the primary goal of the government then it has done a poor job. The projection for the deficit in February 1992 was $27.5 billion. Now the Minister of Finance says he has reduced the deficit to $34.4 billion. Strange, strange math.

The projected deficit for next year is $32.2 billion. In the 1991 budget this same government estimated a deficit for 1993 of $16 billion, less than half of what it actually will be.

All these cuts, all this hurt for those suffering from the recession, and the government has not been able to deal with the deficit. The best way to reduce the deficit must include stimulating the economy and not the government's failed trickle-down policies.

As my colleague the House leader for the New Democratic Party has said, Canadians are sick and fed up with being trickled on and it is time for a change.

One of the reasons for this increasing deficit is not only the failure of the government to manage its accounts in a better way than it has done but, and I hesitate to use the term drunken sailor, somebody has been imbibing much too much in this drunken sailor kind of spending in a number of categories which do not have the support of the majority of the Canadian people. I refer to what it has spent or is about to spend, according to its own statements: some $4.3 billion on the world's most expensive high-tech helicopters, another $40 mil-

lion on studies to purchase these same helicopters, $1 billion on an air defence system to protect troops in Europe against Soviet attacks—What troops, what attacks, What Soviets—and $250 million on anti-tank guns. Great, I am sure the UN will be using a lot of anti-tank guns in Somalia and the other places it is called upon to serve.

This kind of spending just does not make sense in today's world. Eight hundred and twenty million dollars to implement the GST is what it has spent. I just hope that if there is a change of government and the gentleman who is now the Leader of the Opposition, should we have the misfortune, becomes the Prime Minister it will not mean another $820 million to implement a hidden version of the GST. How many times can we get this kind of regurgitation of failures and policy? One billion dollars on an extension of former Prime Minister Trudeau's tax breaks to the super wealthy through family trusts. Those tax breaks were to expire at the beginning of this year, the ones brought in by Mr. Trudeau in I think it was 1973. After 20 years we have decided to extend those tax breaks for the very wealthiest families in this country.

One hundred million dollars in government advertising to advertise free trade, the Tory prosperity initiative, Canada 125, the goods and services tax again, and a lot of "feel good" ads. And another one million dollars on new cars for cabinet and senior bureaucrats.

These are some of the things this government in making its so-called hard choices has determined to be worth while spending Canadian dollars on. It is one of the reasons why its deficits are continually out of control. It ill behoves it to keep preaching to those of us in the opposition—and that includes both the Official Opposition and ourselves—about our alleged failure, according to it, not to come up with suitable alternatives when it is handing money out hand over fist toward goals and projects that do not have support and do not make any sense.

I suggest it start to get its own managerial house in order. One of the other problems is that while this has been going on we have been spending this kind of money on projects that do not make sense. The government meanwhile has cut programs like unemployment insurance, hurting the unemployed; like the Crow rate, hurting farmers; like the family benefit program, hurting single parents and other programs that have hurt those who are hurting most in this recession and it still cannot get the deficit down.

I would like in the few minutes available to me to register some comments from some of my constituents who have either personal or representative knowledge of some of the impacts that these cuts have had on a number of vital programs.

On January 22 Luanne Bush of Castlegar called my constituency office to complain about how the new child tax benefit reform is working against her family. Her husband was disabled in the past few years and so they are on a limited income of $1,100 a month. Naturally they had to sell some property just to get by and that was added to their family income for 1991. They get no child tax benefit for the first six months of 1993. She feels, and I agree, that it is unfair to penalize people on limited incomes who are forced to sell property just to survive compared to ones who sell property just to flip it and make more money.

There is a difference and our system ought to recognize those differences.

Another copy of a letter that was sent by a constituent, Mrs. Val Leslie, formerly of Slocan, now of Castlegar, to the Prime Minister and the Minister of Finance says: "I hope you will take a look and give serious thought to all the letters you both will be receiving since the budget statement. I suggest: 1. making all businesses pay their share of taxes, not just some, and the rest get out of paying like some big companies are now. You set the rules that all the working people have to pay. Well, why not everybody, including you?"

She goes on: "It was bad enough that you and your government wasted all that money on a useless constitution but it is appalling to see the idea you have now that when a person goes to work and works for years, pays UI to the government, and loses his job or quits you take his money and keep it. That is downright robbery. Part of that money is his on loan to you, to use until he needs it so you have no right to keep it. Therefore I strongly suggest you change the rules you have made before somebody takes you to court for keeping money that is rightfully theirs". She has a bit of a wild hope there.

Finally there is a letter from which I will quote briefly from the Employee Resource Centre in Trail, B.C. It represents a lot of people who have been unemployed from the Cominco lead-zinc smelter over the past few years as it has modernized, as all of us have been urging industry to do. This year because of some particular situations in the international market it is having some large scale layoffs affecting thousands of workers in Trail in my riding and in Kimberley in the riding of Kootenay East that are going to have serious effects.

The gentleman who is co-ordinator of the Employee Resource Centre in Trail lists many of the problems including suicides that have taken place in that city because of the inadequacy of the training arrangements that have been made through the unemployment insurance system and many others.

There are many choices this government has to make in order to get the financial management of the country under control and to create jobs for Canadians. NAFTA is not one of the ways to go. The free trade agreement and the consequences of that should have shown that to be the case.

There are many other areas in which this government could move to make things better for Canadians and keep its own financial house in order. I hope it starts listening and acts upon those suggestions.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, since you indicated to me that I should do my very best to be extremely parliamentary I shall, and I shall resist the temptation to talk about the Governments of Ontario, Saskatchewan and British Columbia in so far as their electoral promises and what they have actually done with regard to controlling the deficit, the debt, services to education and health. I am referring to the cutbacks they have actually undertaken.

I should alert my colleagues to the left in true parliamentary fashion that if they persist in being unfair and insensitive to my party that I have already gathered plenty of information for at least a two-hour address on all the sins their respective provincial governments have committed, that is, the discrepancies between what was promised and what they have actually done. They have been warned.

• (1540)

Let us talk about this bill. What are the issues? The borrowing authority comes up on a regular basis, but there is a deeper issue. Should the government be going forward? Does it have the moral authority to continue to govern, particularly after four years in government, and especially after the Prime Minister himself has said—of course he was not then in government—that after four years it is traditional, it is customary, it is correct to renew the mandate or change the mandate, to give Canadians an opportunity? Does it have the moral authority? It is really quite questionable. I have support there, the Prime Minister's coach, the then Leader of the Opposition.

My colleague made some statements that I find particularly interesting and I shall follow them up. For example, he said: "How confident should we be that what is being sought right now is an accurate figure?" The government has been quite inaccurate in its predictions. For example, it had hoped and predicted that the deficit would be slightly in excess of $27 billion. In fact I think it is correct to say it is in excess of $34 billion, and that is a large discrepancy. That is $7 billion, which is a huge discrepancy.

The government indicated it would be reducing the debt as well. I have mentioned this in the House and I am always delighted to be able to do so. The former Minister of Finance wrote to me in response to a Question on the Order Paper with regard to what the debt was in 1984. It was $167.8 billion. Of course the members of government are anxious to say that it was in excess of $200 billion. What has happened is really the accumulated interest over time. Of course we know that is not correct.

It needs to be said time and time again that this is not the situation. I want you to note as well, Mr. Speaker, as I know you probably have already, that the government debt has now reached in excess of $450 billion.

Let us remember this. It was not quite $170 billion in 1984. Here we are in 1993, less than a decade later, and the deficit has gone from $170 billion to $450 billion. I would be delighted to show—if I could in this House I would—a chart of the interest rates since that time and to show my hon. colleagues as well as the Canadian public exactly what the figures would be if it was accrued interest only. Now that these numbers have been corrected I hope that government members will not brag about their control.

By the way, it is also important to say, and I am saying this in the spirit of collegiality, openness and friendliness, that it is inappropriate for the government to pretend it controls its expenditures and brag about it because it has off-loaded them to the provinces so they will have to off-load them to the hospitals, colleges, universities and the municipalities whose own debts have gone up as a result of the off-loading.

It can brag all it wants. It is a little bit like if I were to say to members of my own family: here is my debt; this is what you are going to have to do without. You are going to have to pick up some of mine. Obviously I would be well off. It is the same kind of situation.

It is important for us to ask why we are in this difficult situation. It is true that there have been difficult situations throughout the world. There is no doubt about that. I think most people would acknowledge that. It is also true to say that certain countries have managed much better than we have and it is also true to say that the recessionary policies of this government have led us to a great degree to this particular situation.

It is also accurate to say that when we look at this country of 27 million Canadians with five million people living at the level of poverty or below, more than one-half of whom are women and over a million of whom are young people and children, that these are not appropriate policies. We need to ask ourselves just how much is that costing the Canadian economy in actual dollars and cents and, more important, what is the human cost?

If we look, for example at social assistance, and I am told that this year there will be in excess of 2.3 million Canadians who will be receiving social assistance, what are the costs of that social assistance when those people could be working and contributing to the Canadian economy? They could be feeling better about themselves because they would find some mission in life other than collecting social assistance.

Over two million Canadians will be fed at food banks this year, 40 per cent of whom will be young adults. Some people call them children. It is more appropriate to say adolescents and younger. What is the cost of those food banks? What is the human cost of those people having to go to those food banks to be nourished adequately? I have not even talked about the 1.6 million and a bit more unemployed. Those are the ones that we know about. How many people have given up?

A recent study showed that every unemployed Canadian costs the Canadian Treasury an average of $15,000 and $7,000 in lost taxes. It is a huge cost.

If my memory is not failing me and I hope that it is not—I am sure that government members would be disappointed if it were—I read somewhere that the UI total bill would be in excess of $20 billion this year. No wonder we have a deficit. No wonder that the deficit adds to the debt, which is in excess of $450 billion now because of those policies.

Today in the House of Commons during Question Period I tried to remind the government as gently as I could that some of the statements being made by members of its party are not conducive to creating a strong, united country where we try to work together, try to build a better nation and reach out and try to help each other. There were some difficulties and not having that statement accepted was disappointing. It was not done with any malice in mind.

It was done to point out that whenever anyone says anything that is hurtful, as was said in those quotations that I would have liked to have entered those comments into the record, it simply pits Canadian against Canadian, region against region, the rich against the poor and does not build unity or community. It simply does not.

Let me complete my remarks by saying without a hint of arrogance, because I do not know what the verdict of Canadians will be, that it is time to call an election. I say this, not because I think it is very likely my party will form the next government but because I believe it is only fair that every four years Canadians should be able to say: Yes, we want these policies to continue or we want a change.

[*English*]

That is what we are talking about when we call for an election. No one is saying this is how Canadians will vote in an election. Canadians are saying: "After eight plus years and after a mandate that has entered its fifth year,

it is time for us to go to the polls and determine who it is that we want to govern and with what kinds of policies".

At times I am disappointed. I referred to that briefly when I talked about some hurtful remarks. My leader and the Liberal Party of Canada are going in the direction of trying to create jobs because we feel that people who are working will feel good about themselves and contribute much more than they would otherwise to this country.

I hope that this accentuation of growth in the economy could be applauded by all members from all parties.

Miss Deborah Grey (Beaver River): Mr. Speaker, I am pleased to participate in the debate this afternoon on Bill C–98, which is entitled an act to provide additional borrowing authority for the fiscal year beginning April 1, 1992.

As one who is interested in words and what they mean I was almost amazed when I saw the wording for this. In thinking that the government would provide additional borrowing authority or that authority would be given to the government to borrow another $8 billion and some more for an overdraft on an account when it thought it would keep its deficit to $27 billion.

Several months through the year the Minister of Finance said: "Oops, I am sorry. We estimated incorrectly and now we are revamping that to $34.4 billion".

If this happened in a private business this simply would not be allowed. When we look at the word "authority", we see that it would be giving power or restoring power upon someone to do that or to have the mandate to do that.

I really believe that thousands of Canadians would agree that the government has lost the authority to govern. It has lost the moral mandate to be in a position to say, trust us, we need several billion dollars more than we thought we needed. I think, Mr. Speaker, you would probably agree with me, being from Alberta, that it is not popular back home.

• (1550)

I do not think it would be any surprise to any members in the Chamber or anybody watching us this afternoon that the overwhelming opinion of Canadians, indeed those in my constituency of Beaver River, would be to tell the government: "We do not want you to borrow more money until you spend the money that you already receive in a more responsible manner".

I could quote many Canadians who feel this way passionately, perhaps even as passionately as they did in the referendum debate which we all went through last fall. Certainly money was an issue. That came to me several times as I was campaigning on the no side of the campaign. It was so important to be able to say: "Who is financing this thing?"

It was ironic for me, as I was on what in here was the unpopular side of that referendum campaign, the no side, that for every $1 the no side was spending the yes side was spending $300. Many people, rightly or wrongly, saw it all as taxpayers' dollars. Whether they were on the yes or the no side of the campaign they thought they were funding the yes side.

I know it was not all government money that was going to the yes side. Much of it was private money, but everyone in this Chamber knows that unfortunately a lot of public and taxpayers' funds were going to finance that. It left a bad taste in Canadians' mouths.

We need to be really careful we do not go to the Canadian public saying that we need this amount of money. Since 1984 when this government was elected, if we were to look at the budgets in which it was projecting what the annual deficit would be several years down the road, we would see that in the 1984, 1985, 1986 and 1987 budgets the projected deficit, what this government would be going in the hole or overspending every year, was projected in the 1991 or 1991–92 fiscal year to be just a very few billion dollars. In fact I do not have the figures with me, but I think it was supposed to be just under $10 billion.

We are seeing now that those projections, rightly or wrongly, were completely off target. As economic advisers say, they were off because of very many things that went on around the world. For instance, the U.S. recession, nobody was planning on that. It would be easy to say those factors were not taken into account, which happens in the public sector and in the private sector.

I think it would have been far more responsible for the government to come forward at that time and tell us the projections were off and the predictions were incorrect. It could have told us it was in desperate financial straits rather than telling us it was the best manager of money in this country and was the best political party for getting spending under control.

Granted, this government has perhaps spent less per capita or in absolute dollars or in percentages than the government before it. When we are facing such a crippling interest and debt load we need to spend even less than that. We cannot just break even, Mr. Speaker, as you and I both know, because we are paying 35 cents out of every dollar on interest alone.

When we look at the last budget, as I alluded to earlier, the government said it would be going in hock for $27.7 billion and now it has had to revamp that to $34.4 billion.

In the same vein of interest and debt servicing charges, I am in the middle of an interesting book right now. It is called *Bankruptcy 1995*. It is written by an American businessman named Harry Figgie Jr.

What I am most amazed and I suspect nervous about in that book is that he is using charts and graphs to explain matters. He has no political axe to grind, he is a businessman. I do not think we are unlike this in Canada but it is on a larger scale in the U.S. because it has such an enormous population. The projections that are given in this book are that the U.S. debt servicing cost will be more than the absolute dollars it takes in in taxes by the year 1995. We know that is very close down the road. It will pay out more in interest on the debt than it will accumulate in taxpayers' dollars. That leaves us with a sinkhole and to ask the question: What will ever become of this if we are not even able to pay the interest on the money that we are borrowing?

It would be easy for us to say that is the United States. It has its own problems and we have similarities but that is the way they do things in the U.S. Unfortunately recent figures indicate that per capita the U.S. debt ratio per person is 2.3 per cent while Canada's debt ratio is 4.8 per cent, roughly double.

We in this Chamber find that frightening. I can just imagine how that feels to Canadians out on the street who realize that their pay cheques are actually getting smaller and smaller. They wonder how they are going to pay their mortgages or buy blue jeans and Reeboks for their kids because they do not have the same amount of real dollars to spend as they did not long ago.

When I hear the government saying that it is cutting spending and that things are in much better shape than they were before I would just make mention of one specific instance. This is an example of where the government says it is saving so much money in costing contracts out for realty service for military members. This ERS service is a private company that is a wholesaling realty for military members as they are moving around within the country and even for those who are coming home now from the bases in Europe. This was touted as a program that was going to save taxpayers' dollars.

I have been in contact regularly with people in my constituency, realtors and non-realtors, who are very nervous about this ERS and the 30 per cent cut that would be delivered as a service fee or charge. This is enough to make a person really wonder about these actual programs that are being targeted to save taxpayers' dollars.

I would like the Minister of National Defence to have a look at this ERS and determine whether it really is a good program, whether it is something that is actually saving taxpayers' dollars or is it something that is perhaps working against what we are trying to accomplish here.

I will close my remarks by making an analogy to those of us who live on credit cards. I am sure every member in this House carries some sort of credit card. It is easy and convenient. However, if I say that my Visa bill is getting too high there is only one way for me to address that and that is to pay off my Visa bill without continuing to go around charging at various stores and putting more and more on my Visa bill. It would be easy for me to say that I can keep spending that money on it, but in order to balance that out I need to quit or cut my spending and my charging and at the same time pay off those bills. That is the only way that debt is ever going to go in the right direction.

I would advise the government to put a clamp on its Visa spending, to cut the government spending and continue to pay off this debt that is crippling us all.

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, I appreciate the chance to speak, even if it is only for a

few minutes, on behalf of my constituents of Hamilton Mountain on Bill C–98, an act to provide additional borrowing authority for the fiscal year beginning April 1, 1992.

As the House leader for the Official Opposition, the hon. member for Cape Breton—East Richmond, so eloquently stated earlier today, during the last election this Conservative government said: "Vote for us. We can manage the economy". If it was so able to manage the economy why was this Conservative Party about the only group in this country that felt it was a good time three years ago to impose a new tax, the GST? We were already in a recession. Canadians were already suffering. This Conservative government had already raised taxes over 30 times.

If the Conservatives were such good economic managers why did they impose such an unfair and badly timed tax: the GST, a tax that is costing three to four times more to collect than the former manufacturers' sales tax.

• (1600)

The GST is a tax that imposes a great deal of paperwork on businesses. It is a tax that has scared the consumer and slowed down purchasing right across Canada and, therefore, put many small businesses and manufacturers out of business. It is a tax that encouraged millions of Canadians to shop across the U.S.–Canada border affecting businesses in Canada. A loss of Canadian purchases meant a loss of jobs.

Obviously, before imposing the tax this Conservative government, which feels it can manage the economy, had not consulted meaningfully with Canadian taxpayers. It also had not taken enough time before imposing the GST to see if it was possible to administer. Therefore, we have had to put up with many changes, many of which have been made to make it easier for bureaucrats to collect this tax.

One could imagine that if this Conservative government could not recognize how much damage the GST was doing to the Canadian economy by listening to individual Canadians than bankruptcy statistics would have wakened it. This does not seem to have been the case.

Let us look at the bankruptcy statistics. Consumer bankruptcies in 1990, 42,782; 1992, 61,822. That is up 44 per cent in two years. Business bankruptcies in 1990, 11,642; 1991, 13,496; and 1992, 14,317. That is up 22 per cent in two years. Total bankruptcies in 1982, 41,843; 1990, 55,279; 1991, 75,773; 1992, 76,139. That is up 37 per cent in two years.

My constituents in Hamilton Mountain do not happen to think this government knows how to manage the economy; those who have lost their jobs, those who have lost their businesses, those who cannot afford to go to school, those who have been forced to retire early, those who cannot find jobs and those who need to go to soup kitchens tonight to get their dinner.

If this Conservative government still thinks it can manage the economy it should call an election and ask for once, consult for once, the Canadian people. Ask Canadians if they trust this government to lead them during the next four years.

My constituents do not want to give this government the right to borrow up to $8.2 billion. My constituents in Hamilton Mountain and I would guess that most Canadians want this Conservative government to call an election right now.

Mr. John Manley (Ottawa South): Mr. Speaker, in the moments I have available to me to speak about this request for additional borrowing authority let me say a bit about the deficit and debt situation the government got us into. This is a request to borrow an additional $8.2 billion on behalf of the Government of Canada in addition to the borrowing authority that was granted to the government earlier in this financial year based upon the 1992 budget presented last February 25, almost a year ago now, by the current and then new Minister of Finance.

The fact that it has had to come forward and ask for more money is yet another in a series of failed projections on the part of this government in terms of its ability to forecast its revenues and expenditures for the financial years in advance. I find this chilling because $8 billion is a lot of money. It also comes from a government that from 1984 onward tried to make financial issues, particularly the reduction of the deficit, its credo.

Think back on some of those budgets. Think of May 1985 when the then Minister of Finance and current Minister for International Trade said: "This budget represents a major step toward controlling the growth of the federal debt". That was his first budget.

That in itself was an interesting time. Remember that the election was held in September 1984. In November 1984 the Minister of Finance got up and talked about

how the previous government had been spending so badly. In fact he said: "If we do not bring in measures today the deficit by the end of next March will balloon to $34 billion". That is what the minister said in November.

Do you know what? By the end of March he had managed to jack the deficit up to $38 billion. That is $4 billion more than he said it would have been if he had not brought in the restraint measures that he did in November 1984.

What that means is that he spent every nickel, dime and quarter he could find up to the end of the March 31, 1985 fiscal year so that for evermore he could go around saying: "Look at the deficit the Liberals left us". That is completely hypocritical.

In February 1986 he brought in his second budget. What did he say then? "Over the last 18 months, concrete steps have been taken to correct the fiscal imbalance." On it goes to February 1988: "With the fiscal plan presented in this budget, the government sets out a solid five-year fiscal track of significant deficit reduction and debt control". That was before the election. Things got a little soft in election year, people will recall.

In the April 1989 budget, after the election, the Minister of Finance said: "Today we are acting. The government is bringing down a budget that will build for our future and not borrow from it". At that time the net public debt was about $320 billion. Since then, instead of borrowing from our future the minister has borrowed an additional $100 billion, not including the $8 billion he is asking for today.

In February 1990 the former Minister of Finance said: "Within five years the government will begin to buy back its bonds and treasury bills". On February 1991 he said: "We will put government finances firmly on the course to a balanced budget". As I say, last February the minister was still saying things like that. He finds himself today $8 billion short in his requirements for borrowing.

Let me go through some of these numbers because it is very interesting. Take for example the budget deficit for the year that ended in 1992. It came in at $34.6 billion. That was fully $4.1 billion more than had been predicted in the budget. It was just under $8 billion more than had been predicted two years earlier by the Minister of Finance.

Those kinds of projections and predictions have been repeated over and over. In the 1990–91 fiscal year the actual deficit was $30.5 billion. In June 1983, when he wanted to be Prime Minister, do you know what the Prime Minister said it was going to be? He said it would be $3.1 billion. It was only 10 times bigger. I guess maybe that is close enough for Tory finance.

On it goes. The budget deficit of this year, 1993–94, has had a number of predictions made for it. In April 1989 the government said that the 1994 deficit, the year upcoming, would be $15 billion. In 1990 it said it would be $14 billion. In 1991 it said it would be $16.6 billion. In 1992 it said it would be $22.5 billion. In December in the economic statement, do you know what it said? It said it was going to be $32.6 billion for the current year. They said in December 1992 that the deficit was going to come in at $34.4 billion. What was the budget prediction? It was $27.5 billion.

• (1610)

What did the government say before? In February 1992 it had said that this year's deficit, instead of $34 billion, was going to be $24 billion. What did it say back in the budget of February 1988 for this year? Remember it is coming in at $34.4 billion and the government said it would be $29.5 billion.

What a complete hash of the public finances of Canada has been made by this government. How it can continue to put forward platforms that talk about fiscal restraint, responsibility and meeting its budget targets is beyond me.

Not to say that hypocrisy belongs solely to the governing party. There is a lot of hypocrisy I have heard today in various debates coming from the left as well. When the NDP talks about budget deficits, being from Ontario I can say it knows what it is talking about.

Listen to what the leader of the NDP said on February 8 in Montreal. She was talking about Bill C-91. She said the Liberals in the Senate could have defeated the bill if they wanted to. They could have defeated it "but they chose not to". In fact, listen to these numbers. When the Senate voted on that bill 75 per cent of the Liberal senators were present to vote. When the bill was before the House of Commons—listen to them sing—out of 44 NDP members only 29 bothered to show up and vote. That is exactly what the NDP is all about.

I am sorry time has run out because I know my colleagues to the left want to hear more about the NDP record, particularly in Ontario, but we will leave it at that for today.

What is clear is that the problems of the deficit and the debt that are compounding in Canada at the federal level and provincially have to be addressed in a co-operative and clear way before it is too late.

The Acting Speaker (Mr. Paproski): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Bonavista—Trinity—Conception—Canadian Forces Reserve; the hon. member for Trinity—Spadina—Immigration; the hon. member for Notre-Dame-de-Grâce—Immigration and Refugee Board; the hon. member for Winnipeg—St. James—Grain Industry; the hon. member for New Westminster—Burnaby—Economic Statement.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, as others have said, it is quite remarkable after this government's record on the economy and the deficit that it would be coming to this House to borrow even more money rather than addressing the concerns of the Canadian economy and addressing the concerns of Canadians to turn this economy around.

Rather than admit errors in the past, admit errors in economic policy, or the lack of economic policy, this government continues on the same track. It is not only satisfied to lose half a million Canadian jobs to the Canada-U.S. Free Trade Agreement but is pursuing further free trade agreements with Mexico with the risk of yet further job losses and further businesses going under.

Rather than admit to the errors of the past which have given rise to 1.6 million Canadians on unemployment insurance and over four million Canadians having to rely upon social programs in order to live, this government continues on the same path of increasing the deficit and increasing the debt, rather than bringing Canada's economy into sufficient shape so that we can pay off those debts which were accrued during years of Liberal federal governments and added to by Conservative federal governments.

In contrast, one might look at the Governments of Saskatchewan, 31 years of CCF and NDP governments with balanced budgets. Not one budget was not balanced in those 31 years of government in Saskatchewan. However, with seven years of Liberal government in the middle with deficits and nine years of Grant Devine's Conservatives with record deficits Saskatchewan was left with the highest per capita debt in the country.

What it proves is that if we have Liberal and Conservative governments we have debts; we have long-term debt and we have deficits. If we have NDP governments faced with a reasonable situation when they start we have the opportunity for balanced budgets.

For the first time in a decade in the province of Saskatchewan the deficit is being brought under control, at great difficulty because of federal off-loading on to the provinces, on which I will comment in a minute.

Of course the problems faced by the government of Premier Rae in Ontario arose initially from the huge debt left by the Liberal government of Premier Peterson. The record is quite clear on that. Any Liberal member who wants to read about it and find out about it can do so.

In Saskatchewan, my province, we are faced with considerable problems arising from the economic policy and the fiscal and monetary policies of the federal government. Times are very tough in the province of Saskatchewan as a result of years of off-loading by the federal government on to the province. The government of Premier Romanow is faced with having to pay off these debts so that we can get the banks and the bonding agencies off our backs and we can take charge of our own province again. Fighting against this Conservative government, fighting against this off-loading, makes this extremely difficult.

We should not forget that the off-loading on to the provinces, the reneging of federal responsibilities toward the provinces, began with the last Liberal government, which in terms of EPF funding made three major cuts to the provinces. Again we see not only Liberal and Conservative governments generating debt and deficit but we also see them at the federal level following the same policy of transferring federal government debt on to the provinces and of reneging on federal responsibilities generally unilaterally, placing a huge burden on the province of Saskatchewan.

In terms of accumulated cuts in established programs funding by both Liberal and Conservative governments, we see almost $1.2 billion taken away from the moneys which would otherwise have gone to the province of Saskatchewan to provide services to its people. With regard to economic development we see reductions of over $20 million per year from the level of federal government funding.

In terms of agriculture we see off-loading by the federal government on to the province which will require the province to pay an extra $232 million or almost $233 million in 1991-92 and $215 million in 1992-93.

In almost every area of activity which has an impact on the people of Saskatchewan this government and the Liberal government before it transferred enormous burdens totalling billions of dollars. Indeed last year alone the Saskatchewan projected deficit at about $500 million was pretty much equal to the off-loading from the federal government on to the province. But for that off-loading Saskatchewan would have a balanced budget in spite of its huge accumulated debt.

In addition to these very open shifts of responsibility and shifts of burden to the provinces there are others that have added to the burden of the people of Saskatchewan and constituted a reneging of federal government responsibility.

• (1620)

Turning to the Drug Patent Act which was passed in the Senate recently and to which the former speaker made reference, we note that 38 Conservative members in that other House voted in favour of the drug patent legislation and 31 Liberals voted against it. If all the Liberal senators had been there this bill could have been killed.

The Liberals make a big fuss of fighting the patent drug bill in this House and then when they have the opportunity to defeat it and actually make a decision to benefit Canadians they avoid that responsibility.

The drug patent changes threaten the very existence of the Saskatchewan drug plan, as the finance minister of Saskatchewan has indicated. Again this adds to the burden of the people of Saskatchewan.

Unemployment insurance changes will mean that in 1992-93 an additional $19.4 million will be added to the taxation burdens of Saskatchewan, another loss from the federal government. In terms of law enforcement it is over $1.5 million extra because of changes to RCMP policies. The list goes on and on.

It is remarkable this government would ask to borrow more money when it increased taxes on ordinary Canadians while it provided extra breaks to those who are better off, increased the accumulated debt and cut services. How can the government's financial situation be so bad when taxes have gone up and services have gone down? Yet the debt goes up. How can this be?

In conclusion, the thrust and the impact on Saskatchewan have been disastrous. Clearly the only approach for the government to take is to change its approach to the economy. Instead of being obsessed with inflation, interest rates and so on, it should start thinking about Canadians, those 1.6 million Canadians who do not have jobs, those 1.6 million Canadians who are not able to provide for their families in the way in which anyone would hope to do.

Rather than follow free trade policies which do not work it is time that the government changed and listened to what New Democrat governments and federal New Democrats are talking about, that is to put job creation first to get the economy working.

If we look at the numbers we see that for every unemployed person in Canada the economy suffers to the extent of $55,000. If we put one more person back to work the economy of Canada benefits to that extent. If we put one more person back to work, even in terms of government revenues the government would be $17,500 better off. Yet the concentration has nothing to do with job creation. It is following the big business international corporate agenda of free trade.

It really is time the government put Canadians first, started to create jobs and got this economy moving.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, we are talking today about borrowing an additional $8.2 billion.

Canadians were told that the GST revenues were going toward paying off the debt. Some portions of the debt have been paid off. Today we are talking about reborrowing that money, not benefiting from having paid off some our debt.

Canadians are asking some very legitimate questions. How come we are paying 38 new taxes? How come individual working Canadians are paying more than their share of taxes eight years ago? How come we have the GST which is supposed to generate revenues and fix the fiscal situation in this country? How come we are paying more and getting less? Those are questions Canadians are asking themselves. My colleague from Ottawa South has done an excellent job of demonstrating that there is only one answer to that question and the answer is mismanagement by this government.

The member for Ottawa South documented repeated promises in every budget this government has brought forward since 1985: "We are putting in place tough new fiscal policies; we are charging you more and we are giving you less because we have to bring down the debt and we have to bring down the deficit".

The bill before us today does neither of those things. It adds $8.2 billion to the debt and it adds billions more to the deficit.

After eight years of saying this was the way to bring down the debt and the deficit, one would think that maybe the government would get the message that its plan is not working. It did not work in 1985. It did not work in 1986. It has not worked in any year since, and it is not working now.

Perhaps the government would like to tell us why we now do 25 per cent of our borrowing outside this country. Why are its policies shifting $22 billion in interest paid on that debt out of Canada, out of the Canadian economy, out of where it might do some good by creating jobs and creating economic growth for Canadians? Every day $22 billion is going out of the country because of its borrowing policies.

Not only that, but assuming a 50 per cent tax rate that is $11 billion in taxes Canadians are not collecting because foreign lenders do not pay taxes in Canada on the interest we pay them. Because of the foreign borrowing policies of this government $33 billion are lost to the Canadian economy.

We had a statement in December that was a repeat of the same old promises: "We have to toughen up. We have to tighten up. We have to get tougher on Canadians so that we can bring down the debt and the deficit". After hearing that for eight consecutive years Canadians are not believing it any more. Even the Conference Board of Canada is not believing it.

In its recent report the Conference Board of Canada indicated that the government's economic statement is contradictory: While on the one hand it is in a minor way stimulating the economy and predicting 2 per cent growth in the GDP this year, on the other hand it is freezing wages and cutting UI payments. The Conference Board of Canada says the effect of that is to dampen economic growth.

Two measures alone, the changes in UI payment and the freeze on Public Service wages, will cut projected growth this year by 10 per cent. The Conference Board of Canada goes on to issue another warning. The provinces are squeezed by this government for money, by this government which has opted out of its cost sharing agreement with the provinces. If the provinces have to make up the shortfall by also freezing wages, perhaps even to hospitals and municipalities, it will have a further dampening effect on economic growth.

Does it make sense when this country is trying to pull out of a recession, when the government keeps telling Canadians we are pulling out of a recession, to have the government putting in place measures that are going to make it more difficult to pull out of the recession?

I want to shift for a few minutes to the impact on people. I see that impact on people every Friday when I am in my constituency office meeting with constituents. At least half those meetings are dedicated to people who do not have jobs. Highly educated people who have held highly responsible positions are out of work, have used up all their UI entitlements and are now on welfare. They are trying to keep a family together, trying to keep a home together, or trying to keep the kids in university. In some cases they are trying to keep the kids from dropping out of high school to go to work and support the family. They are desperate. There is despair in this country. There is anger because of the policies of this government.

• (1630)

I meet with young people fresh out of school. They have done everything we told them to do. They got educated and trained but they cannot find a job. They see themselves with no future. That is what the policies of this government have done.

I talk to people who all their lives, despite a lack of education, have been able to get one job and if they lost it then get another job. They have survived and they have managed very well. Suddenly toward the end of their working lives they are desperate because they do not see that other job coming. They are asking themselves what they have worked so hard for all their lives. They are asking why they have paid taxes to a country that they thought was the best country in the world and then there is no room for them to work.

We cannot overestimate the demoralizing effect this is having, the way in which it is undermining the very fabric of our society. People see their money being stripped from them because they were wise enough to save for their old age and provide for their own retirement. They see no future for their children.

The middle income families in my riding are despairing because they are seeing their property taxes rise as a direct result of the policies of this government. It has said it will not use the unemployment insurance scheme to take care of people who lose their jobs but will expect the municipalities to do that through the welfare system.

Many of these people who see their property taxes increasing to meet an obligation of this government are themselves unemployed. People sense that something has gone terribly wrong with this country. They want back the belief they had in this country, the belief they had in the future. They want back the confidence that we can keep building a good future for our children. That is what this government has robbed them of.

They know they are not even getting the straight goods. This government says on one hand it is collecting $28 billion in GST and on the other hand it is collecting $29 billion. It cannot account for a billion dollars when people are being overtaxed, when there is no money to invest in science and research, and when commitments made to protect the environment are being broken everyday. One way or another we are taking nearly $30 billion out of the economy through the GST, but how much are we actually getting in revenue? We are getting $15 billion in revenue. Is that a sensible tax when we collect twice as much as we really need? Where is the other $15 billion going?

These are big amounts we are talking about. Canadians want some accountability and responsibility because they know they cannot trust the promises of this government. It has done exactly the opposite of everything it said it would try to do.

We see small businesses going out of business. The main generators of new jobs in this country are going bankrupt at an alarming rate. We are failing in every way to invest in our future. We are failing to invest in our young people. We are failing to invest in knowledge. We are failing to invest in cleaning up our world.

There is despair in the country and it is a result of the false promises and total lack of performance of this government. It is time for a cleansing. It is time for a change. It is time for some honesty and straight talk with Canadians. It is time for a government that wants to fix the problems.

[*Translation*]

Mr. Alfonso Gagliano (Saint–Léonard): Mr. Speaker, I also appreciate this opportunity to take part in the debate on Bill C–98, an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992 and soon to end on March 31, 1993.

For more than eight years I have had the privilege of representing the constituents of the riding of Saint–Léonard in this House. I remember during the election campaign in 1988 when the Conservative Party said clearly that it would put the government's financial house in order, reduce the deficit, reduce the debt and create jobs. All Canadians will remember the slogan: Jobs, jobs, jobs. Today, in the fifth year of this government's second term if we look at what the government has been able to achieve and at our situation as a nation, we see we have more than 1.5 million unemployed, any number of food banks, more than two million people on welfare, and I could go on about the homeless and the rest.

If we look at the Public Accounts, on March 31, 1984 the deficit was around $34 billion. According to the forecasts of the Minister of Finance, not those he gave in the February budget last year but the revised forecasts he gave last fall, on March 31, 1993 we will have a deficit of $34 billion. This comes after an economic recovery, more

than 30 tax increases and new taxes and steep fee increases for federal services, including immigration, citizenship and passports. These are all taxes in disguise, and in fact government revenues have increased. Sales of Crown corporations, tax increases and increases in fees for federal services are all increases in revenue.

However, after eight years and some months, we have a deficit that is more or less the same as when they came to power, and we have a debt that has more than doubled. This government has been a complete failure as far as financial administration is concerned. It has also put us in a financial situation that will paralyse us for years to come, because a substantial percentage of our debt is not owed to Canadians but to foreign countries, which will make it very difficult for us to have a Canadian monetary policy.

The hon. member said earlier that it was a matter of people, and I agree that behind the figures I just mentioned are human beings who are affected by the decisions we make here, by everything we do on whatever side of the House we happen to be. In fact, I would like to share my experience of last Sunday. Two government ministers, the Minister of Employment and Immigration and the Minister of Justice, said we were separatists. No one is more of a federalist than the member for Saint-Denis, the member for Westmount, the member for LaSalle—Emard or myself. I do not have to prove that I stand for Canada. I make this aside just to correct some things that were said.

• (1640)

I went there that Sunday because some constituents had asked me to go and I wanted to support them and be there with them, even though the weather was bitter cold. When it is -25C it is quite something to walk from Lafontaine Park to the Guy Favreau Complex at the corner of Jeanne Mance and René Lévesque Boulevard.

But what did I notice on seeing that crowd? You can challenge the figures but I can tell you that there were a lot of people there. I never saw such a demonstration. We could sense their frustration. It was a cry of alarm because people cannot take it anymore. I am sure that all members, whether on the government side or in opposition, sense that frustration when we are in our riding offices. We meet people who are on welfare because they have lost their job and no longer qualify for unemployment insurance, so they cannot pay the rent and feed their family and their children. Some people who lose their jobs do not qualify for welfare when their unemployment insurance runs out because they have a small property, like their own house. It is hard when we meet them.

What I noted is that the demonstration was against all this. It was not just against the changes to unemployment insurance. It was against the policies of this government in the past eight years. They have had enough. That was why they were sounding the alarm.

After this demonstration, an editorial writer, Alain Dubuc, well described the feelings behind it. I would like to quote this editorial from *La Presse* of February 9, 1993, entitled "Cry of Anger":

> For a long time we had not seen 50,000 people in the streets of Montreal for anything other than a celebration. Those mainly responsible for this feat are not the big labour bodies that organized Sunday's demonstration against Bill C-105 but the Conservative government which handed them this mobilizing issue on a silver platter.
>
> With minor amendments, Brian Mulroney and the minister, Bernard Valcourt, could easily have short-circuited the opposition.
>
> Most Canadians and Quebecers are not opposed to the basic purpose of this law, that the government refuses to pay unemployment benefits to people who choose to quit their job and not to work. The debate is not on that principle, but on the way the bill would be implemented, especially the risk of bureaucratic errors and abuse by employers.
>
> The real mystery is that the federal government did not agree to make these relatively simple changes that would not have affected the underlying logic of the bill. If Mr. Valcourt had been open, he could also have dispelled some fears that are not always founded.
>
> Ottawa's attitude is hard to explain, except that we are already in the period leading up to a federal election. It is quite possible that the Conservatives' intransigence is not a blunder but part of a strategy. Confrontation with the unions and the left that is close to the NDP certainly does not hurt the Conservatives. On the contrary, this polarization helps the Conservatives bring back right-wing voters who had been drawn to the Reform Party.
>
> This would be a sly calculation if the upsurge of anger as seen in Montreal on Sunday concerned only the technicalities of Bill C-105. That is not the case. This indignation is also due to the image of

> insensitivity of a government that is zealous in this bill after it made a virtue of not acting to help the unemployed or speed the recovery.
>
> On the contrary, this anger is likely to bring people together, whether they are on the right or on the left, because unemployment and uncertainty affect them regardless of party label.

This editorial reflects pretty well the feelings of those who took part in that demonstration. How many times have we in the opposition and the Leader of the Opposition asked the government to present an infrastructure project? It answers that it cannot act because it lacks the necessary funds. But when it comes to crushing the unemployed we saw the insensitivity of the Minister of Employment and Immigration today. When he was asked how much it cost to hire 100 more investigators in 1992 he replied: "I don't know. It's not important". The important thing for him is that hiring these additional investigators saved the unemployment insurance system $200 million. This $200 million does not have a human face; he did not care about the human side. The government has always neglected to put people first.

[*English*]

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, needless to say in standing to oppose Bill C-98, I am standing to oppose the failure of this administration to deal effectively with the major responsibility that it has and that is to deal responsibly with the tax revenues in this country. This bill is an admission of that failure.

This year's deficit is over $7 billion higher than was projected. Next year the deficit is projected to be about $32.6 billion which is twice the amount that was projected last year. If we look at the interest payments alone over the next couple of years we are looking at over $40 billion in interest payments on the debt alone.

That has to be an admission of failure. The government is broke. It is out of money. It has to come back to the House for approval to borrow more money to continue to do its job and do it inadequately.

We are basically being asked to write a rubber cheque. I think the members on this side of the House find that particularly problematic. The fact that the government has to come to the House and extend its borrowing authority through this bill is an admission of the failure of the last nine years of its administration.

Actually it goes back even more. Let us not blame it all on this government. When it came into power in 1984 it was already dealing with a deficit that was spiralling out of control because of the fiscal mismanagement of its predecessor which was the Liberal government of that time. It had ballooned the deficit to I believe some $179 billion in 1979-80.

Unfortunately, rather than dealing with the deficit and bringing that deficit down to manageable levels, it has taken that debt and more than doubled it from $179 billion to today where we have an accumulated debt of over $400 billion facing Canadians. It is an admission of failure.

I can recall when the Prime Minister was first elected some nine years ago. In his first speech to the House of Commons he made the comment: "Give us 20 years and you will not recognize this country". We have only had nine years and looking around we already do not recognize the Canada we have today compared to the Canada we had before this government came into power.

It has been nine years of fiscal mismanagement, nine years of misdirected priorities, nine years of economic failure. The Canadian people are tired of the misplaced directions this government has led this nation, all the while touting itself as a responsible financial manager.

This is nothing if not a legacy of failure. It has continued to follow the divine rule of supply side management, the trickle down theory, where if we loosen up the tax policies for those at the top echelons of society, the wealthy individuals, the large corporations, if we loosen up the purse strings and allow them to keep more of their revenue by reducing their tax structure then they will be able to blossom economically and the rest of the country will follow along in suit. That is known as the trickle down theory. It has not worked.

I think I speak on behalf of all Canadians when I say that Canadians have been trickled on enough and are tired of the policies of this administration. They are tired of the Reaganomics this government has practised over the past nine years. Look at our neighbours to the south. We have had a change in the political winds. President Clinton has recognized full well that there needs to be a substantial change in the economic policies and priorities

of our neighbours to the south. That is why President Bush was kicked out of office. It was because the Americans were tired of that same kind of economic mismanagement.

• (1650)

This is a doomed policy. This government by following the policy is doomed to relegate itself to the dustbin of history. It is proof that we cannot wring out of the economy an economic recovery by strangling the very social programs which provide the safety net for those people during tough times.

The government has targeted our social programs, unemployment insurance and the income assistance programs as being the culprits for the reason it is having such difficulty balancing the books. I want to say that only 6 per cent of our debt load is actually due to the cost of social programs.

When we break down the debt load of this country and analyse where most of the debt has accumulated from we see that over 40 per cent of that debt has resulted from compounded interest. While this government continued to follow a high interest rate policy it was burdening itself with an increasingly higher debt and it had less and less ability to follow.

The remainder of our debt is simply due to the failure of this government to recover the tax revenues that were due and payable to it by its corporate friends across Canada who stuck billions of dollars away in deferred tax payments, through tax loopholes and other schemes such as the billions of dollars that have been hidden away in family trusts. It does not cancel those. It does not close those loopholes. It does not say to the corporate sector of Canada that it is time to pay its fair share.

What government does is burden the unemployed by bringing in Draconian new measures which are going to decrease the insurance that our unemployed Canadians have had as a kind of safety net to get them through these tough times. They are burdening Canada's weakest element, our unemployed Canadians, those who have been out of work for some time by cutting back on the very programs that provide them some degree of security.

It is proof that this kind of policy direction does not work, has not worked and will not work in the future.

The debt problem has been made a lot worse because of the implementation of the free trade agreement back in 1988–89. When that agreement was brought into force overnight we lost over $2.2 billion in tax revenues that should have come to the Crown but no longer did because of the reduced tariffs. That was immediately. Over the years that have followed we have lost billions and billions of dollars in taxes as a result of the reduced tariff structure. Above and beyond that we have lost over 500,000 jobs which directly or indirectly are attributable to the impact and the implementation of the free trade agreement in Canada.

We have had an economic haemorrhaging of tax revenues and an economic haemorrhaging in terms of job losses in this country, which is scandalous to say the least. As well we have hundreds of businesses moving south. Those jobs will not come back to Canada. They are gone. They are gone for good. We are undergoing an economic revolution in this country in terms of the restructuring that is taking place. The jobs that are leaving are leaving for good. They will not be back and we have to find some way of regenerating some sort of economic growth in light of that reality.

We have permanent restructuring going on in this country and the government talks about the need to become competitive. I do not disagree with that. We do need to become competitive. But the policies this administration is trying to implement in order to develop competitiveness in this country are in the wrong direction.

The tools for competitiveness in a knowledge based, information based economy are the tools that are put into the hands of people to generate the skills, and the training, the knowledge, the research and development that is necessary to develop the kind of knowledge–based, information–based infrastructure society needs today to compete with those highly developed communities throughout the Pacific rim and the other countries we are competing with on a global basis.

This government has not recognized that. Instead it continues to cut funding to our provinces, to cut the cost shared programs. It is strangling the economy rather than finding ways of investing in our economy to put people back to work and create the long–lasting knowledge–based jobs that are required if this country is ever

going to be front and centre with a competitive and vibrant structure in our global economy.

This is the wrong direction the government is taking. It is going to suffer when it comes to an election because the people of Canada are no longer willing to put up with the mistaken policies and the mistaken economic direction this government has followed.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I would like to use the few minutes that are left to address the questions raised by this bill to extend the borrowing authority of the government and to provide for some $8 billion. As many speakers have indicated, that reflects an increase in the actual deficit for this fiscal year from the $27.5 billion originally estimated to the present estimate of $34.4 billion.

It is interesting to note what is the chief source of this increase in the estimated deficit. It is attributable to an $8 billion decrease in revenue. To what is that attributable? Fundamentally, it is attributable to the fact that we now have 1.5 million people unemployed. It is attributable to the fact that we had 76,000 bankruptcies last year. In my own home town of Windsor, where the unemployment rate is 14 per cent, there is an indication of the damage this government has done to the economy which is ultimately that to which the problem must be attributed.

I want to put emphasis on the fact that in Windsor the unemployment rate among youth is 25 per cent.

An hon. member: Shameful.

Mr. McCurdy: It is 25 per cent. We know that we have been overwhelmed with all kinds of means to save money, mostly consisting of a tax on the unemployed. I just want to take this opportunity to suggest to the government it did not need to attack the unemployed. I say that because of the savings which have been generated in the financial statement, most of which come from changes in UI: $500 million from a decrease in the percentage of wages that will be paid through UI and another $300 million by virtue of the Draconian attack that expresses itself in attempts, for example, to mount the PC KGB.

What the government might have done, just to give a few examples, is to take a look at the meals and entertainment expense deduction, which is worth about $1 billion. Actually, I think it would be very useful to have spies to count the escorts that are being paid for by our taxpayers through those deductions.

Perhaps it should look at the private family trust tax break which was generated not by the Tories but by the Liberals. By the way, that tax break was among a bunch of tax breaks generated in the 1970s by the previous government to help the rich and help the corporations that are cutting back on those things we need now which contributes to the problems we have. Take a look at that.

How about the tax cheaters? How about the fraudulent taxes? How about the shell game that goes on among multinationals to cheat Canadians out of taxes?

Yes, there is an alternative. The real alternative is the New Democrats and their leader.

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 yeas have it.

And more than five members having risen:

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

And the division bells having rung:

The Acting Speaker (Mr. Paproski): Order, please. The government Whip has advised me that the vote will be deferred until Monday at six o'clock p.m.

It being five o'clock p.m., pursuant to Standing Order 36, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

FISHERIES

GRAND BANKS

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception) moved:

That, in the opinion of this House, the government should take immediate action to extend custodial jurisdiction for northern cod over the nose and tail of the Grand Banks.

He said: Mr. Speaker, I rise to speak to this motion that has been in the making for a long time. I want to read the motion again. It reads:

That, in the opinion of this House, the government should take immediate action to extend custodial jurisdiction for northern cod over the nose and tail of the Grand Banks.

This is a private members' motion that I put forward. It is not the first time this subject has been discussed in the House. There have been emergency debates on it. There have been opposition days and in the last four and a quarter years—I did a quick tally before I came to the House today—the subject has come up very close to 50 times one way or another.

This will be a votable motion so I would enjoin my colleagues from all sides of the House to pay attention to what we are discussing here because they are going to have to vote yea or nay on this subject.

Anybody watching this debate right now may say: "Well, why is this subject coming up at this particular point in time?" I will explain why it is coming up at this particular point in time. I came to this House 50 months ago and made a speech in which I talked the about necessity for Canada to take control of its fishing area. I talked particularly about taking control over the nose and tail of the Grand Banks which traditionally for 500 years have been part of the Newfoundland fishery and the Canadian fishery.

I have used almost every occasion in this House when the subject of fisheries has come up to encourage the House and Parliament to approve the motion so that Canada could control its straddling stocks of groundfish, particularly northern cod.

It has been a fixation with many that this be done. I am not saying that this is my only mission here but when I campaigned to come to this House of Commons, I had two concerns. I stated them and they are on the record. One was my opposition not to free trade but to the free trade agreement as it was negotiated. The second one was my concern that we should as soon as possible establish Canadian jurisdiction over the nose and tail of the Grand Banks.

I have given many speeches and my colleague behind me has given many speeches, as I said earlier. We have attacked it from the chronology of why we want it. We went through the chronology of the fact that Canada is in a unique position because it has a unique and large gradual continental shelf that goes out to 200 miles. In certain cases, it goes beyond. That is what makes this case unique.

We have argued that in an international court of law. International marine law is conducted differently from civil law and we have made the case, I am confident, that this motion is doable. We can go before the Court of International Justice and Marine Law and plead our case. We could have done so years ago. If we could have done it then we at least could do it now.

In an effort to perhaps try a different approach to convince my colleague and this House to take this action and to vote positively on this, let me work it backward. Let me explain where we are now, why we are where we are now and what this motion will do to perhaps alleviate the situation.

On July 2, 1992 the Minister of Fisheries and Oceans announced a two-year moratorium on northern cod. This is a migratory straddling stock off the coast of Newfoundland in NAFO, the Northwest Atlantic Fisheries Organization, area 2J-3KL. The 3KL area is adjacent to my riding and to the northeast coast of Newfoundland.

The government established this moratorium in the belief that a complete closure now offered the only chance for the spawning biomass of the northern cod stock to recover quickly to long-term average levels.

The estimate was that 9,000 fishermen and 10,000 plant workers and trawlermen would be thrown out of work as a result of this moratorium. The Atlantic Provinces Chamber of Commerce believes that the moratorium will affect 80,000 people in the Atlantic region, including 60,000 people in Newfoundland and Labrador. I have to add sadly that in a part of the country where a steady job is a status symbol this is atrocious. It is sad.

This is an unprecedented step. It will go down in history as an unprecedented move by any government. History will record why it was necessary. Let me explain why it was necessary. We have as a result of this action Canadian trawlers that are secured to the dock and processing plants that are closed. Foreign fleets can still fish with impunity outside the 200-mile zone.

The concern is that the European Community countries have more than overstepped their mark. They have more than caught their quotas and have more than ignored the warnings, the admonitions and yes, the diplomatic efforts of this government to cease and desist.

• (1710)

For the record, I want to give you some indication of how badly these transgressions have been. Since 1986 the European Community has consistently exceeded its quotas allocated by the Northwest Atlantic Fisheries Organization. I will use the abbreviation NAFO. It has no less than plundered the cod stock. NAFO, I should explain, is responsible for managing 10 fish stocks, groundfish, off the northeast coast of Newfoundland.

In 1986 Spain and Portugal in particular, which were new members, began setting their own quotas of the NAFO-managed stock and on northern cod, which is recognized as a Canadian stock.

Here are some examples: In 1986 the European Community's NAFO quota for all groundfish species—and I will round the figures off—was 26,000 tonnes. What was the catch? One hundred and eleven thousand tonnes. Between 1987 and 1991 the quotas totalled 90,000 tonnes but they reported catches of 270,000 tonnes.

In 1990 the European Community fleet scooped up 98,000 tonnes of groundfish worth more than $100 million. This amount was 82,000 tonnes in excess of the NAFO allocation. Non-NAFO fleets took an additional 40,000. The impact of this overfishing has been devastating.

The scope of this piracy was even greater when their catches of northern cod are singled out. It had a northern cod quota of 9,500 tonnes in both years of 1986 and 1987 and was not allocated any quotas beyond; 1988, 1989, 1990 and 1991. Yet, during this six-year period the European Community harvested more than 220,000 tonnes. I have to say now that a thousand tonnes of cod relates purely to about 30 to 40 jobs. If we look at the seasonal nature of the industry it works out to about 100 full-time jobs. So a thousand tonnes is 100 jobs. I just talked about plundering 220,000 tonnes.

During this six-year period the Canadian total allowable catch for northern cod fell by 28 per cent, from 266,000 tonnes to 199,000 tonnes. The European Community increased its effort by 30 per cent and our total allowable catch was reduced by 30 per cent, to speak in rough figures.

As deplorable as this is, what was the government in power doing at the time? A good question. Let me describe what it has done.

In response to this blatant overfishing the European Community had been denied allocations of non-surplus stocks in Canadian waters. Then we had the constant travel across the Atlantic by the external affairs minister and the minister of fisheries. We had members of the diplomatic corps and civil servants from the Department of External Affairs, and indeed politicians, going across in the last four years to try to get the message across to the European Community countries that we will not be able to withstand this, it must stop overfishing. It is like telling a child that he or she cannot do something, and yet not resorting to any form of carrot and stick philosophy.

The Conservative government continued to place its faith in NAFO, oblivious to the fact that this has been shown to be a feeble organization with absolutely no powers of enforcement.

NAFO instituted a hail system in which the fishing vessels were required to report when they entered or left NAFO zones. The system was intended to make it more difficult to misrepresent or under-report catches. Violators would be answerable only to the authorities in their native countries. If you transgress against Canada go back to Spain or Portugal and see what your government wants to do about it.

Here is another example of the stick and carrot method and how effective this was: The European Community was assigned a patrol vessel to the northwest Atlantic for seven months in 1991. The idea of the vessel was to complement Canada's aerial surveillance outside the 200-mile zone, specifically in the nose and tail of the banks.

However, in this seven-month period there were no reports of any arrests by this patrol vessel during its tour of duty.

After countless efforts by the government, countless speeches and countless efforts by this side of the House to enforce Canadian jurisdiction over the nose and tail of the banks, that little portion outside the 200-mile zone that we have not been able to control, on December 21, 1992, when everybody was away starting their Christmas holidays on the Monday of Christmas week, the government came out with a press release. It said: "Finally an agreement has been reached to end serious and long-standing fishing problems with the European Community".

What did all this mean? It meant that the European Community one more time said it was not going to transgress against NAFO allocations and was not going to catch any fish. Why was it not going to catch any fish? There is no fish there to catch. It is a perfectly logical thing for the European Community to do. When all our fish have disappeared the trawlers are tied up and Newfoundland and Atlantic Canadian fishermen cannot go fishing any more. Is it any wonder that the European Community agree with our government who says: "If you promise not to fish, we will do a whole bunch of things for you".

One of the things we did was to open up our ports to these communities because they are not going to fish anymore. I wonder if they went out to fish off the Grand Banks what they would catch. The House of Commons is not the place to say what I hope they would catch.

As I understand this agreement, the Europeans have agreed to Canadian observers but only on 10 per cent of their boats. This means that when they decide to fish, when the fish stocks come back, and perhaps even before our trawlermen get out to fish, on 90 per cent of their ships, fishing boats and vessels they will fish unobserved.

The minister of fisheries is quoted as saying in the local newspaper in St. John's, Newfoundland: "We have every protection in this agreement". Closer to the truth is that this enthusiastic attempt to convince Canadians is not very convincing in my mind.

How can we pretend to get very much that is reasonable out of those who have always been so blatantly unreasonable and, as the restrictions on the observers suggest, will continue to be so. The best thing about this deal announced on Christmas week is that it can be cancelled with 60 days notice.

An identical motion to this was put forward by the opposition on March 12 and unfortunately it was defeated by the government. I would have to say in the presence of my colleagues that the Liberal caucus has consistently called upon the government to implement NAFO's powers of enforcement. Otherwise the relevance of the organization must be questioned, and that is exactly what I am doing today. I am questioning that relevance.

The Liberal Party has stated that in the event these initiatives fail Canada must move to attain functional fisheries jurisdiction over the entire continental shelf, which would include the nose and tail of the banks. That is what my motion reflects.

Roughly one year ago at a policy convention a resolution was passed with the stick-handling of many of us on this side of the House. The entire convention agreed with the resolution that the Government of Canada should move toward international negotiations, and failing that unilaterally declare that the nose and tail of the Grand Banks falls within Canada's economic zone.

I have spent a lot of time and effort with international lawyers asking them if this is possible. I admit there is not total agreement. This is a judgment thing. Which side your judgment comes down on I suppose might rest on which side of the House you sit. I hope not because it is my belief that when you go forward to the International Marine Court of Justice and argue your case the precedent allows you to argue on the future of a country's economy and the future of the people who are affected by that economy.

• (1720)

If it had been decided when I first did my research on this five years ago that it was worth a try, and Canada may well be successful at a time when our northern cod stocks were declining, I would have to conclude that at a

point in time when Canadian fishermen must remain, alongside and plants had to be closed because foreign overfishing among other things has been a major factor in causing this moratorium. Were an international court of justice—as I understand it is to consider it and follow the four precedents that pertain in this case, it is my belief we could win our case.

There is no question it would take a lot of time. It would take a lot of talent. It would take a lot of negotiation but the name of the game is to try to say that we are going to do it. Put your back behind the wheel and put your case forward because I can assure you one thing, it is like buying a lotto ticket. If you do not buy a ticket you cannot win. If we do not put our case forward we will never know whether we will be able to control our own fisheries, in this case specifically the nose and tail of the banks.

As I draw to a close my address on this motion, I believe it is one of the motions put forward in this House which if voted affirmatively could have the most positive action on Atlantic Canada in restoring our fishery and restoring our custodial management of those stocks and those resources that affect, in the words of the Chamber of Commerce, 80,000 Canadians. I urge our members and our colleagues to join me and vote when the time comes in support of this important and key motion.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I wish to speak in response to the speech of the hon. member for Bonavista—Trinity—Conception. I know he speaks passionately about this subject. He also speaks about a subject of which he has had a lot of firsthand experience from people in his own constituency, and I am sure he has sailed on the Grand Banks as well.

I have not, but I have been out on the Pacific. I have been where the salmon on the west coast traverse and on the rivers they go up to spawn as well. The Minister of Fisheries and Oceans and the minister responsible for the Atlantic Canada Opportunities Agency has risen in this House on more than one occasion to describe what would happen if Canada unilaterally extended the custodial jurisdiction for cod or any species beyond the 200-mile limit.

Such gunboat diplomacy would be in violation of international agreements. The hon. member opposite is thinking in terms of gunboat diplomacy because he comes from that milieu, from a long history of being in the navy and they understand that kind of diplomacy.

I feel it would invite retaliatory action and would threaten the co-operation we are succeeding in obtaining from many states in efforts to promote sustainable development of fisheries resources on the high seas.

I would like to outline for hon. members opposite and for all members in this House two of our most recent achievements toward that goal. The first, and the member opposite has alluded to it, is the agreement we have reached with the European Community. The second is the positive outlook for sustainable development in high seas fisheries demonstrated by representatives of 48 like-minded states at a meeting which our government hosted in St. John's in preparation for the United Nations Conference on High Seas Fisheries which will begin in New York City this coming April. The comprehensive agreement with the European Community which was reached in December 1992 has the potential to go a long way toward ending the calamity of overfishing outside the 200-mile limit.

Hon. members are well aware that foreign overfishing has taken a heavy toll on stocks of cod, flounder and redfish that straddle the 200-mile limit and that the principal source of this problem has been fleets from the European Community. Now our agreement with the European Community has the potential to make the Northwest Atlantic Fisheries Organization once more as it was in the years following the extension of jurisdiction in 1977, an effective means to conserve and manage fisheries for straddling stocks in international waters.

Central to this is that the EC will now, as it did until 1986, accept and abide by NAFO quotas and other conservation and management decisions. In 1989 the Government of Canada launched diplomatic, legal and public information initiatives against foreign overfishing. Tragically since 1989 the state of straddling stocks has gone from bad to worse.

For example, the total allowable catch for the Grand Banks flounder stock, American plaice, has been cut by more than 75 per cent. However, over the last four years there have been a number of positive steps which indicate that there will be an improvement in the resource in the near future.

Let me illustrate this. In 1989 the EC set unilateral quotas totalling just over 132,000 tonnes, about 20 times its NAFO quotas. Under the agreement reached in December the EC has accepted all of NAFO's quotas for 1993. In 1989 the EC refused to accept NAFO quotas and the moratorium on northern cod catches outside 200 miles, insisting that its unilateral quotas were based on scientific advice. In 1992 the EC was guided by scientific advice to accept all of NAFO's decisions for 1993 including the moratorium on northern cod.

In 1989 EC catches exceeded not only the NAFO quotas but also the higher unilateral quotas the EC set for itself. In 1992 the EC closely monitored its fleets and closed fisheries for cod, flounder and redfish when quotas were caught.

In 1989 there was little or no international recognition of the overfishing problem. As a result of Canadian efforts the ecological consequences of overfishing outside 200 miles is a high profile international issue. For example, at the United Nations Conference on the Environment and Development, the earth summit, in Rio de Janeiro it said the 1989 agreement had not been reached on developing the Law of the Sea toward ending high seas overfishing; but late in 1992 the United Nations General Assembly approved a resolution calling for a high seas fisheries conference, and as I mentioned earlier there is good reason to be optimistic about the outcome of this conference.

Throughout the period since 1989 a tremendous effort has been made by Canada to have the principle of sustainable development given effect in high seas fisheries in the northwest Atlantic.

The Prime Minister has played a key role, raising the issue repeatedly at the highest international levels. The minister of Indian affairs and the minister of employment, when they were ministers of fisheries and oceans, had laboured hard on this issue. So have the present and former Secretary of State for External Affairs and our environment minister.

The Canadian fishing industry, unions and provincial governments have done so as well, advising every step of the way as to how the federal government should proceed and participating in Canada's efforts. All of these efforts were co-ordinated first by Alan Beesley and upon his retirement by Randolph Gherson, the current ambassador for fisheries conservation.

As our Minister of Fisheries and Oceans has observed, we should also recognize that there is a profound change in the outlook of the European Community. Critical to this was the personal commitment to sustainable development of Manuel Marin, the EC vice-president for fisheries during the period. He deserves considerable credit for his determination to resolve these problems and for the important steps leading up to the agreement.

Let me review briefly the elements of the agreement. The EC and Canada agreed to comply with all of NAFO's conservation and management decisions, including quotas, and the EC will ensure that catches by its fleets do not exceed NAFO quotas. By way of comparison, from 1986 to 1992 the EC set for itself unilateral quotas higher than those set for it by NAFO. EC catches exceeded most NAFO quotas and in some cases the EC's higher unilateral quotas.

• (1730)

Canada and the EC will work together to end fishing by non-NAFO fleets. These fleets, largely comprising Korean and reflagged EC vessels, have become an increasingly serious threat to resources outside 200 miles.

Canada and the EC will work together to revitalize NAFO through joint proposals to add a dispute settlement mechanism to avoid abuse of the objection procedure.

Canada will set a total allowable catch, TAC for northern 2J-3KL cod once the present moratorium ends, based on advice from Canadian and international scientists. Scientific advice indicates that on average 5 per cent of the biomass is outside 200 miles. Canada and the EC will propose that NAFO make allocations of 2J-3KL cod equal to 5 per cent of the total allowable catch. Canada will retain 95 per cent of the TAC.

As the EC will now be co-operating with Canada in conservation of fisheries resources outside 200 miles, as soon as both parties have given formal approval Canada

will provide access to ports and any surplus allocations and permit commercial arrangements.

If problems arise from the agreement there will be consultations to seek to resolve them. Either Canada or the EC can terminate the agreement on 60 days notice.

Now we have a forum. In June 1992 the UN Conference on Environment and Development called for a high seas fisheries conference. In late 1992 the UN General Assembly created the conference. Canada is no longer alone. We have more than 50 states with us to deliver a powerful ecological message against high seas overfishing.

It has been a long and bitter road in our struggle against foreign overfishing. We have travelled a considerable distance toward our goal. While that goal still seems far off we are on the right road and we are in good company. The meeting of like-minded states in St. John's brought us another step closer to what we must achieve, which is sustainable development in high seas fisheries. I look for the day when we will lift that moratorium so that people on the east coast, particularly in Newfoundland, can go back to the sea and fish for that northern cod.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I am not sure whether the hon. member for Fraser Valley East was reading the same motion as I am. I do not see that the motion calls for unilateral action on the part of Canada.

I did not have an opportunity to discuss this with the mover of the motion, the member for Bonavista—Trinity—Conception, but the motion reads:

> That, in the opinion of this House, the government should take immediate action to extend custodial jurisdiction for northern cod over the nose and tail of the Grand Banks.

The action may or may not include actually moving in there and doing it. I am not clear in my own mind and I wish I had thought to ask ahead of time.

In any case it is great to get the reassurances. This is not a new problem. It has existed for a decade and a half at least. We have had Liberal governments and we have had Conservative governments and both have given assurances that the problem is being worked on and that progress is being made.

While progress is being made, as the mover of the motion said it is fairly easy to get people to refrain from fishing when there are no fish there. We are perilously close to that situation even off the nose and tail of the Grand Banks.

For the last four years I have been here each year has brought us closer to the point we are now at with respect to the north Atlantic cod. We now have a moratorium on fishing limits, a two-year holiday. We are giving the cod a holiday for two years. It takes cod six years to mature and breed, so what is two years going to do?

I have no confidence that the cod stocks are going to miraculously reappear in two years time. I wish that could be the case. We all wish it. However it is wishing and not doing anything concrete that has us in the difficulty we are in right now.

I can recall when the current minister of fisheries, at that time the minister of trade, said that he would not allow the cod quota to be reduced to 190,000 tonnes because it would be tough on Newfoundlanders and would create unemployment. The experts were saying it should be 190,000 tonnes or perhaps even less than that but the current minister of fisheries insisted that the quota stay at 260,000 tonnes.

That was the beginning of the trouble. I said at the time that it was short-term gain for long-term pain. I was much more prophetic than I realized at the time.

The member for Fraser Valley East spoke about the great progress that is being made and about the co-operation of the European Community. I can recall travelling to Europe with members of the committee in 1989 when representatives of the European Community told us that as long as we were harvesting the stocks the way we were and as long as we were not obeying the recommendations of our experts to cut the quotas seriously they were not going to pay any attention to the quotas either.

Now we are certainly paying attention. We have stopped fishing and that should have been done earlier than it was. We have demonstrated that we are prepared to take this measure in Canada when it is shown that there is no other alternative. We are doing it. We are proving to the world that we are doing it.

NAFO is agreeing. It has always gone along with us. It is the European Community that has not. One member of NAFO, the European Community, has not paid any attention to all the quotas that have been set. It has exceeded them regularly.

There are others however. South Korea is not a member of the European Community or NAFO. Neither is the United States. There are vessels registered under Panamanian registry or registered in other countries that are not bound by any of the agreements of which the member for Fraser Valley East spoke.

Unless we are prepared to really do something about this situation the problem will not be solved. I suggest that the thing to do is to set a time and say that by a certain date, and it cannot be too far off, in the very near future in the interest of preserving the little that is left of the north Atlantic cod Canada will unilaterally insist on taking over the management of the cod stocks off the nose and tail of the Grand Banks. We must make it very clear. Give the world some time to react to that.

Let us talk and reach an agreement as to how long this will take, what will happen afterwards if it works and how we can work together in measuring the situation and seeing what we can learn about it. Is it the environment? Is it the seals? Is it overfishing? Is it a lack of food? Is it everything? We do not know. Let us get the world to co-operate with us but at the same time say that come June 1993, or 1994, Canada will take over management of the nose and tail of the Grand Banks area and make sure that we do preserve what is left of the cod stock.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I wish to congratulate my colleague from Bonavista—Trinity—Conception for having the foresight to present this private member's motion before the House in order that we can discuss it at greater length.

I, my colleague and others in this House are fully aware of the importance of this situation but I do not think there are many members in this House who appreciate the severity of what the fishing industry is going through as much as the hon. member. He knows about this situation only too well from his own personal experience and his involvement on the seas, particularly the Grand Banks.

This is not subject matter that has just come to the attention of the House. In fact on March 12, 1992 my colleague from Burin—St. George's put forward a motion that reads as follows:

> That, in the opinion of this House, in order to prevent further ecological disaster through the pillage of transboundary fish stocks off Canada's east coast, and in order to save an essential national industry and valued way of life for many rural citizens, Canada should take immediate steps to extend its functional jurisdiction to the nose and tail of the Grand Banks.

The government of the day voted against that motion. The minister responsible for fisheries said, and I quote from page 8085 of *Hansard*:

• (1740)

> The government and I will be asking my colleagues to vote against it because it is premature and it is certainly inexplicit as to what Canada has been asked to do.

That is what the Minister of Fisheries and Oceans said. I found that to be rather alarming in view of the fact that the motion was presented by our party to solicit the support to begin the process. No member on this side has said or intimated that the extension of this jurisdiction would somehow be the panacea for all the ills that the fishing industry faces at the present time. We are not that naive. The people we represent are not so naive as to think it will be the panacea. However, why does the government of the day refuse to begin that process?

I can only suggest to this House and to the members who have been in it here for quite some time that although it may be a priority for the Minister of Fisheries and Oceans—and I underline the word may and I do so with great respect—I know it is not a priority of the government opposite.

In what jurisdiction, in what parliamentary democracy would we see such avoidance of the issue as demonstrated time and time again by the Secretary of State for External Affairs? The present Secretary of State for External Affairs is following the track record of her predecessor, the right hon. member for Yellowhead. They have not dealt with this issue as a government issue, as a national issue of great importance. They have fluffed it off. It is a fisheries thing. We will give it to Crosbie the old windbag. He will do his thing. He will get up and tell a few jokes. He will tell everybody: "Ah we cannot do this. It is not going to be this and it is not going to be that".

The credence and the significance of the forethought of my colleague is that he has presented the motion not to defeat the government but to solicit its support. Members of the New Democratic Party would love to criticize those of us in the Official Opposition and have done so repeatedly, not very wisely I might add, but in

this particular instance they see the merit of beginning the process. Yet the remarks from the government, from the Parliamentary Secretary to the Minister of Fisheries and Oceans were an unmitigated disaster.

I hope we will have an opportunity to hear from the Secretary of State for External Affairs and the minister of federal-provincial relations later on in the debate about how they believe it is such a great priority.

I am disappointed in the response of the government. I want it to be clearly on the record that we as a national party, and we stated it in a national party resolution, support the extension of the jurisdiction beyond the tail and nose of the Grand Banks. We made the motion knowing full well that it would not just be by the stroke of the pen, that it would be a timely process and there would be time for the Government of Canada to move in that direction.

What have we heard? A road block, excuse, a road block, excuse, a road block, excuse. Before the hon. members stand in their places and condemn us I want them to know that we do not believe that by extending this jurisdiction the fisheries will change over night. For God's sake, as a national priority come to the aid of people who fish off the Grand Banks and off the east coast, whether in Nova Scotia, New Brunswick, P.E.I. or Newfoundland. Come to their aid and come to their cause. It transcends partisan differences. It ought to transcend different ideologies, whatever they may be. But there is this foot dragging and this excuse that we have to talk to this certain country. We cannot do this with that country and this country over here has this bilateral agreement. We are all part of this international organization and therefore they may not accept or agree. But if you do not begin the process the objective will never be achieved.

We have heard the Minister of Fisheries and Oceans say in debate on the floor of this House, as I believe my colleague made reference to, that the extension of the jurisdiction would be a laudable goal and objective. But no one in the department or within the Government of Canada has acted. I do not blame so much the Minister of Fisheries and Oceans; I blame the minister of external affairs who has shown wanton disrespect and neglect of the fishermen of this country, particularly on the east coast. I do not know how any member of that party opposite, particularly from Atlantic Canada, could support that minister or her candidacy for higher office.

I want to put it on the record that we will raise this issue again and again. We hope over a period of time members opposite will realize the importance of the goal we are trying to achieve.

I will conclude my remarks this evening by once again thanking my colleague, the hon. member for Bonavista—Trinity—Conception, for having the foresight to put this motion before the House and for having this debate on an important fundamental aspect of Canadian life; of Canadian fisheries policies. It is fundamental to Canada's place in the world as it interfaces with other countries throughout the world. I thank and congratulate my colleague for having that foresight.

[*Translation*]

Mr. Charles-Eugène Marin (Gaspé): Mr. Speaker, this evening we are discussing the advisability of extending the Canadian 200-mile limit. Extension of custodial jurisdiction would amount to unilateral extension of jurisdiction outside 200 miles. Since there is no provision for such action under international law, such action by Canada would be opposed by the international community. It would be unenforceable. It would invite confrontation, potential violence and threat to life at sea.

What this government is doing, instead, is working co-operatively at the bilateral, regional and multilateral level to give full effect to the provisions of the law of the sea convention regarding conservation and management of high seas fisheries.

Significant progress has been made, and I would like to review for hon. members some of the effective steps this government has been taking and will be taking through what we call our legal initiative in seeking international action to stop the overfishing on the high seas before valuable resources are further depleted and the coastal communities that depend on them for their existence are devastated.

First, however, I would like to review the nature of the problem. It is only through understanding the problem that has developed in high seas fisheries that the elements of an effective solution can be worked out in full.

• (1750)

The United Nations Convention on the Law of the Sea, or to use its acronym, UNCLOS, contains a framework for co-operation on management and conservation for the high seas beyond the limits on national jurisdiction. Unfortunately, it leaves legal rights and obligations applicable to straddling stocks—and other stocks not under the exclusive management of coastal states such as highly migratory species—in an ambiguous state. The specific rights of coastal states and the concomitant obligations of the high-seas fishing states are only vaguely sketched out in the Law of the Sea Treaty. The resulting legal uncertainty leaves these stocks vulnerable to overfishing on the high seas by fleets from distant fishing countries.

Under UNCLOS the basis for regulating fisheries within 200 miles is clear. The task coastal states face there is to put in place measures needed to conduct the fishery on a sustainable basis. The responsibilities are very clearly established, even if there may at times be deficiencies or errors in the exercise of that authority. Those coastal states fortunate enough to possess resources have assumed this responsibility and have developed effective management regimes at considerable cost to themselves.

But how is that obligation to be given practical effect? This is not a theoretical question but a practical problem that if not addressed effectively, on an urgent basis, will continue to give rise to ecological disasters wherever straddling stocks are found.

This serious gap in the international legal framework affects conservation of important fish stocks in a number of areas of the world: hake and squid in the southwest Atlantic on Argentina's Patagonian Shelf; orange roughy on the Challenger Plateau off New Zealand; tuna in the south Pacific; and blue whiting and jack mackerel in the east central and southeast Pacific. There is also northern cod off Newfoundland's northeast coast which is managed by Canada, but which can be fished, to a limited extent, outside 200 miles.

It is worth noting that there are overfishing problems in most of these areas, whether or not a regional fisheries organization has been established. Destructive overfishing takes place unless there is agreement on effective management among all participants in the fishery.

Let us briefly review what this serious gap in the legal framework has meant to Canada's Atlantic fisheries and the fishermen, plant workers and communities that depend on them.

In 1977, Canada extended its fishing jurisdiction to 200 nautical miles, the maximum permitted under the law of the sea. However, the Grand Banks of Newfoundland extend beyond 200 miles in two important fishing areas known as the nose and tail of the Grand Banks. Cod, flounder and redfish migrate back and forth across the 200-mile limit in those areas.

Conservation requires regulation of fisheries outside 200 miles in international waters, as well as inside 200 miles. Canada and other countries that fish in this area formed the Northwest Atlantic Fisheries Organization, or to use its acronym, NAFO, in 1979. Until 1985, NAFO worked reasonably well. Catches were limited to levels recommended by scientists, and fisheries resources that had been depleted by overfishing before 1977 began to rebuild.

In 1986 Spain and Portugal joined the European Community, and the EC began to opt out of NAFO conservation decisions and set far higher quotas for its fleet. Since then, heavy fishing by EC fleets has been a major cause of decline in cod and flounder stocks on which Canadian fishermen and plant workers rely. From 1986 to 1990 EC fleets alone reported catches of cod, flounder and redfish totalling more than 530,000 tonnes, more than five times the quotas assigned to the EC by NAFO.

The question is how to give practical effect to the obligations of distant fishing states to co-operate with each other and the appropriate coastal states in the conservation of fish stocks on the high seas.

Canada has been seeking a global solution, an effective, enforceable framework for conservation and management of resources beyond the 200-mile limit.

The attainment of such rules is the purpose behind what has been called Canada's legal initiative. These rules would clarify and lend substance to the vague provisions in UNCLOS.

Canada took the lead in pursuing this goal by convening an international conference of Law of the Sea experts in St. John's in September 1990. The experts agreed on certain fundamental principles, including that: members of the international community whose nationals fish in areas of the high seas must co-operate with each other and the adjacent coastal states on conservation including enforcement and dispute settlement; members of regional fisheries organizations have a duty to ensure that their nationals comply with all conservation measures, and that they do not resort to techniques such as reflagging of vessels to escape controls; distant fishing nations must ensure that fishing by their nationals on the high seas does not have an adverse effect on the living resources under the jurisdiction of coastal states; the management regime applied to the high-seas portion of stocks should be consistent with the management regime of the coastal states applicable in its exclusive economic zone.

I can assure the members of this House that this government will continue to work toward that objective through its legal initiative and other initiatives for global co-operation, to the benefit of Canadians and and of all people who depend upon the oceans' resources, in this generation and in future generations.

[*English*]

The Acting Speaker (Mr. Paproski): The designated hour will end at 6.02 p.m. Therefore I recognize the hon. member for Davenport.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in the limited time available I would like to make a couple of points on this very interesting saga of the northern cod which also has some very dramatic social and economic implications.

First let me draw the attention of the House to the report entitled *Independent Review of the State of the Northern Cod Stock* that was produced in February 1990. It was signed by prominent Canadians knowledgeable in the field of northern cod. The panel consisted of Dr. Harris of Memorial University, D. L. Alverson, John Pope, Maxfield Short, Frank Smith, Mary Lou Peters and Robert Fournier.

What was their first recommendation? It read in respect of the northern cod stocks that as a matter of urgency there should be an immediate reduction of fishing mortality to the level of .3 and at the earliest possible date to the level of .2. This was in February 1990.

It took the government two years to act on that recommendation. It was in February 1992 when finally that recommendation was partially acted upon. Why it would take that long is beyond me to understand. When I hear the member for Fraser Valley East speak about government efforts at promoting sustainable development I really wonder what he is talking about.

Second, an interesting aspect of government policy on this matter that may prove the point made by my colleagues from Bonavista—Trinity—Conception and Cape Breton—East Richmond is that the minister of fisheries seems to be operating in some kind of isolation and impotence. In his news release of January 10, 1992 the minister said:

• (1800)

> Canada is calling for international support for principles and measures within the framework of the Law of the Sea convention toward ending overfishing of straddling stocks outside 200 miles.

I applaud him. That statement is highly desirable because article 63 of the Law of the Sea convention exhorts the coastal states and fishing states to seek to agree on conservation measures for straddling stocks.

The question is: Why is Canada not ratifying the Law of the Sea? How come the minister is left to invoke the Law of the Sea in the name of his mandate while the Secretary of State for External Affairs is not acting upon the ratification of the Law of the Sea? Canada was among the first nations to sign it but as you know, Mr. Speaker, there are two steps: the signature and then the ratification.

The Law of the Sea cannot come into effect and cannot become operative unless 60 nations ratify it. At this stage some 53 or 54 nations have ratified that convention. It is a very important one. According to article 63 it would permit the initiation of a number of conservation initiatives among states.

Why is Canada not ratifying the Law of the Sea? It is very relevant to the fine initiative taken today by my colleague from Bonavista—Trinity—Conception. His initiative is one of breaking an impasse, of moving in a certain direction searching for an answer. It may be the one proposed by the hon. member for Bonavista—Trinity—Conception. It may be a modification of it. We do not know exactly where we will ultimately end. Certainly

this movement would be facilitated if Canada were to ratify the Law of the Sea.

It leaves the minister of fisheries alone to invoke the Law of the Sea while at the same time the Government of Canada to which the minister belongs is not ratifying it. Does it make sense?

I will make my third point very briefly. The Government of Canada went to the Rio conference after successive preparatory meetings in the two years preceding it with the intention of resolving the question of fisheries. All it managed to do at the United Nations Conference on the Environment and Development was to agree to hold another conference.

I see you rising, Mr. Speaker. We will leave it at that until the next time.

The Acting Speaker (Mr. Paproski): I did not see the clock so that the hon. member would have at least five minutes. He will have five minutes next time the motion is before us in the order of precedence.

The time provided for the consideration of Private Members' Business is now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the list of 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.

CANADIAN FORCES RESERVE

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I just finished speaking on a motion of national importance and I rise to speak on another subject, an entirely different subject but in my mind another subject of considerable national importance. This is a subject of the Canadian Forces, national defence and specifically the Canadian Forces Reserves.

I am rising on a follow-up to a question I asked the Minister of National Defence on November 30, 1992, a few days after the Auditor General's report came out. In trying to be as non-partisan as possible about this matter, and I am very serious, I had major concerns about the observations that the Auditor General made in his report released on November 24 regarding the Canadian Forces Reserves.

I had concerns because of the debt and of the seriousness of the concerns, some of which may have agreement and some which I think we need to have a very close look at. I am concerned about the growing importance of the reserve force in Canada as part of the total force concept.

Since 1987 the reserves in Canada, including the militia, the naval reserves, the communications command reserve and the air reserve have been a total part of Canada's defence effort and part of our manning. The total force concept seriously came into effect in 1987 and we started with roughly 30,000 reserves.

Right now—and I am going to concentrate on peacekeeping—the militia makes up 60 per cent of the army. In the last couple of months the media has focused on peacekeeping and the necessity for Canada to have a very close look at its peacekeeping forces.

The charge was made by the Auditor General that the reserves have a problem with accountability. They are not equipped properly. But the most serious charge made was that the reserves would not be ready.

I think the minister has to respond to that, because I find it inconsistent that the reserves now in peacekeeping make up 12.5 per cent of the force. Right now, 300 Newfoundlanders are going to Winnipeg to be trained to participate in peacekeeping. That is not a bad readiness factor.

Because of the importance of the total force concept and reserves on which we spent $750 million last year, I simply want the Minister of National Defence to address this issue and inform the Canadian public how serious these charges are and what she intends to do about them.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I would like to outline the defence policy statement of April, 1992 to my colleague. It makes it quite clear that a highly motivated, well trained, properly equipped reserve force, capable of assuming a greater role in the defence of Canada is integral to the success of the forces' operation and activities, both at home and abroad.

I know that from his past expertise, the hon. member is aware that the reserves have always been an integral part of the Canadian Forces.

I agree with you that the Auditor General's remarks were very timely last fall and DND does concur with a number of the suggestions he made. Reservists have been and will continue to be integrated into the Canadian Forces operations. They augmented our regular force during the Oka crisis and during the past year they have been on our missions in Bosnia, Croatia, Cyprus and Somalia.

A major effort is now being directed toward reviewing the equipment, recruitment and training in the Canadian Forces.

With regard to legislation which you raised in the House that day, we do not see any need at this time for legislation that would force employers to grant leaves of absence to members in the reserve. I am very pleased you raised this today and DND does agree with a lot of the issues the Auditor General brought forward.

IMMIGRATION

Mr. Dan Heap (Trinity—Spadina): On September 15 I raised, with the Minister of Employment and Immigration, the need to allow Dularie Boodlal to stay in Canada rather than force her to return to Trinidad where, after years of many violent acts in Trinidad and Canada, her husband had threatened to kill her.

The minister's reply was: "If the hon. member knows of facts that ought to be brought to my attention in this specific case, I urge him to do it".

I thanked the minister for his proposal and pointed out that my information was copied from the Legal Aid Service of Parkdale brief which they had already sent to him. In fact, a couple of days later the minister decided to let Mrs. Boodlal stay. I am very grateful for that, partly for its own sake and partly because it constitutes another very valuable precedent in an important emerging matter of law in Canada, that is to say recognition that women sometimes have special causes to be recognized as refugees because they are women.

• (1810)

I want to quote from the speech given yesterday to the Ottawa Womens' Canadian Club by Nurjehan Mawani, the new chair of the Immigration and Refugee Board, who has taken this matter up in a very strong and constructive way.

She points out that in such cases most people would consider that this person is a refugee because she is fleeing for her life. She says: "Can it be fitted into the form of the law that the person belongs to a group that is persecuted?" She also says that in a recent trial division decision in the Federal Court of Canada the court stated: "Trinidadian women subject to wife abuse" could constitute a particular social group within the meaning of the refugee definition. I welcome that statement by the chair of the board.

I note she has gone much further than that. She is setting out guidelines in the board which in the near future will be available to all board members to give a standard or uniform basis for interpreting such decisions and, much beyond that, she says that women refugee claimants who are often understandably reluctant to talk about what happened, especially when they come from certain cultures, will be put more at ease by having if possible women on the board hearing their cases, women refugee hearing officers, and women interpreters. She is moving in this way to make it as practical as possible for a woman to state her case as a women when she believes that she has been persecuted as a women.

She further says: "We have also established working groups of women refugee claimants across Canada to help train and sensitize members and staff alike to the unique problems faced by refugee women".

I think this is a very strong advance in the law of our country and I thank the chair of the board and the minister for it.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, the minister has determined that Mrs. Boodlal and her two children will be allowed to remain in Canada while the processing of their application for permanent residence takes place. They will be required to meet the statutory requirements relating to health and back-

ground checks. Their deportation order must be effected prior to the issuance of immigrant visas.

I am glad the hon. member brought this matter to the attention of the minister. Indeed he is quite right that there are certain areas with regard to refugee status that are changing.

IMMIGRATION AND REFUGEE BOARD

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, on February 4, I asked the Minister of State for Employment and Immigration to initiate an independent inquiry into the serious allegations that the members of the Immigration and Refugee Board were subject to political influence in making their decisions, often contrary to the evidence that was put before them in the hearings.

These allegations were made by certain former members of the board in stories which were published in the *Le Devoir* in Montreal last week and were made more extensively near the end of last year by Dr. Sam Ifejika who resigned from the board in protest but issued a 24-page document in which he set out various cases in which he himself had been subject to influence and pressure by senior officials with the department.

This is supposed to be an independent quasi-judicial body. The members of the board are to listen to the evidence and make their decisions based on the evidence. We must remember that in these cases lives are at risk. People have fled from countries where their lives have been threatened, where they have been put in prison. For them it is a life and death issue.

What answer did I get from the minister? First of all she asked me—and perhaps it is because she is new in her position and she has not been properly briefed—to provide her with details. All the details were provided in the brief which has been tabled with the department and the minister of immigration, the 24-page brief by Dr. Ifejika. There are further allegations available in the articles which have been published in *Le Devoir*. Regarding my comments with respect to appointments to the board, she tells me that the committee has the right to review appointments to the board.

Everybody knows that even though we review those appointments in committee we can do nothing about it. This is not like the American system where the committees of Congress can turn down appointments. All we can do is review them. If we find they are bad, there is not much we can say. We can make a recommendation but that does not go very far.

I want to see a full independent investigation into these serious allegations. If the government has nothing to hide, it should agree to such an investigation.

I hope today that the parliamentary secretary will take seriously not simply my remarks but the allegations that have been made outside this House by others and not simply read to us some statement prepared by officials in the department.

That kind of response to the questions we raise in the adjournment debate makes a farce of this whole procedure and a farce of parliamentary reform. Unless the parliamentary secretary can get up and give me an honest response to the questions I have asked and to the allegations I have made, I would prefer that he or she sit in their seat and not say anything at all.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I would like to respond to the member because I know he has a great deal of interest in the board and is responding to some of the information that has been put forward by others.

The allegations of interference with the independence of the members in the minds of the minister and those in the department is unfounded. The IRB members are independent decision makers. Their responsibility is to determine each refugee claim based upon its merit. The board has a responsibility to see that the decisions are fair and just to the claimants and consistent in that similar sets of facts produce similar decisions.

I think if the hon. member would look at a lot of those decisions or hear them, he would probably see that.

In this respect Bill C-86, as he would probably know, will provide the chairperson of the Immigration and Refugee Board with greater control over the quality of the decision making. In case of the incapacity or incompetence or misconduct of any member, the chairman may recommend to the Minister of Justice that an inquiry be held to consider if the member should be suspended without pay or removed from office.

A judge would be appointed to hold the inquiry and make a recommendation to the Minister of Justice who would forward the report to the Governor in Council for appropriate action.

If the chairman's conduct is in question, the minister may initiate the proceedings that I just noted above. The chairman may also, after consultation with other members, issue non-binding guidelines to assist members in reaching the decisions.

Hopefully that will be helpful to the member. Hopefully it is information that he feels is the proper way to handle an independent board.

GRAIN INDUSTRY

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, on June 18 last I raised the critical issue of wheat shipments to Russia. At that time wheat was moving at half capacity only. The problem was Russia's inability to pay for the grain. Since that time there have been several developments.

Shortly after my June statement, Russia made a partial payment and the flow of wheat to Russia picked up.

There was another suspension of shipments in early September and apparently there has been precious little action since then except for one small payment made by Russia and one small shipment through the port of Churchill, Manitoba.

The Secretary of State for External Affairs paid a recent visit to Moscow and apparently left without resolving the grain issue between Canada and Russia. We are told Russia owes this country about $80 million and Canada will not ship any more grain to Russia until some new credit arrangement is worked out.

This is a serious situation. It is alarming. Canadian grain farmers face a bleak year. Net farm income is forecast to drop nearly a billion dollars in 1993. They need every market. They need every dollar of sale.

In the spring of 1992 the Canadian Wheat Board expected to ship 10 million to 11 million tonnes of grain through the St. Lawrence seaway. By year end the number stood at 5.2 million tonnes. A big part of the problem was the Russian situation. This year's tonnage between April and July is expected to be down to 1.5 million tonnes. Again the culprit is the Russian situation.

Because of last fall's lousy wet harvest weather, there is a plethora of feed wheat about. I am told that the republic of Georgia made an offer to purchase 1.5 million tonnes of it but Treasury Board nixed the deal. Again the problem is financial.

Farmers are sitting on this wheat and they cannot sell it. It is very frustrating. I deem it timely to raise this issue of wheat shipments to Russia not only because of reasons already cited but because credit, especially Russian credit is expected to have a major impact on grain prices.

At least that was the view taken by experts at a recent Outlook conference in my home city of Winnipeg. Daniel Amstutz told the conference: "Credit will be a more important determinator of competition than price by the year 2000". The executive director of the International Wheat Council added: "Currently over 50 per cent of trade is under some sort of government-provided credit. This percentage is bound to rise in the coming years".

Russia and other former republics of the Soviet Union are the big worry. Traditionally they account for 15 per cent to 20 per cent of grain exports. They are one of Canada's biggest customers. Before the current financial crisis, they paid cold hard cash. Now they rely on credit but there has been a failure to meet terms of credit.

I believe the government should be telling this House what it is doing about the existing grain problems between Canada and Russia. Farmers want to know. All Canadians want to know. Agriculture is important to the prairies and to the nation.

I look forward to hearing what the government has to say about this.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, in response to the hon. member's interest in this area, Canada's credit support to Russia as he may or may not know is second only to Germany on a per capita basis.

Canada and Russia, U.S.S.R. have had a good trading relationship for many years. Russia, U.S.S.R. has been one of our biggest grain customers and we intend to do what we can to make possible a continuation of that good trading relationship.

Unfortunately shipments of grain to Russia had to be suspended in the fall of 1992 because of Russia's arrears and its inability to meet its own arrears repayment schedule. Some of the credit for grain sales to Russia

before shipments were suspended did cover ocean freight costs.

We understand the difficulties this situation is causing as noted by the hon. member who just spoke. The government is doing all it can to remedy this situation. It is expected that we will be treated equitably as Russia repays its debts to Canada and other countries so that this great trading relationship and the acceptance of our wheat and so on to them can be continued.

It is ongoing and we thank the member for being concerned and bringing it to the attention of the House.

ECONOMIC STATEMENT

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I was very dissatisfied with the response I received from the Minister of Employment and Immigration on the impact his unemployment insurance cuts would have on women who are being sexually harassed in the work place.

He said that the woman should quit her job, expose the harasser and that she would be protected. I have an example of a young woman who did just that and is now in tears embroiled in a legal battle because she did exactly what she was supposed to do according to the minister.

Her employer subjected her to comments about her appearance every day. He would say things such as: "Today you look like a seven" and the next day: "Today you made it to an eight". He made other comments about her which she found to be very uncomfortable and unprofessional. She quit her job and she cited sexual harassment. In her case she won at the Board of Referees. Now the employer is contesting that. He admits to the comments but he says it was all a joke. He has found other employees who will back him up, employees who may themselves fear losing their jobs. He does not want his reputation to be tarnished so he is contesting the UI ruling. She is in tears and must find a lawyer.

The nightmare did not end when she left her job. She does not know whether he will succeed in having her UI ruling overturned and whether she will have to pay back the UI as well as pay the substantial expense of a lawyer's fee.

The new UI policy is putting sexually harassed women through even more pain. It will revictimize these women by government action.

The Quebec Association of Women who work with their husbands in business is very concerned about the new UI rules. When a woman who works for or with her husband leaves the marriage she often also leaves her job and her livelihood. These 500,000 Canadian women who work with their husbands fought long and hard for the right to UI like any other worker and now this right is *de facto* taken away because marriage breakdown is not considered by this government as a good reason to leave your job. These women will be left without a marriage and without an income. Some may be forced to stay in a terrible situation because of threat of poverty.

The government is promoting UI cuts as a savings for Canadian taxpayers, but what nonsense. UI is an insurance program mainly paid for by the workers themselves and the employers. Cutting people off UI means they are forced to go on welfare which is funded entirely by the Canadian taxpayer. Taxpayers lose when people are cut off UI.

Last year 28,927 UI appeals were heard by referee boards. About 73 per cent of referee board members are men. Most appeals take between one and three months and some are referred to Federal Court. The appellant must fund and pay for a lawyer. The most abused people in the work force may not have the skills or the knowledge to appeal at all.

Women will suffer disproportionately from this new policy. Women make up 53 per cent of the so-called voluntary quits even though they are only 37 per cent of all UI claimants. Forty-three per cent of so-called voluntary quits are in low income occupations compared with 28 per cent of all UI claimants in these occupations.

UI stats show that most voluntary quits do not just work long enough to qualify for UI, then quit. The drop in UI benefits from 60 per cent to 57 per cent disproportionately hurts low income people, most of whom are women.

I said in my question to the minister that he does not understand the realities of the work place for women and visible minorities who are subject to abuse. I stand by that statement. These proposed cuts make a presumption of guilt and force workers to prove their innocence. That is absurd. The evidence is clear. The government must pull back from these regressive cuts to our unemployment insurance program.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I know my colleague has been in the House the last few days but I want to emphasize again that there are numerous legitimate reasons for quitting a job and racial discrimination and sexual harassment are considered legitimate reasons. These people will be protected under the act.

The unemployment insurance program is there to help people through the transition period of when they have lost their job and until they can find a new one. It is not a guaranteed income. If that is a totally new issue, then maybe the member would like to discuss that another day.

However, I want to assure my colleague that the changes to the UI bill that is coming in as C–105 are going to be administered fairly. They will ensure that those who lose their job through no fault of their own will continue to have access to the income support training and job development that is provided by this government through the unemployment fund.

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 38(5), a motion to adjourn the House is now deemed to have been adopted.

Accordingly this House stands adjourned until tomorrow at ten o'clock a.m. pursuant to Standing Order 24(1).

The House adjourned at 6.29 p.m.

HOUSE OF COMMONS

Friday, February 12, 1993

The House met at 10 a.m.

Prayers

[*English*]

POINT OF ORDER

AMENDMENTS TO BILL C-76

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I know that in a few moments when we move to Orders of the Day, the Chair will rule on the admissibility of amendments to Bill C-76.

I wish to bring to the attention of the Chair that yesterday my colleague, the member for Ottawa Centre, sent an amendment at approximately 5.55 p.m. The amendment was deemed to have been not receivable because it was sent on what is known as a fax machine or telecopier instead of being sent by hand.

I am sure all members know that except for legal documents which must be served personally, it is generally acceptable that virtually any kind of transaction today is done in that particular manner. Indeed, anyone who is familiar with real estate or any other kind of procedure like that knows perfectly well that the distribution of a document by way of fax machine is deemed to be quite acceptable.

However when it comes to serving an amendment, an amendment which was duly signed, and the original of which was later sent, the fax copy was sent to the Clerk's office by six o'clock and it was not deemed to be receivable.

I submit respectfully that in the age of modern equipment, telecopiers and telephones that we now have for this House, I question not accepting a document from an hon. member because a photocopy is sent. After all a fax copy is nothing less than a photocopy sent by electronic mail.

I submit that is not in keeping with the spirit of having this House function as best as possible.

• (1010)

I ask if the Speaker would undertake to review this and possibly rule, at the moment, after consultation perhaps with the Clerk that the amendment should have been and should still be receivable. It was sent before the appropriate time, duly signed, by way of a telecopier machine.

[*Translation*]

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): On the same point of order, Madam Speaker. I must tell you quite frankly that I have a problem with the representations made to the Chair this morning by the hon. member for Glengarry—Prescott—Russell.

To send documents by fax is commonplace today, but the fact remains that a legal document, an authoritative, authentic document, is one that has been sent through the normal channels, has been signed and is deemed to be an original.

Faxes are not originals. In that context, I think that as far as the point of order raised by the hon. member for Glengarry—Prescott—Russell is concerned you ought to look at it as a precedent and I would suggest caution in considering this specific point of order.

[*English*]

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, certainly in the past I have been able to submit through my caucus amendments by facsimile to the appropriate office on the Hill, provided that I have personally signed the document. It has been accepted by the Table as having been delivered in the appropriate manner.

[*Translation*]

Madam Deputy Speaker: I am advised at this time that the point at issue is not just the faxing of the document. It is a little more complicated than that, since the request apparently was not in the form of an amendment *per se*. As we speak, we are checking the exact time at which the document was received. Once that is known, we will determine whether it was drafted as an amendment or if assistance was requested to do so, but above

all at what time it was received. I have asked the Clerk to ascertain the time of arrival of this document as well as its content. I shall get back to the House later in the day if it turns out that this amendment can be considered acceptable. I think that this settles the matter for the time being.

I see the hon. member for Ottawa Centre but I cannot see what more could be said at this time.

Mr. Harb: Madam Speaker, you have covered all the main points. I just wanted to point out that they turned down the fax because, as they put it to my assistant, they do not accept faxes. The original had to be delivered to the office. I wanted to make that clear.

Madam Deputy Speaker: As I said a moment ago, we will check anyway and if the amendment sent by fax is admissible we will get back to the House at that time using the normal procedure. I have requested that we look into this matter. I believe that we all agree on that.

GOVERNMENT ORDERS

[*Translation*]

BUDGET IMPLEMENTATION (FISCAL MEASURES) ACT, 1992

MEASURE TO AMEND

The House proceeded to the consideration 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, as reported (with amendment) by a legislative committee.

SPEAKER'S RULING

Madam Deputy Speaker: Subject to the point of order that we talked about a few minutes ago,

[*English*]

There are 17 motions in amendment on the Notice Paper for the report stage 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.

[*Translation*]

After consultation, I have selected Motions Nos. 1, 3, 6, 9, 12, 14, 15, 16 and 17, standing in the name of the hon. member for St. Boniface. They will be grouped for debate and the vote on Motion No. 1 will apply to Motions Nos. 3, 6, 9, 12, 14, 15, 16 and 17.

[*English*]

Motions Nos. 2, 5, 8 and 11 standing in the name of the hon. member for Windsor—St. Clair and Motions Nos. 4, 7, 10 and 13 standing in the name of the hon. member for Thunder Bay—Atikokan will not be selected as they are identical to Motions Nos. 3, 6, 9 and 12.

[*Translation*]

I will now call Motions Nos. 1, 3, 6, 9, 12, 14, 15, 16 and 17.

[*English*]

Since the hon. member for St. Boniface is not proceeding with his amendments as he is not with us today, I shall in that case select Motions Nos. 4, 7, 10 and 13 standing in the name of the hon. member for Thunder Bay—Atikokan. They will be grouped for debate and the vote on Motion No. 4 will apply to Motions Nos. 7, 10 and 13.

Mr. Boudria: Point of order, Madam Speaker. Because of what the Speaker indicated some moments ago I wonder if the House would give unanimous consent that I move the amendments standing in the name of the hon. member for St. Boniface. In addition to solving the problem, it would make the whole other discussion academic save and except for discussion of the principle of it and it would prevent the Speaker from later having to make an additional ruling which might have to change something.

If I could ask for that consent, with of course agreement of the Chair, we could then proceed with the debate in the manner I have just suggested.

Madam Deputy Speaker: Would there be unanimous consent for the motions standing in the name of the hon. member for St. Boniface to be moved by another hon. member?

Some hon. members: Agreed.

[*Translation*]

Mr. Don Boudria (for Mr. Duhamel) moved:

Motion No. 1.

That Bill C-76, be amended by deleting Clause 2.

Motion No. 3.

That Bill C-76, be amended by deleting Clause 3.

Motion No. 6.

That Bill C-76, be amended by deleting Clause 4.

Motion No. 9.

That Bill C-76, be amended by deleting Clause 5.

Motion No. 12.

That Bill C-76, be amended by deleting Clause 6.

Motion No. 14.

That Bill C-76, be amended by deleting Clause 7.

Motion No. 15.

That Bill C-76, be amended by deleting Clause 8.

Motion No. 16.

That Bill C-76, be amended by deleting Clause 9.

Motion No. 17.

That Bill C-76, be amended by deleting Clause 10.

He said: Madam Speaker, first I would like to take the opportunity to thank the Chair for accommodating me this morning in this unusual situation and also to thank all hon. members for their co-operation.

If no other settlement is reached on this issue I would hope that a meeting of those concerned, perhaps even the house management committee—I see my colleague opposite, the parliamentary secretary to the government House leader—would be held soon to find a way that documents could be accepted in the form suggested this morning in my point of order, if not for the bill before us now, at least for those we will consider in future.

I think that would update this institution a little. In any case I do not want to dwell on this too much. I want to go on now with a few remarks about the bill under consideration and especially the amendments presented to it.

• (1020)

As you said so well and so eloquently this morning, Madam Speaker, the Liberals propose deleting many clauses from this bill. Of course, the ultimate goal is to delete the whole bill, because we find that it has two main components: first, it would of course impose charges on students, and second, it would also establish a process for charging fees to register lobbyists.

[*English*]

Perhaps I can move to the first of these themes, that of imposing fees on student loans.

Bill C-76 removes the six month grace period for Canada student loans and adds six months of interest for those students who have to borrow in order to access post-secondary education. We as a society are saying how we must all work to increase our academic level in this country to ensure that our young people have more and more of the tools that are required in order for them to have meaningful careers in order to be ready for the job market. We are all concerned about the rate of high school dropouts. We are trying to eradicate that. There is a group in my constituency, in the community of Rockland, working hard toward convincing young people who have dropped out of school to go back and, for those who have even an inkling of dropping out, trying to change the minds of those young people.

What does this bill do? The exact opposite. I see my distinguished colleague from Carleton—Gloucester, himself a former school teacher. I am not sure whether one is ever a former school teacher. I think once a school teacher, always a school teacher. The member for Carleton—Gloucester taught high school. He knows perfectly well the attractions there are for young people to leave the educational facilities and go into the work force. Those are instilled in our young people and by everything that is out there, for example the old jalopy with the chrome wheels on it that too many young people are ready to give up school to try and purchase, a few months later only to be left with the payments on the jalopy and the car parked behind the garage. It is so sad to see that immediate gratification being sought by purchasing some of these less than totally useful objects and sacrificing one's future for them.

Here we are giving a further disincentive to young people to stay in school. It is already far from easy. In the province of Ontario tuition fees have increased astronomically under the present provincial government after it promised to abolish tuition fees altogether. My colleague from Thunder Bay who is a former member of the Ontario legislature, as I am, will know what a burden it is on young people right now. In addition to higher tuition fees, the young people have to finance those tuition fees. They will now have to pay interest for a

longer period of time on those increased tuition fees. They are being attacked both ways.

There is always the uncertainty, particularly in these difficult economic times, that when they finish school, the career that they had hoped for may not even be there. I hope that the recession is nearing its end. We begin to see some positive indicators, not enough, but at least some.

I hope the time will come very soon when our young people will again be able to have the hope that after graduation they can be reasonably sure of finding a meaningful job. That is what we want for all of them, but right now we are not making it any better with bills like Bill C–76. We are not making it any better of course with bills like Bill C–105. In the event that they do enter the work force it may not be in the area they are looking for but simply a make–shift kind of employment opportunity.

Then they are thrown on the unemployment insurance line. If it does not meet the new strict criteria the minister of employment has been talking to us about in recent days, those young people will be stuck with a pile of bills that they accumulated while in school; no job, no unemployment insurance. It will be a very discouraging situation for all of them.

It is still very true that the more education that one has the greater the employment opportunities, but exceptions make the rule. It is the same everywhere. If there is one young person with a masters degree who cannot find a job the news of that of course travels far and wide. Everyone knows about that particular situation and the bad news that will circulate will discourage more young people from continuing their education. That is sad.

To make all of this worse, we are going to have an extra six months additional interest. That will cost Canadian students $35 million annually. That is $35 million annually. That is from Department of Finance officials who testified before the committee. This is not just a few dollars, if anyone is of that opinion. If members across the way do not understand what that represents for young people entering the work force to collectively have a bill on their shoulders of an additional invoice of $35 million, that is sad.

It is sad indeed. It is sad that we are even discussing this kind of proposal. My colleagues, the hon. member for St. Boniface, and the hon. member for Ottawa Centre, have worked very hard, very actively, tirelessly I would add, for the betterment of young people. All I want is hopefully to convince the government to withdraw this piece of legislation.

The best we can do right now is to ask the government to delete at least that portion of the bill. In 1990 the former minister promised a complete overhaul of the student loan program. Some overhaul.

[*Translation*]

We could easily do without amendments like those presented to us today because the last thing young people need is to have this kind of bill to pay when they leave our post–secondary institutions to find work.

[*English*]

Let us all be sure of one thing. Who is going to pay for this? It is not my kids in university and it is probably not the children of people who are from other middle to upper middle class backgrounds. It is going to affect in a disproportionate manner those people who come from lesser means and who are trying to improve their situation. They have to borrow money because there are not the resources in their families.

All this is to say that it is my hope that the government will withdraw this bill and, if it does not do that, at the very least it will withdraw the offensive clauses.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I rise today to support the amendments put forward by my colleagues in the Liberal Party. They are amendments which are designed to delete particular clauses in Bill C–76.

• (1030)

I do so for a number of reasons, one of which is the work my colleague, the member for Windsor—St. Clair, has done in terms of post–secondary education and in tracking this particular issue.

Another is the work that the Canadian Federation of Students has done in trying to convince the government to move in a different direction when it comes to student loans. Regretfully the committee of this House that was charged with reviewing this bill decided not even to hear from the students, not to allow witnesses. I think that is a travesty.

Another is because I am a parent. I have a daughter in university. I have a son and a stepdaughter who will hopefully be in university or college at some point in their future.

I also went to university. I must say at the time of my post-secondary education I was very fortunate that not only was I able to access the student loan and student grant program as it existed then, but I also had a Department of Veterans Affairs scholarship. My father fought in World War II and was disabled because of the treatment in a prisoner of war camp. My tuition was therefore paid. I received an honorarium each month and had access to student loans. Even that was not enough. I can remember having a number of part-time jobs in order to put food on the table for my new family. Perhaps that combination is why I never completed university, why I ended up getting a job when one was available as opposed to completing university.

When we look at these particular clauses we see that what the government is doing is placing more barriers in front of our young people, our future leaders, our future business people, our future entrepreneurs, our future inventors, our future scientists, making it that much more difficult for them to gain access to college or university level.

I come from a university-college community. Confederation College in my riding has been a key in providing access to college programming not just in Thunder Bay but in northwestern Ontario. Lakehead University in the riding of Thunder Bay—Nipigon but whose faculty, staff and students live within my jurisdiction also has provided services not just to northwestern Ontario but to the rest of Canada and indeed the world. Therefore, I am very aware of the importance of education.

I am also more aware these days as we see our mills downsizing, some of our mills closing, our grain industry declining, that there are no longer the jobs that young men and women can get into right out of high school. They recognize this. They know they have to go on.

I have talked to parents who say: "I cannot afford the $10,000 a year that it will take for my child to go to school outside of my community". I have talked to fathers who are part-time cab drivers in order to help pay for their children's education.

Every time we put a barrier or a road-block like the provision in this bill which will say that the moment you get out of school, the moment you graduate, you have to start paying back, it does not deal with the reality of society today.

It does not deal with the reality of unemployment among young people, even though we all know a graduate from a community college or a university has a much better chance of getting a job. Whether your field is in the general arts or a specific trade, there is a much better chance of getting employment.

The reality is we have an unemployment rate in excess of 19 per cent. In some communities for our young people it is 25 to 30 to 35 per cent. We see migrations of young people out of my region moving to the golden horseshoe in search of work.

The reality is that the day a graduate had a job waiting for him or her the day after the graduation ceremonies is long gone. We no longer see halls full of recruiters at universities and colleges. It is difficult to get people even to come to the campuses to offer jobs for students because the jobs just do not exist. There is so much downsizing.

Therefore to say to the students who are about to enter college or university that the moment they graduate they will have to start paying the interest back is putting one more straw on a very overburdened back. It is not cheap to go to school even in one's own community. There are costs that are out of reach for a number of families. The Canada Student Loans Program has been an exceptional aid to Canadian young people in giving them access to higher learning. That is why we are supporting these amendments, the sole purpose of which is to delete specific clauses dealing with repayment in particular.

The government will argue it is doing this because it is going to eliminate the 3 per cent tax that students have to pay up front. In testimony before the committee officials said that it is not going to happen at the same time. The moment this bill passes the other place and

the Governor General puts his signature on it does not mean the 3 per cent tax is gone. No, it will be gone when enough revenue has been raised through this other process.

That reminds me of the promise made—I am not quite sure whether it was just after World War I or during World War II when the Government of Canada decided to impose a temporary income tax on Canadians.

An hon. member: It was in 1917.

Mr. Angus: I thank the tax expert in the corner. In 1917 it was a temporary tax on income. Well, we all have our forms at home. We know that the 1917 temporary tax has become a permanent feature. It is said that death and taxes are with us always.

When the government says: "We will eliminate it down the road," we have no faith. We have no faith that the government will do that. In addition to convincing government members to vote in favour of deleting these particular clauses we must see how else we can assist our young people in getting that education and minimizing the barriers to accessing education. More important, an education designed toward a career does not do any good if the jobs are not there.

Everything this government has done from my perspective is to eliminate, eliminate, eliminate jobs. It has created an environment where it is impossible for the private sector to create jobs. All it has been able to do is downsize, downsize, downsize. Look at rail. Look at air. Look at the whole transportation sector.

Look at research and development. We are not putting dollars into that field either publicly or privately to create an opportunity for our young scientists or engineers to get into the workforce and do some good things for Canada and the world. We do not do enough research on the medical side so that we can put those medical specialists who are more interested in working in the laboratory than working with individual people because they know they can find a solution to a problem as opposed to fixing what is broken. We do not provide the resources there either.

I say to the government that these clauses are wrong. They should be deleted. That is why my caucus is supporting these particular motions which we would have put in in any case in the name of the member for Windsor—St. Clair. I hope the government is listening and is prepared to recognize that what it is doing is not going to help our young people get ahead in this world.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Madam Speaker, I rise today to speak to the amendments proposed by my colleagues opposite.

It is important to remember that the budget of this government was dedicated to fiscal restraint and deficit reduction in the interest of sound responsible management. In Bill C–76 we amend the Lobbyists Registration Act, the Salaries Act and the Canada Student Loans Act.

• (1040)

All measures were designed with restraint in mind. The measures in this bill pertaining to the Canada Student Loans Program were introduced as part of the government's over–all restraint program.

I would like to remind all members of the House that we do not practise restraint because it is fun or because we are opposed to programs. We practise restraint because of the need for responsible management. The removal of the six–month post–school interest free period as of the 1993–94 loan year is an integral part of this over–all effort. Some of my colleagues want this measure removed from the bill.

The 1992 budget signalled the government's commitment to reform the Canada Student Loans Program. This was reiterated in the December economic statement. We all agree on the continuing importance of the Canada Student Loans Program in maintaining an accessible post–secondary learning system. But that does not preclude the need for constructive reform.

Like so many other areas of public policy, it is necessary to update the program to ensure that it continues to provide assistance to needy students. The amendments of Bill C–76 should be viewed in the context of other measures currently being undertaken by the government to strengthen and improve the Canada Student Loans Program.

As currently structured the federal government guarantees loans made to full–time students by lending institutions. The taxpayers through the government pay

the interest costs while the students are at school and currently for the six months after graduation.

The fact is that the elimination of the six-month interest subsidy will affect students only after they have left school and are normally in a position to repay their loan.

The financial burden of eliminating the six-month interest subsidy should be minimal. For an average loan, the monthly payment will be increased by less than $3.50 which is an amount well within the financial capacity of most if not all students who have graduated.

Borrowers will continue to have up to six months after completing their studies to make repayment arrangements with the lenders. However during this period, interest on their loans will accrue. Borrowers will have the choice of paying this interest in one lump or having it capitalized into the amount of their loan.

Borrowers will still have access to up to 18 months of interest relief which is a component of the program available at the end of the six-month grace period. If they are unemployed or temporarily disabled, they will continue to have access to interest relief.

In addition it is important to remember that Canada student loans will continue to be interest free to students the entire time they are in school.

Therefore I am confident in saying that while the amendments will contribute to the deficit reduction effort, students by and large should not be disadvantaged.

Since it was created in 1964 the Canada Student Loans Program has enabled more than 2.5 million Canadians to pursue post-secondary studies thus contributing to the development of a well educated and very acceptable work force.

I urge my colleagues not to support this amendment. I have explained the rationale behind these changes to the Canada Student Loans Program and how they fit into the over-all restraint program. We all agree on the importance of the Canada Student Loans Program. The program will continue to be effective in promoting post-secondary education.

I suggest that we get on with passing this bill as was originally intended.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I would like to start off by saying that the specific part of this bill I will be dealing with concerns the Lobbyists Registration Act.

The remarks I will be making today about a specific firm that I will be dealing with are not meant to be partisan remarks. I will be talking about an organization called Government Policy Consultants (GPC). A lot of people tend to think that when we talk about the Lobbyists Registration Act we are basically talking about lobbyists who tend to be labelled as Conservative lobbyists. However this particular firm has Liberals involved.

My good friend the Hon. David Collenette, who is actually one of our candidates in a downtown Toronto riding, is a member of this firm. James Crossland, who is a very good friend of the Prime Minister, is also a member of this firm. Another member is Mark Rudolph, who happens to be a constituent of mine and is a good Liberal lobbyist. Sharon Vance is another good lobbyist who used to be an executive assistant to Mr. Broadbent and was also a senior assistant to Bob Rae. There is also another good Liberal, John Duffy, who used to be a senior advisor to my good friend and colleague the member for LaSalle—Émard.

My comments are not in any way, shape or form partisan. I am not promoting GPC because it has some Liberal lobbyists. It also has some Conservatives and some NDPers. There might even be some Reform Party lobbyists.

Included in the brochure that Government Policy Consultants sends out to its clients is a code of conduct. I am going to read two or three excerpts from this code of conduct. It says: "GPC will respect the confidence of clients and not reveal confidential or private information obtained during the professional relationship except where authorized by the client or required by law to do so. GPC will conform to the federal Lobbyists Registration Act, which requires our firm to register clients for whom we undertake direct advocacy with government officials and politicians. GPC will avoid positions of conflict of interest and will not accept assignments that will in any way bring discredit to the firm or to our profession. GPC will not knowingly place anyone holding public office, elected or otherwise, in a position of a conflict of interest. GPC will not make promises or commitments to clients that may suggest influence over cabinet ministers, legislators or government officials".

I believe that this is a sincere attempt by this corporation to put forward a basic set of ethics by which it operates. The problem we have though is that today there is a perception in this city and in this country that the lobbying industry is not functioning properly or fairly. This is an industry with fees of close to $100 million last year. That is an awful lot of money being paid by people throughout Canada to lobbying firms that approach not only MPs and ministers but officials to put forward the particular customer's position on a particular issue.

The time has come for us to radically reform the Lobbyists Registration Act. Perception being reality we have now developed an industry that has a very bad reputation. We should be examining a bill introduced in the Senate of the United States just recently, S-349.

• (1050)

The purpose of this bill is the effective public disclosure of the identity and the extent of the efforts of paid lobbyists to influence federal officials in the conduct of government actions. By doing that it will increase public confidence in the integrity of government.

Then it goes on to say in section 5(b)(2)(D)(3): "That in the case of a lobbyist lobbying on behalf of a client other than the registrant a good faith estimate of the total amount of all income from the client including any payments to the registrant by any other person to lobby on behalf of the client during the semi-annual period other than income for matters that are unrelated to lobbying activities".

In section 5(b)(2)(D)(4): "In the case of a registrant lobbying on its own behalf a good faith estimate of the total expenses that the organization and its employees incurred in connection with lobbying activities during the semi-annual filing period".

In the United States people must file every six months and they must be very specific about all their lobbying activities.

As we are discussing this Lobbyists Registration Act we should examine this bill from the United States. We should not just have the amounts of money that lobbyists receive from specific clients but should list the officials and MPs who are being approached by the lobbyists. Officials should also report to ministers' offices when they are being lobbied and report the specific issue. In 1985 the Prime Minister said that he was going to reform the lobbying system in this country and that he was going to develop a transparent system.

It is almost 10 years later and we have not done that. I am hearing from many people, from customers of lobbyists and from lobbyists, that they would now like to have a system that would restore the image that the lobbying industry in this country once had. We can only do that by having full disclosure of all the activities that are going on.

As part of Bill C-76 there is a little cost recovery measure related to the Lobbyists Registration Act. The government wants to charge a fee of the companies that are registering. That does not even come close to addressing the real issue that needs to be addressed.

I ask all members of this House to support the chairman of the consumer and corporate affairs committee and radically reform this act.

Mr. Mac Harb (Ottawa Centre): Madam Speaker, I rise to talk about the amendment to the Canada Student Loans Act. We have a number of amendments on the Order Paper calling for an overhaul of the student loans act. Back on February 25, 1992 the Minister of Finance indicated that he would be negotiating a new arrangement for student loans with financial institutions and that he would eliminate the 3 per cent administration fee on student loans.

The bill came before the House and the 3 per cent tax still exists. In fact the student population was denied the right to appear before the committee in order to make its case. There was no consultation whatsoever when it came to this part of the bill. Also, the bill itself imposed an extra burden on the students.

If we examine the student loan and its impact on students the latest statistics show that there are in excess of 10,700 students in the Canadian system who have over $15,000 in terms of loans they must repay. That figure has increased by more than 500 per cent over the past four years alone.

If we consider the 3 per cent tax increase, which I and my colleagues in the Liberal Party feel should not exist, as well as the way in which the government is managing student loans one cannot help but say there is a major problem that must be addressed.

We cannot have it both ways. On one hand we are talking about the need to reform our educational system in order to improve our way of doing business in this country so we can move forward and on the other hand we are hitting those who are going to create the infrastructure necessary for that kind of move.

By the year 2000 we are going to see a vast majority of jobs that require at least a high school or post-secondary education. We are going to see a shrinking work force and an increase in the number of people who need assistance from the system. We are going to see the need for a dynamic work force.

One would think that any person with proper reasoning would put a lot more emphasis on helping those who are going to be helping the future generation. It is the student population that will be the main instrument for moving into the next century.

The government is burdening those students with an extra debt load. It is penalizing them. Many of those students are leaving school or finishing university and finding themselves in a situation in which there is no job available for them. The government cannot have it both ways. It cannot on one hand tell the public it is putting more emphasis on education while on the other penalize students who are going to school. It is trying to block students who are going to school. It is creating road blocks for them in terms of accessibility.

Just recently the NDP Government of Ontario eliminated student grants altogether. This is a government that had promised to increase assistance to educational institutions and to students. Now the federal government is doing the same thing. The student population is finding itself in a very awkward position.

We must ensure that we have an accessible national plan for post-secondary education. We must ensure that education becomes a right and not a privilege in the society we live in. It is quite sad, particularly when we look at the illiteracy rate in Canada. Forty per cent of the population group between the ages of 15 to 24 is considered to be functionally illiterate. That represents a loss of revenue to the economy of $10 billion as a result of illiteracy. The government is doing nothing to deal tangibly with accessibility to post-secondary education and education as a whole.

It is deplorable that on the one hand the government promised in 1992 that it would consult with the student population and on the other hand in 1993 it even denied students the right to appeal before a committee so they could argue their case and take the government to task about the 3 per cent tax on student loans. Enough is enough. We cannot continue to fool the public by saying that education is a priority when in fact what the government is doing, in conjunction with the provincial governments in some cases, is trying to create road-blocks, trying to avoid the reform of the educational system, trying to really deliver a blow to those who want to progress in life and move on to make a better life not only for themselves but for society as a whole. It is high time the government took this piece of legislation and put it aside until such time as the commitment of the Minister of Finance is fulfilled in trying to amend the act, trying to do the proper consultation and trying to see what really needs to be done.

I can see my time is coming to an end, but the student population—

Madam Deputy Speaker: The hon. member will be able to continue after Question Period when we resume debate on the bill.

As it is eleven o'clock, the House will now proceed to statements by members, pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

COD FISHERY

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Madam Speaker, both fishermen and processors in the gulf and on the Scotia shelf are getting increasingly frustrated and angry with the Minister of Fisheries and Oceans' confused policies on the harvesting plan for the cod fishery.

On December 18, as part of the 1993 groundfish management plan and a campaign to prevent the capture of juvenile fish, the minister ordered all gear sectors to develop fishing plans before they would be permitted to fish. These and other new restrictions have greatly

increased the cost of fishing this year. At the same time, fishermen will be facing quota cuts in the order of 70 per cent.

If this government wants to close down the fishery in the gulf and on the Scotia shelf, why does it not do so directly and provide adequate compensation and adjustment programs for those people in communities that will be affected rather than jerking the fishermen and fish processing companies around with its confused management policies?

* * *

LIBERAL PARTY

Mr. Felix Holtmann (Portage—Interlake): Madam Speaker, I would not purposely go out of my way to frighten you, but in this case hang on to your chair. When a former finance minister who brought Canada its highest interest rates, highest inflation, record increases of government spending, becomes the leader of the present day Liberal Party and he makes his economic statement, then this is scary stuff.

The Liberal boss's position on the GST must have his backbenchers almost sucking lollipops. First, he was going to eliminate it. No, no, no. Now it is going to be replaced with, well, it is going to be announced after the election. But no, no, that was not good enough. He is going to replace it with a hidden business transfer tax. No, no, none of the above. It is now going to be studied by a committee.

Now the Liberal agenda is starting to surface. The Liberal platform is sneaky and frightening to all Canadians.

* * *

WHITE CANE WEEK

Mr. Stan Darling (Parry Sound—Muskoka): Madam Speaker, I would like to remind the House and hon. members present that since 1946, the first week of February has been designated White Cane Week by the Canadian National Institute for the Blind. A national network of special events occurred during this week to make all Canadians aware of the challenges faced by blind and visually impaired persons in our society.

The theme for this year's week, February 6 to 13, is employer awareness because there has been a tremendous increase in the last decade in the availability of educational and technological resources that enable persons with visual impairments to work. Providing employers with an awareness of the job skills and potential possessed by persons with visual impairments is an important step toward that goal.

I am pleased that the federal government has had a long and productive association with the Canadian National Institute for the Blind. The Department of National Health and Welfare has been supporting this organization—

Madam Deputy Speaker: I am sorry, I must interrupt the hon. member.

* * *

DAVIS INLET

Mrs. Beryl Gaffney (Nepean): Madam Speaker, Canadians are pleased to learn that the Innu of Davis Inlet will have a treatment program instituted and the government has agreed to move the Innu to the mainland. We cannot stop there. This government may have succeeded in the damage control of promising to take care of the one situation that has attracted the attention of Canadians and the international community, but an official of the Assembly of First Nations informed my office that there are at least 100 communities in similar situations across Canada.

Solvent abuse, alcohol and drug abuse and suicide are rampant in aboriginal communities such as Big Cove, New Brunswick, Fox Lake, Alberta, Cat Lake, Ontario, and I could go on and on. These communities need more of a government commitment to help address these issues. It is time to stop waiting for emergencies to happen before making a commitment. Proactive steps are needed immediately, not reactive steps when atrocities occur.

* * *

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Derek Blackburn (Brant): Madam Speaker, one year ago today members endorsed a New Democrat motion which called for Canada to support a balanced GATT negotiating position on agriculture including the maintenance, strengthening and clarification of article XI and an end to export subsidies.

Lately ministers having been saying clarification when they are speaking to farmers at home and tariffication when they are dealing with negotiators outside the country.

Tariffication will destroy supply management. There are periods of the year when U.S. poultry prices are so low that even a high tariff will not keep them out. We therefore call on the government to reaffirm its commitment to advance the concerns of farmers of supply managed commodities at the GATT.

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[*Translation*]

LIBERAL PARTY

Mrs. Monique B. Tardif (Charlesbourg): Madam Speaker, the Liberal Party of Canada and its leader continue their exercise in vacillation on the GST as on so many other issues.

Last night, in the second economic statement in as many weeks, a second version of their position was made public. In Ottawa last week, the GST was replaced with a VAT to be included in the price structure and thus invisible to consumers.

According to what was said in Toronto last night, the GST would not last more than a year under the Liberals, after which they would tell us what Canadian consumers could expect.

I may remind hon. members opposite that a consumer tax was introduced to put Canadian industries during this difficult period of transition on the same footing as their international competitors and that it was a visible tax at the request of consumers who wanted to make sure their government would not take advantage of the tax to increase program spending.

All Canadians, which means all consumers, have a right to know the true intentions of the Liberal Party of Canada.

A word to the wise.

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MEMBER FOR ROBERVAL

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, today I would like to thank the hon. member for Roberval and Minister of National Health and Welfare for his prophetic insight because yesterday the minister bravely conceded the next election to the Liberals.

In fact, the minister recognized the tremendous popularity of the Liberals when he admitted that his party was considering an alliance with the NDP. According to the hon. member for Roberval the outcome is a foregone conclusion. This is a political party that has hit rock bottom.

I therefore invite the Prime Minister to take a walk. Perhaps he could go across the street from 24 Sussex to see the Governor General and ask him to call an election immediately.

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[*English*]

LEADER OF THE LIBERAL PARTY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Madam Speaker, last evening the leader of the Liberal Party made a major policy speech in which he addressed many subject areas in very general terms.

One such area was fiscal responsibility which invites some interesting comparisons. For example, he spoke of unwaivering discipline in controlling expenditures. Yet in the 15 years of Liberal government during the 1970s and early 1980s the rate of growth in government program spending rose on an annual average of 14 per cent. By comparison, in the past eight years of Conservative government program spending has been restrained to an average growth of less than 4 per cent each year.

Similarly, the Liberal leader made a general commitment to reduction of the deficit in terms of gross domestic product. Perhaps he does not realize that even in the depths of recession the Conservative government has reduced the deficit in those terms from 8.7 per cent to 5.1 per cent. That is the difference between promises and performance.

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MINISTER OF FISHERIES AND OCEANS

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, thought to be extinct, yet again the Crosbisaurus has lumbered out of the tarsands to wreak havoc. Known to be callous, verbose, obsolete and bumptious, untethered this creature meanders about causing harm to all that fall in its path.

S. O. 31

Last night the fisheries minister said that with the proposed UI bill "it seems that everyone quitting their jobs today have been sexually harassed".

To gales of laughter from others from the tar sands, the minister went on to say that if he had been sexually harassed he would want everyone to know that he had been "so favoured".

This is an outrageous statement. Yet again the minister has shown his gross insensitivity to the issues affecting Canadian women. Yet again we see how flawed the interpretation of the new UI legislation will be.

The minister of fisheries owes an apology to every victim of sexual harassment for making light of such a serious issue. With the exception of the Newfoundland Chamber of Commerce, it is no longer even amusing that the Crosbisaurus roams about without a leash and a gag.

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• (1110)

LIBERAL PARTY

Mr. Walter Van De Walle (St. Albert): Madam Speaker, another flip-flop for the Liberals. Last week the Liberal leader said he had a plan to scrap the GST. It was reported in the media as the Grits' sleaze tax. Hidden and unfair, it would tax food.

However this week the Liberal leader, speaking at the Toronto Empire Club, admitted that it would be up to 12 months after the next election before the details would be made public. Canadians are demanding that the Liberals come clean with the public; stop waffling.

The Conservative government has a clear economic plan. It has removed the manufacturing tax and replaced it with the GST to make Canada more competitive in the world market.

The Liberals have no plan. Canadians have a right to know where political parties stand.

[*Translation*]

CITY OF MONTREAL

Hon. Marcel Prud'homme (Saint-Denis): Hélène Drapeau, assistant clerk of the city of Montreal, kindly sent me a copy of a resolution passed by the executive committee of the city of Montreal on December 22, concerning the unfortunate freeze on grants in-lieu-of-taxes which will put the city in a very difficult position because, as it says in the resolution, the decision was made without prior consultation with the municipalities.

I wish to inform hon. members that next Monday we will meet the mayor of Montreal the executive committee and everyone who is concerned about a decision that will create tremendous problems for Montreal which stands to lose $10 million without having been consulted. The entire Quebec caucus—yesterday, the hon. member for Notre-Dame-de-Grâce put a question on the subject to my good friend, the Minister of Finance—understands the financial situation but our point is that there was no consultation and this puts tremendous pressure on the finances of the city of Montreal.

Madam Deputy Speaker: The hon. member's time is up. The hon. member for Sarnia—Lambton.

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[*English*]

SMALL BUSINESSES LOANS ACT

Mr. Ken James (Sarnia—Lambton): Madam Speaker, as a small business person, I am fully supportive of the review of the Small Businesses Loans Act. Amendments to the act are indeed long overdue.

In particular, I have had a major concern that our small businesses did not have adequate access to readily available capital. A number of entrepreneurs in Sarnia—Lambton have reinforced this concern.

Today I still have some reservations that the current amendments to the act will correct this problem. Improvements rely on a firm and unwaivering commitment by our financial institutions to better utilize the program, to maximize access and to be moderate in their demands for collateral on a personal guarantee. I question whether current amendments to the Small Businesses Loans Act will guarantee this commitment.

However, let me reaffirm my support for a number of the changes to the Small Businesses Loans Act. There was and in my mind there still is room for improvement to this act. Let us make the most of this opportunity. Let us make the SBLA what it is supposed to be all about, access to needed financing and capital for our small businesses.

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NORTH AMERICAN FREE TRADE AGREEMENT

Mr. David Barrett (Esquimalt—Juan de Fuca): Madam Speaker, it is with grave concern that I rise in the House today to warn Canadians as we head into an election campaign that yes, indeed, this government is finished. There are choices to be made in the next election on precise policies. We know where the government stands on NAFTA and now we know where the Liberal Party stands on NAFTA as well.

Yesterday, as sweepers after the parade of the Leader of the Opposition's speech, the members for LaSalle—Émard and Etobicoke North said that the Liberals would probably sign NAFTA and try to change it later. That is an absolute cop-out. It is a sell-out even worse than what the Tories are doing.

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[*Translation*]

MEMBER FOR SKEENA

Mr. Clément Couture (Saint-Jean): Madam Speaker, after hearing what the NDP member for Skeena had to say to the Americans about electricity from Quebec and considering his refusal to retract and stop the screening of a video that criticizes the Great Whale project, all Quebecers feel that what he said was uncalled for, unjustified, and not helpful in creating a better environment.

The leader of the New Democratic Party dissociated herself from the statement, calling it excessive. We can assume this means the hon. member for Skeena will have to leave his party and thus will not be able to apologize to Quebecers.

I therefore want to ask the Leader of the New Democratic Party, the hon. member for Yukon, to apologize to Quebecers on behalf of her party.

* * *

[*English*]

THE ELDERLY

Mr. Mac Harb (Ottawa Centre): Madam Speaker, I rise today to express my extreme disgust with the continuing attack on seniors by the Ontario NDP government.

The NDP has plans to charge seniors who live in apartment buildings for basic maintenance services such as outside window cleaning and painting.

I find such policies to be reprehensible and inexcusable. The latest attack on seniors involves the NDP decision to remove pay phones from lobbies of seniors buildings. In many cases, high rise buildings with hundreds of seniors have been left without access to a public phone. The rationale for this is that it will save through the whole national capital region $18,000 per year.

By removing these phones, the NDP is putting the safety of seniors at risk. If the NDP insists on removing these phones anyway, when is it going to put in some sort of a public safety phone for those seniors?

This is just another example of poor NDP government management. There must be a better way—

Madam Deputy Speaker: I regret the hon. member's time has expired.

* * *

THE ECONOMY

Mr. John A. MacDougall (Timiskaming—French River) Madam Speaker, yesterday we had the opportunity to hear the leader of the Liberal Party at the Empire Club in Toronto tell us about his economic plans.

Instead of Canadians being able to sleep well last night, they had nightmares. They had nightmares because they can remember the six and five wage and price controls when the same member was in government. They still remember when he was in power saying the government would not tax gas. What did they do?

The economic plans of the Liberal leader and the Liberal Party are they want power and there is no economic plan.

This is the same party that gave us the 21 per cent bank rate. This is the same party that gave us the 21.7 per cent mortgage rates.

Canadians want the truth. Canadians want economic policies brought forward, not the shadow boxing the Liberals are trying to give us. Let us hear what the Liberal Party really stands for.

ORAL QUESTION PERIOD

[*English*]

MINISTER OF FISHERIES AND OCEANS

Ms. Sheila Copps (Hamilton East): Madam Speaker, my question is for the Acting Prime Minister.

For weeks now we have heard the government claim that it is very concerned that sexually harassed women should be dealt with fairly and should have access to UI benefits.

Last night in a speech to the Lewisporte Chamber of Commerce in Newfoundland we heard a senior minister of the Crown characterize how he views sexism.

"Apparently just about everybody who quits their job is being sexually harassed. We must have one hell of a lot of attractive people working. I have never been sexually harassed myself. If I were, I would certainly want to make it known that I had been so favoured".

How can the government on the one hand claim to be serious about the issue of sexual harassment and on the other hand have a senior minister display such abject ignorance on the subject?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, the government is very serious about the issue of sexual harassment and violence against women.

The hon. member knows the minister of fisheries, and knowing him as I do, and as she does, I am absolutely convinced that it was not his intention to reflect unfavourably on genuine victims of sexual harassment.

The minister is on his way to Ottawa. I can assure you, Madam Speaker, that if there is clarification required about this statement it will be issued.

I have just been handed a document which is a review of a book that was written about Mr. Crosbie. It reads: "In fact it was John Crosbie who pressed his colleagues to appoint more female judges, to federally enforce maintenance and custody orders, to stop discrimination against women in the Armed Forces and put an end to the sexual exploitation of women and children in pornography. But when it comes to a choice between his legislation or his limericks, the press usually runs with his off-coloured humour every time".

In fairness I do not think—

Madam Deputy Speaker: The hon. minister will have a chance to continue.

Ms. Sheila Copps (Hamilton East): Madam Speaker, it is not the press running with off-coloured humour.

It is the minister once again displaying his absolute and total insensitivity to the issue of sexual harassment and the devastating effect it can have in the work place.

• (1120)

I want to ask the Acting Prime Minister this once again. Given that he and his colleagues claim to be very concerned about this issue, does he not realize that the comments of a senior minister of the Crown ridiculing the issue of sexual harassment in the work place sends out the wrong message at the wrong time and that this is the wrong bill?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I can assure the hon. member and all members of the House that the Minister of Fisheries and Oceans is not insensitive to sexual harassment and exploitation and violence against women. He has a clear record to substantiate that.

He is in transit. He is coming to Ottawa. If it is necessary to clarify what he has said, I know very well he would want to do that. I am sure the hon. member will find his statement of clarification satisfactory.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Madam Speaker, we are being asked to change topics. It is unacceptable for the Acting Prime Minister in the House today not to deny the policies expressed yesterday evening by the minister who belittled the problem of sexual harassment in the workplace.

I want to quote again what the minister said last night: "I have never been sexually harassed myself. If I were, I would certainly want to make it known that I had been so favoured".

Is the Acting Prime Minister prepared to reject these comments categorically here in this House and say that they do not reflect the government's policy?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, as I indicated there will be a statement of clarification made by the hon. minister.

Ms. Copps: What about you?

Mr. Mazankowski: The hon. member says: "What about you?" I did not make the statement and I have full confidence that the minister of fisheries will make that clarification. She has known the hon. minister for quite some time. I think she recognizes that a jest was involved in this. He was making fun of himself and not sexually harassed women.

Ms. Copps: And cripples and coloured.

Mr. Clark (Yellowhead): Wasn't it Jean Pelletier who said that?

An hon. member: Yes.

Mr. Mazankowski: Madam Speaker, while I understand very clearly the sensitivity of this issue, I appeal to the hon. member to wait for the minister to clarify whatever misunderstanding may have occurred. I can assure the hon. member that her reflection of what the hon. minister said is not an accurate reflection of government policy.

* * *

EMPLOYMENT

Hon. Herb Gray (Windsor West): Madam Speaker, my question is for the minister of employment. Among the victims of this recession are tens of thousands of workers in their 40s and 50s. These employees have been offered and have taken voluntary separation packages from their firms. However, under the government's new rules, if the employees take these packages they are cut off forever from the possibility of collecting unemployment insurance.

The minister has said that his changes to the unemployment insurance system were designed to catch bums, cheaters and fraud artists.

Why does the minister think that employees in their 40s and 50s who have to take these severance packages are bums, cheaters and fraud artists? Does he not realize that they are decent people who are still in the labour market and will have need of the unemployment insurance system?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, I find it incredible that the hon. member would stand up in this House and put these words in my mouth. I did not utter them.

What I indicated, and what the government has indicated quite clearly, is that on the general severance issue you cannot receive severance benefits and unemployment insurance benefits at the same time. What he does not add is that once your severance benefits run out you are then eligible to collect unemployment insurance benefits.

The hon. member is talking about an adjustment issue, policies the government has been pursuing since 1984 in a much more pro-active way than any government before.

Hon. Herb Gray (Windsor West): Madam Speaker, the minister's officials said quite clearly yesterday that workers who accept severance packages will not be eligible for unemployment insurance at any time if his rules go into effect.

Thousands of Canadian workers in these tough times have been taking voluntary separation packages. There is no scam here. There is no rip-off here. They are just companies and employees trying to cope as best they can with the effects of this government's economic policies.

How can the minister talk about the need to restructure the economy and at the same time try to put into effect a policy which will undermine attempts at this restructuring being carried out in a way that is fair and humane for the men and women involved who have to stay in the work force?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, I want Canadians to know that when we talk about adjustment measures, the hon. member who just stood up and pretended to be so

concerned, the Liberal Party of Canada and the New Democratic Party of Canada, are the very people who opposed strenuously for over a year the implementation of measures that would protect the unemployed people that they claim they seek to protect.

We increased the funds under UI from $350 million two or three years ago to $2.21 billion to help unemployed Canadians. In our quest to help unemployed people adjust we were opposed all the way by the now pretenders to power on the other side.

Mr. Cid Samson (Timmins—Chapleau): Madam Speaker, my question is for the Minister of Employment and Immigration.

The draft document dated December 1992 written by the minister's director of benefit entitlements was sent to all regional managers and directors of insurance services and benefits programs, the executive director and directors general of insurance, the director general of benefit pay systems, the directors of insurance policy and the legal counsel of insurance.

Earlier this week the minister repudiated this document, a document which demands that workers remain in unsafe working conditions, as well as a host of other intolerable situations. This was done under the name of reasonable alternative.

Madam Deputy Speaker: The hon. member may wish to put a question.

Mr. Samson: Madam Speaker, if the guidelines in this document are not to be followed, will the minister table documents in this House which clearly state this, as well as documents which outline the sensitive procedures the minister has stated repeatedly will be followed when adjudicating claims under Bill C-105?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member, the printer of new money, should know. He should really reflect on this. Demagoguery will lead you nowhere. It will lead no one anywhere.

I have never seen the documents that he so proudly distributed to everyone on the Hill and to every media reporter in the country. This is work from some level in the department.

The important issue here is for Canadians to know that in the implementation of this provision under Bill C-105 its only purpose is to try to rule that benefits will not be given to those who choose without provocation, without reason whatsoever, to seek benefits.

These are the only people targeted and whatever he says will not change the issue.

Mr. Cid Samson (Timmins—Chapleau): Madam Speaker, with regard to the last statement the minister made concerning what I said about not changing anything, it does not matter what anybody says, nothing is going to change. At least I do not print documents that are as destructive as this one is.

On April 7, 1978 the Tories published the report of its task force on unemployment. Page 9 of the report states:

> Most people on unemployment insurance would rather be working. A problem exists, however, in that there is still a myth held by Canadians that UI causes unemployment and that people on UI are lazy.

On March 28, 1992 the minister said in *The Toronto Star* that unemployed workers "want to work. They are not lazy. The least you can ask of political leaders is that they identify solutions and try to put them in place".

• (1130)

Why are the minister and his government going back on their word and deliberating creating a perception that all recipients of UI are shiftless and lazy, a perception which pits Canadians against Canadians?

Madam Deputy Speaker: Those are very long preambles and long questions.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, how can these individuals stand in the House and pretend that they care about the unemployed when they opposed strenuously the efforts of this government to try to help those people who through no fault of their own became unemployed.

We have made expenditures to train those people, which is the key to reintegration into the labour market, at from $350 million to $2.21 billion. The adjustment

policies we have put in place are helping Canadians. We shall improve them because we care about them.

Mr. Cid Samson (Timmins—Chapleau): Madam Speaker, in an attempt to be brief I am not even going to respond to that ridiculous statement.

In recent days the minister has repudiated his director of benefit entitlement, his director of public affairs, and even his own stated interest in establishing a UI snitch line. How can we have any confidence in a minister when he repudiates not only his senior staff but also himself?

Is the minister going to do the only reasonable and sensible thing and withdraw Bill C-105?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, the record is clear. At least we must give them that. They argue that the hard working people of Canada and the employers, those small businessmen and women throughout the country who work tirelessly, should pay benefits to a person who, without reason, without provocation or without any reasonable circumstance, quits his or her job.

That is the position of the NDP. We respect it, but Canadians do not accept it and this government does not accept it either.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, my question is for the Minister of Employment and Immigration.

In Atlantic Canada jobs are scarce. There just are not enough to go around. Most older workers who retire do not want to. They retire because at least they will have some income. If they did not take voluntary retirement, younger workers with young families and mortgages would be laid off and would have absolutely nothing.

Why will the minister not guarantee the older workers of this country that he will not deny them their unemployment benefits?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, when the hon. member talks about older workers he could say at the same time: "Why don't you add POWA, a program that was put in place to help older workers?"

I am also from Atlantic Canada. I know the situation in our region of the country. I know the hon. member is concerned about this matter. So am I. I can assure the hon. member and the House that nothing in Bill C-105 will prevent the government from working with firms and their employees to help them adjust to the restructuring, the rationalizing and the downsizing that are taking place.

We have already taken steps in that direction and we shall take more.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, there is an economic catastrophe happening in Atlantic Canada right now.

When the Prime Minister was president of the Iron Ore Company of Canada he offered a retirement package. Was that voluntary retirement? That sort of voluntary retirement is happening right across this country at the present time.

Why will the minister not be fair with older workers? Why will he not say that if they qualify and they have paid into the program they can have the unemployment insurance benefits?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, we have to be careful with the words we use and not to mix the issues.

When the member talks about restructuring, obviously people who are leaving their jobs under this type of restructuring are not voluntary quitters in the pure sense of the phrase.

The Government of Canada has many tools at its disposal to lend assistance to employees and employers who are adjusting to new economic realities. All these are presently being pursued in effectively positioning companies for emerging opportunities.

I know what the hon. member is talking about. There is the general issue of severance and I want Canadians to know that once the severance benefits have run out the person is eligible for UI benefits. But when we talk about restructuring or downsizing or cashing out, for example, that may be a situation which not only UI but our general adjustment policy could help these people with.

We have POWA. We have others. We are working on retaining the best adjustment measures in the world which we already have.

Mr. Mills: There is no money in POWA. POWA is empty.

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, my question is also for the Minister of Employment and Immigration.

At the moment there are about 120,000 unemployed Albertans and by coincidence the Edmonton food bank alone is serving about 120,000 people a year, thanks in large measure to this government's economic policies including the GST and its very bad stabilization policy.

Will the minister in such circumstances tell the House why it was that he did not consult with the respective provincial governments, specifically having regard to what we are talking about today: the buy-outs for people who take severance packages?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, I have just indicated that UI was one of the tools in our arsenal to help people adjust to this emerging economy. Rationalization, restructuring and downsizing are taking place. I said that in those situations obviously the person is not a voluntary quitter in the pure sense of the word. I have already indicated that.

We have taken measures in the past and we will in the future to ensure that the measures in place help those people reintegrate into the labour market. That is the issue.

They can claim whatever they want, but no government in recent history has done so much for the workers of Canada, and we will continue doing that.

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, the minister still has not given us an answer to the question many of us on this side of the House are asking.

At the moment a recent opinion poll indicated that about one in five Albertans was still prepared to vote for the Tory government. I do not know how that can be.

Will the minister tell us why he is not prepared to listen to one of the few Albertans who is still prepared to be seen in public with this government, namely our temporary premier?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, Canadians will see through it. These people on the other side, the Liberals and the NDPers, are not concerned about the unemployed. They are not concerned about the economy. They are not concerned about the rate of taxes. They are not concerned about the deficit. They do not care about these people who have to foot the bill out there, the real people, the taxpayers.

Mr. Mills: There is no money in POWA.

Mr. Valcourt: They stand in this House and they ask the government to ignore reality. The reality is that unless these steps are taken in a fair way taxes have to be increased or the deficit has to go up with its dramatic impact on interest rates. It will stymie the recovery and we will not do it for the sake of the pollsters or the special interest groups that they play to.

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, earlier in Question Period the Deputy Prime Minister indicated that the minister of fisheries was in transit. He is in transit all right. He is in transit somewhere between the 19th and the 20th centuries.

What the minister said last night was: "It seems that everyone quitting their jobs today has been sexually harassed". To gales of laughter he went on to say that if he had been sexually harassed he would want everyone to know that he had been "so favoured".

With this outrageous statement, I want to ask the minister of employment: Does he not agree that the minister's interpretation of the proposed UI legislation shows serious flaws in the legislation and just how vulnerable women will be when saying they have been sexually harassed and trying to prove they have been sexually harassed when that is the attitude of the government that is bringing in this legislation?

• (1140)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I have already responded to that issue. Just to simply repeat, the interpretation of the hon. member and the interpretation of the deputy leader of the Liberal Party is not an accurate reflection of government policy.

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, this particular minister has a long record of making these kinds of anti-women statements over and over again while I have been in this House of Commons.

I ask the government side of the House and the Deputy Prime Minister: Will this minister be reprimanded? Will he be removed from his position of trust and authority so that Canadian women will understand that this House of Commons and this government do not tolerate such specious remarks about Canadian women?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I have already indicated that the hon. minister of fisheries would be issuing a statement of clarification so that there is absolutely no misunderstanding.

In talking about his record in the book that was written about him—

Mr. Kilgour: You have already read it.

Mr. Mazankowski: I am just reading a review, something that has been handed to me, for the turncoat across the way.

Mr. Clark (Yellowhead): Has anybody ever read any of your books, David? Anyone? Name one.

Mr. Mazankowski: The review states as follows: "In fact it was John Crosbie who pressed his colleagues to appoint more female judges, to federally enforce maintenance and custody orders, to stop discriminating against women in the Armed Forces and put an end to sexual exploitation of women and children in pornography".

That is a pretty good record.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Madam Speaker, my question is for the Minister of Employment and Immigration. The minister does not really understand the problem in totally denying unemployment insurance benefits to those who leave their jobs voluntarily.

Yes, those who have just cause will get unemployment insurance, but there are many cases where just cause is not clear-cut and it is difficult, costly and takes months to prove. In the meanwhile the employee is presumed guilty and has no income.

How can the minister support such an excessive, harsh penalty in these questionable circumstances? Wasn't the penalty of 12 months that he introduced two years ago tough enough?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, surely the hon. member is referring to the penalty of 12 weeks.

The government has been clear. This is not about trying to go after the unemployed. This is about trying to protect the integrity of the UI system. This is about trying to avoid having to raise the premium rates to such a level that it would kill the creation of jobs in Canada.

This is about trying to ask people who have jobs, who luckily have jobs today with this high rate of unemployment, to please stick to their jobs and not expect to quit them without valid reasons and expect their fellow Canadians to pay them benefits for a period of time.

If we had all the money in the world, if we were irresponsible as the Liberal Party was for 16 years, maybe we could ignore the fact that at the end of the day it is always Canadian workers who foot the bill. We care for them and that is why we took these measures.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Madam Speaker, the minister is still not answering the key question and he is giving us a lot of rhetoric.

Proving just cause is extremely difficult in many cases. Appeals on average take three to four months and in Montreal they have taken up to two years with no income during that period. As I said the employee is presumed guilty until he proves his case.

When just cause is not always clear-cut and it is difficult to prove, how can the minister justify such an excessive, absolute penalty? Why does he not drop this ridiculous unnecessary bill?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, again I know the hon. member is a reasonable person. Why portray the UI situation for those who appeal as being all in one category when he knows that the vast majority of cases are dealt with expeditiously and within a reasonable time?

I am not saying that this is a perfect world and that we are not ready to try to improve the speed with which we deal with these cases. We are looking at better ways of delivering services to the Canadian taxpayers. The UI

system will not be an exception. We will try to improve the situation and be fair to all Canadians. That is what Canadians expect and should get from us.

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GOVERNMENT ADVERTISING

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, my question is for the government House leader.

He said yesterday that the rules had been "followed exactly since 1985" in the awarding of the $21 million worth of government advertising. Yet Mr. Chuck Guité, senior public servant, has confirmed that the rules have not been followed.

I ask the minister which is it and when exactly will he stop defending the indefensible?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, the people who are trying to defend the indefensible are these two reporters who came up with a totally false story last Saturday. Unlike NBC reporters they have not had the backbone to admit they were wrong and get on to other things.

The fact is we are following a process which duplicates what happens in the private sector. Unlike the previous administration we did not have a process of just selecting one advertising agency. We have a process in this case where six agencies made their pitches to a committee of five. That is exactly right. They made their sales pitches and tried to convince the committee of five which one was the best agency to do it.

The hon. member shakes his head. Perhaps he should learn something about this issue before he asks any questions.

As for having heard back from some of the officials who were called by these reporters, these reporters are again distorting what was said to them, ignoring things that did not fit their biases. Frankly, the editors of *The Ottawa Citizen* should be ashamed to allow them to continue to write that.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, two senior officials have confirmed there was no written record of the competition. If there is I would like the minister to table it now. One even said there was no rating system about the bid. We also know that the meeting to discuss the contract consisted of a lunch at the Café Henry Burger in Hull.

How can this government, if it had any conscience at all, hand out $21 million worth of taxpayers' money to Tory advertisers on the strength of a meeting at the Café Henry Burger with no written records?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I am truly outraged. You mean there was a business lunch? Oh my goodness, what next? Who knows what is going to happen now? They actually had a business lunch. Gee, what a scandal.

The reality is that these agencies came forward, as they always do in these circumstances, with story boards, with pictures and sketches of the kind of program they would give out, with a description of what they proposed to do if they won the contract. These things were assessed by a committee of civil servants, not politicians, but a committee of civil servants. They decided on the two agencies to run this campaign.

It is a system eminently fairer than the system in place when the Liberals were in power. It is a system that works. It is a system that is duplicated in the private sector.

The hon. member should try to find some other rock to turn over and maybe he will find some other worms squirming around to focus his attention on.

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ENVIRONMENT

Mr. Jim Fulton (Skeena): Madam Speaker, my question is for the Acting Prime Minister regarding the proposal to construct an export gas pipeline from the Mackenzie Delta across Yukon to Alaska.

Since the pipeline would interfere with the Porcupine caribou herd, would the Acting Prime Minister assure this House the position taken by various ministers on behalf of Canada ranging from Lucien Bouchard to the right hon. Joe Clark to the present Secretary of State for External Affairs that the 10–02 lands and the coastal plain of Alaska will be accorded wilderness status in perpetuity still stands?

Or does this government oppose hydrocarbon and pipeline development in Alaska but support those despite the impact on the caribou on the Canadian side of the border?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, the Minister of Energy, Mines and Resources is not in the House today and I will take that as a representation and relay it to him.

• (1150)

Mr. Jim Fulton (Skeena): Madam Speaker, what is unfortunate is that two of the ministers involved in this are sitting on the front benches.

On Monday the Liberal Party reversed its position on the $1.5 billion fixed link from New Brunswick to Prince Edward Island and said in this House: "We want a full environmental assessment of this particular project and this particular bridge".

Will the Deputy Prime Minister now direct this project to such an assessment or will he allow construction to begin as on the Oldman River dam in Alberta and have the courts order an assessment and perhaps then a decommissioning?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, it is true that the Liberals are changing their position on a lot of things. So are the NDP.

I noticed today that the minister of economic development in the province of Saskatchewan, who is an ardent opposer to the North American free trade agreement and the free trade agreement, went to Mexico with a group of 10 people and has gone through an immaculate conversion. He now says that North American free trade would be the greatest thing for western Canada.

There are a lot of conversions taking place and I will certainly take the hon. member's question in that context.

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CANADA STUDENT LOANS PROGRAM

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Madam Speaker, I have a question about student loans for the Secretary of State or the minister answering on her behalf.

In the February 1992 budget it was indicated that the 3 per cent administration fee on student loans could possibly be eliminated following negotiations for new arrangements with Canada's banks.

Have these negotiations now reached the stage where that surcharge of 3 per cent on student loans can in fact be eliminated?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Not yet, Madam Speaker, but the discussions with the lenders are now well advanced. From what I am advised an announcement will be made on the successful conclusion of those discussions.

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ELDER ABUSE

Mr. Lawrence MacAulay (Cardigan): Madam Speaker, my question is for the Minister of State for Seniors.

Canadians are becoming more and more aware of the problems associated with elder abuse. Despite this our government is planning cuts of over 80 per cent to the Seniors Independence Program, a program designed to combat elder abuse.

How can the minister justify these cuts at this time?

[*Translation*]

Hon. Monique Vézina (Minister for External Relations and Minister of State (Seniors)): Madam Speaker, our government has been very vigilant and in 1988 we initiated a strategy to deal with the needs of seniors. Through this five-year plan, we have developed all kinds of programs which must be implemented in co-operation with the organizations and seniors themselves, including those excellent programs dealing with the problem of violence against older people.

I have a document which is ready to be discussed by cabinet and we fully intend to repeat this initiative which will be based on seniors' current needs, given that these people are active and know how to take on responsibilities and share their daily experiences.

[*English*]

Mr. Lawrence MacAulay (Cardigan): Madam Speaker, the government managed to find $21 million for its friends but the sad fact is that it can find only $2.5 million a year to combat elder abuse. The government is simply robbing Peter to pay Paul in funding programs to fight elder abuse.

Does the minister have a co-ordinated program to fight elder abuse and if not, why not?

[*Translation*]

Hon. Monique Vézina (Minister for External Relations and Minister of State (Seniors)): Madam Speaker, the government has taken an initiative on family violence. Through this program we also work with seniors. But I must emphasize again that, whether it is the New Horizons Program or the Seniors Independence Program, it is up to retired and seniors to submit programs to us. We have done an extraordinary job with the provincial governments in setting up awareness, information and activity programs within groups, and we certainly intend, as a responsible government, to continue to work in close co-operation with our partners—municipal and provincial governments and seniors' groups.

* * *

[*English*]

WATER

Hon. Chas. L. Caccia (Davenport): Madam Speaker, my question is for the Deputy Prime Minister. As he probably knows in 1987 and again in 1989 the government promised a drinking water safety act. On page 35 of the 1990 green plan the government promises that: "In 1991 the federal government will introduce a drinking water safety act". Seven years have gone by since the first promise was made. In the meantime sales of bottled water and domestic water purifiers have sky-rocketed thus reflecting the increasing lack of confidence of Canadians in their drinking water.

Will the government introduce and pass this legislation before the next election?

Hon. Mary Collins (Minister of Western Economic Diversification and Minister of State (Environment) and Minister Responsible for the Status of Women): Madam Speaker, I think we are all concerned about issues relating to drinking water. In fact just recently the minister made some statements out west indicating that how as Canadians we have to be more sensitive to the cost of drinking water and that we should be paying more for the utilization of it. We are the second lowest of the developed countries next to Italy in that respect.

We obviously have been working on an appropriate legislative framework. Not knowing when the next election will be I cannot promise that it will be concluded before then. However it is an issue that the minister and our department are working on assiduously.

Hon. Chas. L. Caccia (Davenport): The government has abandoned another important piece of water legislation, namely the Canada water preservation act which was allowed to die on the Order Paper in 1988. It would have forbidden major water exports.

Will the government bring back this legislation before this Parliament is dissolved?

Hon. Mary Collins (Minister of Western Economic Diversification and Minister of State (Environment) and Minister Responsible for the Status of Women): Madam Speaker, I am sure my hon. colleague is aware that in other pieces of legislation, for example the legislation dealing with the free trade arrangements, there are specific particulars which prohibit the large scale export of water. We anticipate those will also be in the legislation dealing with NAFTA. Therefore it is clear that this government does not support the large scale export of water. That has been our policy and continues to be so.

* * *

LIBERAL PARTY

Mr. Felix Holtmann (Portage—Interlake): Madam Speaker, my question is for the Minister of Finance.

The Liberal leader has flip-flopped all over in order to find a replacement for the goods and services tax. What negative impact would an ill-thought-of business transfer tax have on Canadian businesses and the Canadian public?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I think all Canadians were waiting with great anticipation yesterday for a clear signal as to what kind of tax the Leader of the Opposition was going to propose as a replacement for the GST. We are not sure whether it will be a BTT, a business transfer tax, a GST, a Grit sneaky tax, or a CST, a Chrétien sneaky tax.

The hon. member from Edmonton chirping over there had better beware because it was that minister who was part of the group which formulated the National Energy Program that gave us the PGRT, the petroleum gas and revenue tax, the petroleum compensation charge, the incremental oil revenue tax, the Canadian ownership—

Madam Deputy Speaker: The hon. member for Okanagan—Shuswap.

* * *

COMMUNICATIONS

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, my question is for the Deputy Prime Minister. When announcing his decision to allow competition into Canada's long distance telephone market the CRTC reassured Canadians that affordable local rates would be maintained.

Just recently Bell Canada made application to increase local rates because of an erosion of its long distance revenues. Bell Canada, which showed profits of some $986 million in 1991, will increase local calling rates by 10 per cent in the case of residential consumers and 9 per cent for business consumers.

Does the Deputy Prime Minister recognize that these increases in local rates are anything but affordable particularly in today's stagnant economy? Will he ensure that the CRTC keeps its commitment to the Canadian people to maintain affordable local rates?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Madam Speaker, I understand the matter is before the CRTC. There will be adequate opportunity for all to make their representations. The Minister of Consumer and Corporate Affairs made a valid intervention in a response he made in the House earlier this week. I am sure he will be monitoring with great interest the proceedings on behalf of all consumers.

• (1200)

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, my supplementary is for the same minister.

Article 1302 of the North American free trade agreement requires that services offered by public networks be priced to reflect the economic costs of providing such service. As well, U.S. companies, including telecoms and resellers, would be given non-discriminatory access to public networks.

I would like to ask the minister whether he would agree that under NAFTA, American companies would use our networks to bleed off business from Canadian telecoms. Would he also agree that this will further erode the long distance revenues and force Canadian telecoms to seek even greater increases in local rates.?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): No.

* * *

SCALLOP FISHERY

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Madam Speaker, my question is for the Secretary of State for External Affairs.

On January 24, eight U.S. scallop boats were arrested for fishing illegally in Canadian waters off Georges Bank. This illegal fishing for scallops in Canadian waters is continuing.

On any given night between 12 and 17 American vessels illegally capture thousands of pounds of Canadians scallops worth hundreds of thousands of dollars. The U.S. vessel owners know that this government has demonstrated its inability to enforce Canada's fishing laws in our coastal waters.

When is this government going to get tough with U.S. scallop poachers and start properly patrolling our coastal waters?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, this problem was brought to the attention of the minister of fisheries and myself by the member for South Shore, who shares some of the member's concerns.

We have looked into this. We are prepared to take action in conjunction with the scallop fishery as we have indeed on other fisheries, whether it is dealing with overfishing from Europe or whether it is the agreement we have with the United States.

We have looked into the situation and we will take whatever action is necessary.

ROUTINE PROCEEDINGS

[*English*]

STATUTES OF CANADA

TABLING OF PROPOSAL

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, pursuant to Standing Order 32(2), I am pleased to table on behalf of the Minister of Justice, in both official languages, a copy of the government's proposal to correct certain anomalies, inconsistencies and occasional errors and to deal with other matters of a non-controversial and uncomplicated nature in the Statutes of Canada.

[*Translation*]

Madam Speaker, you will find the usual consent necessary for this bill to be referred to the Standing Committee on Justice and the Solicitor General.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

* * *

GOVERNMENT RESPONSE TO PETITIONS

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 264 petitions.

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

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INTERNATIONAL ASSEMBLY OF FRENCH-SPEAKING PARLIAMENTARIANS

TABLING OF REPORT ON FIRST AIPLF-ACCT INFORMATION AND EXCHANGE SEMINAR

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, pursuant to Standing Order 34, I have the honour and the pleasure to table, in both official languages, the report of the Canadian Association of the *Assemblée internationale des parlementaires de langue française* on the first AIPLF—ACCT (*Agence de coopération culturelle et technique*) information and exchange seminar on parliaments, governments, human rights and democracies, which was held right here in Ottawa from November 15 to 21, 1992.

* * *

[*English*]

HOUSE MANAGEMENT

61ST 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 61st report of the Standing Committee on House Management regarding the membership of the legislative committee on Bill C-305.

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.*]

* * *

[*Translation*]

PARLIAMENT OF CANADA ACT

BILL TO AMEND

Mr. Eugène Bellemare (Carleton—Gloucester) moved for leave to introduce Bill C-404, an act to amend the Parliament of Canada Act (oath or solemn affirmation).

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Bellemare: Madam Speaker, the purpose of my bill is to make sure that a member cannot sit in the House of Commons or receive funds for his or her parliamentary duties without swearing or solemnly affirming loyalty to Canada and the Constitution of Canada.

Madam Deputy Speaker: Mr. Bellemare 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*]

POINT OF ORDER

WITHDRAWAL OF MOTION

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, on a point of order, you will find on the *Order Paper and Notice Paper* at page 11 Motion No. 10, which I tabled on May 1, 1992 following certain differences that I had with the Chair.

Given the good behaviour and exemplary leadership demonstrated by the member for Edmonton North I would like to withdraw that motion in the spirit of the day and because it is Valentine's Day on Sunday. I just wanted to say have a nice day.

[*Translation*]

Madam Deputy Speaker: On behalf of my colleague from Edmonton North, who has been a member of the House and occupied the Chair for many years, I thank the hon. member for Ottawa—Vanier for his kindness. I am sure that my colleague will oblige as soon as he returns from Edmonton.

Motion withdrawn

* * *

[*English*]

PETITIONS

HUMAN RIGHTS

Mr. Mac Harb (Ottawa Centre): Madam Speaker, this petition concerns a human rights violation in Vietnam. The Vietnamese communist government has continued to violate the fundamental human rights of its citizens through arbitrary arrests and detentions without trial, censorship of the press, denial of the right of free association and refusal to hold free and democratic elections. It has imprisoned without a fair trial many religious and political prisoners.

These petitioners are calling on this government to take the strongest possible action to ensure that the communist regime of Vietnam respect human rights.

IMMIGRATION

Mr. Jim Karpoff (Surrey North): Madam Speaker, pursuant to Standing Order 36, I have two petitions to file.

The first petition points out that the planned closure of the immigration office in Surrey and New Westminster means that immigrant applicants who have paid $250 for an application will receive much poorer service. It also points out that the loss of the 38 jobs in Surrey and New Westminster that will be transferred to downtown Vancouver means a loss of jobs in these communities and a further concentration of work in the overcrowded and expensive downtown core.

The petitioners call upon the Minister of Employment and Immigration to reject the planned closure.

PHARMACEUTICALS

Mr. Jim Karpoff (Surrey North): Madam Speaker, my second petition concerns Bills C-91 and C-22, which have effectively destroyed our generic drug industry. It calls upon the government to repeal these bills.

CHILD SUPPORT

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, I have two petitions to present today. The first is from the people of Saskatoon and concerns the taxation of child support payments.

The petitioners point out that the imposition of the tax on child support payments is a heavy burden on the parents who receive them and often results in the impoverishment of children after a marriage breakdown. They ask that the government change the tax system so that is no longer the case.

IMMIGRATION

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, the second petition concerns the proposal of the federal government to move the services of Immigration Canada to a central processing unit in Alberta rather than having the services available to people within the different communities across the country.

The petitioners point out that in many ways this will cause hardship for people using those services and certainly will slow down the process by which the Canadian government provides services to people.

• (1210)

HOUSING

Mr. John Manley (Ottawa South): Madam Speaker, my petition has been signed by a large number of residents in my constituency of Ottawa South and concerns the announcement in last year's budget of the termination of the Federal Co-operative Housing Program. That pro-

gram has provided affordable accommodation for many residents of Ottawa South as well as people across Canada.

As recently before the last budget as December 17, 1991 the Minister of State for Housing stated that the benefits of co-op housing were such that a budget of $6.1 million should be allocated in 1992. This was summarily cut in the budget.

This program is one that ought to be preserved for the benefit of all Canadians.

[*Translation*]

VIOLENCE

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, I have a petition signed by parents and grandparents in my riding of Carleton—Gloucester. They want to see marketing and sales of the Serial Killers board game, 1st edition, banned in Canada. The game includes a mortuary kit, 25 babies and four murderers. The purpose of the game is to commit murders. For children at an impressionable age, this is a very suggestive game. As you know, Madam Speaker, the game includes tearing off a baby's head. That is part of the game.

I therefore ask the minister to give this matter his attention and ban the sale of this game in Canada.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, I ask that all questions be allowed to stand.

Madam Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-69, an act to amend the Criminal Code (air and maritime safety), as reported (without amendment) by a legislative committee.

Hon. Monique Vézina (for the Minister of Justice and Attorney General of Canada and Minister of State (Agriculture)) moved that the bill be concurred in.

Motion agreed to.

Mrs. Vézina (for the Minister of Justice and Attorney General of Canada and Minister of State (Agriculture)) moved that the bill be read the third time and passed.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Madam Speaker, I wanted to say a few words at third reading of this particular piece of legislation.

Just before the summer break it was reported back to the House without amendment from the legislative committee. It is an important piece of legislation. The events of yesterday underline how important it is for Canada to take legislative initiatives and enter into agreements with other like-minded countries to try to control terrorism wherever it exists.

Once this bill has passed third reading, been passed by the other place and given Royal Assent Canada will then be in a position to implement three international agreements that we helped create. Those three agreements are the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, the Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation, and the Protocol for the Suppression of Unlawful Acts Against the Safety of Fixed Platforms Located on the Continental Shelf. We will be in a position to implement those international agreements once we have made the amendments to the Criminal Code, and that is what we have done.

This bill helps to extend the reach of Canada's Criminal Code. I am sure members are aware that the Criminal Code was drafted at a time when there were no international hijackings. I suppose piracy was a problem. It is covered under the Criminal Code. This is one of a number of attempts by the government to update various parts of the Criminal Code. It is an important one because it would make a difference in the kind of case we saw yesterday where a crime may be committed in one country and the individual may end up in another.

The provisions of this bill extend the provisions of the Criminal Code so that we could prosecute an individual if they were abroad and there was a Canadian connection.

It also extends protection to the fixed platforms, the oil drilling rigs. We make it clear through our amendments that the Criminal Code provisions apply to them as well. It has been properly described as an anti-terrorist piece of legislation. This is a fact of life. There have been a number of examples.

As recently as yesterday we have seen examples of this kind of situation and Canada is under an obligation. Canada is a leader in trying to bring countries together so that there can be a co-ordinated approach to ensure that there will be no safe haven and there will be no country in which a hijacker or terrorist can land and expect to be immune from prosecution.

It is a step in the right direction. It is a bill that is directed against acts of violence against people. It covers acts involving the destruction of property, attempts to commit these kinds of offences and even complicity with those types of offences.

This particular piece of legislation has not received a lot of publicity. Perhaps it will receive more as Canadians and people in the international community reflect on the difficulties we have in ensuring that this world is a safer place in which to live and not just within the borders of Canada. It extends jurisdiction when Canadians or others are either the victims or involved with the commission of an international offence.

It is a step in the right direction and I am sure that as such it will receive the approval of this House.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, I wish to support this bill that the hon. parliamentary secretary has put forward in the House today. This legislation amends the Criminal Code to enable Canada to implement three international anti-terrorist agreements developed under the auspices of the International Civil Aviation Organization and the International Marine Organization. These agreements extend the "prosecute or extradite" principle of international law.

Canada joins the other states in an effort to eliminate our country from the list of safe havens for terrorists committing violent acts and this bill goes in that direction. The bill creates new offences in the code to deal with unlawful acts of violence. They are directed at airports serving international civil aviation, maritime shipping and platforms attached to the seaboard on the Canadian continental shelf and it extends the jurisdiction of the Canadian courts over such offences occurring outside of Canada.

• (1220)

The problem is that this bill has been so long in coming. It should have been before this House well before now. The government continues to play catch up in what needs to be done. It is very difficult to find reasons not to support this bill because what is said in this bill is correct as far it goes. The problem is that it should have been here well before now.

We are very fortunate some act of terrorism has not happened in this country where we needed this type of legislation but it was not available. This certainly is not a new concern but goes back many years. We should have been one of the first countries to sign these agreements.

The parliamentary secretary said that by joining this list of countries, Canada will not provide a safe haven for terrorists and that we are working toward eliminating all of the countries where this type of person will not be welcomed.

Frankly, I do not anticipate a day in the near future where there will not be safe havens for this type of criminal. It is a very tragic situation when there are countries in the world that do not realize how important it is to stamp out terrorism. Unfortunately that is just a fact of life. There will always be countries that will offer a safe haven to terrorists.

While having this bill does Canada's share in participating in these three agreements, it does not eliminate the need for further documentation, further legislation and further agreements.

I listened one time to a speech by the hon. member for Port Moody—Coquitlam advocating a world court. I have a feeling that this is the way to go. We really need a world court of criminal justice, not only to deal with terrorists, but also with hijackings, acts of international piracy, pollution in international waters, and last but certainly not least, war crimes.

Those who witnessed on the CBC News the night before last the documentary on the situation in Bosnia-Hercegovina cannot help but be touched by the tragedy and the slaughter that is occurring in the city of Sarajevo. They cannot also fail to be touched by the actions of inhumanity toward each other and the war crimes that are occurring there day after day. There is now going to be an attempt to monitor these war crimes. I really have no idea what success they are going to have in dealing with this.

Certainly these types of crimes should not go unpunished. There should be a forum that deals in this area. We do not have an adequate forum to deal with these concerns. Relatives of people who live in Bosnia who are being savagely abused in the name of war will not see these perpetrators go punished. That cannot be allowed to continue.

Canada as a member of the international community must work toward an international organization to deal with these crimes. This present government seems to have a reluctance to push in this direction, perhaps because it will offend somebody that Canada does not want to offend.

I can tell the House that it will not offend humanity. It is humanity that requires an international court of justice. It is humanity that requires us to deal with war crimes and terrorism and pollution in the high seas, to name only a few areas. If we cannot in this modern, complicated, interdependent world work out an arrangement to deal with these crimes then we, as an international community, and Canada in particular, are not fulfilling our mandate to the people of the world.

The fact is we are not moving—I am not saying we are not moving fast enough in this direction. As I have said, this bill as far as it goes is quite acceptable and I would say helpful. Unfortunately it does not go far enough as far as the government's efforts to correct what needs to be done is concerned.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I am pleased to speak today on Bill C-69 on behalf of my caucus. I do so at the behest of my colleague, the hon. member for Port Moody—Coquitlam, who did the work on this legislation.

As we said at second reading, we support it. We find it somewhat frustrating that it takes more time than I think is appropriate for Canada to move to adopt the legislation that in effect implements a decision that the government agreed to, whether it was with IACA or IMO, having sat with other officials from around the world and come up with solutions to international problems. I would hope that we can find ways to streamline this process.

From 1988 until it was tabled in the spring of 1992 to passing this House in February 1993 and hopefully getting quick consideration by the other House, will mean it will be in place and up and running.

Having said that, I do not know of any particular cases that have been in limbo because this bill had not been passed. In fact I am pleased that we have not had to invoke the provisions of this bill to do it.

It is ironic that we are debating it at third reading today after having spent a lot of time yesterday—I think all of us in Canada if not around the world—watching the first hijack in something like 17 years occurring. We heard stories of Canadians who thought they were going to the Middle East only to find themselves in New York City as a result of the hijacking.

Perhaps it is a good lesson for all of us. There are those in our communities who wonder why we still have security at our airports, why we are so insistent on carry on baggage being X-rayed or hand checked in the case of smaller airports where they do not have the X-ray facilities.

We on this side of the House, on an ongoing basis, are pressuring the government of the day about security procedures at airports, such as matching baggage with the people who are on the planes. I think there are still problems out there in Canada where we could do a better job.

I would like to offer a friendly suggestion to the government. The Minister of State for Transport, who has a personal interest in this area, is in the House. Perhaps Transport Canada should send one of its staff to Frankfurt to act as an observer as the officials there begin to review what exactly happened. How did a passenger get a hand gun through security?

My sense of Frankfurt and other European capitals is that they do a much better job than we do when it comes to security. The minister shakes her head. I would be happy to hear from her how much better Canada is than the Europeans but I think there is something to be learned. Obviously the Frankfurt air officials have something to learn, to find out what happened there, but there may be a glitch in the system that will assist Transport Canada in improving our security services to an even better level.

I raised an area where I believe the government should act during second reading of the bill. It is the manner in which we contract for security services at our airports. The current procedure is that the Government of Canada makes the airlines responsible for providing the services and at each major airport through an agreed upon procedure one of the carriers accepts responsibility for security. In turn it will contract with a private security firm which will hire personnel and train them to screen passengers as they go through.

• (1230)

We have long objected to this process. We believe very strongly that the Government of Canada should have the responsibility and the direct control of these security services. We believe they should be Transport Canada employees. They should not be private contractors.

We have seen too often where company A's contract has run out and company B comes along and undercuts and then hires back some of the former personnel at lower wage rates. They are able to get the contract because they are able to reduce the rates of the staff. There is heavier turnover. There are always problems because the new contractor is always non-union. There is an organizing drive and they go through the whole process of whether this is a new bargaining unit or an old bargaining unit, and so forth.

All of us would be happier if Transport Canada would accept its direct responsibility and provide the security services so that we have a crew of trained personnel who could be moved across the country, where necessary. It would mean less turnover and better pay, quite frankly. In turn, we would charge the air carriers and they would charge the passengers. Let us not fuzzy that. It is the passenger who would pay for that service, but they would be paying for their own protection and I think that is appropriate.

We support this bill. I have one final comment I would like to make to the government. I wonder if it could look at how it could streamline the adoption of further protocols, of further international agreements, particularly on the safety of passengers and workers, whether it is on ships at sea, on oil rigs, or on aircraft or in airports, so that Canada comes on board legally, not just morally, much faster.

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 agreed to, bill read the third time and passed.

* * *

[*Translation*]

TOBACCO SALES TO YOUNG PERSONS ACT

MEASURE TO ENACT

Hon. Benoît Bouchard (Minister of National Health and Welfare) moved that Bill C-111, an act prohibiting the sale of tobacco products to persons under the age of eighteen, be read a second time and referred to a legislative committee in the Human Resources envelope.

He said: Madam Speaker, I am very pleased to address the House today to obtain my colleagues' support for Bill C-111, the Tobacco Sales to Young Persons Act.

[*English*]

The bill deals with a most vital goal, to improve the health of each and every Canadian, particularly children and teenagers.

I am sure that my colleagues on both sides of the House are well aware that today I refer to one of the most crucial public health problems in Canada.

Tobacco use is the single most important preventable cause of disease, disability and death in our country. According to a study conducted by Collisaw and Leahy in 1989 over 38,000 Canadians died from smoking related diseases. One in five of all deaths is caused by tobacco.

It is estimated that in 1995 there will be 48,000 deaths related to tobacco. Other studies show that tobacco use caused 85 per cent of all cancer deaths, 35 per cent of fatal heart disease, and 33 per cent of all strokes.

We can see the burden that tobacco represents in terms of loss of life and human potential, financial loss and human suffering. This burden hangs heavily on Canadian society and we must attempt by all means at our disposal to lighten it or eliminate it entirely.

[*Translation*]

Nevertheless, encouraging progress has been made to date: tobacco consumption has declined in Canada in recent years. Tobacco consumption per capita fell 20 per cent between 1985, when the government introduced the National Strategy to Reduce Tobacco Use, and 1990.

I think that it is important to point out and for Canadians to know that these results have been made possible by the efforts of all levels of government and our partners in the health field in Canada who are unanimous on fighting tobacco use.

Tobacco use has also declined among young people aged 15 to 19, but it is probably the age group where the number of smokers is still too high, especially and sadly I would say among girls, who are starting to smoke in greater number than boys of the same age. You should know that very rarely do people start to smoke after the age of 18, but once a youngster is seduced by tobacco it is very difficult to quit.

[*English*]

The government's anti-tobacco campaign is not an isolated measure in our efforts to improve the quality of life for the young. There are a number of initiatives aimed at providing children with the best possible environment, which will allow development to their fullest potential. For example, initiatives are aimed at pregnant and nursing mothers in order to prevent malnutrition and tobacco addiction from harming their newborn babies.

I am very pleased that the youth and tobacco measures we have put forward have considerable support among the Canadian public. Moreover, 76 per cent favour preventing access to vending machines by minors. A poll released yesterday by the National Campaign for Action on Tobacco found that the majority of Canadians, both smokers and non-smokers, are in favour of measures to curb tobacco use by minors.

[*Translation*]

I think that it also must be said that the government's fight against cigarette smoking is not limited to legislation, despite what some may think. On the contrary, this bill today is part of an overall strategy comprising several types of programs all intended to reduce considerably the number of young people who smoke. Fighting such an entrenched and widespread habit as tobacco use requires involving the whole community. When the community as a whole sustains such changes, one can realistically anticipate a long-lasting shift in behaviour. This is what we hope to achieve with the National Strategy to Reduce Tobacco Use.

We all recognize how important prevention is. Prevention can be achieved through educational programs, raising public awareness and various other measures.

• (1240)

[*English*]

Our resolve will not lessen despite the enormity of the problem of tobacco use in Canada. We will continue to take further initiatives to protect the health of Canadians.

It is my intention to come forward in the very near future with revised health warnings on cigarette packaging to warn Canadians, especially the young, of the dangers of tobacco smoking. As well the government will continue with new promotional campaigns including a program designed to help Canadians quit smoking.

[*Translation*]

Before closing, I would like to mention a few more features of the new legislation. The Tobacco Restraint Act provides penalties which we believe are now outdated.

According to the new legislation possession by minors will no longer be a criminal offence; fines for selling tobacco will be raised from $1,000 to $50,000 to show how serious it is to sell tobacco to young people; the Department of National Health and Welfare will be responsible for enforcement.

An adjustment period prior to implementation will be provided in order to develop a community-based compliance strategy through consultation with the provincial governments, municipal authorities and band councils. Of course, this will also allow retailers and vending machine operators to become familiar with their new responsibilities.

Federal inspectors will conduct investigations and prosecute where warranted.

[*English*]

I believe that all my colleagues are in agreement on this legislation. We must inform the youth of this country of the benefits of a healthy lifestyle. We would like to provide them with a healthy environment in which to live. We would like to provide them with an environment, a society in which it is normal not to smoke.

I ask the House to support the health of future generations. I ask that Bill C-111, an act regarding tobacco sales to young people, be supported. Madam Speaker, I think you will find consent to go through all stages of Bill C-111, including committee of the whole, and complete consideration of the bill today.

Mr. Rey Pagtakhan (Winnipeg North): Madam Speaker, I am delighted to speak on Bill C-111, an act to repeal the Tobacco Restraint Act and to replace it with an act prohibiting the sale of tobacco to young persons.

My son Sherwin is 17 years old. Today if he so chooses he can walk into any corner store in the country and buy cigarettes, just as thousands and thousands of Canadian youth like him are already doing. The selling of tobacco to youth will change and it must.

Tobacco mortgages the future of our children leaving them forever indebted to disease and poor health. Tobacco will leave them addicted, forming a crippling bond between clean, young pink lungs and hundreds of chemicals, many of them cancer producing substances. This wedding between nicotine and the health of youth is a match made in hell.

Currently 28 per cent of Canadians aged 18 and older smoke cigarettes. Those who have tried and stopped constitute about 36 per cent of the population while another 36 per cent never learned how to start smoking.

Obviously Canada's campaign against smoking among adults has been remarkably successful and we have also reduced the number of smokers among our teenagers. Those successes are due to educational campaigns and the increase in prices of tobacco.

The educational campaign must focus not only on the dangers of smoke to the human body but also on the dangers of smoke to the human mind. It causes addiction which is a 40-year sentence in the nicotine trap.

These measures are not enough as are demonstrated by the continuing sobering statistics among youth. It is estimated that by age 12 half of all schoolchildren will have experimented with cigarette smoking. That is a very sobering statistic.

Even more alarming is the fact that even when people only smoke a few cigarettes a day at an early age it is likely to lead them into a life of addiction. Teenage smokers become regular smokers.

A young girl named Claire Huston posed as a model for the cover of *The Canadian Medical Association Journal* last month for National Non-Smoking Week from January 18 to 24. She posed as a model for her peers so that they may not learn how to smoke and so they may not be placed in the nicotine trap. She sent a clear message to everyone that cigarette smoking is harmful and it is doubly harmful because it damages not only the human body but also the human mind.

For this reason I stand here today, with the Liberal Party of Canada behind me, and proudly support the Minister of National Health and Welfare in his repeal of the outdated Tobacco Restraint Act of 1908 and his introduction of the present bill. This bill will raise the legal smoking age from 16 to 18 years, decriminalize possession by minors, restrict the location of vending

machines to licensed premises and impose fines on vendors who sell cigarettes to minors and thereby decrease access by minors to cigarettes.

The penalties enforcing this bill, fines of up to $50,000, have been declared harsh by some and radical by others. I sympathize with store owners who worry about making the mistake—I repeat, the mistake—of selling to someone they mistook to be of legal age.

However, our court system in Canada has proven to be sensitive and careful. At the same time I would like to emphasize that this legislation is preventive in nature. For every teenager buying tobacco with a fake identification card there will be dozens turned away at the store counter because they could not prove themselves to be of smoking age.

Some have said that this is a very harsh measure, that it is a radical measure but it concerns a serious health problem that we want to prevent among the youth of our country. Not only are they affected physically and mentally but it has the consequence of increasing demands on our health care system which runs into billions. In 1989 cigarette smoking related problems were estimated to have cost our system about $3 billion. That is a sizeable amount of money that we can spend for preventive programs.

A store owner must use discretion, ask for ID when unsure and always fall on the side of caution. Drinking establishments have been doing this for years and they manage quite successfully. We will not find that 19 per cent of young males and 25 per cent of young females are alcoholics but we will find that those numbers of youth are addicted to tobacco today.

It is a matter of social conscience and responsibility. I know very well that store owners are very responsible Canadians. However, I shudder when remembering a recent study in Halifax where children aged 12 to 14 were sent into stores to buy cigarettes. Approximately 60 per cent of them would sell tobacco to these children. That is an alarming phenomenon.

• (1250)

Why were they selling this addictive product so easily? I believe part of the answer is in the fines for this offence under the existing federal legislation. Fines of $10, $35 and $100 for the first, second and third offences respectively are no deterrents at all.

A cavalier manner toward tobacco sales also developed because the government and society until now have not sent a strong enough message to retailers. With 38,000 Canadians dying each year because of diseases related to tobacco addiction there is no denying the need to keep our youth away from tobacco. Retailers must heed the fact that tobacco is addictive and dangerous and not sell it to children.

I believe we have reached a new dawn in social responsibility in this country when in a survey released just yesterday 90 per cent of Canadians called for tougher government action against selling tobacco to our children and youth.

Today indeed is a day for unanimous consent among all political parties, all members of Parliament to give this bill speedy passage, saving it from death by prorogation of the House.

I would have preferred to introduce some amendments myself to further strengthen the bill, but I am willing to forgo them in the interest of the benefits already in the bill so that we can go on with that. Last summer I prepared a private member's bill calling for increased fines and even a jail term. I was advised by constitutional lawyers that it could pose a constitutional challenge and thereby delay the passage and implementation of the bill. Therefore, I will settle for the second best, it is still good.

I am sure that if tobacco were discovered today and marketed, it would never get federal drug approval. Since millions of Canadians are currently addicted we must work backward to discourage its sale in Canada and to bring up a cigarette-free generation.

For Liberal co-operation in passing this bill, I have received assurances from the minister of health that the tobacco file will still remain a top priority in his department and I thank him for that.

I would like to remind the minister that since 1989 we have waited for the improved tobacco package labelling promised by his predecessor. A recent court endorsement of the tobacco advertising ban by the Quebec Court of Appeal has now opened the door for the minister to proceed with his promise. I would like to see him do this in *The Canada Gazette* as soon as possible.

I also have been gravely concerned about smokers aged 16 to 18 who will no longer be able to legally access cigarettes upon passage of this bill today. I would like the minister to consider them because if they are already addicted, they need help. I am glad to say that again the minister has given me the assurance that there will be help for these addicted youths. I would like to remind the minister that I will be watching.

I ask the minister to do more and to re-evaluate his department's budget for the widest and most effective distribution of such educational campaign materials.

I have also asked the minister of health to get tougher on smugglers. He must ensure that bootleggers who sell smuggled cigarettes from the back of a truck are shut down. We know that the smugglers would be the last to ask a child for ID.

In conclusion, I would like to indicate to the House that the minister has agreed to meet with the provincial ministers of health within the next six months to discuss licensing of establishments that sell tobacco and to discuss better provincial laws governing the sale of tobacco to minors.

Again I would like to say that the Liberal Party gives its support to this bill to encourage more and better legislation as a part of a new social responsibility in tobacco legislation. Bill C-111 although not completely perfect, will show the world that children come first. Only five pages long it means a lot not just to Canadian youth but to children the world over.

Mr. Langlois: Mr. Speaker, I think you will find consent to do all the stages of Bill C-111, including Committee of the Whole, to complete consideration of this bill today and that when the question is put on any amendments moved in Committee of the Whole they be deemed negatived.

The Acting Speaker (Mr. Reimer): The House has heard the terms of the motion.

Mr. Angus: Mr. Speaker, yes there have been discussions and I assume that when the motions are placed in Committee of the Whole and debated and then negatived, they will be negatived on division. That is what the record will show. With that we agree.

The Acting Speaker (Mr. Reimer): Is it agreed?

Some hon. members: Agreed.

Motion agreed to.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I am most pleased to be able to speak on this bill for a short period of time. I want to congratulate the minister for moving forward on this legislation. It is an important step toward dealing with the problems of tobacco addition.

First, as was already pointed out by 1994-95, 45,000 Canadians will die because of tobacco related illnesses. Over and above that, the cost of expenditures to our health care system runs into the tens of millions of dollars. In a time when we are all experiencing funding shortages particularly in health care, it is important that we take whatever preventive measures we can to decrease the incidence of illness.

Second, it is very important to remember that all research has shown that if young people do not start smoking before the age of 19 the probability of them starting to smoke is greatly diminished. That is the essence of this piece of legislation. It is trying to clearly say to the younger people that it is a health risk severe enough that we are going to try to prevent them from starting to smoke up until the age of majority.

This bill does two or three things that I support. First of all, it does set a uniform age across Canada. I will speak a little more about that later on at the committee and report stages. It is important to have a Canadian standard rather than having 11 or 12 provincial and territorial standards.

Second, it also increases the fines to a meaningful level. One of the problems we frequently have when dealing with fines is that if the fine is too low, it simply becomes a licence for the person to continue to commit the offence. That is the situation we now have in Canada. The fines are not deterrents. The fines in no way will stop people from that activity. But now with the increase in the fines of up to $50,000 that will of course be a real deterrent.

• (1300)

Third, I support the bill because it does something about the issue of vending machines. Vending machines have become an unsupervised way of obtaining cigarettes.

There are some weaknesses in this bill. If there had been a little more consultation with the opposition, with the provincial legislatures, provincial governments and provincial ministers of health there could have been improvements. There would have been a growing consensus across this country that we should move to a uniform age of 19. Other provinces already have legisla-

tion moving the age to 19. I will speak briefly on that later on.

There could have been a tightening up of some of the loopholes whereby someone can simply buy cigarettes on behalf of a youth and is not subject to any penalty. On the whole, I and the New Democratic Party support the thrust of the government. We say let us go forward. Let us go forward, if there are flaws I am sure the minister and if not the minister, I certainly will be back before the House in six or seven months to propose constructive amendments to improve the bill.

I want to make a couple of other comments about where we are in terms of dealing with tobacco addiction. The minister gave his assurance to me and to others in a letter to me this week. He said: "As I stated previously, it is my intention to come forward with revised regulations under the Tobacco Products Control Act to require stronger health warnings on cigarette packaging".

I am happy to get that minister's assurance and I look forward to speedily assisting him in that bill also. I hope he takes that bill to the second step, that he stops the sponsorship of events by tobacco companies because that is a form of promotion that is now considered to be ill-advised throughout the world. Other countries, such as Australia, have stepped forward and have banned any promotion of events by tobacco companies.

I also hope the government will reconsider its strategy for dealing with smuggled cigarettes. The removal of the export tax has been a dismal failure. We have had incident after incident across this country in the last three or four months where exported cigarettes are being brought back in and sold. I am calling upon the government to reinstate the export tax.

I would also like to see the government live up to its obligation in the area of education. More can be done in that area. There has been a cutback in dollars within the health department for education.

Finally, the time has come for the government to put some real money into assisting people to shake this addiction. We spend money on alcohol treatment centres. We spend money on addiction treatment centres. But the government has never seen fit to develop a systematic workable program accessible to everyone to assist them in quitting smoking.

That is a very significant step which must be taken because more and more Canadians, not only younger people, but also middle-aged people are beginning to realize it is not in their interests and not in the interests of Canadians for them to continue smoking. However, they do need assistance in dealing with that addiction. I can give the minister the assurance that we will move quickly through all three stages this afternoon so that we can get this legislation on the books and we can move forward to deal with this problem of tobacco addiction among youth.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Madam Speaker, I do not intend to take a great deal of time. I am not speaking on behalf of my party. I do not intend to vote against the bill. However, there are a couple of issues I want to raise.

One has to do with certain factors affecting those who are still, as I am, dumb enough to smoke, especially those who work within the House of Commons. I do not mean the members of Parliament who frequent the ladies lounge or the government lobby or some of the alcoves in the parliamentary restaurant where smoking is still rather openly permitted despite the rules and regulations.

Up until a few days ago the only place some staff and members could smoke on these premises and were allowed to get away with it in an open sort of way was in the loading bay at the back of the Centre Block under the kitchen garbage chute. Because of a fire in a dustbin hundreds of feet away, it has been decided to enforce that too.

It was a health crusade that later became a moral crusade when the anti-smoking crusade got under way, especially the rules and regulations as far as the House of Commons is concerned. There were questions raised that there ought to be some ventilated areas, at least one in each building, where those who were still encumbered with this habit could smoke without having to go outside in the middle of winter.

An hon. member: But you guys will pay for it.

Mr. Kristiansen: I would remind the member opposite that if he wants to talk about who will pay for it, nobody pays for it more than the people who pay the tobacco taxes in this country.

An hon. member: If you want a special privilege you pay for it.

Mr. Kristiansen: If you talk about the cost of health care, we also die earlier, improve the actuarial tables and save you a lot of money on pension plans. So do not worry about that aspect of it. They cancel each other out.

I come from a different world than a lot of members here. It is called heavy industry, lumber and mining. Related to that, I can remember some cancer maps of Canada a few years ago. You do not see them very often now. However, the incidence of cancer across Canada was always much higher in mining and smelting areas, pulp and paper industry communities than it was anywhere else in the country.

I do not think there were ever any statistics that suggested that people in those areas smoked more than anywhere else. One thing a lot of us who worked in heavy industry are fed up with is what used to be common practice in industry and that is to make everything an individual guilt trip and cracking down on individuals instead of cracking down on industry.

The emphasis in industry used to be that everybody had to be dressed like the Six Million Dollar Man with ear protection, respiratory protection, gloves and hard hats instead of protecting the worker from the hazards at source.

One thing that is comfortable for politically correct people on this moral crusade that anti-smoking has become is that they can keep attention on that if society concentrates all its anger and all its feelings against individual habits. It is a con job. It was a con job in industry and I suspect it is still a con job.

When there are researchers going out looking for facts to support a given conclusion, which is what a lot of them appear to be doing, how much attention is paid now to the chemicals in the potato growing industry in New Brunswick and Prince Edward Island. I know that nobody in my family will buy commercial potatoes any more.

If you talk to people who work in those areas, it is obvious that lot more of them are dying from cancers produced by the food everybody is forced to eat without warning labels than die or get sick from cigarettes or tobacco products.

• (1310)

I always told my kids that smoking was dumb and that the people who smoked were dumb. Fine. I still think that is a choice they are able to make. To move as we constantly do in the direction of deregulation of industry, deregulation of the collective and an increasing regulation of people's private lives and private habits is not my idea of a free society.

So much of the research is to steer us away from any of the other very real health problems that plague everybody in society without warning labels.

Just on the point concerning the House of Commons, I think it is a bit too much. There was a fire in a dustbin that took place hundreds of feet away from the one area where a lot of people in this House smoke. It was under the kitchen garbage chute at the back. It is a bit much that they should have cracked down on and not have proper ventilated smoking areas within this House for the significant number of people who are still encumbered with that bad habit. It is a bit much.

If we want to look at health effects we should look at the effects of bad administration, bad government and bad practices. We would do a lot better to ban booze from Parliament Hill and the rest of these precincts than we would with tobacco.

If we look around the country at the costs on family breakdown, of death and injury from alcohol, I suspect we would get very close if not in excess of what we lose every year from the bad habits that result from the smoking of tobacco products.

Nobody is suggesting that we ban booze from the Hill. It is part of our culture, but the least that people here ought to be able to expect is that there are some ventilated smoking areas for those who are still encumbered with this bad habit.

Those are some things I wanted to get off my chest. While I am probably the only politically incorrect enough person to voice some of the objections and the feelings that I have mentioned here today, they are representative of a lot of other members of this House, a lot of people who work on this Hill and a lot of people around the country who just do not believe the kind of research b.s. that we have been getting for the last few years.

It is imbalanced. It is research looking for facts to support a given conclusion. It is out of whack. It is out of balance. It does not make sense.

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 agreed to, bill read the second time and, by unanimous consent, the House went into committee thereon, Mrs. Champagne in the chair.

[*Translation*]

The Chairman: Order, please. The House in Committee of the Whole on Bill C-111, an act prohibiting the sale of tobacco products to persons under the age of eighteen.

[*English*]

Clauses 2 and 3 agreed to.

On Clause 4—*Furnishing tobacco to young persons*

Mr. Rey Pagtakhan (Winnipeg North): Madam Chairman, I would like to move:

That clause 4 be amended by deleting in subclause (1) the words "in the course of a business".

The Chairman: The amendment as moved by the hon. member is receivable.

Mr. Pagtakhan: Madam Chairman, I would like to indicate that the rationale for proposing this amendment is to remove any possible legal loophole whereby somebody would give it to someone who has no real business like the smugglers and second, the so-called middle man. This is really an attempt to improve the bill.

Mr. Jim Karpoff (Surrey North): Madam Chairman, I have already served notice that I would be moving the same amendment when we were talking about getting the bill through the three stages today.

My reasons are basically the same. This appears to be a major loophole. I have had some discussion with the minister's office concerning this. I know that it is an area that will be monitored over the next few months to see if it does become the kind of problem that I think it could become.

By limiting it to a person doing business, it means that you are really opening it up for people to become brokers for youth, to go in and legally buy cigarettes, to go back out and sell the cigarettes to the youth, with both the store operator knowing that is what is going to happen, and the person knowing that is the purpose of their purchase of cigarettes, without being able to do anything. This used to be a problem within the alcohol industry and legislation was brought in to make it an offence for anybody to sell alcoholic products, or give alcoholic products to a minor. We need that same kind of amendment in this bill.

I just want to reiterate that we should move forward with this bill. If in the next six months it becomes obvious that this is a problem, I will be back before this House asking for a comparable amendment.

Madam Chairman, I need your guidance. I have another amendment I wish to make to clause 4 but I was not sure whether you were going to call for the vote on clause 4 or just on the amendment.

The Chairman: We will start with this amendment and then move forward.

Pursuant to order made earlier today, the amendment is considered negatived on division.

• (1320)

Mr. Jim Karpoff (Surrey North): Madam Chairman, I would like to move:

That clause 4 be amended in line 5 on page 2 by deleting the word "eighteen" and substituting therefor the word "nineteen".

It would have been a much stronger piece of legislation if the age had been 19, and I say so for two reasons. A number of provinces moved forward with legislation to establish the age at 19 for a very good reason. Within the high school system there are many 18-year-olds. This makes it very difficult for people in the high school environment and stores around the high school to know whether or not they are dealing with minors. They know that as a result of peer pressure a person who is 18 and in high school will purchase cigarettes for those students who are under age. It would make it much more enforceable to have an age where the vast majority of people in our public high schools would not be able to obtain cigarettes.

The age of 19 rather than the age of 18 is increasingly the age of majority for all sorts of other things across Canada. Therefore, to make it compatible with the legislation now before the Ontario and the B.C. legislatures it should have been 19.

Mr. Rey Pagtakhan (Winnipeg North): Madam Chairman, I object to the amendment. It is my recollection that the majority age for most of the provinces remains at 18 years of age.

Perhaps we will be inviting a lot of protest on this basis alone. We may lose sight of the mission of the bill which is to protect minors, those under 18 years of age. I register my objection to this amendment.

[*Translation*]

The Chairman: Comments?

Pursuant to order made earlier, the amendment of Mr. Karpoff is considered negatived on division, and the same vote applies to an identical amendment to clause 4, at line 25 on page 2.

Amendment negatived.

[*English*]

The Chairman: Are there further amendments to clause 4?

Mr. Rey Pagtakhan (Winnipeg North): Madam Chairman, I move:

> That clause 4 be amended at lines 15 to 20 by deleting subclause (2) and by renumbering the remaining subclauses accordingly.

The reason I am proposing this amendment is that as a former medical practitioner I do not recall a physician ever prescribing tobacco products. Perhaps the only way I could conceive of this would be in a situation where they would tell laboratory technicians or technologists to buy some for their experiments, but they would never prescribe them for patients.

On this basis I thought that this provision, unless the government could clarify it for us, was unwarranted and served no additional purpose in the bill.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Chairman, the amendment does not say should. As I understand it, it does not apply in respect to the prescription of a physician entitled to practise.

I understand the position of my colleague. I know his expertise at that level. The bill is not necessarily inclusive in terms of what we do, but in an exceptional circumstance where it would have to be done the bill would apply accordingly. That is the reason for it being in the bill.

Mr. Pagtakhan: Madam Chairman, the reason I have great apprehension about this subclause is the implication in the subclause that doctors prescribe tobacco products and that is a very serious indictment of the medical profession. On that basis I remain convinced that my amendment must proceed.

Mr. Jim Karpoff (Surrey North): Madam Chairman, I do not want to get into a long discussion about this amendment but my understanding was that some prescription drugs to assist people to quit smoking, including some nicotine derivative drugs, would be considered a derivative of tobacco.

I agree with the hon. member's concern that there be no implication that under normal practice doctors prescribe cigarettes. It also talks about any product manufactured from tobacco. It may include such things as various kinds of nicotine patches used to assist people in beating the habit. Therefore I think the subclause should be left in the bill to protect the doctor in cases where that is true.

Mr. Pagtakhan: Madam Chairman, a tobacco product is clearly defined in clause 2 as:

> (a) tobacco leaves, and
>
> (b) any product manufactured from tobacco—
>
> and includes cigarette papers, tubes and filters.

Nicotine is not a tobacco product. Nicotine is not a cigarette. It is one of the chemicals that causes damage to the human body and to the human mind. It is not a tobacco product.

I remain convinced that this subclause bill is unwarranted and could leave the implication that physicians prescribe tobacco products, which they definitely do not.

The Chairman: Further to order passed earlier today, the amendment is now deemed to have been negatived on division.

Amendment negatived.

Shall Clause 4 carry?

Some hon. members: Agreed.

Some hon. members: On division.

Clause agreed to.

Clauses 5 to 12 inclusive agreed to.

Clause 1 agreed to.

Title agreed to.

Bill reported.

• (1330)

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare) moved that the bill be concurred in.

Motion agreed to.

Mr. Bouchard (Roberval) moved that the bill be now read a third time and do pass.

[*English*]

Mr. Rey Pagtakhan (Winnipeg North): Madam Chairman, I would like to thank at third reading the National Campaign for Action on Tobacco. I would like to put on record what the Canadian Council on Smoking and Health said:

> Now is the time for us to seize this opportunity to simply pass Bill C-111, the Tobacco Sales to Young Persons Act.

I would also like to put on record what the Heart and Stroke Foundation of Canada has said:

> This piece of legislation is an important element of a comprehensive strategy which will greatly reduce tobacco use by kids.

Last I would like to put on the record what the Canadian Cancer Society has stated:

> With this bill Parliament can support efforts by Canadian parents to ensure their children's claim to a healthy life.

I submit that a new sense of social responsibility has dawned on us. Now we can demonstrate to Canadians that we are really serious about protecting the lives of our youth, that in fact our children come first.

I would like to make a challenge to all members of Parliament both in the House of Commons and in the Senate. If we donate $1,000 of our income a year for the next ten years, we will be able to generate $4 million and at the end of that time to contribute that amount to the elimination of smoking among the youth of Canada.

Mr. Jim Karpoff (Surrey North): Madam Speaker, it is appropriate at third reading stage to pay credit to those who have fought for legislation and tax policy that have made Canada one of the leading countries in the world in the reduction of smoking and cigarette consumption.

The National Campaign for Action for Tobacco, the anti-smoking coalitions, the Canadian Cancer Society and a variety of other heart and stroke foundation organizations should be commended. All Canadians owe them a debt.

We cannot let it pass without acknowledging they have done it under tremendous pressure and odds. They have taken on one of the most powerful and well financed lobbies in Canada, the tobacco lobby that has highly placed spokespeople with a lot of political influence, well financed campaigns and a tremendous amount of money to spend. In one sense it is like David taking on Goliath. Because their cause was right and they were diligent and persevered, we can thank them for the progress we have made in Canada.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to, bill read the third time and passed.

* * *

DIVORCE ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-79, an act to amend the Divorce Act and the Family Order and Agreements Enforcement Assistance Act, as reported (with amendments) by a legislative committee.

Hon. Thomas Siddon (for the Minister of Justice and Attorney General of Canada and Minister of State (Agriculture)) moved that the bill be concurred in.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

Madam Deputy Speaker: Carried on divison.

Motion agreed to.

Mr. Siddon (for the Minister of Justice and Attorney General of Canada and Minister of State (Agriculture)) moved that the bill be read the third time and passed.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Madam Speaker, I am pleased to say a few words at third reading stage of this bill. We as members of Parliament usually say that we are pleased to speak on any piece of legislation. However, this concerns an area I have felt strongly about and I am very proud of the fact that I was able to be a part of the legislative committee and be one of the speakers on this.

In that context I want to thank the hon. member for Terrebonne who chaired the legislative committee that looked into this bill. Indeed, I thank all members of the legislative committee as well as officials from the Department of Justice. Through their work and their initiatives in the department, I think they are making a contribution to the quality of life in this country and they are making a difference by helping to solve a very difficult problem.

That difficult problem involves what happens when a couple becomes separated or divorced. This particular piece of legislation amends the Divorce Act as well as the Family Orders and Agreements Enforcement Assistance Act. It involves amendments to both those acts. They are both steps in the right direction.

One thing that cannot help but strike anyone who started to study the law of this country, as I did 18 years ago, is that there are considerable problems with the whole question of support, particularly the support of children. The law as I understood it and as I experienced it in the relatively short period of time I practised law, made it extremely difficult for an individual to enforce a support order, in most cases against an estranged husband.

• (1340)

There were hundreds of thousands of examples over the years in which women particularly have suffered. Just as important, of course, our children suffer because their estranged father who does not have custody is not paying for support. That is wrong. That is fundamentally wrong.

No system of law in this country or in any other should in any way facilitate or not come to the assistance of children whose mother's counsel has obtained a support order. This is wrong. Nobody has the right it seems to me to bring children into this world and then renege on their obligations to those children.

This sort of thing has gone on in this country for many, many years. Indeed, I remember seeing statistics in my province of Ontario that I am sure are mirrored across the country. Individuals who were up to date in their support payments of their children were the exception to the general rule. Normally support payments and schedules were not adhered to.

That is wrong and it seems to me that every legislator, everyone involved with the judicial system of this or any other country, has an obligation to change that, to do something about it. The problems do not involve just non-payment but what happens when circumstances change.

I can remember one particular example from when I practised law. A woman came in who had a provincial court support order in favour of her children. She told me her separated husband was not paying for the support of the children and that he had moved from Ontario to Manitoba.

The first thing that would go through a lawyer's head is good luck in trying to enforce a provincial court order from the province of Ontario if that individual has moved to another province.

It is not to say that there was not a procedure. There was a procedure. I am going by memory now about registering the provincial order in a superior court, having it transferred to a superior court in another province and then going through the enforcement procedures. It was a very long and expensive process for an individual to get justice and the support that the law requires, in that particular case, for her husband to pay.

One of the things that I was very pleased about after I became a member of Parliament was that the government did come forward with the Family Orders and Agreements Enforcement Assistance Act. It was a step in the right direction.

I know just as we have passed this piece of legislation and as we did the previous one, the knock will always be "you should have done this last year" or "you should have gone farther". I am the first one to say that this does not solve all the problems of the enforcement of custody and changes to orders under the Divorce Act.

I agree with that. I agree it does not fix all the problems but it is a step in the right direction. This is a good piece of legislation just as the previous one was. It did not get much publicity. I used to talk about it. When people would say what are you doing in the justice area, I always told them that we are making it possible, that we are getting the federal government to co-operate with provincial authorities to get involved with collecting support payments from individuals who are under an obligation, not just legal but moral, to support their children.

I was very, very proud that the federal government was involved with that. I am very proud and pleased about this particular piece of legislation. This too is a step in the right direction. It helps in the enforcement of support orders by making some refinements, clearing up some of the red tape and responding to some of the problems we found in the last few years with the original piece of legislation.

As well, it helps individuals who have obtained a divorce and then, for whatever reasons, circumstances change and they want to make a change to the original order. This gives them some flexibility in terms of where they can go to get that changed. That too is a good idea and a step in the right direction but the process is not complete.

I know that the officials from the Department of Justice I referred to earlier are in discussion with their provincial counterparts. They are working on guidelines to help bring some consistency across Canada as to what, under certain circumstances, an individual, a child might expect in a support and custody hearing. I hope to see those recommendations later on this year, which is good.

There has been progress in this area. This is a step in the right direction. There is going to be more progress in this and that is good. I should add that we have seen progress at the provincial level. I do not mind saying that. I do not know what if anything the New Democrat Party in Ontario has done that I agree with, but I certainly agree with some of the moves that have been made in this particular area because this for too long has been a neglected area in society. I have made the comment and I believe it to be true.

If for the last 125 years our system of law and government had been dominated by women, this would not be a problem and we would not need this legislation. This problem would have long since been cleared up.

I am proud to be part of an administration that believes this is a priority and is bringing it forward. I appreciate those individuals who came before the legislative committee. Indeed, I wish there had been more. We sent out invitations and we would have liked to have heard from more groups on this subject, but those individuals who did come forward did contribute positively to the debate.

One of the ideas that came forward was the whole question of taxation of support payments. That is obviously outside the scope of this particular piece of legislation but nonetheless an interesting proposal did come from one of the groups. The interesting proposal from this group was that we should remove the tax consideration of support payments in the hands of the payer and the payee. Generally in a support order the payee is in a higher tax bracket so the tax deduction is usually more valuable to him than the recipient so in effect there is a public subsidy to the whole question.

I am happily married to my wife. I have three children. I do not get a tax deduction. Certainly under the changes to legislation, it is a reasonable question to ask whether those who are separated should get a tax deduction for what otherwise is their moral obligation to look after their children.

I do not want to take up too much time but I hope that is a question that this House will consider. I agree it is beyond the scope of this bill but, as I say, it does touch on this whole area.

This is a step in the right direction and I look forward to the results of the discussions that departmental officials are having now with our provincial counterparts because I believe that too will be fruitful and helpful in this area.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, I am pleased to be part of this debate on Bill C-79.

To follow what the parliamentary secretary has said, this is a bill to amend the Divorce Act and the Family Order and Agreements Enforcement Assistance Act. Its goal is to improve the effectiveness in the support payment system. We are also supposedly improving the tracing and garnishment system of support payments.

With respect to the Divorce Act, the major change in the Divorce Act appears to be the simplification of the law so that it will be easier for former spouses living in different provinces to apply for custody or a support order.

• (1350)

With respect to the Family Order and Agreements Enforcement Assistance Act this will also reduce costs, this time for investigating child abduction. The proposed amendments remove the requirement that police officers get court authorization to use general federal data banks for tracing individuals in cases of spousal child abduction.

The witnesses who came before the legislative committee were of the opinion that this bill was a step forward. However, they felt that the whole process needed to go a lot further than was the case under these amendments. The problems that exist in the maintenance of children of parents who are separated or divorced is just not satisfactory and in fact is totally unacceptable.

We have a large number of children at risk who are not receiving the support that their single mothers can give and that is really no fault of the single mothers. To give an example, in a study of broken marriages by Statistics Canada which was done in June of last year men who paid alimony and child support had incomes more than twice as much as their partners who were looking after the children.

It is quite a shocking statistic that the husbands paying the money have incomes of more than twice as much as the mothers looking after the children. I say the mothers because the parent who is paying the maintenance in 98 per cent of the cases is the father and the other 2 per cent of course is the mother looking after the children.

That does not leave a lot of funding for the mother and children to live on. This statistic was based on the tax situation in 1988 but according to Statistics Canada very little had changed since 1988 so the problem is still there.

The study also showed that alimony and child support on average made up only 15 per cent of the income of the women who received it. That is an unfair statistic I would suggest because what we are talking about here are a large number of cases where the custodial parent does not receive any maintenance whatsoever. If you average it out over all the families that are separated or divorced where one parent is looking after children and receiving maintenance from the other the income of the mother and children existing in the family is only 15 per cent.

It gives you an idea of how serious the situation is in our communities. What we are talking about are the children of Canada, a large number of children. It is certainly not the majority of children, but a very large number have become children at risk through the system and its neglect or its insufficient attention. These children will be the citizens of tomorrow. We are not guarding this resource. Not only are we not guarding it we are in many cases abandoning its welfare.

We have heard more and more of the situation that exists with respect to crime in our communities. Now more than ever we are concentrating on crime prevention and the reduction of violence in our communities.

While we are concentrating on this and talking about longer sentences for offenders, while we are talking about retribution, more and more evidence is coming forward that we need rehabilitation, treatment and care for the young people in our society.

One psychiatrist testified before the Standing Committee on Justice which studied the question of crime prevention. This psychiatrist is very knowledgeable in crime prevention and children at risk, the very young people in our community. He testified that the most important age for assistance as far as the reduction of crime is concerned, where our dollar can have the greatest impact in reducing crime, is between the time the child is born and the child's third or fourth birthday.

Now that is quite a significant statement. It shows that the younger the child is the more of an impact we can have in bringing that child forward as a citizen who does not resent his or her treatment in society and who does not represent a child at risk who could become a potential violator of the laws in this country.

It has also been said by many and the statistic that sticks in my mind is that for every dollar we put into the welfare of a child below the age of seven we will save $7 in reduced cost to the community in incarceration, rehabilitation, court costs and police costs. Investing $1 will save $7 if we want to look after our very young people.

However, we are not doing it. We are not doing it because of the stereotypical, preconceived attitudes that have existed in this country for some time. We are not doing it because we do not want to change. We want to tinker with the system a little but we really do not want to change it.

We are not changing it even though many women, because of the low maintenance and low support they receive for themselves and their children, have to supplement their income. Two-thirds of the women who receive alimony and child support are raising their children by themselves.

They are left with this very important—I do not want to say difficult because difficult is not the word, although raising a family is not easy today. Important is the best word because they are raising and moulding the citizens who will be in charge of this country tomorrow.

In that there is this important role, this important and meaningful procedure and this important and meaningful task ahead. We all should be supporting these women, these partners of broken marriages who are looking after our children.

What is the reality? The reality is that the majority of Canadian child support orders are in arrears. The majority are in arrears. Most mother-led post-divorce families live in poverty. That is over 50 per cent. This would still be the case even if all payments were made. That remark comes from no source less than the Department of Justice. The reason that even if all maintenance payments were made over 50 per cent of the mother-led post-divorce families live in poverty because the support payments are ridiculously low. Two-thirds live in poverty. That is, with payments being made two-thirds live in poverty. If the payments are not made, 75 per cent of mother-children households would live in poverty.

• (1400)

The Ontario government, as the parliamentary secretary has said, has taken over the collection of support payments in the province of Ontario. I join with him in congratulating it on that. This is important because the stalling and the deflection that has gone on in enforcing these payments has been totally tragic. It has been a national tragedy in Canada. But even with the full support of the Government of Ontario, and I think it is sincere in this, in that province 75 per cent of maintenance orders are in arrears. Goodness knows what the situation would be if it was not supporting them.

Research by Miriam Grassby published in May 1991 in *Reports of Family Law* shows that the average support awarded is considerably less than half of the actual cost of raising a child.

Therefore, in a family where maintenance payments are received, less than half of the needs of the child in that mother-led family are met by the support payments. That is just for the necessities. That is absolutely no money for the mother for leisure activities or for any kind of retirement package. That is unheard of. There is no retirement package, nothing that could be put aside. Just forget about that completely. The mother is supposed to completely forget about any kind of recreation, any kind of free time, any kind of pleasure or leisure activities or any kind of money put aside for retirement or whatever.

The case seems to be that it is hard to deny your children if you are living with them, but it is easy if you are not. I am not condemning the former husbands. This is not an easy situation. This is not cut and dried. When there is a divorce and a breakup of the family, there is a tremendous amount of animosity.

Sometimes the mother is resentful and if she has custody of the children she does not want the father to have access. If the father does have access, or the court says the father is to have access, she may throw roadblocks in the father's way. The father may be well-meaning at the beginning but because of the frustration and aggravation of trying to see the children he finally says he is not going to go through the hassle and is not going to bother trying to gain access to the children.

That is one way of doing it. That is understandable, with the degree of aggravation, but that is not fulfilling the role for the children. You may dislike your former wife intensely but the fact of the matter is the children are so very important. We cannot just look at the animosity that exists between two adults who are not putting the welfare of the children first and foremost, or one who is and one who is not, it does not matter which one. I do not want to get into that kind of an appraisal this afternoon.

It is sufficient to say that more consideration must be given to the children. As well, judges seem to be unaware of the barriers to a woman becoming self-sufficient if she is older, say in her forties. Not only may she be lacking in skills, experience and opportunity but as the custodial parent she is not free to travel, to work long hours, study at night or socialize with colleagues and may not be able to hold employment, a job that she wants to hold.

That is in addition to the fact that sometimes in marriage the wife sacrifices her career for the husband's career. She does not follow through with her own career because she is working with the children, helping them and moulding these citizens of tomorrow.

The husband can carry on and he does. The divorce takes place. The husband carries on with his career but the wife has jettisoned her career. She does not have a career. She tries to pick it up but she also must care for the children. She also must find a job. As a result of the fact that she has given up these important years of work and does not have the experience but does have an increased age she becomes less and less marketable as a prospective employee.

Add to that the inequities of the tax system. In our tax system a man gets to deduct his child support payments directly from the amount of tax he must pay. If a maintenance order is awarded by the court, if the court says to the estranged husband who is living apart from his former wife and children that he must pay so many dollars a month for the support of his children the husband is not taxed on that amount but it is considered as revenue to the mother. Not only are the courts awarding less than what is necessary for the support of the children but what the mother receives for supporting herself and primarily the children is taxable. She gets even less than what is awarded in dollar terms.

The federal government actually subsidizes the lifestyle of the divorced man to a large extent. There are many divorced men who are faithful in making these payments. They are good fathers who go out of their way to keep in contact with their children. These men really deserve an amount of credit that is not being given to them.

That father has affection for the children. It is difficult when the mother gets custody of the children and the father does not get to keep contact but must pay. He is obviously a man who is putting the consideration of the children first. That is really vital, and he knows that.

Quite often he is paying more than he feels he should be paying, and in many cases he is right. He is paying, he is being taken advantage of. There are lots of ways in which that can be done. It is not one-sided. It is a complicated situation. It is not cut and dried.

In 1988 men deducted $1.3 billion from their income tax for child support payments and saved themselves $475 million in taxes. The government then collected about $275 million in taxes from the recipients of the support payments. That leaves what we could call a divorce subsidy of approximately $200 million. That $275 million, although lower than what the husbands would have paid, was really grinding down the single mothers with children who had to pay that amount of taxes.

• (1410)

Advocates of the system say that it encourages judges to award larger support payments if the husbands do not have to pay taxes. It is also said that many husbands are married a second time and have second families and that there is only so much they can contribute. That is an argument, but there is absolutely no proof whatsoever that husbands separated or divorced from their families are encouraged to pay maintenance or alimony by the mere fact that they do not have to pay taxes on that amount.

Why should husbands and fathers feel that they do not have an obligation? Why should anyone have to be encouraged to support their children, whether they are children living in the family home or children and mothers living outside the family home?

An Ontario government report presented in November 1992 said that child support payments should not be deductible or included in the calculation of taxable income. There should be no tax ramifications at all for maintenance payments or alimony payments. It should be treated as income by the husband and passed along to the former wife and children without any tax ramifications or tax payable by the former wife at all.

That is a recent recommendation by the Government of Ontario. It acknowledges in this study that to do so may cause some courts to re-examine the maintenance orders by arguing that if the husband has to pay taxes then that is more of an outlay by him, and therefore they will have to reduce the orders.

In order to stop the onslaught of realignments of maintenance payments or re-examination of maintenance payments the report states that the taxes payable by the former husband should be phased in each year. For example, each year over a five or ten-year period the husband should pay a higher percentage of taxes until the final result would be that there would be no tax ramifications. It would be treated as income to the estranged husband and no taxes will be paid by the former wife and mother who is looking after the children. The parliamentary secretary mentioned that.

The present situation is costing taxpayers $235 million a year. The 1990 taxation statistics reveal that not only are divorced fathers and husbands being given a tax break but an additional $66 million is not being claimed by the estranged wives and mothers who have the custody of the children. The mothers are in such a difficult financial situation that they try to dodge the tax payments. Through what they consider to be absolute necessity they try to avoid payment of the taxes they should be paying by not declaring their support payments. It is a fact that the government is losing $66 million in that way.

The present tax deduction that men receive when they pay support is arrived at by rewarding the payer for meeting his obligations. That is not something of which there is any proof. There is no substantiation for that case.

The amount of support to be paid should be more in keeping with what is necessary. Whether it is a reality that the courts must face, or whether it is a tax change, there must be change to reflect the need for single mothers with children estranged from former husbands to have more support.

It is also in the interest of the community to ensure that this happens because the children of today are the citizens of tomorrow. They must be considered. They have to be considered because if we do not consider them then we are asking for a great deal of trouble in the future. We cannot forget about the children of this country without paying the price.

In addition to the problems that women face, quite often what they receive is what the lawyer wants. There may not be maintenance payments over a period of time. There may be a lump sum payment. That may be what the lawyer will advocate and not only advocate but absolutely demand. The lawyer may actually take his or her client to court to get what the lawyer feels is in his or her interest in terms of legal fees.

There could be $10,000 awarded to the mother for herself and the children without any maintenance payments over a period of time. That whole $10,000, and perhaps even more, could be taken by the lawyer. That leaves the mother and the children without anything as a result of the divorce settlement.

I once again congratulate the province of Ontario for trying to do something, at least in the initial stages, to correct men's ability to stall. The longer husbands work at trying to stall their maintenance payments the better they become because they know a little about the law. They get to know a little more about the system. They know that perhaps the system will not enforce the orders.

Perhaps they are big movers and shakers in the community and have some clout and that helps them to stall their maintenance payments. That helps them to renege on the support for their children and their former wife. They get to know it a little more as time goes along and of course their lawyers are a big help to them in that regard. That is not to criticize lawyers. Lawyers are there to help their clients and there are good clients and bad clients—

An hon. member: Good lawyers and bad lawyers.

Mr. MacLellan: There are good lawyers and bad lawyers. That is one of the problems.

The other problem is that maintenance orders are not being enforced. They can be held up for years. What does a family do in the meantime? The father can also use the Divorce Act to have payments reassessed and there are various ways of delaying the actual maintenance payments themselves.

Maybe there should be mandatory interest charges and penalties on overdue payments. Possibly that is one way of demonstrating that society is not going to tolerate the neglect of children in the various communities. Maybe, and I say more than maybe, there should be more negotiations in the federal-provincial area to deal with this situation. The actual collection and enforcement of

maintenance orders falls within provincial jurisdiction. One of the problems we have in our great country is that divorce is a federal statute but the enforcement of maintenance payments is provincial. Therefore, some areas are in federal jurisdiction and some in provincial.

• (1420)

The parliamentary secretary has stated that there is some movement, some negotiations between the Minister of Justice and his counterparts in the provinces. I want to say that if movement is there it must be measured with a microscope because there is very little evidence of any movement. In fact, in 1992 there were two federal-provincial conferences on justice planned with the attorneys general and both were cancelled by the Minister of Justice.

In fairness, there was the referendum and a few other things that came about, but the fact is that priority was not given to what the government says it feels very strongly about. It was not given at all. There was no priority given to deal with this.

The new Minister of Justice says there will be a symposium from March 10 to 12, where federal-provincial problems will be dealt with. They will deal with young offenders, the problems of maintenance payments, crime prevention and many other areas where federal-provincial negotiations must take place.

It will be a two and a half day conference. How in the name of heaven are any conclusions going to be arrived at? How are we possibly going to reach any kind of improvement in two and a half days with federal, provincial, municipal officials and officials from all the organizations that deal with crime prevention in Canada at the conference in Toronto? It is absolutely incredible that we should be expected to believe there is going to be progress. There is no progress now and there is no indication that the federal government wants to make progress in addressing this tremendously important area.

The fact of the matter is that we are in the last century in the way we deal with this question. Even when the courts talk about support and funding for estranged mothers and children or the former wife and mother, they talk about the major asset as being real property, the family home or whatever property they have, be it real or personal. They do not talk about the main financial area as being the earning power of the father which is the main area which has to be considered.

We seem to be going around in circles on this question. We seem to be taking three steps forward and two back. If this country is going to work it has to be meaningful for the people who live in this country. It has to be meaningful for Canadians. It has to be meaningful for the needs of the future, and the needs of the future are our children. We are doing a tremendous injustice both to the children and our future.

If we do not come to grips with this, if we cannot get the federal government and the provinces to come together to deal with this very important question of maintenance of the mother and the children, if we cannot provide meaningful assistance, if we must say that these children and single parents must live without the maintenance orders to which they are entitled and they have been awarded by the courts of this country, if we have to say that the Canadian public has to pick it up in any fashion possible, perhaps by welfare payments or by charity, then what are we saying? We are saying that this country does not work. We are saying that the future is not important. We are saying that the children of this country can be left to fend for themselves. We are saying that we are not serious about crime prevention. We are saying that we just do not care.

I want it to be known by all Canadians that that is what they are saying. I want everyone to know that that is what they are saying so it does not become a shock, a surprise and a rude awakening to this country as the years go along. I want them to know. I want them to have the chance to do something about it.

This government knows that it does not care. This government knows that it is not going to do anything. It is not putting themselves out for the children of this country and our leaders of tomorrow. It has made its choice and that choice is to do very little. That is not good enough. It is not good enough for this side of the House and I know it is not good enough for most Canadians.

Mr. John Manley (Ottawa South): Mr. Speaker, I am pleased to follow my colleague from Cape Breton who spoke forcefully and clearly on many of the issues that are raised in this discussion of family law reform brought forward by Bill C-79.

I would like to say before going into any of the technical aspects of the bill and the function that it performs that some of the issues which are touched on by revisions to the support for families in the event of divorce go beyond the narrow scope of that issue.

Bill C-79 provides an opportunity for this House to consider many of the things that concern our electors, the citizens of Canada, about the developments in modern society. Some of them relate to divorce and support for dependent spouses and children in the event of divorce but I think others relate to the fundamental issue of how well Canada is doing in the context of providing for its weakest and its poorest.

We all know and we all shared a great deal of pride in the fact that according to some standards the United Nations indicated last year that Canada had the best standard of living in the world. This reflects a number of aspects of Canadian society of which we are all justifiably proud.

What I think those of us who are concerned especially at this time and what we are aware of is the fact that despite the excellent quality of life, despite the fact that Canadians enjoy great opportunity, great freedom we also have within our borders an undue level of poverty. We have too many children, we have too many adults, who face very grim prospects as we go into a continuing winter of recession.

Unemployment remains high, in excess of 11 per cent. There are 1.5 million Canadians out of work. Poverty is clearly related to unemployment. The problems we face in our cities, in our rural areas are continually reflective of the level of poverty that has been increasing sadly over the past few years.

The 1980s were the first decade since the Second World War in which real family income failed to grow over the course of that decade. This reflects a number of things. In particular, it reflects the fact that government charges have been increasing at a very rapid rate through all of that time. Government charges in the form of taxes at both income tax levels as well as property taxes or wealth taxes, which have increased dramatically in many municipalities across the country, have imposed a greater burden on families. At the same time, real incomes were not increasing as rapidly as inflation was occurring during that decade.

• (1430)

It reflects the fact that our economy has gone through a period of difficult restructuring. There have been a lot of high paying jobs lost permanently during the course of that decade and the early years of the 1990s.

To some extent it is fair to say that the policies pursued by the government have contributed over the last three years directly to the degree and intensity of the recession that we face. We all know that the Governor of the Bank of Canada pursued a policy of what he called price stability, some called it zero inflation, with great ardour and intensity. His objective was more or less achieved but at a price of many jobs being lost.

It is interesting when you look at the pursuit of that policy by the Bank of Canada to always remember that the bank pursues monetary policy with the consent and agreement of the government. The Minister of Finance meets on a regular basis with the Governor of the Bank of Canada. He has the power to tell the governor to pursue a different policy. The policy we are talking about is the government's policy.

That policy to drive inflation out of the system was pursued at the same time as the government was implementing a free trade agreement with the United States. The perversity of doing those two things at the same time is demonstrated by the fact that the Canadian dollar which traded at 76 cents U.S. in October 1987 when the free trade agreement was signed, reached a peak of 89 cents in November 1991.

Meanwhile we lead the U.S. into recession. We suffered extremely high levels of unemployment, much higher that those in the United States. The result for our people has been a continuing round of poverty which remains unabated to this point in time.

It is clear that where unemployment is a problem, where the economy is weak, the price is paid by families first. It is clear that where financial problems arise, the problems within families increase.

The difficulty of dealing with the stress that is imposed by financial hardship is a clear, frequent contributor to the breakdown of marriages and is, in a direct way, a contributor to the problems we are trying to deal with in

part with this bill when we are dealing with support for estranged spouses and dependant children.

It is impossible to simply take the objective of this bill, which is a worthy one which we are supporting, and deal with it apart from the over-all economic situation the country is in. To ignore the consequences of the economic policies of this government and simply applaud the fact that it is doing more to ensure that child support can be collected, is to ignore the really important factor, the failure of this government's economic policies which has led directly to the breakdown of many families and has caused hardship and poverty in families across the country.

The reality is that the majority of child support orders in Canada is in arrears. I dare say that many of those arrears are caused by the fact that the supporting parent has become unemployed and is unable to earn a living.

Even if all of the payments were made, it seems that most mother led post-divorced families would still be living in poverty.

In this country, surely one of the most prosperous in the history of the world, we continue to see in our cities and in our rural areas cases of poverty, cases of hunger. It is a disgrace and all of us should be ashamed.

Over the last few years I have had the privilege within my own region of Ottawa—Carleton and in Ottawa South of working with the Ottawa food bank and with UNICEF every year to try to address the issues of hunger in our community, which are addressed in part by the food bank and in the broader international community in which UNICEF plays a part.

Each year we encourage people to spend 24 hours without food in order that they may understand to some extent the nature of hunger when it really strikes. It is very short-lived. It is not something that necessarily changes a person's life, but it is a realization of the fact that hunger is one of those things that is part of the human experience. Very few of us in this House have experienced it in any real and enduring way but it is a fact of life for millions of Canadians.

Until we begin to see the economy expanding again and people getting back to work, sadly hunger and poverty will increase rather than decline in our land.

As well, it is clear that poverty and hunger have a direct relationship to the ability of children to perform in educational facilities. Throughout Canada school-boards, especially in the large cities, are instituting breakfast programs and other food programs to ensure that students have enough to eat. They cannot work in their classrooms if they are hungry.

All these issues are tied together. It is not possible to take them apart and deal with them on a segmented basis. We need to understand the nature of the over-all problem if we are to begin to address it.

With respect to the payments of child support, what has to be understood is that again and again our judicial system has failed, usually because of complexity, to make it easier for dependent spouses to collect support payments. This has contributed to the futility of lives, the futility of people trying to find ways to keep their families together, to keep them from being completely torn apart by the lack of resources.

According to some research published in the May 1991 issue of the *Reports of Family Law* by Miriam Grassby, the average support awarded is considerably less than half the actual cost of raising a child. According to the research paper this means that an already impoverished wife ends up paying a disproportionate share of child costs. She is left with no money for leisure or savings, or even for a modest retirement. She ends up footing the bill for the emotional and recreational needs of her children, needs that an absent ex-husband can easily ignore.

According to Miss Grassby, and I quote: "It is easy to deprive children if you appear to be paying a large amount for child support. It is very difficult to deprive children if you are living with them".

This points out a very important factor in the way we deal with these issues in our society. Sometimes I think that when we passed the Charter of Rights and Freedoms we ought to have called it the charter of rights and responsibilities. Maybe there is still room in Canada for us to enact a charter of responsibilities.

• (1440)

Based on the evidence that exists of the occurrence of poverty in mother-led, post-divorce families in Canada, it is clear that there are fathers across this land who do not consider their responsibilities to their former wives and to their children to be important enough to ensure that they do not live in poverty.

It was said, I think by Franklin Roosevelt, that we cannot prepare the future for our youth but we can prepare our youth for the future. If we allow this problem to continue, if we fail to address the needs of the children living in Canada in poverty today, we will have to deal with the problems that creates in the future. They are the people upon whom we are going to depend for the future of our country. They need to be supported and prepared for that today.

The situation that befalls a mother-led family after a divorce is often a difficult and grim one. Frequently we find the mother is ill-prepared to become the economic support for the family unit. The pressures of raising children even in a traditional family unit are significant. I can say from experience that there is a lot to taking care of a family with children.

A mother-led family that is without adequate support from a former spouse finds it difficult to collect support without going to see lawyers and paying the legal fees or trying to negotiate with Legal Aid to get assistance to pursue a husband that is not paying support payments.

It is difficult to find housing in many of our cities where vacancy rates are extremely low and where affordable housing is difficult to find. The training and experience of a mother who has been out of the work force for a period of years make it difficult for her to re-enter the labour force, to find a job that pays adequately. There are pressures to accommodate the needs of children whatever they may be. Whatever their interests or involvements may be they cost a lot. It costs a lot to have a 10-year-old in minor hockey. Yet, if our children are to have the opportunity to enjoy the lives that we hope for them, these costs have to be taken into account.

We think we have a free, publicly funded education system in this country. Anyone with children in the public education system knows very well it is not free. We know very well the requests for special payments to go on field trips, to buy books, to join the clubs and to play in the volleyball tournaments. All these things cost a lot of money.

What parent, however difficult their circumstances are, wants to be the one to say to their children: "No, you cannot be part of that team. No, you cannot engage in that activity. No, you cannot go on that field trip because I cannot afford it". What parent wants to go to the school and say: "Please, I would like to apply for the subsidy so that my child can go on the field trip. Because my support payment has not come in this month I cannot afford to do it".

This is the reality of living in our modern society in Canada. It looks very good from some points of view, so good that we can be considered to have the best standard of living in the world in some quarters, and yet for others who are deprived of sharing in that it can be very difficult.

I want to talk a bit about the issue with respect to the tax system raised by the parliamentary secretary and my colleague from Cape Breton. The numbers according to the 1988 statistics were interesting. They indicated that in 1988 supporting husbands deducted $1.3 billion in child support from their income tax. Therefore they saved $475 million in taxes. The receiving spouses in turn declared the support payments and paid about $275 million in taxes on them. In other words the difference of about $200 million in lost tax revenue is considered by some to be a subsidy for divorce; the government subsidizes divorce to the extent of $200 million.

If the $200 million were going to dependent spouses we may be able to say it is justifiable, that it makes it available. However the reality is that $200 million is staying with the paying spouses.

Would it not be better to look at readjustment of the system so that the $200 million goes directly to meeting the needs of the families, to looking after the problem of child care and the problem faced by many mother-led families of getting new training and experience to find jobs. These are the needs of these mother-led families. That is where the problem arises, and that is where we need to be adjusting the focus of our attention.

For that matter, again by imposing the tax burden on receiving spouses we add to the difficulties mother-led families often have in completing tax returns, in making proper claims and in knowing the records are correct.

These difficulties could simply be avoided by adjusting the system so that the obligation to pay tax was shifted.

All these points underline the fact that the women of Canada are and have been most hit by divorce. I would like to leave this statistic with the House: men who paid alimony and child support had incomes that were more than double those of women they sent the money to, according to a study released last year by Statistics Canada. This points out the fact that usually the women who have children in their care suffer the most by divorce.

Our support for Bill C-79 indicates our concern that the collection procedures be simplified so that support payments that are ordered are actually collected. It is the sadness that results from the economic policies of this government that must not be overlooked in considering the poverty in which many of these people live.

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, I will be picking up on some of the themes that have just been spoken to by colleagues on this side of the House.

We support Bill C-79 in principle but certainly the analogy of using a band-aid for a serious disease would apply to this bill. I quickly read through the bill and it was difficult to find anything that any person of good will would disagree with.

The government just does not get it. As on so many issues it does not get the fact that separated and divorced mothers and children have bigger problems. This will do some good, but if this is the best this government that is about to be voted out of office can do, after eight years, why did it not do this years ago? Why did it not do so much years ago? Why did it mandate the Governor of the Bank of Canada to come down on less fortunate Canadians, often single mothers, disproportionately single mothers? Why did it mandate the Governor of the Bank of Canada to make fighting inflation his only goal? At what price have they won that battle? How many single mothers have lost a job working for the federal government, working for a federal Crown corporation, working in the private sector, so that a few thousand Canadians living at the top of Westmount, in Forest Hill Village and the like can live better than they did eight years ago? Some of them are not living so well these days either I understand.

• (1450)

What we have learned is that we need a government that tries to represent all Canadians, not just the wealthy few thousand in a few cities in our country. That is why this government is going to get itself—I do not think it is going to be surprised—a real lesson when people go to vote at the upcoming election.

To speak more directly to the bill, as you heard earlier, Madam Speaker, the majority of Canadian child support orders are in arrears I understand. Most mother-led, post-divorce families live in poverty, but that would be the case even if all of the payments were being made, because the orders themselves are ridiculously low.

Our judges still need to be sensitized. At least in my province they are getting better but they still have not got it yet. I am sure they have to be sensitized in other communities. I am told by a friend who recently became divorced that they need to be sensitized in the Ottawa-Hull area to the issues of what is an adequate payment to a wife and children.

Without those payments made pursuant to a separation or divorce order, 75 per cent of mother-children households live in poverty. The Ontario government, as I think we heard earlier, has now taken over the collection of support payments, 75 per cent of which are now in arrears. We heard reference earlier by my colleague from Ottawa South and I believe my colleague from Cape Breton to Miriam Grassby and I will not take up time on that.

I believe too many judges across the country seem to be unaware of the barriers to a woman becoming self-sufficient. She is older, perhaps in her forties. Not only might she be lacking in work skills outside the family, and experience, but as the custodial parent she is not free to travel, work long hours, study at night and that sort of thing.

This brings me to the income tax issue. Again, I am advised that we cannot amend this bill to amend the Income Tax Act with respect to child support payments. I hope I can convince you in a moment, Madam Speaker, this is a very major problem.

The custodial parent, virtually always the former wife, pays tax on child support as if it was her income. Child support payments are not income of course but a

spouse's contribution to raising children. Most European countries, the United States and Australia do not tax child support payments in the hands of the mother. Why do we in this country?

Non-custodial parents claim a substantial tax deduction. The figure was given by my colleague from Ottawa South a moment ago that two-thirds of divorced mothers and their children receiving support live below the poverty line.

We have, I am proud to say, in Edmonton an organization called "People Against Child Support Taxation", PACT which has launched a campaign to throw out the law which taxes child support payments.

I have written to the Minister of Finance and I will refer to what his views on that matter are in a moment. It is essential that single parents receiving child support that is taxed join in the battle for a fairer tax system that will reflect the real needs of single parents and their children. I hope anyone watching today in that position will feel urged to contact, in most cases, her member of Parliament.

I have a couple of further comments. The custodial parent pays tax on the child support as if it were income. It is not income, as I said. This money is reimbursement for living expenses involved in raising children. Two-thirds of divorced mothers and their children receiving support live below the poverty line. Susan Thibaudeau, a social worker in Quebec, as members will know, has filed a class action lawsuit on behalf of 300 women challenging this tax provision.

For the last three years Madam Thibaudeau to her great credit has been filing separate tax returns for her children claiming child support as their income. When filing this way you are subject to interest in penalties but she feels—I am sure you are aware of this Madam Speaker being from Quebec—that it is worth it for such children when they look at the long-term consequences of being overtaxed.

I might also add that women suffer as a result of this extra so-called income in terms of decreased eligibility for student loans, for subsidized day care and subsidized housing. The burden is on women going through divorce to prepare statements on the before and after tax impact of receiving child support.

This brings me to a letter I wrote in June to the Minister of Finance, the member for Vegreville. I refer to a couple of things that have already been mentioned. I wrote first:

> Once a court divorce order is issued, the spouse with more than half the custody for the children (virtually always the former wife) must pay income tax on the other's support payments whereas the other can deduct such payments from his taxable income. In recent years, approximately 264,000 women across Canada have paid taxes on such support.
>
> The practical effects of this almost unique Canadian practice in effect since the 1940s—

[*Translation*]

—France appears to be the only other industrial democracy to follow us in this dreadful practice,

[*English*]

> —are very serious. For example, one of my visitors—

I was referring to people who had come to see me.

> —pointed out that fully $385 of the $800 she receives monthly must be put aside for taxes.

Of course, she is one of the lucky ones to get $800 a month. How many separated wives get $800 a month from their former spouses?

> This leaves her constantly attempting to keep the financial noses of her children and herself above water. Approximately two-thirds of divorced women and children live below the poverty line—whereas only 16 per cent of divorced men are below the poverty line after paying child support.
>
> In 1988, men deducted about $1.2 billion in support payments, thus saving $475 million in taxes. Government then collected about $275 million in taxes from those receiving support, thereby providing a divorce subsidy of about $200 million.

Imagine at the end of the 20th century a so-called government of an industrialized democracy subsidizing divorce. Where are the members of the government caucus on this issue?

> The answer to those who assert that not allowing ex-husbands to deduct their payments would increase the numbers of defaulters is that the default rates in both Canada and the U.S. (where deductions are not allowed) is about the same.

It is 75 per cent I am sorry to say.

I wrote to the minister that it would strike any fair minded government or person that the tax system:

> —concedes about $12 billion yearly for RRSPs and $2.6 billion for capital gains exemptions yet encourages most single mothers to live in grinding poverty shrieks for reform.

Here is what our wonderful Minister of Finance, this great humanitarian replied on August 31. He explained the system. I think my letter made it clear that his reply would be made public so I do not think I am breaching any confidence by quoting from his letter. He said:

> On the other hand, the disposable income of a recipient of child support payments is increased by reason of the amount received. As you can also appreciate, a child support payment received is disposable income in the same manner as income earned in employment and is appropriately taxable as an income source. It would be unfair, for example, to make child support payments tax exempt while imposing tax on employment income earned by a single mother to support her child.

It goes on further and if you can imagine, it gets even worse:

• (1500)

> It should also be noted that the Courts and the legal practitioners are well aware of the tax status of child support payments and the amount of court ordered or negotiated payments reflect these tax results. Indeed, as a result of the deductibility of these payments, larger maintenance amounts are encouraged.

If I have not convinced you yet, Madam Speaker, I will quote the Minister of Finance of our great country writing this kind of stuff:

> With regard to the status of single parents, the government's assistance to families with children is being restructured as outlined in my February 25, 1992 budget.

I will stop there.

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 agreed to, bill read the third time and passed.

* * *

BUDGET IMPLEMENTATION (FISCAL MEASURE) ACT, 1992

NOTICE OF ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-76

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Speaker, 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-76, an act to amend certain statutes to implement certain financial provisions of the budget tabled in Parliament on February 25, 1992.

Under the provision of Standing Order 78(3), I therefore give notice of my intention to move a time allocation motion at the next sitting of the House for the purpose of allotting a specified number of days or hours for the consideration and disposal of proceedings at the said stages.

PRIVATE MEMBERS' BUSINESS

[*English*]

CITIZENSHIP ACT

MEASURE TO AMEND

Hon. Warren Allmand (Notre-Dame-de-Grâce) moved that Bill C-285, an act to amend the Citizenship Act (oath of allegiance) be read the second time and referred to a legislative committee in the Human Resources envelope.

He said: Madam Speaker, the purpose of this bill is to amend the Canadian Citizenship Act to change the oath of allegiance which is in it.

My proposal is that the oath that is taken by new citizens after they are accepted as such should be as follows: "I swear or affirm that I will be faithful and bear true allegiance to Canada and the Constitution of Canada and that I will faithfully observe the laws of Canada and fulfil my duties as a Canadian citizen".

The oath of allegiance that is in the present Citizenship Act reads as follows: "I swear or affirm that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Queen of Canada, Her heirs and successors, and that I will faithfully observe the laws of Canada and fulfil my duties as a Canadian citizen".

We have to ask ourselves what is the purpose of oaths of allegiance, especially oaths of allegiance for people that come to Canada as new citizens. These new Canadians come from many lands. They come from Italy, Portugal, Greece, Chile, El Salvador and India. As a matter of fact one-third of our population comes from lands other than Great Britain or France. One-third has origins in Britain and one-third in France. Therefore two-thirds of our population does not have their origins in Britain.

What is the purpose of an oath of allegiance? It is to have some sort of assurance that these people who are becoming new Canadians are pledging allegiance to the country that they are coming to, Canada. These people have chosen Canada among all the countries in the world to immigrate to. Three years after they are landed immigrants they can apply for citizenship. They apply to be citizens of Canada, not Great Britain, Australia, India or any other country.

However, when they read the present oath of allegiance they are not sure to which country they are pledging their allegiance because the principal allegiance given in the present oath under the Citizenship Act is to Her Majesty Queen Elizabeth II, Queen of Canada, her heirs and successors.

This is very confusing for a great number of new Canadians who come to this country, very confusing indeed. If we want to make this oath of allegiance meaningful for those people who commit themselves to this country we will make the commitment clear, precise, open and honest. If we want a clear, open and honest oath of allegiance that oath will be to Canada and to the Constitution of Canada, not to Her Majesty Queen Elizabeth II.

I have nothing against Her Majesty Queen Elizabeth II personally. I will not comment on any of the recent troubles that the monarchy has endured. That is another issue. I am talking about the purpose and reason for an oath of allegiance in our Constitution and the need to ensure that an oath of allegiance is clear for these new Canadians who are committing themselves and swearing this oath to Canada.

I can refer to cases that happened in my own constituency office. One case involved a young Italian American who had come to Canada to do business 20 years previously. He had been in Canada as a landed immigrant for 20 years and finally decided to become a Canadian citizen. He went down to the citizenship office at the Secretary of State and inquired about becoming a Canadian citizen. He was told that everything was in order, that he had been a good person as a landed immigrant, and he proceeded with the documents and papers.

When the day came to swear the oath of allegiance he found he was swearing allegiance to Her Majesty the Queen and not to Canada so he refused. He said he had not chosen to go to Britain. He chose to come to Canada because of its very special qualities, because of the kind of country it is, its people and its way of life. Therefore he refused. I understood his problem but I tried to convince him, because I thought he would be a good elector, to become a Canadian citizen. He eventually took the oath after two years but he did it with reluctance.

During the recent referendum debate we spoke a lot about Canadian unity and patriotism. When I was discussing the distinct society clause for Quebec, and I can recall because I campaigned in this debate outside of Quebec although my constituency is in Montreal, some people told me they could not understand why some Quebecers were more loyal to the fleur-de-lis than to Canadian symbols, why they were more loyal to Quebec than to Canada. I told them that was interesting because I meet Quebecers in my own constituency who feel that Canadians are more loyal to the British monarch and to Britain than to Canadian symbols.

That is true. If we do not have unity in this country and if there is ambiguity with respect to our symbols it is because we still have a large number of symbols and traditions that represent the United Kingdom, Britain and the British monarchy. That is confusing for a lot of people who seek patriotism and unity in this country. It certainly provides an ambiguous situation for them.

• (1510)

If there are Quebecers who seem to favour Quebec and Quebecois symbols over Canadian ones why not also address those Canadians who seem to favour British and monarchal symbols over Canadian ones?

Since World War II there has been a movement in this country in favour of Canadian symbols, Canadian traditions and Canadian institutions. In the immediate post-war period we appointed our first Canadian Governor General. Before that time we always had British subjects as our Governors General.

We abolished appeals to the Privy Council. We made the Canadian Supreme Court the last court of appeal for Canadian cases. Prior to 1948 or 1949 one could go to the Privy Council in Britain.

We adopted the Canadian Citizenship Act. It was only in the late 1940s that we had Canadian citizenship. Before that time we were British subjects and shared citizenship in some weird way with the United Kingdom.

It was only in 1964 that we adopted the Canadian flag. The Canadian anthem, *O Canada*, was only adopted in the early 1980s.

Even with this government I have seen some progress. A few years ago our mail was referred to as the Royal mail. Now it is Canada Post.

When I was a young person all our paper money had the picture of the monarch on them. Now there are Canadian figures and scenes on our bills but the picture of the monarch is still on a good many others.

I am saying that the practice of leaving one foot in the old country provides a good deal of ambiguity for Canadians who are concerned about patriotism and about national unity. They cannot accuse people in one province, Quebec, of not being totally loyal to Canada when they are not totally loyal to Canada in that they still support British symbols and institutions.

Right now I will deal with the whole question of Her Majesty, Queen of Canada. It is what we call a legal fiction. Everybody knows that the monarch was born in Britain. She is a British subject. She was brought up in British schools, she is English, she is British. She is not a Canadian. It is a legal fiction that she is the Queen of Canada. Why is it a legal fiction?

While I have been in Parliament the Queen in the right of Canada has voted against the Queen in the right of the United Kingdom in the United Nations. The most famous case was in the Suez crisis when there was a very serious difference of opinion between Her Majesty in the right of the United Kingdom and Her Majesty in the right of Canada.

While lawyers might understand the subtleties of these legal fictions the ordinary person does not.

An hon. member: They do so.

Mr. Allmand: Maybe they do in my friend's constituency but they certainly do not in my constituency.

A recent poll was conducted by Angus Reid and published last week in the Montreal and Toronto papers, and throughout Canada. The headline in the paper says: "51 per cent do not want monarchy, poll finds". I am not dealing with that in my bill. However, let me say that this is what Canadians think. The article says: "Although 56 per cent said the monarchy would survive its current troubles a majority of 51 per cent said the time has come for Canada to sever its ties with the monarchy". That is not Quebec, that is Canada.

My bill simply deals with the oath of allegiance for new Canadians swearing allegiance to Canada when they become new citizens under the process set out in the Citizenship Act.

I suggest that they pledge true allegiance to Canada and the Constitution of Canada. I make no suggestion to change the Constitution of Canada.

For the moment the Queen is part of the Constitution of Canada. The Constitution of Canada is made up of the monarchy, the Senate, the House of Commons and all the institutions. Therefore in pledging allegiance to the Constitution of Canada, although it is not mentioned directly and I do not think it should be mentioned directly because I prefer Canadian symbols and Canadian institutions, people are pledging allegiance to the Queen. In no way does this bill abolish the monarchy. We might discuss that on another occasion, but this bill does not do it.

This bill is another step forward in putting in place meaningful Canadian symbols and institutions, just as we did with our flag, our anthem, the Governor General, appeals to the Privy Council, the Supreme Court of Canada and so on. From the Statute of Westminster in 1931 there has been a steady movement to give us in this country Canadian symbols and institutions.

I return again to the question I asked in the first place. We should all ask ourselves what the purpose of an oath of allegiance is. If I ask somebody to be loyal to me or my party I want that person to make it clear when he or she recites that oath of loyalty or allegiance that he or she is pledging loyalty or allegiance to me and not to somebody who might have been a relative of mine 200 years ago and is now dead or to somebody who is still alive in Ireland or some other country. If we want loyalty and people pledge loyalty and allegiance it should be crystal clear. That is the purpose of an oath of allegiance.

The oath of allegiance we have now is not crystal clear. It is ambiguous, misleading and confusing for the many people who come to this country from the many continents and lands throughout the world.

I am suggesting that we amend the Citizenship Act and replace the present oath of allegiance, which is principally an oath of allegiance to Her Majesty Queen Elizabeth II or whoever the monarch might be, with an oath of allegiance in which new Canadians would swear or affirm that they will be faithful and bear true allegiance to Canada and the Constitution of Canada and that they will faithfully observe the laws of Canada and fulfil their duties as Canadian citizens.

I have spoken to many people in my constituency and they think this makes sense. When I tell them what the present oath is, and these are people who were born in Canada, they are surprised that we still have an oath in which we principally pledge allegiance to Her Majesty Queen Elizabeth II. None of them are anti-monarchists but they are surprised that we still have such an oath.

I would hope that the House would agree with me on these points. I was not in Parliament when we had the flag debate. I arrived soon afterwards, but I was here when we debated the anthem and other moves to consolidate Canadian symbols and Canadian institutions. There was support in all parties.

If we are really concerned with unity and want to do things that will promote patriotism in this country we must start doing away with those things which divide us or pull us apart. To maintain, after centuries, these fictional ties, and they are fictional, with monarchs and institutions in other countries, even though they are friendly countries—we have no official constitutional ties with the United States yet we are friendly with the United States. We have no constitutional ties with France but we are friendly with France and belong to special associations with France. It is the same with the United Kingdom. I am not suggesting in this bill that we do away with the monarchy. I am simply saying that when new Canadians come to this country they should pledge allegiance to this country and to no one else and no other country.

Mr. John Reimer (Kitchener): Madam Speaker, I am pleased to respond to the private members' bill that has been put before us today concerning changing our oath. The member has explained the changes that he wishes to make. I want to say in very clear and unequivocal terms that I am totally opposed to what the member is suggesting.

The oath as we have it now is exactly as it should be. I want to explain briefly why I think it is exactly as it should be and why we should retain it that way.

• (1520)

I would like to comment on some of the points raised by the hon. member. I was taking notes as he went through his speech. First he said: "What is the purpose of the oath?"

He then dwelt upon the fact that many immigrants come to Canada from countries other than Britain. That is true, many do. My parents came from the Soviet Union. Many immigrants come from countries other than England. That is simply a statement of the obvious. So what?

Then he went on to say that in an act of citizenship, when a person comes from countries other than England I guess was the point he was trying to make, and then applies to become a citizen of Canada, that somehow our oath of allegiance for citizenship in Canada is confusing to them.

Well if it is confusing to them maybe they should wait a couple of more years and learn the history of Canada and our parliamentary institutions. When they understand Canada and want to assure active citizenship which is the highest right we can give them, then they should take it after they have learned and understood what Canada is all about.

You do not give an act of citizenship because somehow people do not understand. That would be taking our systems and all of the things we value, such as our act of citizenship, and reducing it to the lowest common denominator of ignorance. That would be our new standard.

I cannot believe the hon. member. I know the hon. member loves playing hockey and so do I. We still play in old-timers' hockey leagues and we are pleased that we have them. I wonder if the hon. member has not crossed into the boards too often. Something has gone wrong. I cannot believe this.

He said that it is confusing, that it is not clear and we should make it more meaningful. What he is really saying is that if a person who comes to us from a non-parliamentary system—

Mr. Allmand: No, no. Everybody including the British.

Mr. Reimer: The member had his say before so I will continue now.

I think what the member is saying to us is if a person comes from somewhere other than our traditions, which have evolved out of the British model, and cannot quite comprehend how our system works, that somehow we have to change and accommodate that ignorance of our system.

What we do is bring that person to understand our system. Then the person will say: "Now I understand why Canada is one of the best places in the world to live. I can understand the evolution of Canadian society. I can see the values that you have developed in Canada. Now I really want to become a citizen because now I understand".

That is what we should be doing rather than going in the opposite way. The hon. member talked about a person who came to his office and did not want to swear an oath of allegiance or make an affirmation of allegiance to the Queen of England. Of course, he did stay. We have to be fair. He did say that he corrected the person. It is to the Queen of Canada. That is correct.

He mentioned some of our constitutional debates over the past few years. I want to quote from page 9 of the chairman's foreword in the report *The Citizens' Forum on Canada's Future*. Keith Spicer said something that is very important and it is important to this debate. He said: "This country is dying of ignorance and of our stubborn refusal to learn. Lazy cynical official minds have for too long dismissed the obvious practical answers to these problems as simplistic and naive: broad travel, exchange opportunities for example and better teaching of at least some shared history".

I think that Keith Spicer hit it right on. This country is dying of ignorance in our stubborn refusal to learn. If only we started to learn some of our history we would then understand what it means when we say Queen of Canada as opposed to Queen of England. Because we would say that as a Canadian we swear allegiance not to the Queen of England but to the Queen of Canada. That is what we do. If we understood our system properly, we would understand exactly what that means.

I think the member has it all backward. You do not swear allegiance to institutions. You swear allegiance to the head of state. The head of the Canadian state is the Queen of Canada.

Look at the structure of the bill itself. What appears right on top of the bill? That this is the third session, 34th Parliament, 40th year of the reign of Elizabeth II. A little further down that it is by Her Majesty, by and with the advice and consent of the Senate. It is right there all the way through.

When we became members of Parliament we also took an oath or an affirmation of allegiance. To whom? Not to the Queen of England, no, to the Queen of Canada. That is what we did and that is what we are asking every other person to do.

If an immigrant coming into Canada says this is the best place in the world to live and wants to live here and then somehow does not understand our process maybe we have done something wrong by making it too easy for them to become a citizen. Maybe what we should do is change from the three-year requirement we have now back to five years as it used to be in order for these people to be in Canada longer, to understand our institutions and some of our history.

We also have two other requirements for oath of citizenship or for qualifying to take the oath. We say that you should have at least an adequate knowledge of English or French. I think we should change that to a working knowledge of English or French. Now that would be more meaningful. It would not bar anyone from being a landed immigrant. It just might take them a little longer to learn one of our two official languages. That is all.

Instead of having a minimal understanding of Canadian traditions, institutions and geography which really means that they have to know the name of their member of Parliament, the mayor, the Prime Minister, and the premier, maybe we should elevate that to an understanding perhaps comparable to a grade 10 level of Canadian civics. Then we would not have members getting up in the House as we have one now saying that he does not understand or it is not clear about the Queen of Canada. Then they would understand.

These people would still be landed immigrants in Canada but they would then work at their citizenship and it would be more meaningful. Maybe we should consider that type of reform. If the hon. member were getting up on that type of reform I would listen to him.

Mr. Allmand: Never.

Mr. Reimer: Well, you see he says: "Never". He does not want to make the oath of allegiance meaningful and that is what I am trying to get at. I think we should try and make it as meaningful as we can.

There is a good textbook which I recommend to the member, Dawson's *The Government of Canada*, 6th edition. Maybe he should look at the chapter entitled "The Monarchy and the Governor General". If he were to look at that chapter he would find something very interesting in the second paragraph so he would not have to read very far.

In that second paragraph the Acting Prime Minister of the day, Mr. John L. Ilsley, said the following: "The authority of the government is not delegated to the House of Commons. The authority of the government is received from the Crown. His Majesty's advisors are sworn in as advisors to the Crown. The government is responsible to the Parliament but that is a different thing from the doctrine that the government is a committee of the House of Commons or that it exercises authority delegated by the House of Commons. That is not so. What is the case is the authority of the government is received from the Crown".

That is the key point of a parliamentary system and a constitutional monarchy. The authority of this House is from the Crown. The authority is vested in the Crown and that is why an oath of allegiance is to the Crown, the Queen of Canada.

I think the member would do well to go back to a good book that is used in many of our first year political science classes and learn what Canada is really all about. Then I think he would say that maybe we have to educate new immigrants a little more rather than lowering our standards to a level of ignorance.

Mr. Jim Karpoff (Surrey North): Madam Speaker, I am pleased to rise to support this. If I had been lukewarm about supporting this bill I certainly would be very fired up after hearing the previous member speak.

I have never heard anybody get up and insult immigrants, the backbone of this country, as much as the previous speaker. He was talking about going backward to make sure they cannot get citizenship for five years, trying to put impediments in their way to full participation in our democracy by saying that they have to have a working knowledge of English or French, making it more and more difficult for them to participate as full citizens in our democracy.

• (1530)

This is a bill about symbols. Canada is in the process of growing up and maturing. It is deciding that it wants its own symbols, its own institutions. It is learning that it wants to take some of those symbols and institutions not just from Great Britain or France, but from our enriched community and blend them, making them our own.

My father, like the previous speaker's parents, was born in Russia. He came here during the time of tsarist Russia. He was always a little surprised that Canada still reverted to allegiance to a Crown in another country. While he had tremendous respect for the British monarchy he was always a little confused as to why we did not simply say: "We are Canada" and have symbols that were clearly Canadian.

I increasingly take part in citizenship courts. At the last one I attended there were people from 39 different countries. It was held in a high school. The Lieutenant-Governor of British Columbia, Mr. Lam, attended. It was a very moving experience. There were 500 high school students there. Everyone repeatedly said that it was quite amazing that 39 different countries were represented.

Many of the people taking the oath wondered why 100 years later Canada was still asking them to swear an oath of allegiance to Her Majesty Queen Elizabeth II and her heirs and successors, rather than swearing allegiance to Canada and its Constitution and laws.

It is difficult to explain that to them. It is not because, as the previous speaker seemed to indicate, that they are a little slow, that they have not been here long enough, that they have not been indoctrinated well enough, that their English or French is not good enough to understand our culture.

Some of these people already have degrees at the doctoral level. They speak better and more precise English than I do and some people would say that is not too difficult. They are not people who do not understand constitutions. Some of them have been involved in independence movements in countries where to under-

stand the constitutions and the loyalties was much more significant than it was growing up in Canada.

They all say: "Why are you continuing on with this quaint idea of taking an oath of allegiance to a foreign monarch?" Yes, as the mover said, lawyers can make the distinction between Queen Elizabeth, the British monarch and Queen Elizabeth, the Canadian monarch, but it is a distinction made by constitutional lawyers, not made by people who want to be clear and want to have things meaningful.

There is one other thing I want to comment on. I am not an immigrant. I have been here all my life. I do not see the logic in why we would swear allegiance to a queen who is not the symbol of Canada. If I do not see the logic, why are we so insistent that newcomers to this country do so, newcomers who want to truly feel that they are now part of a very strong democracy, who want to stand up proudly and clearly when they take their oath of citizenship and declare "I am a Canadian citizen and I will swear allegiance to Canada and to Canada's Constitution and laws". That is what they want to do. That is what I want them to do and that is why I support this bill.

Mr. Stan Darling (Parry Sound—Muskoka): Madam Speaker, I am pleased to have the opportunity of addressing the House with respect to private member's bill C-285, an act to amend the Citizenship Act (oath of allegiance), sponsored by the hon. member for Notre-Dame-de-Grâce.

Under the present oath of allegiance the applicant for citizenship swears allegiance to Her Majesty Queen Elizabeth II, her heirs and successors. It is my understanding that it is the intent of Bill C-285 to make the oath more meaningful by having the applicant swear allegiance to Canada and the Canadian Constitution.

The hon. member's amendment would substitute the current citizenship oath with the following declaration:

> I swear or affirm that I will be faithful and bear true allegiance to Canada and the Constitution of Canada and that I will faithfully observe the laws of Canada and fulfil my duties as a Canadian citizen.

To my way of thinking, citizenship does not apply to new Canadians alone. Citizenship affects those who were born here as much as those who recently became Canadians and those individuals who will choose to become Canadians in the future.

Frankly, Canadian citizenship gives everyone, without exception, the same rights and responsibilities. Citizenship is not limited to the ceremony in which the oath of allegiance is taken, nor is it confined to our knowledge of Canadian history and our system of government.

The oath of citizenship reflects the commitment of Canadians to upholding their citizenship and working for a better society. Acceptance of Canadian citizenship as signified by the oath also acknowledges that Canada has a strong and rich history and heritage.

This brings me to the amendment to the oath of citizenship in the Citizenship Act proposed by my colleague. The hon. member for Notre-Dame-de-Grâce, as I read it, would remove a strong link with Canada's heritage. The amendment, if accepted, would be an important symbolic change and I believe would not have wide public support.

Some of my colleagues have spoken and will speak to the divisiveness of such an amendment. Others will speak to this proposed amendment as being nothing more than a tinkering with the Citizenship Act when it would be more appropriate to have an open discussion and review of the act.

I wholeheartedly share these points of view and I am sure that on these points I stand in good company with many Canadians who share the same sentiments.

An open review of the Citizenship Act as a whole could be dealt with at the committee level and witnesses could be heard from all regions of Canada and from different groups within Canada.

• (1540)

This would be an infinitely more satisfactory way of dealing with the oath of citizenship rather than following a course set out by a very limited private members' bill, regardless of how well it is intended by its sponsor.

When you get down to brass tacks, citizenship is apparent in what we do every day to enrich our lives and those of others. One thinks for example of the Cubs, the Brownies, the Guides and Scouts who with their leaders come together with their committees and communities to clean up stretches of rivers.

Also coming to mind are the countless parents who selflessly help run recreational sporting leagues. They coach children's teams and drive their children to practices and games. Of course, we cannot overlook those millions of Canadians from all walks of life who volunteer their time to work for organizations that provide much needed services in their communities. These are only a few of the concrete expressions of commitment to Canadian society that represent good citizenship.

Active participation in the life of one's community displays the intent of individual Canadians to make their neighbourhoods and their country a place where everyone can develop and make a contribution as an equal and full partner.

It also makes Canada a place where everyone can express their differences openly. Frankly, such participation in my opinion is what makes us feel more Canadian. Such participation gives us all a sense of belonging to our country.

In very real terms it is like being a member of a family where everyone takes part in helping the household run smoothly. The more committed the family members are the more they feel at home. I believe the same can be said of Canadian citizenship.

Part of the commitment to the family we call Canada is the acceptance of our multicultural heritage, including the heritage that comes from Canada's creation as a constitutional monarchy. Changing the oath of citizenship might be construed as a denial of an important aspect of Canadian heritage, a part of our heritage that I might add of which I am very proud and attached to. I most certainly know that I am not alone.

There are some members of the House who took the oath of citizenship when they became citizens. They accepted the oath for what it is, a symbolic gesture that mirrors part of the rich heritage of our great nation, Canada.

Every member of this Chamber has taken an oath of allegiance. Similarly, every member appointed to the Senate has taken an oath of allegiance. What they all have in common is that they swear or affirm allegiance to Her Majesty Queen Elizabeth.

In Bill C–285 we have the anomaly of a private member seeking to alter the oath of citizenship that now calls on new Canadians to swear or affirm allegiance to Her Majesty Queen Elizabeth II the Queen of Canada.

Mr. Justice Royal of the Federal Court of Appeal stated in a ruling in January 1992 and I quote:

> It is in my view quite proper for Parliament to require persons wishing to become Canadian citizens that they swear and affirm their loyalty to the head of state. That the head of state should be found in the person of Her Majesty the Queen might be a matter of debate but it is nevertheless as much a part of our constitutional framework as are provisions of our charter.

Justice Royal went on further to say and again I quote:

> Furthermore, the personified symbol of Her Majesty as head of state is not, in terms of our long constitutional heritage, a latter–day invention of some imaginative or manipulative spinner of tales but the result of constantly evolving constitutional principles which are cloaked in constitutional conventions in the United Kingdom and partly codified, in Canada, in the Constitution Act, 1982. The head of state as Her Majesty as so defined is the very embodiment of the freedoms and liberties which the applicant has inherited and which he now enjoys in a legal sense. The head of state legitimizes the laws of Canada which in concrete terms provide for the peace, order and the good government of its citizens.

Although I have considerable respect for the hon. member for Notre–Dame–de–Grâce, given the facts as I have previously enumerated and coupled with a learned legal opinion of a well–respected Canadian jurist, I cannot in all conscience support the amendment being sought to the Citizenship Act.

[*Translation*]

Hon. Marcel Prud'homme (Saint–Denis): Madam Speaker, I think that I will make my main statement and Quebecers will understand that I intend to speak about this subject that concerns us, namely the oath of allegiance for new citizens, and I would prefer to do so today in English, for reasons which are quite obvious, I think, because that is where we must direct all our efforts at convincing.

[*English*]

I was in my office when I saw my hon. friend and colleague from Notre–Dame–de–Grâce raise this issue. I listened with great care to the sentiments expressed by our colleagues from Surrey North and Kitchener. No one knows how much I respect the views of my very old friend from Parry Sound—Muskoka.

However, the beauty of the British parliamentary tradition is that we can disagree and remain fine gentlemen and friends to each other or a lady colleague without having to fight over this issue.

What we are talking about has to do with Canada. All members know that Canada is my love. It is my blood, my passion, my lifetime devotion.

I remember years ago when I sat here as a young member in 1964. I sat with a member of Parliament who said to me: "I do not need to be a Canadian citizen to be a member of the House of Commons. I am a British subject". Believe it or not young people of Canada, there were here in the House of Commons members of Parliament who were not even Canadian citizens because they fell under that law and they were right.

We changed that. I negotiated with my friend the Right Hon. John Diefenbaker. We gave five years to get on the electoral list as a Canadian. You had to be a Canadian citizen. I wanted it immediately but some people said never. We negotiated and we got a father clause or a mother clause, if you like, of five years. Now you need to be a Canadian citizen to be on the electoral list.

This is what we talk about when we talk about Canada. We talk about evolution. We do not believe in revolution. We went slowly from a French colony to a British colony, semi-autonomous, independent. We fought for almost 100 years to get a Canadian flag. I voted for it. We have a Canadian national anthem composed by a *Canadienne francais* in 1880 and now it is being sung 100 years later as *O Canada*, our pride our joy.

Years ago I put a bill before the House, and I would put it again, where I slowly wanted to change the Canadian dollar bill. Why? In order to show new Canadians who had no knowledge of what Canada is all about that together we are building a new identity called Canada.

We do not believe in insulting our monarchy. We do not believe in insulting Canadians who believe strongly in the monarchy. I have already pledged allegiance to our gracious Queen 11 times, nine times as a member of Parliament, once as a cadet officer in the Armed Forces in Shilo, Manitoba, when I was a student and very recently as a member of the Privy Council. I believe in that. However, I believe in the evolution of Canada. I believe that we can have exactly that kind of bill without being disrespectful to the Queen. We did the same thing with the Canadian dollar. We moved slowly on it and finally had a $2 bill. Then we said that we should Canadianize the money and we used the image of Sir Wilfrid Laurier. Who today would oppose a $5 bill showing Sir Wilfrid Laurier?

• (1550)

Then we said: "What about that great Conservative first Prime Minister of Canada, Sir John A. Macdonald?" We kept the Queen on the $20 bill. I am not a Conservative so I do not have a $50 or a $100 bill in my pocket, but I know the $100 bill shows Borden and the $50 bill, Mackenzie King.

I as a Liberal proposed many years ago that the image of Diefenbaker should be on $2 Canadian bill because that is the history of Canada. I proposed that the $20 bill show Mr. Louis St. Laurent and eventually, later, later, later, other Prime Ministers who served Canada well.

This is not to be anti-British, because I would not be part of it. This is not being anti-anything, because I would not be part of it. It is strictly to teach young Canadians what Canada is all about, a country where people's traditions are respected and where we advance slowly in society in Canadianizing our institutions.

It means something when one says: "I pledge allegiance to Canada, to its law and to its legal authority". Who is the legal authority of Canada? It is a constitutional monarchy. Of course it is the Queen. When one pledges allegiance one pledges allegiance to something ones sees, something one understands, something one is proud about.

Some people say that maybe our gracious Queen will be the last Queen of Canada. I say: "Long live the Queen", but she may be the last one. I hope she will lives a long and healthy life, but who knows? What if when she dies Canadians suddenly decide graciously, as we have always done in our evolution, that she will be the last. It would not be like in Australia where they said: "We will abolish Queen Elizabeth II as head of state of Australia", and that was it.

We could start by saying that when the gracious Queen of Canada dies or abdicates, according to the long tradition of the Canadian way of doing things, she could be the last monarch and that all her powers, which are quite limited, could be in the hands of the Governor General until such a day as Canadians have enough

maturity and understanding to know what kind of head of state we want. But he or she will be a Canadian.

Are we opposed to having had as the third Canadian Governor General Mr. Vincent Massey who served us so well with distinction? Are we afraid to recall the graciousness of Vanier or the extraordinary good talent of Michener? What about Jules Léger who had a bad heart condition but was a remarkable Canadian ambassador? Then there was his successor, Ed Schreyer; that magnificent couple who we buried in the same year, the Sauvés; and the one we have at the moment who is a Canadian, Ramon Hnatyshyn.

In 1964-65 his gracious father who was a senator opposed the Canadian flag. Today our Governor General is happy to carry the flag of Canada while his father, Senator Hnatyshyn, opposed the Canadian flag. That shows people like me who are getting older that we must respect the past but we must build a new identity. This new identity is called Canada, an institution that is easy to sell to people. We should have pride because as I keep saying Canada is probably one of the last lights of hope.

[*Translation*]

It is a light of hope, and I say it in French, because what I say in English about Canada I can repeat in French in Quebec and everywhere. If people do not like what Prud'homme says when he talks about Canada, well, there is democracy and they can vote me out.

But I believe that Canada, my dear friend, especially you—and that is the parliamentary system; I can talk as I am doing with the distinguished member for Parry Sound—Muskoka—

[*English*]

We should try to convince each other that we cannot cry over the past. We must be part of the future—

[*Translation*]

—because Canada may be the future for suffering humanity, searching for a glimmer of hope. Canada, despite all our problems and divisions, represents that. That is Canada. Part of that is showing new Canadians—

[*English*]

—new people in school who have come here from all over the world. When they see the Queen on a bill they do not think of the Queen of Canada. They think of the Queen, gracious as she is, but the Queen of Great Britain. When they see a five-dollar bill they have to ask, because they do not teach much history in school, who is Laurier? Who is Borden? Who is Mackenzie King?

In my humble estimation this is the meaning of the bill before all of us by my hon. friend and colleagues for our reflection. It will not pass today, but if we do not debate this issue we will not have a Canada that evolves and becomes an example of acceptance and tolerance of change for the rest of humanity.

I would hope to pursue the discussion, especially with a very distinguished friend of mine, the member for Parry Sound—Muskoka.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Madam Speaker, on all issues people who believe strongly can come at these things from different points of view.

I can tell the hon. member who brought this matter forward about my experience with citizenship court. I have attended for about eight years and I can say with all honesty that I have not had one complaint about the oath of allegiance. I do not remember one individual complaining.

In fact in my discussions with them there was joy for the people who took the oath of allegiance because it does include not only an oath of allegiance to the head of state but to the laws and to this country. There was complete joy.

On July 1, I am asked as the member of Parliament to go through with people, as I guess most members of Parliament are, the reaffirmation of citizenship. Sometimes there are as many as 5,000 to 6,000 people. I can again say with all honesty that I have not had any complaints. Nobody has come to me and said I object to the wording of it.

I say to the hon. member that once one raises some of these matters they do have the opposite effect. The central premise among other things was that new people to the country do not understand about this. I would disagree with that. I have asked them, because this was introduced a couple of years ago, whether they knew when they came to Canada that we had a history that

involved two languages, whether they knew it was French and English. They say: "Yes, we had an idea". I said: "What was your idea about the government?" Most of them had an idea that somehow this country was a new country, that it had evolved from colonial status. They knew of the country's association with Britain, that the country had involvement.

We should give more credit to the new people who come to this country. They are aware of the tradition, and it is a long tradition. It was 1535 that Jacques Cartier claimed this area on behalf of the French Crown. Canada has had more than 450 years continuous association with the institution of monarchy.

It would be an interesting question for the Library of Parliament. I do not know of any other country that has had that long a continuous association with monarchy. Not England; it had the republic under Cromwell. Not France, not Spain, not Russia, not Italy, not any country I can name has had a continuous association. It is a proud association.

The first time I went to Government House one of the things that struck me was the role of *le gouverneur*, the Governor General. It is unbroken line from Samuel de Champlain to the present occupant. Instead of saying that is something foreign, they are representing another head of state, these are things that I take great pleasure and take great pride in.

As the member was speaking he was in front of the mace. He and I both know that evolved from another parliamentary system, the British parliamentary system. The member for Saint-Denis mentioned it today. We have adapted it to be a Canadian symbol. These are things I take great pride in and I do not mind passing on.

I believe in the British parliamentary system, not because it is British or it devolved somewhere, but because I believe it works so well. We have adapted it. It has become Canadian.

I would have reservations about changing a system that works so well. I believe that in some way I would be breaking faith with the people who fought for Canada. Any of us who have been to the Legions in our ridings, has seen the plaques. They always say "For King and country".

I realize deep down it was for Canada that they fought. It always says that in letters you get from people who were at the war front. They will mention that they fought for King and country. Somehow I feel that I would be letting them down after a couple of generations if somehow I turned away from the institution of the monarchy.

[*Translation*]

Madam Deputy Speaker: The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the item is dropped to the bottom of the order of precedence on the Order Paper.

[*English*]

It being four o'clock p.m., this House stands adjourned until Monday next, at eleven o'clock a.m., pursuant to Standing Order 24(1).

The House adjourned at 4 p.m.

HOUSE OF COMMONS

Monday, February 15, 1993

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

GOVERNOR IN COUNCIL

MEASURE TO ENACT

Mr. Pat Nowlan (Annapolis Valley—Hants) moved that Bill C-290, an act respecting access to information on Governor in Council appointments be read the second time and referred to a legislative committee in the Departmental envelope.

He said: Mr. Speaker, I am happy to be here this morning to speak on Bill C-290, an act respecting access to information on Governor in Council appointments.

• (1110)

As is so often the case, lovely things come in small packages. This is a very small but significant bill I am presenting today. If you cut through the legal language in effect it says that the salaries of all cabinet appointments to bodies of government and quasi-government bodies be public knowledge.

It is an interesting coincidence that almost 10 years ago, on February 19, 1982, the then member of Parliament from Nepean—Carleton, the Hon. Walter Baker, under the rules at that time introduced Bill C-648 respecting the same issue: access to information on governor in council appointments. It summarizes exactly what my bill which is basically just one clause is trying to do.

Ten years ago, Mr. Baker, a very distinguished parliamentarian whose contributions both in opposition and in government some members in this House remember, said in explaining his motion that:

> The officers and directors of Crown corporations, boards, commissions and agencies constitute a parallel public service, and the Canadian public has a right to know the salaries and positions these people enjoy. This is especially important when public bodies are established to carry out policies of government, and even more so where the government or a minister is the shareholder. Since there was evidence yesterday before the Standing Committee on Public Accounts that it was government policy which was prohibiting the promulgation of that information, I think it is doubly important that the public be provided with the means for easy access to such information which should be within the public domain.

In the usual sense of that day and basically what happens to most private members' bills these days, the motion was agreed to, the bill was read the first time and ordered to be printed. From my memory and from a search of the records that was about the last we heard of that motion of the hon. Mr. Baker.

It was interesting that in 1982 Mr. Baker was in opposition. It always seems to be the case that opposition members come forward with interesting policies and suggestions which when they get into government they tend to forget.

I was hoping in the present political climate, looking at the polls over the last couple of years, that the present government would be most sympathetic to my motion. The eventuality of an election in the near future may produce changes in government so that whatever the government is after the next election we could finally cut through and provide the public with the openness that they certainly deserve since they pay the bills.

We all know one of the reasons this Chamber exists is the classic historic fight between the commoner and the king over the power of the purse. That is British history and that is why the mother of Parliaments was created. The commoners would meet behind the bulrushes on the meadows and the commons plotting whether they would send more cattle, more men, more wenches to fight the king's war. The commoners were not the commoners as voters are today; they were the lords and dukes who sometimes got tired of sending their men, their cattle, and their support to fight different wars.

That is when they finally picked a person from behind the bulrushes as the speaker to tell the king they were not going to provide any more help in fighting his battles or carrying out his policies. As we know up until about 1200 every one of the speakers from the commons usually had his head chopped off when he went to tell the king what the commoners of the day, the dukes and lords, wanted to do.

We have come a long way since then. We are now in the 20th century where we do not just have the battle of the purse which always goes on, but not quite in the graphic way it did in bygone days. We now have not just the power of the purse but the people who pay the piper should also be able to call the tune, or at least hear the tune.

This Parliament and other Parliaments will never be fully open to the public until the public finds out what the government is paying the public servants who are carrying out the duties and responsibilities for the public. This is an anomaly I have always been concerned with. I was hoping, in this present political climate, the government might be more amenable to having my bill proceed so that we could bring it to a vote and let the chips fall where they may.

To me there is nothing more basic to democracy. We have the vote. We go through elections. We elect members to Parliament. Then we have a cabinet and cabinet, understandably, has to do a lot of matters by executive order, by orders in council. A lot of people have to be appointed to do many different jobs. It is far beyond the day when it could be said that a range of pay would be given and not tell the public what the actual pay is for the heads of these corporations, be they the CBC, at one time Air Canada, the Canadian National Railway, and on you go.

The answer by government, whether it is Conservative or Liberal, has been traditional government policy. This is one of the reasons I think there is a malaise in the public about this whole system. The government of the day, be it Liberal or Conservative, has said that the public cannot be told what a person is paid because that is an invasion of that person's right of privacy.

My answer to that is wellknown: the very fact they are going into the public domain and getting paid by the public in effect removes that right of privacy. If they want to remain a private person then they should not get involved in the public domain.

Canadians from coast to coast know what members of Parliament get in pay and they know what our expense allowance is. We go through purgatory every time we try to change either the pay or the perk of the member. We all know how the public looked with an odious eye at members' pensions. But we are in the public domain and whether or not we agree with the pension, it is and should be public knowledge.

I think the same rule applies to all these agencies and Crown corporations and appointments by the government of individuals, fine Canadians who are carrying out public duties paid for by the taxpayers of Canada. Until we do that, we are just playing a great political charade by not telling the public what they should know.

What happens if you do not tell the public what the pay is? The privacy doctrine is that you do not have to disclose it. You could perhaps pay too much. The public are not going to rise up and criticize different individual salaries or perks or director fees for some of the Crown corporations, let alone golden handshakes that might be given to public servants who for whatever reason are bought off. There can be movement within the Public Service and they can get out and find another job. That is one of the more odious things about this whole process.

I am not the only one who has raised this from time to time, but I am not optimistic about what might be the fate of my bill. I was hoping the present political climate might have lent a certain air of reality to it so that in a new Parliament we could finally cut through this age-old tradition of not disclosing what the salaries are.

I digress, but I digress to make a point, again illustrating the difference between opposition and government. The very first move of the present government in 1984 was something that we in opposition argued for, supporting the Auditor General not directly on salaries but in trying to find out what Petro-Canada paid to take over Petrofina. We supported then Auditor General Dye's attempt to find out what the taxpayer paid out. Were there any special deals? Did anyone get any special benefits?

• (1120)

As an opposition member I do not think I asked the questions. I think Mr. Walter Baker and other members asked some of the questions. The member for Etobicoke Centre, or whatever his riding is in Toronto, pursued the then government on what happened in the Petro-Canada takeover. What happened with Petrofina? Where was the money made or lost? What did the taxpayer have to pay?

In the very first policy flip-flop of the new government after 1984 we went through the same thing and used the same argument of the government of the day. We said: "Oh, you cannot get that information. That is a file of the previous government. You are not allowed to look at files of previous governments. This is an old British doctrine".

It is the most self-serving doctrine I have ever heard. In a proper way, without getting personal but looking at policy, a succeeding government cannot look at certain files of an old government where perhaps that old government's files would show there were certainly errors in judgment, perhaps negligence, let alone anything else.

Yet we got in government in 1984 and we used the same answers public servants were feeding the previous government, that we could not open Petro-Canada and Petrofina. It still has never been opened up and the public, the taxpayer, does not even know what went on there in terms of taxpayers' dollars and those were big dollars.

I am talking now about salaries and I would like to quote from an interesting columnist, Mr. Allan Fotheringham, who always writes with an acid pen. I do not necessarily agree with all the things he says but he is a colourful writer.

On March 12, 1991 in his column in *The Ottawa Sun* entitled "No subtlety from this gang" he set out the hypocrisy of the then government restraint program where salaries of public servants were being frozen at a 3 per cent increase for the next three years. Just the day or week before the freeze came out in the budget of the then Minister of Finance, the member for Etobicoke Centre, certain top public servants, about 50, received a 4.3 per cent increase in their very large salaries.

In part of the article Mr. Fotheringham says:

> Because the supine electorate allows it, Ottawa in its mania for secrecy will not even tell us what the governor of the Bank of Canada makes. All we know is that Crow, he who also delivers stern lectures to us, earns somewhere between $168,800 and $253,200. One would go faint with astonishment if it were closer to the lower figure rather than the higher.

Referring to Ron Lawless, he says:

> Lawless, so beloved by VIA fans makes between $314,700 and $365,700.
>
> The excuse trotted out by the heavy thinkers is that reviewing the exact income of these top executives would somehow be an invasion of privacy. Why? They're public servants, paid with public money. Doesn't the public have the right to know?
>
> Not if you are a passive Canadian. Americans would be in the streets with pitchforks if Washington ever tried such insulting—and basically undemocratic—"leadership" on them.

He goes on and says other things about some of the specific individuals mentioned but I will not quote that. That is the point I am trying to make with this bill, as Mr. Walter Baker, the then member for Nepean—Carleton, tried to do 10 years ago in February 1982. It is high time we got through this cloak of secrecy which smothers the democratic right to know by the people who pay the piper, who pay the tune, who pay the tax.

It is not good enough that some of these matters have been referred to the commissioner of privacy. There have been various cases cited before the commissioner of privacy trying again to open up this whole question of public salaries.

We all know that many of these salaries are given by range, but there are still many other salaries we do not know because they are done by cabinet. Those in particular are the ones I am concerned about, but frankly I am concerned about all Order in Council appointments.

We are talking about salaries at a very high range. We are not talking about the little clerk in the Unemployment Insurance Commission or the secretary at the House of Commons. We are talking about the people at the top of the heap. When they get a 4.3 per cent increase after the Public Service salaries have been frozen, as we all know from the *brouhaha* of 1991, it is very insulting to many good public servants who work hard.

I know more about transportation. I will go so far as to say quite frankly that the public has a right to know the total payout. We all know members are under attack for their present pay package. In effect a member can retire, get a pension and get a job and do what is called double-dipping: still get federal money and/or a pension.

We have had some very notable individuals, fine Canadians, in the Public Service who have retired from whatever jobs they had, and who have then taken on something else. The total package has been in the $200,000 to $300,000 range. If the public were aware of that, the government would not be quite so accommodating in having individuals do this double-dipping by taking the second job, again with no reflection on the character or the competence of the individuals.

We have the interesting situation where the chief of defence staff, an honourable Canadian, Ramsey Withers, retired from the army. Then he became deputy minister of transport for several years. With his salary range of $140,000 plus, together with whatever he was getting from his chief of staff pension, I would suggest he was over the $200,000 range.

We also have the most interesting situation of an individual who appeared before the committee along with his co-executive officer. That was Mr. Denis de Belleval who came from the harbours board, a quasi-government agency, and became president of Canada Ports Corporation along with Ron Huntington, an ex-member from Vancouver, who was either the president or the chairman. I am not sure which was which. One was the chairman and one was the president. Then Mr. de Belleval became the president of VIA. He is a very fine Canadian, an interesting witness before the transport committee. For whatever reason some things did not work out and he did not serve his full term in VIA, and I believe that there was a golden handshake to move him along the way.

The public has a right to know what it was paying Mr. de Belleval as chairman or president of Canada Ports Corporation and what the golden handshake cost to move him into another field. Now he is executive officer of Lavalin. So be it. That is all good. He has a salary there too. But the public has a right to know.

I must say it is an irony and a fatal flaw in open government that we are not able to get public disclosure of individual salaries. We have the interesting situation now with Air Canada, albeit a privatized corporation, where we have difficulty getting the pay of some of its top people, let alone directors' fees. If it merges with American Airlines and has interest in American Airlines, as with CN, with a couple of railway companies and a couple of trucking companies in the States, under American law they will have to disclose what they pay that Canadian officer and/or the Canadian director. Their laws are much more open.

In conclusion, I certainly think it is very interesting for either this government and/or a new Government of Canada to look at what President Clinton is trying to do and be aware of what he is doing to try to open up his government. That government is so much more open on this issue right now that it makes us seem as though we are still back in the Dark Ages meeting behind the bulrushes. That is not good enough for Canadians.

• (1130)

Mr. Peter L. McCreath (South Shore): Mr. Speaker, I am pleased to rise to say a few words on this legislation brought forward by the hon. member for Annapolis Valley—Hants. In so doing I rise to support his proposal, which I think is a good one. I do not say in so doing that I speak on behalf of my party or the government. I speak as an individual.

In supporting his legislation it does not mean that I necessarily agree with everything he just said in his very interesting remarks. He did make a few comments with which I do not agree, but in principle I agree with the legislation.

As he has done so often, he is reflecting a perspective that is widely held among the general public. I must say I have known the hon. gentleman for a long time. In fact he was the very first member of Parliament I ever actually met. About 25 years ago when I was a graduate student at Dalhousie, I was doing a thesis on election campaigning in Nova Scotia. I wrote to every member of Parliament from Nova Scotia and asked for an interview. Only one of them granted me that interview and that was the hon. member for Annapolis Valley, I guess it was then called. I spent a very interesting day with him and really learned about politics. I have been learning from my hon. friend for many years since. Who knows? Some day I might actually get enough experience in this place that he might learn something from me.

In any event, during the interim it is a pleasure to speak in support of his bill. The public is looking for openness in government these days. As he very eloquently just said, as members of Parliament we certainly put forward our salaries and our benefits for public scrutiny. Perhaps it is a principle that should be followed, not by all individuals employed by the government, because for those who come under contract or Public Service Commission appointments, the information essentially is available, but for the Order in Council appointments to which the hon. member was referring.

He did not mention it, but I presume it is the intention of the legislation to include deputy ministers, ambassadors, people working in the Prime Minister's Office, ministers' staffs and people serving on boards and commissions. The public is looking for this because it wants the government to be open.

There is a danger in this that we should be very up front about, that is the mischief that can and indeed will be made by people with aspirations, whether they be lobby groups like the National Citizens Coalition which grabs on to things like benefits of members of Parliament and tries to use them for its own purposes to whip up public antagonism. It is possible it finds this helpful in its own fund raising. I would not say that is its motivation. That would be to attribute motive that I would not want to do, but one has to wonder from time to time about that sort of thing.

It is important for the public to realize that if we want good people in government, whether they be sitting in the House of Commons or as presidents of Crown corporations, the public has to be prepared to pay relatively competitive wages.

It is interesting to note with respect to Crown corporations that would seem to be somewhat the case, if I can believe what I read in *The Globe and Mail* this morning about the arrangements for Mr. Hopper. I certainly have nothing against Mr. Hopper, but I would not mind living the rest of my life on the departure benefits that he is purported to be getting. They said it is something like $1.2 million as a severance, plus $280,000 a year. On the other hand, anyone leaving a large corporation of comparable size probably is going out on just as good severance arrangements.

We have to be very conscious that while on the one hand we want to respond to this public aspiration for transparency in government, the public has a right to know what it is paying the people who work for it. At the same time there has to be some way of making sure it does not become a basis for mischief-making by people who want to haul down others in high places.

It always amazes me that people think it is appalling if someone employed by the government makes $100,000 a year. They see that as an outrageous amount, but no one seems to be upset at the idea of paying baseball players $6 million or $7 million a year, whether or not they produce, I might add. Sometimes people say: "Yes, but politicians do not always produce". Baseball players do not always produce but they still get their multimillion dollar salaries.

I think there is a possibility for some mischief.

There are other things that hold us up to disrepute. My hon. friend mentioned the concept of double-dipping with, which I have a serious problem. I thought there used to be a principle that a person could not draw two salaries from the Crown at the same time yet it seems people can draw a pension and then return and get a salary at the same time. I really have a serious problem with that, whether it be members of Parliament who go on to other government service or by anybody else in government service. If people return to government service another way then they should have pension arrangements that allow them to continue to accrue a benefit but they should not be drawing two salaries at the same time.

It is the same with pension arrangements, which obviously have been subject to great discussion here. While the pension scheme for members of Parliament is not the subject of this particular piece of legislation I have believed for a long time, and have a private member's bill being drafted on this subject, that the most objectionable feature of the pension plan for members of Parliament is that it allows people to draw from it at a very young age. Probably 80 per cent of the objections to the pensions for members of Parliament is a result of the fact that members do not have to be of minimum age to draw it. We should change that to an age of about 55. If we also got rid of the double-dipping we would remove a very large part of the problem that the public has with the pensions for members of Parliament.

A lot of the other aspects of that pension can be defended. If we are going to draw people in mid-life and mid-career and ask them to leave a career, perhaps another pension plan or a business or professional practice of some sort, we have to provide them with a basis for recovering their financial security, at least to a limited degree. That is what the short number of years required can do.

However the notion that someone can come here for a brief period of time and leave at a very young age, as was recently done by the member for Shefford—and this is certainly not a criticism of him, this is the system that exists—and then go out and draw a rather substantial annual income for the rest of his life is objectionable to the public. I think the public is quite right in raising some questions about that.

To return to the piece of legislation that my friend from Annapolis Valley—Hants brings forward, the principle inherent in this bill is very good. I congratulate him for bringing this idea before the House. I would like to see something like this in legislation and that is why I rose today to add my support to his legislation.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to participate this morning in the debate on Bill C-290.

[*English*]

I have nothing against the bill in question but the worst shortcomings of the process of reviewing Order in Council appointments right now are not addressed in it. This bill is virtually identical to the procedure we have at the moment, save and except the salary component. I will get back to that in a little while.

Standing Order 110 provides at the present time that:

> A Minister of the Crown shall lay upon the Table a certified copy of an Order in Council, stating that a certain individual has been appointed to a certain non-judicial post, not later than five sitting days after the Order in Council is published in the *Canada Gazette*. The same shall be deemed to have been referred to a standing committee specified at the time of tabling, pursuant to Standing Order 32(6) for its consideration during a period not exceeding thirty sitting days.

Right now we have a process which is virtually identical to what is asked for in the bill. The bill says that within 30 days we will publish in the *Canada Gazette* the salary that is being paid to the position appointed.

Right now in all of the cases that are tabled in this House we have the salary range table. Say we are talking about a member of the National Parole Board. He would earn $93,000 to $106,000. Frankly, when I see who is appointed whether the person is nominated at minimum or maximum salary, $93,000 or $106,000, will not affect my decision much.

• (1140)

That information is available and that is what I want to see. If we can get a more precise amount, fine. I do not object to having the amount pinpointed even more exactly. I am not sure this is the improvement in the rules that is necessary now, although it is desirable.

The Order in Council review process that we have right now is deficient in a number of ways, first of all in the way it deals with the 64 or so officers of Parliament. The committee reviewing the appointments should have a right of veto. That was recommended by the committee chaired by Mr. McGrath when he was a member of this House.

He had recommended that for some 64 appointments the committee of this House charged with reviewing the appointments should have an outright power of veto. Naturally that would not be used very often and possibly never at all. This would show that Parliament is the master, that Parliament is supreme.

It would be an excellent way of demonstrating that at the very least as it deals with those officers who report to us: the Auditor General, the Sergeant-at-Arms, the Clerk of the House, the Librarian of Parliament, the Commissioner of Official Languages and so on. There are some 64 of these officers. That is a rule which needs to be improved for all hon. members.

The Order in Council review process, the scrutiny of the Order in Council nominees, is deficient at the present time. I was a member of a committee that reviewed the appointment of Dalton Camp when he worked for a while in the Prime Minister's office some years ago.

When we reviewed that appointment there were members who liked the appointment, others who disliked it and so on. When it was attempted at the committee to propose a motion to the House with reference to the appointment that type of motion was deemed to be out of order by the chairman of the committee.

Under Standing Order 110 our rules are structured right now so that we can review an appointment. However the committee chairman ruled that the committee had no power to make a recommendation about the appointee it had just reviewed. Surely that is a deficiency within our rules.

That is something that needs to be improved upon. There should also be a better procedure in terms of how people are referred to the government for the Order in Council review process.

Right now nothing is very formalized, save some judicial appointments for which the local bars provide nominations and so on. In the case of people like citizenship court judges and others there should be a more formal process.

A constituent who has been a mayor of a town, a prominent individual for 25 years, might retire from that office and might like to be nominated as a citizenship court judge. The person may be very qualified. The person may have the disposition so that one knows he or she is an excellent candidate.

As an opposition member I currently have no way of suggesting that person other than writing a letter to the Prime Minister saying: Dear Prime Minister, Mayor Such-and-Such of this town in my constituency is a great Canadian. How about considering him or her.

There is no other way in which to submit names for such a position. That is a deficiency in our rules at the present time. The same applies to a large number of other positions.

I use the citizenship court judge as an example because it is a ceremonial position. It does not involve decisions that are judiciary or quasi-judiciary in nature, or at least it does not generally do so. I suppose there is an ultimate veto power given to that citizenship court judge but it is seldom if ever used. It is a ceremonial role, and a necessary one. I am not questioning the necessity of the job. However, certainly the office would have greater credibility if the method by which the people are chosen was improved.

Those are areas on which I would like to concentrate.

On July 12, 1992 I made public a document entitled *Public Sector Ethics and Morals*. I gave this to the national media, and many colleagues from all parties contacted me and asked for copies of it. Chapter 3 of that document refers to those amendments I would like to see made to the Order in Council review process.

I have three recommendations which I have just summarized in the House for the Chair and all hon. members.

Those are the areas on which we should concentrate. Those are the areas in which we need to improve the information that is given to Canadians and the power that this House has over Order in Council appointees.

This is a two-edged sword and I want all members to recognize that fact. If we have the power as a House or as a committee to examine Order in Council nominees and then if we later question the government about those appointees the government from time to time will say that the hon. member had the power to interview and review that appointment and if he had no objection then the appointment was all right. That is not so.

The responsibility for nominating someone always rests with the government and it will always rest there, as it should. The point I am making is that just because those safeguard mechanisms are there in no way should we state, nor should the government state, that the government is somehow no longer responsible for the appointment that it made.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is a pleasure to be able to speak today to the motion of the member for Annapolis Valley—Hants concerning what we usually call Governor in Council appointments and which unfortunately have become known across Canada as patronage appointments.

The first part of the proposed Bill C-290 is already being carried out but I question exactly how it is being carried out. Often Governor in Council appointments are made on Friday, such as the recent appointment of General de Chastelain as our representative in Washington. That draws the focus of the media on Friday and the following Monday in *The Gazette* the various other appointments, perhaps 30, 40, or 50, are printed listing who has been named and what they have been named to.

The thrust of what is happening is lost to most of the people in Canada because the high-profile ones get into the media and we do not see any of the other appointments.

The other part of this bill is important. Perhaps the bill does not go quite far enough. Subsection 2 of the bill states that the listing should contain the name of the person appointed, the position or office filled, and the salary that is paid to the person appointed.

That is fairly important. It has been pointed out by the member for Annapolis Valley—Hants that the Canadian people are looking for transparency. They want to be able to see exactly who has been appointed and exactly what we are paying for the particular appointment.

• (1150)

We have to go further, as has been suggested by one of the other members speaking, than simply publishing it. I would suggest we have to set up a board made up of perhaps senior federal, provincial and private officials of various walks of life similar to what we have in the provinces with the appointments of provincial court judges. This sort of judicial council would be made up of people of non-political stripes and all political stripes. It would look at and vet the names of people who have been put forward for various positions. I would suggest this is necessary if we are looking at various positions or appointments.

Look at the National Parole Board. There are a number of stories out right now which point out that long-time Tories are being appointed to National Parole Board appointments. Claire Carefoot, for instance, has just received a 10-year appointment. She is going to make probably $95,000 to $100,000 per year over that 10-year period of time. The brother of the member of Parliament for Athabasca has just been appointed to the National Parole Board.

I do not question that possibly these people are well qualified for the positions, but I question the process that has been followed for these appointments. Had those names been put forward to a non-partisan board that spanned Canada, spanned political parties and spanned regions, for approval of the Governor in Council, then I would say yes, definitely yes, there is no problem. This has been done, as I pointed out, in most provinces with judicial appointments.

Even with judicial appointments with respect to federally appointed judges, Supreme Court of Canada, or Queen's Bench appointments in provinces, and the recent appointment in Manitoba of Nathan Nurgitz springs to mind, where in fact there is no necessity to go through a judicial council vetting in order to get these particular appointments.

In fact, I recall approximately 10 years ago an appointment in one of the provinces where a person appointed to a federally appointed judgeship had been turned down by the judicial council in that province. That had been ignored by the prime minister of the day and the person was appointed a judge, even though he did not make it past the judicial council of the province for a provincial court judgeship.

It appears we have to go further, we have to do more toward looking at not just the transparency, the amount we are paying these people, because they are paid by the taxpayers, but we have to look at how they are appointed.

Let me tell the people who may be watching this of some of the things that come up. It is just over the last little while that some of these appointments have been made. The board of directors and the president of the CBC; Northern Pipeline Commission, the Canada Development Investment Corporation, Canada Post, Petro-Can, Air Canada, the National Parole Board, International Joint Commission, St. Lawrence Seaway Authority, the Farm Debt Review Board, the Royal Mint, the Indian Specific Claims Commission, Standards Council of Canada, Advisory Council on the Status of Women, Asia Pacific Foundation, the National Transportation Agency, the National Capital Commission, Security Intelligence Review Commission, Canadian National Railways were all appointed by Governor in Council.

These are just some of the many appointments that must be made by Governor in Council. Citizenship Court judges are another excellent example of those who perhaps should be vetted ahead of time rather than simply being given the plum by the particular party that happens to be in power, depending on the politics of the person involved. Yes, we sometimes get excellent appointments through the method presently in use. However as politicians we would get much better value for our money if these people were vetted very carefully by a selection process that took the politics out of it.

I am not suggesting that the final decision should not be made by the Governor in Council, the cabinet. I am saying that political alliance should not be the only criteria for appointments to some of the boards and commissions that I have named. These appointments have all been in the news just recently, appointments of chairpersons, presidents, directors, vice-chairmen, chairmen of some of these companies and boards over the last couple of months. There are many more.

This is a good bill, but it does not go quite far enough. I would like to see this whole thing investigated further, amendments made and the bill expanded.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I want to compliment the hon. member for Annapolis Valley—Hants for putting forward this bill this morning. I have listened carefully to the debate.

The proposed motion would include the name of the person appointed, the position or office filled and the salary that is to be paid to the person appointed. Bill C-290 further provides that the President of the Privy Council table in both Houses of Parliament a report containing the name and salary of every incumbent of an office or position appointed by the Governor in Council.

There were many points put forward by the member opposite which I support, particularly the portion on double-dipping. I am in wholehearted agreement with him.

I find it passing strange, when I listened to the member for Okanagan—Similkameen—Merritt talk about how he would like to see it going on, because his party which is now in power in B.C. over the last several months has terminated many of the previous appointments before the terms were fulfilled and put its own appointees in place. Yet this morning this member of that same party is standing here and saying he would like to see a far more open process.

There are some problems with this bill. I would like to discuss some of them in the next few minutes.

The key concern in this bill is the fact that it is proposing something that would be contrary to existing legislation contained in the Privacy Act. Clause 2 of Bill C-290 would require that the exact salary of the Governor in Council appointment be made public. The government at present cannot disclose this type of information without having regard to the Privacy Act which became law on July 1, 1983. The Privacy Act regulates the collection and the use of personal information by the federal government and imposes serious obligations on government institutions. We cannot simply ignore these obligations.

The Privacy Act says that personal information cannot be disclosed unless the individual to whom it relates consents. There is no discretionary element to this provision. It is not a choice we have. This section in the Privacy Act applies regardless of whether the personal information is being released pursuant to a request under the Privacy Act or whether the release is decided upon by the government institution itself.

There are of necessity certain circumstances upon which personal information may be released without consent. They are laid out in section 8(2) of the Privacy Act. Obviously we would not have to get consent if the information was required to comply with a warrant or if the information was going to an investigative body for the purpose of enforcing any law of Canada. This is not the case here. We are not talking about information that is required for investigative purposes. The only other way that personal information can be disclosed without the individual's consent is if the public interest in the disclosure clearly outweighs any invasion of privacy that could result from the disclosure.

• (1200)

Since I came to this House we have already been given the ability to examine appointments. Many people are brought before various standing committees of the House but by and large the vast majority of appointments go ahead unchallenged and unexamined by the members of this House.

The decision whether to disclose information must balance the public's interest in disclosure against the threat of an individual's privacy and any release under this provision is normally reserved for unique one-time cases.

I think that today is not the sort of—

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 96(1), the item is dropped from the Order Paper.

GOVERNMENT ORDERS

[*English*]

BUDGET IMPLEMENTATION (FISCAL MEASURES) ACT, 1992

ALLOCATION OF TIME TO CONSIDER REPORT STAGE AND THIRD READING OF BILL C-76

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I move pursuant to Standing Order 78(3):

That in relation to Bill C-76, an act to amend certain statutes to implement certain fiscal provisions of the budget tabled in Parliament on February 25, 1992, not more than one further sitting day shall be allotted to the consideration of report stage and one sitting day to the consideration of the third reading stage of the bill; and

That 15 minutes before the expiry of the time provided for government orders of 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 in the bill then under consideration shall be put forthwith and successfully, without further debate or amendment.

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. 410)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Belsher	Bertrand
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bouchard (Roberval)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Casey
Chadwick	Champagne (Champlain)
Charest	Chartrand
Clark (Yellowhead)	Clifford
Cole	Corbeil
Corbett	Côté
Couture	Darling
de Cotret	Desjardins
Dick	Domm
Dorin	Duplessis
Edwards	Feltham
Ferland	Fontaine
Fretz	Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Horner	Hudon
Hughes	James
Jelinek	Johnson
Joncas	Jourdenais
Koury	Langlois
Larrivée	Loiselle
Lopez	MacDonald (Rosedale)
MacKay	Marin
Mazankowski	McCreath
McDermid	McDougall (St. Paul's)
McLean	Merrithew
Mitges	Moore
Nicholson	O'Kurley
Paproski	Redway
Reid	Reimer
Ricard	Robitaille
Roy-Arcelin	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Sparrow
Stevenson	Tardif
Tétreault	Thacker
Thompson	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Valcourt	Van De Walle
Vankoughnet	Vézina
Vien	Vincent
Weiner	White
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—110	

NAYS

Members

Althouse	Anawak
Angus	Arseneault
Axworthy (Winnipeg South Centre)	Bélair
Benjamin	Blackburn (Brant)
Blaikie	Boudria
Catterall	Clancy
Copps	Dingwall
Ferguson	Flis
Fulton	Gaffney
Gray (Windsor West)	Harb
Jordan	Kaplan
Keyes	Kilgour (Edmonton Southeast)
Kristiansen	Laporte
Manley	Marchi
Marleau	McCurdy
McGuire	Mifflin
Milliken	Mills
Nault	Nowlan
Plamondon	Samson
Simmons	Skelly (North Island—Powell River)
Stewart	Stupich
Tobin	Tremblay (Rosemont)
Wappel	Whittaker
Young (Acadie—Bathurst)—47	

PAIRED—MEMBERS

Allmand	Bosley
Duhamel	Gauthier
Landry	Layton
LeBlanc (Cape Breton Highlands—Canso)	Littlechild
MacLaren	Sobeski

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

MEASURE TO AMEND

The House resumed from Friday, February 12, consideration 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, as reported (with an amendment) by a legislative committee; and Motions Nos. 1, 3, 6, 9, 12, and 14, 15, 16 and 17.

SPEAKER'S RULING

Mr. Speaker: Last Friday, February 12, 1993, the hon. member for Glengarry—Prescott—Russell raised a point of order concerning the notice of a report stage motion for Bill C-76, an act to amend certain statutes to implement certain fiscal provisions of the budget tabled in Parliament on February 25, 1992, which he stated had been sent by fax by the hon. member for Ottawa Centre to the Journals Branch prior to the close of the notice period of 6 p.m. on Thursday, February 11. The Deputy Speaker took the matter under consideration and promised to return to the House at the earliest possible opportunity.

[*Translation*]

The Chair has now had the opportunity to look into the matter. The member raised two issues in his point of order. First, he stated that the motion had been sent prior to the 6 p.m. closing, and second, he argued that an original signed copy of the document should not be necessary and that a signed notice received by fax should be acceptable.

[*English*]

After carefully reviewing the events, I have determined that the motion submitted in the name of the hon. member for Ottawa Centre was received by fax at the Journals Branch at 6.02 p.m. on Thursday, February 11, as clearly indicated on the fax copy itself.

The member's office was immediately notified that the motions were received after 6 p.m. and that an original signature was required and therefore on two counts was not receivable. In addition, the member's office was also advised that there was some question as to the form of the motions themselves. However, based solely on the late receipt, there is no doubt that the motions did not meet the requirements of the Standing Orders for notice.

There is a long-standing tradition of this House that original signatures by a member are required for all notices and the advent of new technology has not altered this practice. This practice has existed in order to protect members from any unauthorized use of their names.

The House may wish to consider through appropriate channels whether it wishes to amend this practice to meet the demands of new technology. Meanwhile the current practice must prevail and all notices submitted for the Notice Paper and received by fax, which members know are really photocopies, are accepted as advance notice and cannot be considered official unless supported by the member's original signature on the document in question and which must be received shortly thereafter.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I wonder if I could elicit a very short clarification from the Chair.

In the event that an hon. member sends to the Clerk one of these notices by way of a fax transmission, such fax transmission then to be followed up by an original signature, must that original signature also appear in the Clerk's office before the designated time of six o'clock or can one of those be received afterward? It was not

entirely clear to me from the Speaker's ruling as it pertains to the follow-up original signature.

Mr. Speaker: I thank the hon. member. I regret that this confusion has existed. I hope that it will not exist any further. I am very pleased to make it very clear to all hon. members that unless we change the rules, the signed copy must be received prior to the close-off time.

• (1250)

It means that in practice, if hon. members wish to notify the Table early by a fax, it is probably helpful. However, in order to come in within the prescribed time under the rules it will be necessary for a signed copy to be there by six o'clock.

Mr. Boudria: Mr. Speaker, if I may, I suggest that perhaps it is time for the parliamentary committee to review the rule so that at the very least a written confirmation could be send afterwards as long as the fax copy was sent on time.

I submit that there should be room to accommodate this new technology. It is my hope that Mr. Speaker will bring this to the attention of the appropriate committee to ensure that we reflect those changes in such a way as to modernize our institution to some degree.

Mr. Speaker: I accept the suggestion of the hon. member in the spirit in which it is given. I will consult with members and try to bring about that suggestion.

I remind hon. members that I think some careful thought will have to go into it. We would not want a situation where somebody who has put in a fax early, then a confirmed document and signature after the time, got into conflict with another member who had brought down the signed motion prior to the time.

There are some things that we could think about. I am sure that we can resolve the problem. I thank the hon. members.

The Acting Speaker (Mr. DeBlois): The hon. member for Ottawa Centre has four minutes remaining for debate.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, four minutes and 14 seconds if I recall correctly but we will call it four minutes.

This presentation deals with the question of the government's handling of Canada student loans. The last time I stood in this House to speak against the government proposals I used a number of examples. I made the case that the government should fulfil its promise when it comes to the 3 per cent tax it imposed on student loans.

I want to repeat the same request of the government. It must withdraw the 3 per cent tax on student loans. The Canada Student Loans Program must be a program that helps students in need. As well, the government must keep all of the students' support programs in place and as well, it must establish new programs that would help students who are in need.

It would mean that the government would approach provincial governments that might have some more programs or that might be thinking of introducing assistance programs. Nevertheless, it has always been and continues to be the responsibility of everybody to help students in need who want to move and progress.

The government must deplore the actions of the Ontario NDP government. It abandoned the student grants, it cut funding to students and institutions. As well, the government should deplore the actions of other levels of government, such as the Ontario NDP government when in a matter of two years it increased by over 10 per cent tuition fees imposed on students who want to pursue their education.

We on this side of the House are always called on to provide alternatives and options.

I want to provide an option to the government and it is to immediately strike some sort of an action plan whereby the government will bring together all of the different partners in the educational system, that is to say the provincial governments, representatives of school boards, parent organizations, the voluntary sector, the student population, representatives from the business sector, and so on, in order to deal with this incredible problem of access to education. Not only access to education at the post-secondary level, but access to education at every level.

Only through a proper strategy at the national level, and only through the co-operation and co-ordination of the federal government can we truly deal with the question of education and access to education in our society. That is why we have called on the government to take those actions and to deal with them appropriately. We can no longer afford to do the kinds of things we

have been doing in the past without the proper remedies to the difficulties that students are faced with.

I can see that my time is up but I wanted to say that the 3 per cent tax has got to go, as the minister has promised in the past.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I am pleased to speak in support of Bill C-76, the budget implementation legislation. I might say in passing that it is important for the House and people to be aware of what is before the House today. It is a matter that was approved in principle when the budget was approved by this House almost a year ago.

I consider it somewhat of an anomaly of our system that a proposal can be approved in the budget, but consequential legislation follows, even if it takes a year before it gets there. When I heard the gnashing of teeth, the grunts and the groans and the talk about jackboots from my hon. friends on the other side of this place about the use of time allocation in this debate, I think it is important to get all the cards on the table and remember that it has been a year since this House approved in principle this legislation. The idea that the debate on it should be dragged out is something that my hon. friends have done not only with this legislation but other bills that this House has considered recently.

It is important that we put it in perspective. The use of time allocation is to ensure that the government which has been given a mandate by the people in an election in actual fact can govern. I would also remind my hon. friends that time allocation was first brought in by a Liberal government some years ago. So we should put all this into perspective.

The purpose of Parliament is to debate legislation, but not to debate it interminably. The issues should be brought forward, both for and against the cause and then vote and get on with the business of the day.

I notice that every single proposal that this government has brought forward to bring the finances of this nation under control has been opposed by our friends on the other side. We have seen recently what their alternative suggestions are, very profound ones like getting rid of the GST but not having any idea whatsoever what it is going to be replaced with. That is the extent of intellectual depth they are offering to the public with respect to restraint.

I have no hesitation at all in standing and supporting the government's use of time allocation in order that this legislation can be proceeded with so that the business of Canadians can be got on with.

The 1992 budget was devoted to deficit reduction and fiscal restraint with a view to sustained economic growth for Canadians. The measures in Bill C-76 are dedicated to these goals, as the name of the bill implies, the 1992 budget implementation act. Here we are, well into 1993, still having our friends on the other side do what they can to drag out this process as long as possible.

Bill C-76 deals with three bills: the Salaries Act, the Canada Student Loans Act and the Lobby Registration Act.

The amendments to the Salaries Act are part of the government's commitment to fiscal restraint, taking a previous salary freeze one step further by reducing the Prime Minister's salary and the salaries of all the cabinet ministers by 5 per cent, showing that this government leads by example, it does not impose situations on others that it is not prepared to impose upon itself. It is necessary as well to update and improve the Canada Student Loans Program to ensure that it continues to provide assistance to needy students. However, I am not going to dwell on that particular amendment, as it was discussed exhaustively in committee and I might say exhaustively in this House during the debate last Friday.

• (1300)

I want to focus on the amendments to the Lobbyists Registration Act. The Minister of Finance indicated in his 1992 budget that the government intended to strengthen its cost recovery performance. Canadians told the government that they want government to be fiscally responsible. That is our perception of what the public wants. That is what we are trying to deliver as a government, even though every single measure for fiscal restraint that this government has brought forward has been opposed by the free spenders on the other side of this place.

Under Bill C-76 the Governor in Council will be able to charge lobbyists a registration fee when registering under the Lobbyists Registration Act. In concert with the government's approach to so many other things, the fee will be established in consultation with the private sector so that those who use the service will be underwriting the cost of it.

Under Bill C-76 as well the Crown will be able to sue in the civil courts to recover unpaid fees because fees owing will now be a debt to the Crown. In addition the current penalty avoidance incentives which exist to encourage compliance with the act will extend to regis-

tration fees, a measure which should encourage further compliance. Quite simply, this is what Bill C-76 proposes to do with respect to the Lobbyists Registration Act.

The government is committed to remaining fiscally responsible by implementing cost recovery measures wherever possible. Bill C-76 will help the government reach these goals.

Some members on the other side are raising questions about the Lobbyists Registration Act that go beyond the narrow fiscal intent of this bill. I should remind members that this issue is being taken up by the Standing Committee on Consumer and Corporate Affairs and Government Operations and I expect that it will conduct a very thorough study of this whole subject. It is important to bear in mind that the subject of this legislation before the House today is strictly the narrow fiscal aspect. Broader topics with respect to the program will be looked at by the standing committee.

Members are reminded as well that the new Minister of Consumer and Corporate Affairs appeared before that committee last week with a very thorough presentation and I might say he shows signs that he is going to be a very excellent Minister of Consumer and Corporate Affairs and a very valued addition to the cabinet. I publicly compliment him on his appointment and congratulate the Prime Minister for making it.

The minister encouraged the committee to use the review process to examine and make recommendations to improve the act that would be in line with the act's basic principles of openness, unimpeded access to government and administrative simplicity.

The minister suggested some ideas for possible improvement, including first of all extending to one year from six months the limitation period before proceedings can be initiated against people who have not complied with the act; second, having tier two in-house lobbyists report the subject matter of their lobbying activity; third, giving tier one professional lobbyists a reduced time period in which to register their activities; fourth, requiring that any change in tier one lobbying be reported; and finally, having registrations filed electronically.

The opportunity exists in that forum, the committee, to raise many questions and concerns about the Lobbyists Registration Act, other than the amendments we are discussing in Bill C-76.

With those few comments, I would encourage the members of the House to use the time available to discuss the issues that are raised in this legislation and for goodness' sake let us get on with the business of the nation, get this year old legislation through the House and get on with other priorities and concerns that Canadians have.

I commend the bill to all members of the House who I know will give it thorough consideration.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I appreciate the haste of my friend from South Shore. He is known to be a fairly impatient man. It is not surprising the basic matter that brings us here is called democracy. It is the opportunity for people through their representatives to have some say in what the government is proposing to do, to at least have their say, the people of Canada, the people of Newfoundland and the other nine provinces, and have the opportunity to pass judgment through our voices as members of Parliament. That opportunity, I say to the gentleman from South Shore although he has dismissed it, is an important one.

Yes, we well understand the process to which the gentleman alludes. Yes, the government through the passage of the budget motion has general umbrella approval for its budgetary policies. Nobody argues that point here. We did not vote for them but we understand the numbers game. We understand that the government commands the votes of enough members in this Chamber to get that kind of motion through the Chamber.

I would invite the hon. member for South Shore to reflect on what he is saying. Surely the people of Canada, through us here, must have an opportunity bill by bill, measure by measure to comment on, to give support for or to be opposed to individual measures. Otherwise we could well have the situation in which a member on the government side of the House, or anywhere in this Chamber for that matter, approved of the budgetary policies of the government in general but

had some serious misgivings about a particular measure. Indeed, he may have enough misgivings to vote against a particular measure even though that individual member would already have voted to approve the general budgetary policy of the government.

The member for South Shore really ought to reflect a little more on that point before he starts advocating putting the wrecking ball to some of the very well established procedures here. They are well established because they serve a very real purpose for him and for other members of this Chamber and, more important, for the people who we represent here.

The member also speaks fairly eloquently on the subject of fiscal restraint. He says that this bill is in part an example of how the government is leading by example in the matter of fiscal restraint. Maybe he is right, I do not know. I did not look at this bill in that particular light so I would give him the benefit of the doubt. However, while he is parading fiscal restraint as something this government practises he might well look at some other issues. For example, he might want to examine the $4.5 billion being spent on helicopters and tell us whether he thinks that is an example of fiscal restraint and whether that is an example of how money is best being spent in very tough times.

Let me talk specifically about a matter in this bill that affects people who live in all parts of this country, wherever there is a family with a young person going to university, to post-secondary education this year. That family might be in Cape Ray or O'Regan's in my riding or in any one of a thousand communities large and small across this country.

I want to focus on one or two communities in my riding where the aspect of the bill concerning Canada student loans is particularly hurtful. In fairness I do not believe this was very well thought out. In my riding there is a community called Coomb's Cove on the south coast in Fortune Bay and another community in that same bay called Pool's Cove. These are two quite small communities but they are indicative of the communities in Newfoundland. In those communities there are many families who aspire to having their children continue on after finishing high school, secondary school, either in their respective communities or in nearby communities at the central high school to which they are often bussed for their secondary education.

• (1310)

When they have completed that phase of their education those families and those individuals aspire to going on to Memorial University in St. John's or to some of the universities in the maritimes. To a degree they have been able to depend on the Canada Student Loans Program.

Sad to say that program is being dismantled by this government bit by bit. Let me give an example. When this government took office in September 1984 it inherited from the previous Liberal administration a set of rules, a set of Canada Student Loan parameters or guidelines, by which the program was administered at that time, in 1984.

In the nine years, since inflation has taken its toll in many areas and costs have increased appreciably, I am sure that nobody would argue that point. The cost of university education has certainly increased.

We only have to look at the tuition fees of any Canadian university in 1984 and compare them to this particular calendar year to realize that the cost of getting a university education, whether in terms of tuition, text books, or accommodations, has gone up appreciably in that length of time.

Does the House realize that nine years later the guidelines in terms of the floor amount, the basic amount which students may receive, have not changed in nine years? They have not changed. There has been no adjustment. There is no acknowledgement that the cost of getting a university education is considerably more now than it was nine years ago in 1984.

In that way alone the government has seriously undermined the Canada Student Loans Program. On top of that are the two measures in this particular bill. The first is the government's intention to cancel the six-month interest free post-graduation period for students with Canada student loans. That will increase the debt load of poorer students who had to borrow through the loans program in order to receive an education.

The second is the government's intention in this bill to introduce a 3 per cent administrative fee which will effectively tax those students least able to afford an education. In that context, this tax is regressive and unfair.

Taken together these two measures contemplated in this bill plus the government's refusal to change the guidelines over a nine-year period mean that literally thousands of university students in communities across this country, whether they are in communities I mentioned or in Lamaline, Monkstown, Point au Gaul, Point au Mal, any of the 158 communities in my riding or elsewhere across this country, who are being deprived of a university education because of the overt and mean actions of this very mean government.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, the Canada Student Loans Program reminds me of something that actually started at the end of the Second World War. There was a government program to assist students in continuing on with their education.

In part it was recognition that as a result of the war starting in 1939 and running for almost six years a lot of people had their educations interrupted and that the government owed it to them to help them continue with their education and get their university degrees.

There is also little doubt that it was political in the sense that the government did not want a million people suddenly dropped on the streets looking for work, a large number of them being unemployed. They were young adults who might have made it difficult for the government if there was no program of any kind to look after them.

There is no doubt that in part it was recognition that education is important not just to the people who are getting it but to society as a whole. It is important to the development of the whole of Canada that we improve our education delivery system and that we make higher education available to those who are able to make good use of it.

It was recognition at the end of the war which went further than a loan. There were no loans. The government under the Veterans Land Act paid all of the tuition fees and paid an allowance depending upon whether it was a single person or a married person with a family. It paid people an allowance to enable them to live while attending university, I will not say comfortably but they certainly could exist. During the other months they could usually get employment of some kind. It was a good program, it worked, and it provided for a tremendous expansion in our universities from one end of the country to the other. It achieved all of the objectives, whatever the objectives were, and it worked.

Some years later, perhaps it was 20 years later, the government once again recognized that there were a lot of people who were unemployed. People were not able to pursue their education because in many cases they were not able to afford it. The government had to come up with an alternative plan.

It was recognized that it was in the interests of society that these people be educated so that we did not rely on being able to import people from other countries who have had training to come here and show us how to do it. It was more important that we develop our own sources of educated people here in Canada.

There was some recognition of that but the government did not go all the way. It did not go as far as the country was prepared to go at the end of the war. It lent people the money that it would take for fees and accommodation. It was not quite enough but it was enough to help them get by if they were able to get summer employment or even part-time employment while going to university.

The program has worked. There have been complaints about it, certainly. The government taxes back 3 per cent of it before the loan money is even awarded to students. Before students pick it up they lose 3 per cent. They owe the full amount but they collect 97 per cent.

That is something that has bothered people from the beginning. In recognition of that the government made the proposal in advance of this legislation actually being introduced that the proposal before us now would give the government the money it needed to replace that 3 per cent deduction so that the students would actually be getting the money they were borrowing.

I am talking now about the proposal to remove the six-month holiday on interest that has been in the act. If this passes that will be a thing of the past. Students may defer payments for a period of six months after graduation but will still owe the full amount and will owe interest on that amount from the day that they actually received the money.

We are getting further and further away from the principle that it is up to society to provide this kind of educational program, to provide this kind of educational opportunity. It is society as a whole that benefits from having trained people in our community, from training people here in Canada rather than people being trained abroad and coming here to take advantage of all the services we offer to people who are working here and the costs that we levy against them for that. It is all part of our system. Part of our system should be to provide every opportunity, as much as we reasonably can, for students within Canada to pursue their education as long as they are able to make good use of it, mentally rather than financially.

One of the problems Canada has had is that we have been importing too many people from abroad to fill these posts and opportunities. We have been making opportunities for people from other countries.

We can do better than that. We should do better than that. This is a backward step. It is a step that the government introduced by saying it would take care of something else and then it decided to take away what it was taking care of. The government is simply taking money away from students who are graduating, who may or may not find employment within that period and who may or may not find it easy.

• (1320)

If anything, it is probably going to increase the number of delinquent loans that people in government are trying to catch up with. I wonder how much it costs to really collect this money. Is it worth the trouble? Certainly, if those people get work we start collecting income tax, sales tax and GST from them almost immediately. Is it is necessary to pursue them knowing that some of them are going to get away with it anyway? A lot of those who leave the country get away with it.

If the government wants to make a forward step in this legislation rather than trying to get more out of those students in anticipation that they may be able to pay it and may pay it, why not simply say this is part of the Canadian effort to try to improve things here in Canada, not for the individuals so much as for society as a whole.

This legislation should be taken back. The government should take another look and come up with a program that will deliver education in a better way than it has up to this time. It should bring in a better program rather than try to nickel away at the program that we have and make it worse.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I am continually amazed that members in the House of Commons, knowing that the funded debt of Canada in bonds traded actively on the marketplace and in Canada Savings Bonds exceeds $370 billion, where the total out of pocket external debt of the country exceeds $300 billion, where the federal government and the provincial governments are in deficit this year by at least $60 billion, where there is sometimes concern whether the government can borrow money or not borrow money in any particular week because of the nature of markets, where our currency is attacked on international markets at a moment's notice as it was attacked twice last fall, should at any time not compliment the government on efforts made by it to conserve, make more efficient and reduce the cost of government.

Day after day in this House we hear from the Liberal Party "spend, spend, spend" and the New Democratic Party says "oh spend it, borrow it, get it somewhere, print it, does it matter". This piece of legislation restricts, cuts back on loans, cuts back on the salary of the Prime Minister, cuts back on the salaries of ministers, requires activities of lobbyists, for example, to carry themselves.

All of these things are efforts made by us to carry the cost of government for the people who use the services of government. Yet, the Liberals cry and say: "Oh, spend more. There is no limit to the debt. Just take more. Borrow more, spend more, run the debt up more". That is the kind of thing we get from the Liberal Party.

Their leader the other day in Toronto talked about being fiscally responsible. Fiscal responsibility, except when we come to this House when they say: "Spend more, borrow more, pay more, do not in any way alter any of the programs of government even though it cannot afford them".

I really wonder where they are and where they are coming from. The contents of this legislation—

Mr. Kilgour: Talk about the helicopters, Don.

Mr. Blenkarn: We will talk about helicopters at another point. The contents of this legislation were set out in the budget of the Minister of Finance in February 1992. That budget was passed by this House. All this bill does is implement that budget. That is all it does.

The fact that this bill should have to go to closure is absolutely ridiculous. We passed the budget and this is a measure implementing the budget. There is no reason in the wide world why this motion and this bill should not go through immediately.

A number of people have complained that students are somehow injured by this bill. May I say this: I think education is certainly the most important priority of this government. We have spoken many times about more technical training, more education and so on. We would like to see more money spent. We are continuing to make money available in this program for a very generous student loan program and organizing that program in compliance with provincial student loan programs. The program is in place.

May I point out, though, that despite the fact that we keep putting up money, students are not any worse off today than they used to be. I remember when I went to school that it took 11 weeks of the summer earnings to pay your university fees. Today the average student can pay his or her university fees in something in the neighbourhood of four to five weeks' work. In other words, students today are twice as well off as I was when I went to university.

They scream because they do not like to have the truth pointed out. Of course education is important and other things are important and they are still able to get these loans.

They now cry. Hear them cry: spend more, spend more. We have finally forced them out. They are now screaming to spend more. They want us to spend more. Now we know where the lines are going to be drawn in the contest to come up shortly this year, the contest of those who believe in responsible government and those who believe in putting Canada into bankruptcy. They are the Liberal Party and the New Democratic Party and that is what they are and that is what they want to carry on.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I hope that I can provide a bit more levity to the House than the previous speaker. He talked about a responsible government. The measures put forward in this bill, Bill C-76, the omnibus tax or budget bill, are probably the most irresponsible measures that I have seen for a long time.

The bill is essentially divided into four parts. The first part deals with the Canada Student Loans Act. The second part deals with the Lobbyist Registration Act. The third part relates to salaries of ministers and the Prime Minister and the fourth part increases the Small Businesses Loans Act from $100,000 to $200,000.

Bill C-76 purports to do many things. I listened to the member on the government side with absolute incredulity. I would like to speak to the Student Loans Act first.

When a student gets a Canada student loan it is because he or she needs help. For no other reason do they ask for a student loan. There is no interest charged on the loan while he or she is a full-time student in school. This government now says that as soon as they finish school there is no more interest free period, that from that day on the interest starts accumulating, regardless of whether that person has a job or not.

One of the reasons they do not have jobs, in spite of what the previous Conservative member of Parliament said, is because of the policies that this government has in place today. It talks about investing in our future and investing in our young people, and yet it has cut back on transfer payments for education. Therefore, tuition fees are increasing. How do you expect the poorest of the poor to cope with increased tuition fees, not to mention the GST on books? My colleague from St. Boniface, who is our education critic, has noted, and I agree with him, that the number of students who graduate with a debt load of over $15,000 has increased by 500 per cent over four years. The number of students who graduate with a total debt load of $15,000 has increased to over 10,700 students in 1990 from approximately 2,200 four years earlier.

• (1330)

There is a 3 per cent tax on student loans which should not exist. There is the extra six months of interest which ought to be removed and the criteria for the allocation of moneys must be changed.

The annual report of the Canada Student Loans Program tabled in the House of Commons indicated that there are 215,000 students who rely on the Canada Student Loans Program to help them gain access to post-secondary education.

The Canadian Federation of Students says contempt for the democratic process has become the trademark of the Conservative government. Tory MPs sitting in the House of Commons committee studying Bill C-76 first denied witnesses the right to appear in front of the committee and then proceeded to adopt the bill in less than five minutes.

Members of the Canadian Federation of Students had hoped to appear before the committee to discuss one of the bill's harshest measures, the elimination of a six-month post-graduation interest subsidy on student loans as well as the lobbyists' registration fee, but they were not allowed to appear. I think that is absolutely disgraceful.

With regard to the Small Businesses Loans Act, as mentioned at the outset, the budget proposes the broadening of the scope of the Small Businesses Loans Act by increasing the maximum individual loan amount from $100,000 to $200,000.

This amendment to the SBLA has a limited impact to assist small business because it is not logical to change one parameter without looking at changes to other parameters. It is hard to cover costs under the SBLA. There is a deterrent of its use because it only provides for floating rate loans and not fixed rates as most business customers would prefer. There is a need for more promotion of the SBLA. This should probably be promoted by the banks and not the federal government.

An interesting thing happened to me just recently. I have been promoting this increase from $100,000 to $200,000 to small business people within the community of Nepean and suggesting that they contact their banks. The banks do not like it. Why do the banks not like it? It is because if there is any chance of the person not coming through or not being able to carry through on the loan, the bank has to pick up the loss, not the federal government.

Another interesting thing is that the federal government never consulted with the financial institutions to determine whether or not this was a good measure. It never talked with the banks on that. I think that is disgraceful.

The Canadian Chamber of Commerce is always being mentioned as if it were the be-all and end-all for advice that is given to the federal government. The chamber does not like the small business financial proposal either. What do you say to that? It says that although the federal government recently raised the eligible loan amount under the Small Businesses Loans Act from $100,000 to $200,000 it wants the ceiling raised to $300,000. It believes that $200,000 is not enough. Increasing to $300,000 would attract more financial institutions to lend under the act.

In addition, the chamber strongly urges the federal government to review all of the eligibility criteria and the program terms. It recognizes that the program has some usefulness and urges a review of its structure. That is from the national Canadian Chamber of Commerce.

Under the amendments to the Lobbyists Registration Act these amendments say: "Give the Governor in Council regulation-making power to enact regulations, charging a fee to be paid by lobbyists".

In other words, if lobbyists want to get something from me, they have to pay me a fee. I was always of the impression that when I am elected to this prestigious Parliament, anybody has the right to approach me and ask me anything they wish.

They can do this without me or the Government of Canada charging them a fee. I think that is ridiculous. The introduction of fees represents a radical departure never contemplated by Parliament or the government itself.

The other aspect of the bill relates to the reduction of salaries of cabinet ministers and the Prime Minister. I agree with that one.

It is unfortunate they did not go one step further and start looking at members' pensions. They should start realizing that maybe they should be paid at age 55 or 60 like the rest of Canadians.

Thank you very much for giving me the opportunity to speak to the Draconian measures the government is trying to implement in this House of Commons.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, it is no wonder the Canadian public is confused when it watches the proceedings of the House of Commons.

We just watched an opposition member stand up in this House and criticize government legislation without knowing what was in it. That is not right. I think it is incumbent upon us on this side of the House to at least put the record on the line so it can be examined for what it is.

The member who just spoke went through the Small Businesses Loans Act. As you know it is part of the economic package we are working on in the House at this very moment. I think it is important to lay the facts out so people can understand them.

The ceiling on those loans is going to be raised to $250,000 and not $200,000 but I cannot imagine members on the other side of the House standing up for the big banks in Canada. In the finance committee last week we heard from every major bank and economic think tank in the country. When they look at the Small Businesses Loans Act they believe we are doing the right thing.

The only unfortunate part of it is that we are providing a little bit of a cushion for the chartered banks so they will do something for small business. We are the only ones who want to do it. Obviously on that side of the House they do not. It looks to me as if those members want to hook their fortunes on the chartered banks and protect them. They want to defend the chartered banks. That is not what we are doing.

We want to make capital available to small businesses across this country. When I go back to my constituency I hear all the time that these small companies are starved for capital. The banks are not doing a whole lot about it but we are with some significant changes to the Small Businesses Loans Act.

Transfers to the provinces is another area that has to be corrected. As a member of Parliament from Atlantic Canada the transfers to the poorer provinces are important to me. We could all argue that all the provinces are poor today and I guess if you look at the balance sheets they are.

The transfers from the federal government to the provincial governments of Atlantic Canada are greater now than they have ever been in the past. There is more money going to my home province of New Brunswick now than ever before. Premier McKenna will admit that.

When the provinces talk about those numbers they say they have not increased as rapidly as they would like. Everyone would love to have a 10, 12 or 15 per cent pay raise. We kept those transfers going to the provinces at a rate higher than the point at which we have controlled our own spending.

In other words they are getting more and not less. I think the other side has to admit that.

Mr. Kilgour: Save us. Save us.

Mr. Thompson: Listen to them holler. Every one of them will have a chance to get on their own two feet and state their position. They are not willing to listen.

Mr. Whittaker: Mr. Speaker, I rise on a point of order. I hesitate to interrupt the member in full flight in his speech.

He pointed out in the introduction of his speech it appeared the opposition did not know what was in the bill. I want to point out to the House and the member that the part of the Small Businesses Loans Act to which he is referring was withdrawn in committee.

• (1340)

The Acting Speaker (Mr. DeBlois): I am sorry but it is not a matter of the rules. I give the floor to the hon. member.

Mr. Thompson: Thank you, Mr. Speaker, for your generosity. I hope you will add that time to my speaking time.

In the time I have left I want to point out the voting record of those folks across the Chamber who pretend to be working for small businesses in their constituencies.

I want to start with the Liberal voting record. We will get into the economic package a little later but let us take a look at what they have done in regard to justice and some of the things the Liberals have voted against in this House.

The Liberals voted against strengthening the Young Offenders Act to deal more effectively with youths who commit murder, for example. That was Bill C-12 in the third session. They voted against tighter parole for violent offenders.

The Acting Speaker (Mr. DeBlois): The hon. member for Edmonton Southeast.

Mr. Kilgour: Mr. Speaker, there is a rule of relevance in this Chamber and I would ask you to enforce it on this member.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I call on members on both sides of the House to co-operate. I would ask the hon. member to continue his statement.

[*English*]

Mr. Thompson: Thank you again for your generosity. I will continue.

Let us talk about agriculture and some of the support payments to farmers the other side is so famous for criticizing us about. The Liberals voted against Bill C-75, which put $500 million into the hands of Canadian farmers. They did the same thing on Bill C-90, a $52 million package. They did the same thing on Bill C-24 when we committed $428 million to Canadian agriculture. They did it again on Bill C-100 when we committed $40 million to Canadian agriculture.

In terms of economic and regional expansion—

The Acting Speaker (Mr. DeBlois): Order, please. I think the debate is on the amendments at the report stage.

Mr. Thompson: They have a tendency to move off the bill in question. I think I have to clear the record and clear it I will.

In terms of economic and regional expansion, they voted against Bill C-91, a change in the patent law to encourage more research in this country. They did the same thing in regard to the privatization acts.

It was the same with the NDP members. All they want to do is criticize. If we get back to the bill we are debating, the Canada Student Loans Act, they are again criticizing from a position I cannot understand. We are attempting to eliminate the 3 per cent surcharge on student loans. But they get up on their hind legs and completely distort what we are trying to do.

The Acting Speaker (Mr. DeBlois): A point of order, the hon. member for Windsor—St. Clair.

Mr. McCurdy: Mr. Speaker, I do not want to get into the business of people not knowing the content of the bill they are debating and accusing other members of not understanding what is being debated, but I would like to point out there is nothing in this bill about removing the 3 per cent surcharge.

I would advise the hon. member if he is going to allege that other people are debating something that is not in the bill, he should not do the same thing.

[*Translation*]

The Acting Speaker (Mr. DeBlois): As you know, no rule is harder for the Chair to apply than the rule of relevance. Since this is a money bill, the Chair is being somewhat indulgent, but I would ask the hon. member not to abuse it.

[*English*]

Mr. Thompson: It is quite difficult to stand in this place and have a clear debate when one is constantly being interrupted.

The Acting Speaker (Mr. DeBlois): The hon. member.

Mr. McCurdy: This is report stage and we are debating specific amendments which have been grouped. The subject matter of every one of them changes the student loan, not every issue that this or any other speaker wants to bring into debate.

[*Translation*]

The Acting Speaker (Mr. DeBlois): When the hon. member interrupted the hon. member for Carleton—Charlotte, the subject was student loans, if I am not mistaken. I again give the floor to the hon. member.

[*English*]

Mr. Thompson: If the member had been here this morning and paid attention to what was happening he would realize we are on closure debate, a two hour debate.

An hon. member: Time allocation.

Mr. Thompson: Time allocation is what it is called. He has been around this House longer than I have and should know that.

We are talking about proposals that were brought into this House in December with the finance minister's economic statement. When we are into debate with regard to the specific parts of that economic statement the field is wide open. We are really talking about the 1992 budget. We want to get on the record and put the record clearly on the line. I think we should be allowed to do that without constant interruption.

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

The member just speaking said the field is wide open. That is contrary to what you ruled three or four minutes ago. You asked him to be relevant. He is continuing to flaunt your ruling therefore I have much pleasure in moving that the Speaker's ruling be upheld.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I know that all members of this House have a great deal of good will, and I would ask the hon. member to conclude in one minute and to stick to the subject under consideration, report stage.

[*English*]

Mr. Thompson: It is quite obvious the opposition members do not want government members speaking today because there has been nothing but constant interruption since I have been on my feet.

The Acting Speaker (Mr. DeBlois): The hon. member for Windsor—St. Clair on a point of order.

Mr. McCurdy: Evidently members on the government side have no clear idea what they are doing. They may recall that perhaps an hour ago we had a vote on time allocation.

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member but the time for his speech has now expired.

Mr. Laporte: Mr. Speaker, the hon. member said a moment ago we were on a debate on time allocation. My understanding is that we are at report stage on one of the amendments and have already voted on time allocation. I am wondering if the Speaker could clarify to the House exactly where we are.

[*Translation*]

The Acting Speaker (Mr. DeBlois): To be quite clear, we are really at consideration of report stage. Now, hon. members must understand that within a speech, reference can be made to what was voted on today and things like that. So I call on all hon. members to be tolerant and show good will. Resuming debate, the hon. member for Sudbury.

[*English*]

Mrs. Diane Marleau (Sudbury): Mr. Speaker, just in case the members on the governing side of the House do not recall, it was actually their decision to do away with any kind of two-hour debate on time allocation. I actually have the Standing Orders here. If you look at page 49, procedure in cases to allot time, you will find there is no longer any kind of debate on the subject.

There have been a lot of accusations thrown around. I just wanted to absolutely clarify this is definitely report stage on Bill C-76.

Mr. McCreath: Mr. Speaker, I rise on a point of order. I would not want the hon. member for Sudbury to offend her colleague from Burin—St. George's so I wonder if you might ask her to speak to the motion which I believe is report stage of Bill C-76.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I again ask both sides to co-operate. I believe that the Chair has been very tolerant in allowing the widest range of expression, but I ask everyone on both sides to come back to the issue being debated. So on the substance of report stage, the hon. member for Sudbury.

• (1350)

[*English*]

Mrs. Marleau: Mr. Speaker, being known to co-operate I was trying to co-operate to my utmost with the members of the government in explaining to them why I was speaking to report stage of Bill C-76 rather than time allotment. I thought it very important that they understand this. We were also speaking to measures that would alter Bill C-76 with respect to student loans and the way they are being treated by this government.

When we speak of students we speak of people, of Canadians, who are very vulnerable. As is to be expected from the members on the governing side the previous speaker before me said he could not understand. I know they do not understand.

We can tell whenever the government deals with any Canadians that it has absolutely no understanding whatsoever of what it is like to be out there in the real world, to be a Canadian, to be someone trying to get an education. Rather than continuously harassing those who have such a hard time right now why does the government not introduce constructive measures such as ways of allowing students who have student loans to pay them back?

The government should find ways to allow students to pay them back in an honourable way with a job, with something that says not only are they able to pay back their loans but they can do it honourably and get on with their lives. They should do that rather than pursuing the kinds of economic policies that make it extremely difficult for students when they complete their degrees to get a job that allows them to honourably pay back the kind of loan they have had to take. It is so difficult to get an education and it is so difficult to get the right kind of education that will lead to the kind of job that is permanent and allows them to get ahead.

In the years that I have been here this government has always shown a total lack of understanding in whatever area it goes. Previously there was a reference to the way that we sometimes vote in this House of Commons. There are many instances in which things are grouped together so that there are good points and bad points.

Then we play our little game. It says that we the opposition always oppose because it always manages to put in things that we might want to support along with things we definitely do not want to support. We cannot win either way. If we vote against it the government brings out the part that we should have supported and we would have supported had it been on its own. If we vote for it the government says that we support all of its policies. How great.

If we were above board and honest with the people of Canada then perhaps we could say yes we support this and no we do not support this. What has shocked me the most about being a member of Parliament is the games that people play with the lives of Canadians.

An hon. member: The government plays games.

Mrs. Marleau: The government plays games. I would hope that when the time comes and we have a chance to right the wrongs of this government we will not fall prey to the game playing that has been going on. It is high time that we start considering who is paying the price for these games. Canadians are paying the price.

There are some members who will pay the price as well come next election.

An hon. member: Most of them.

Mrs. Marleau: Many of them will. Then perhaps they will understand what we are talking about when we say they have been going to the wrong people when they try to hit and convince Canadians that it is those who are most vulnerable who are the ones causing the problems and they are not.

I know very few students who once they complete their education and have a decent job are not willing, even eager, to pay off their loans. However we must give them a way of doing it.

The government says it is bringing forward this bill because we are going to remove the 3 per cent surcharge some time in the future. There is absolutely nothing in this bill that will remove that surcharge now. It is a vague promise.

It is not fair to tell people that we are giving with one hand and we are taking with the other because all we are doing is taking away right now. In past speeches I have spoken to the kind of harassment that students are subjected to when it comes to their Canada student loans.

I will not go into detail about some of the things that have happened except to say that no one should be subjected to this type of harassment.

I would hope that the government would accept some of these amendments that we are now making which would make it easier on everyone. Perhaps in the eyes of Canadians it would make the members of the government seem more human. Not only must they seem more human but they must become more human.

They must remember what it is like to be out there either looking for a job or trying to pay back their loans. They must remember that because very soon they are going to be in that position. Then they will want people to feel warm and giving towards them. I beseech the government to allow some of these amendments.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, this debate at report stage must be extraordinarily interesting to the electorate watching it on television. The hon. member from Carleton—Charlotte accused another hon. member of being totally ignorant of the bill and said therefore how dare she stand before this House and even debate it. Meanwhile he chose to debate two items which were not covered in the bill.

It is more telling to listen to the interventions of the hon. member from Scarborough south. There is an exponent of democracy. He too did not want to have the debate prolonged. He asked: "Why are we bothering with the debate? It was announced in the budget so why should we bother debating Bill C-76 or the particular amendments we are debating here?"

That statement is totally consistent with the hon. member's behaviour in legislative committee. The amendments with which we are now dealing concern the change in student loans. There are a number of changes but the key change is the elimination of the interest free period for students which lasts six months after graduation. Students in Saskatchewan have already mobilized 3,000 signatures to oppose this legislation and to ask the government to do a number of things. However this hon. member and his colleagues absolutely refuse to even entertain the notion that students should be heard. The hon. member from Scarborough south is so recently a graduate of the university system that he understands better than the students so why bother.

The serious question to be asked in this House is: does this government really regard itself, as apparently does the hon. member from Scarborough south, as an elected dictatorship which does not require that the opposition be involved at all? Does this government not think it necessary that the people be involved at all?

Mr. Kilgour: Mississauga.

Mr. McCurdy: That is right. He would not have known that I was talking about him. I am sorry about that. Mr. Speaker, I hope the record will show that it is Mississauga South. Mississauga South. Have I repeated it frequently enough? *Hansard* can correct that. I will sit down and have my remaining five minutes after Question Period.

Mr. Speaker: It being two o'clock, the House will now proceed to Statements by Members, pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

LEADER OF THE OPPOSITION

Mr. Dave Worthy (Cariboo—Chilcotin): I would like to congratulate the hon. Leader of the Opposition on finally coming out with policies that Canadians can discuss.

I must admit however that I along with many other Canadians wonder why his vision for the future means returning to the past. We have already spent 10 years formulating the GST. We have already negotiated two major trading agreements with the United States. Canadians do not want another decade of committees to reformulate and renegotiate policies that are already working.

Canadians want to look to the future. Do we see a vision of the emerging new Canada in the statements of the Leader of the Opposition? The answer is no. His policies remind me of the movie *Back to the Future*. It is unfortunate that his ideas for Canada are not as good as the movie. The party awaits—

Mr. Speaker: The hon. member for Winnipeg Transcona.

* * *

CAMECO CORPORATION

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, the battlefields of the Persian Gulf are now quiet, but thanks in part to a Canadian Crown corporation they remain deadly to the Kuwaiti and Iraqi people.

Eldorado Resources Limited, a federal Crown corporation, merged with the Saskatchewan Mining and Development Corporation to form Cameco Corporation, which between 1988 and 1990 shipped uranium yellowcake to the Sequoyah Fuels Uranium Conversion Facility in Oklahoma. From there uranium tetra-fluoride was obtained by Aerojet Ordnance Tennessee and sent back into Canada to a Cameco refinery where it was made into depleted uranium metal. This metal was then sent to AOT to be manufactured into armour-piercing shells.

According to the United Kingdom Atomic Energy Authority, 36 tonnes of depleted uranium was left on the battlefields after the gulf war.

Canada's policy states that uranium exports must be for peaceful purposes only. Treaty Series 1980 No. 13 states that no amount of Canadian uranium sold to the U.S. can be used for any military purpose. These shipments, therefore, are violations of this treaty and of Canada's official policy.

If the federal government cannot keep Canadian uranium out of deadly U.S. weaponry, then it should leave the uranium in the ground.

* * *

[*Translation*]

THE MEMBER FOR SKEENA

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I am just back from Abitibi, where the workers are angry about the statement made by the New Democratic Party of Canada's environment critic, the member for Skeena, who in a video broadcast in the United States said that Americans should not buy electricity produced by the Great Whale River project because there is "blood on it".

In the video, this NDP member from British Columbia never once spoke of the caribou blood in the past two years in the United States. He targets Quebec's hydroelectric projects and not those of his home province.

For several years now caribou hunting has been permitted in James Bay and hunters come from Quebec, the United States and British Columbia as well. Moreover, hunting caribou is allowed in the Yukon.

* * *

[*English*]

SALMAN RUSHDIE

Mrs. Christine Stewart (Northumberland): Mr. Speaker, we have just passed the fourth anniversary of Iran's *fatwah*, the call for the murder of Salman Rushdie for writing the novel, *The Satanic Verses*.

Yesterday Iran's Ayatollah Ali Khameini ruled out any reversal of the *fatwah* stating "the verdict must be carried out and will be carried out". In November Iran's chief justice stated that all Muslims were obliged to kill Rushdie. The State of Iran condones this murder call.

Canada, for its part, carries on business with Iran as usual. Canada's diplomatic relations with and scoldings of Iranian authorities do not convey our abhorrence of the *fatwah*. Our line of credit to Iran, subsidized by Canadian tax dollars, is totally hypocritical and must be suspended.

Surely this absolute rejection of freedom of speech by the Government of Iran is more than just an embarrassment to the Canadian government. Or are we just waiting for Salman Rushdie to die?

* * *

YUGOSLAVIA

Mr. Bill Casey (Cumberland—Colchester): I have just returned from a trip to the former republics of Yugoslavia with a delegation of representatives from the United States, Great Britain, France, Austria, Germany and the Netherlands.

I am pleased and proud to report that of all the countries represented I was the only MP who met others from my own country carrying out peacekeeping and peace-making missions in the area.

I would like to say a special thank you to Mr. Philipp Hahn, a Canadian representative with the Conference on Security and Co-operation in Europe. He was an excellent contact and provided objective briefings and assisted me above and beyond the call of duty while in Kosovo.

I would also like to acknowledge a platoon of Canadian peacekeepers led by Master Corporal Charles Ingraham from Baddeck, Nova Scotia, which is stationed at the border between Serbia and Macedonia where the purpose is to monitor the UN sanctions.

Mr. Speaker, it makes you proud to be a Canadian and be over there to see our men at work peacekeeping and peacemaking.

* * *

LEADER OF THE OPPOSITION

Mr. Sergio Marchi (York West): Mr. Speaker, the economy continues to ravage the lives of Canadian workers and their families and regrettably the Conservative government refuses to change course.

In contrast, last week before the Empire Club of Toronto the Leader of the Opposition outlined a comprehensive approach to stimulating economic growth. He proposed ideas on how to create meaningful and lasting jobs. He also emphasized the need for skills training, a sound trade policy and the need for federal and provincial fiscal co-operation.

Our leader reminded the government of pursuing a balanced monetary policy, one that would create growth and not one mired with the sole obsession of fighting inflation.

Finally, he challenged the banks to make it easier, not harder, for businesses to obtain financing so they could once again become risk takers and job creators.

Unlike the Conservative government which is unwilling to abandon a failed and flawed economic agenda, our leader and our party are promoting ideas and generating alternatives so Canadians can once again believe in themselves and in their country and create the confidence and hope we need to revive and sustain a healthy and vibrant economy for Canada.

* * *

UNEMPLOYMENT INSURANCE

Mr. Ken Hughes (Macleod): Mr. Speaker, many people of the Crowsnest Pass in the riding of Macleod were put out of work by the closure of the Westar Balmer Mine in southeastern British Columbia last year.

A recent board of referees decision provided full UIC benefits for the employees. At that point rumours began circulating in the affected communities that the Government of Canada would appeal that decision, thus denying employees their full UIC benefits.

I spoke to the minister of state directly and indicated that the only fair course of action would be for the government not to appeal that decision. I now understand that the department will let the decision stand and that employees will receive full benefits.

On behalf of the hundreds of families in the Crowsnest Pass and the Elk Valley, I thank the minister for hearing our concern and responding to the needs of our communities.

THE ECONOMY

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, over the weekend the finance minister called Liberal policies flimflam. The former finance minister says they are baloney.

Well those two, Flim and Flam, should know because for the past eight years they have foisted their flimflam on Canadians: record deficits, 1.5 million without jobs, tax breaks for their wealthy friends.

The rich get their tax-free steaks to eat while the poor can hardly afford baloney because Dracula I and Dracula II have sucked them dry. Flim and Flam have brought this country to its knees and driven hundreds of thousands of people to welfare.

It is no surprise that Flim and Flam blow a gasket every time they hear the Leader of the Opposition talking about getting this country back on track and putting Canadians back to work.

Why do Flim and Flam not wake up to the reality that nobody is listening to their flimflam any more and quit the baloney?

* * *

TORONTO ECONOMY

Hon. Alan Redway (Don Valley East): Mr. Speaker, Canada's employment peaked in June 1990. Since then Toronto has lost nearly 10 per cent of its employment base while Canada as a whole has lost about 3 per cent.

Almost one-half of the jobs lost in Canada were located in the Toronto area. If Toronto is excluded the rest of the Canadian economy has now almost fully recovered. Employment in the rest of Canada today is almost 99 per cent of pre-recession levels, but because of Toronto's size, the Canadian economy will not fully recover until Toronto improves.

This Friday, February 19, metropolitan Toronto is holding an economic summit. Representatives of all levels of government will be there to demonstrate their recognition of the critical role Toronto plays in Canada's economic recovery, but actions will speak louder than words.

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, one of the Conservative government's ministers has decided to amend the Unemployment Insurance Act, and we know what an outcry this has provoked.

Before even thinking about changing the act, the Minister of Employment and Immigration should have started by improving it.

• (1410)

Women are discriminated against in the act, and Lucienne Gosselin-Gravel, who worked for her husband for several years and paid into the plan the whole time, is blatant proof. Mrs. Gosselin-Gravel was denied unemployment insurance benefits because she is married to her employer.

The Association des femmes collaboratrices et partenaires en affaires has decided to support Mrs. Gosselin-Gravel in her claim and contest the constitutionality of section 3(2)(*c*) of the act, which discriminates against women.

I wish them good luck, and I hope the courts give this woman justice, because the act does not.

* * *

[*English*]

CROSSBOWS

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, I rise today to bring to the attention of this House the tragic death of Silvia Leung, a 20-year old college student from Vancouver.

The use of a crossbow in the January 24 murder of Miss Leung is disturbingly similar to the November 1991 murder of an Ottawa resident, Patricia Allen, by her husband, Colin McGregor.

I realize that the use of crossbows and similar weapons in criminal activity is quite limited in Canada. However these two incidents have prompted many of my constituents to ask for stricter controls on the sale, possession and use of crossbows.

Bona fide hunters and target shooters have long used these weapons without difficulty. Most people will say there is a problem with the current regulations when a minor, a mentally unstable individual, or a convicted criminal can enter a sporting goods store and purchase a crossbow without any registration, licence or background checks.

I ask whether the Minister of Justice agrees the time is now to take the necessary steps to address the concerns of so many Canadians.

* * *

HERITAGE DAY

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, few Canadians have opportunities to celebrate their heritage or celebrate Canadian unity.

Municipalities and provincial governments across Canada have recently begun to designate the third Monday of February as Heritage Day, an important occasion when we can all celebrate the richness of our heritage.

Today I would like to pay tribute to my colleague, the member for Prince George—Bulkley Valley, who on this date last year spoke out on behalf of all Canadians in his private member's bill proclaiming this a national holiday, our Heritage Day.

Private members' bills rarely come to a vote but my colleague's bill was brought before the House and was shamefully defeated by both the Tories and the Liberals who would deny Canadians the opportunity to take the time to reflect upon their national identity.

I am sure all Canadians would appreciate the pause provided by Heritage Day. I for one will be voting in favour of the bill when the hon. member for Prince George—Bulkley Valley brings it forward again in a new session.

* * *

UNEMPLOYMENT INSURANCE REFORM

Mr. Peter L. McCreath (South Shore): Mr. Speaker, I rise to encourage the government and in particular the Minister of Employment and Immigration to stand firm with his proposed reform of the unemployment insurance system.

With the exception of paid trade union leaders whose agenda is generally indistinguishable from that of the NDP and who for that matter frequently reflect the

views of the NDP leadership rather than the interests of working people, I have found without exception that those people who have raised the subject with me totally endorse the proposed reforms and have urged the government not to back down despite the union and media hysteria over the issue.

Reasonable Canadians believe that people who quit their jobs without just cause should not be eligible for UI.

* * *

KATE PACE

Mr. Bob Wood (Nipissing): Mr. Speaker, it is with great pride that I rise in the House today to congratulate Kate Pace of North Bay who arrived back in Canada yesterday after a thrilling victory at the World Alpine Ski Championships in Japan.

This victory was the result of years of training which began in North Bay when Kate competed in Inco Cup races establishing herself then as a tremendous athlete with unsurpassed dedication. Kate quickly climbed through the ranks and earned her spot on the Canadian National Women's Ski Team in 1987.

Over the past two seasons, Kate's goal of winning her first major international medal has been sidelined due to injuries. In 1991 Kate severely injured her knee which prematurely ended her season, while in 1992 a broken ankle kept Kate from competing for Canada at the Albertville Olympics.

Despite these setbacks Kate has shown herself and the world that obstacles can be overcome and a dream can be realized through hard work and dedication. Kate never lost sight of her goal and would not let a broken wrist keep her from winning the gold for Canada in the World Championships.

On behalf of the people in my riding of Nipissing, congratulations Kate, and good luck at the Canadian championships next week.

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, over a year ago the environmental assessment hearings were completed in connection with the runway expansion at Pearson International Airport.

Environmental assessment hearings are now required for every major project in the country. The entire development of our country is being held to ransom by the environmental assessment hearing process. The process goes on and on and on, and reports are delayed and delayed and delayed.

This report should have been out no later than April of a year ago. It will soon be April again and there is no excuse for the delay.

I call upon the government to produce the report or go ahead without the environmental assessment report so new facilities can be built in Toronto today when the jobs are needed.

* * *

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, last Friday was the anniversary of a rare all-party consensus in favour of Canada presenting a GATT position on agriculture to seek an end to export subsidies and to maintain article XI(2)(c)(i).

I moved that as an opposition motion last year. The Canadian supply management sector had asked the ministers of trade and agriculture to make a statement under government motions restating the government's commitment to farmers.

Such a statement would also strengthen the understanding of foreign governments about Canada's position which is being reported in various international journals as having shifted toward tariffication.

Unfortunately no government action on the request was taken. My colleague, the member for Brant, raised the issue during members' statements as I am doing today, but a clear signal of the government's commitment to the all-party agreement is still required from the government.

Without it, many foreign governments and trade negotiators will believe that our government has indeed accepted tariffication as an acceptable alternative to article XI.

ORAL QUESTION PERIOD

[*English*]

SEXUAL HARASSMENT

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Prime Minister.

On Friday, when responding to incredibly insensitive comments made by a minister of the Crown on sexual harassment, the Acting Prime Minister said the minister would issue a clarification.

That afternoon the minister did indeed clarify his comments. He denounced the "false hysteria and exaggerations that are raised about these issues". That did not surprise us, but what did surprise us was a defence of the minister mounted by a second minister, the Secretary of State for External Affairs, who stated: "This exploitation of this remark he made is really unfortunate. He has a superb record of action inside and outside the cabinet. On behalf of women in Newfoundland there has been a no stronger advocate than Mr. Crosbie".

Some hon. members: Hear, hear.

Ms. Copps: What action does the Prime Minister intend to take to send a clear message that every member of his cabinet takes the issue of sexual harassment very seriously?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend is quite right. The issue of sexual harassment is a most serious one and we view it very, very seriously.

I think the legislative record of the government, the attitude of the government, are probably the very best indication of that, for example, be it in violence against women, the panel on the violence against women and new programs; be it action by the government in terms of the appointment of women to key decision-making positions of authority never held before such as in the justice department; the appointment of record numbers, by way of illustration, of women to the federal judiciary: when this government was sworn in there were 37 members of the federal judiciary and there are now 112, an increase of 300 per cent.

Some hon. members: Hear, hear.

Mr. Mulroney: I should tell my hon. friend in all seriousness that everyone views this matter with the importance that it deserves.

In the ministry over the years, as justice minister by way of illustration, no one has provided stronger leadership and greater commitment to the genuine problems confronting women than the then Minister of Justice who is today the Minister of Fisheries and Oceans for Canada.

My hon. friend knows as well as I do that the minister, along with all of us from time to time, in an attempt to be humourous might say something that somewhat out of context could be misconstrued.

• (1420)

The hon. minister has assured the House this is not the case and his heartfelt commitment to the well-being of women and against any sexual harassment is something I would hope my hon. friend would accept on its merits.

[*Translation*]

Ms. Sheila Copps (Hamilton-East): Mr. Speaker, the problem of sexual harassment is a very real one, and in this case has a direct bearing on the government's policy on unemployment insurance. Unfortunately harassment is kept going by the silence and the denial that surround it. The Minister of Fisheries and Oceans makes jokes and his colleague the Minister of External Affairs congratulates him.

The Prime Minister's refusal today to disavow categorically his minister's unacceptable remarks contributes, unfortunately, to tolerance of sexual harassment.

Will the Prime Minister today publicly condemn the Minister of Fisheries and Oceans for the degrading remarks he made about victims of sexual harassment?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, sexual harassment deserves to be taken very seriously indeed, but even so I think my hon. friend is going much too far in her remarks about the minister.

I told the House that the minister had throughout his career displayed a serious commitment to promoting the status of women in Canada—appointing women to the federal courts, for example, to ambassadorships, to deputy ministerships. There were seven such women when this government took office, now there are 21, and there are other examples. I believe this is proof of a very deep commitment to the importance of the issue that has been raised.

I would like to draw my hon. friend's attention to an explanation of the viewpoint of two women who attended the minister's speech last Thursday.

[*English*]

Betty Granter, a provincial government clerk in Lewisporte, said: "It was nothing like what is being said. Mr. Crosbie was just joking as he always does. I think anybody who was offended by it must have a problem".

Then Mrs. Stevens said: "I guess it would be damaging if people thought on the whole that sexual harassment was a joke and people did not take it seriously, but that is not the way it was intended and that is not the way the people at the dinner in Newfoundland took it".

These are two women who were there and heard the minister speak. They have given the press and the hon. member the assurance that having been there the context was such that the minister was not in any way attempting to deride the problem of sexual harassment.

They accept the minister on good faith. Why does the hon. member not accept the minister in the same way?

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the issue is not at this point a minister of the Crown. The issue is the fact that two ministers of the Crown have publicly spoken of hysteria and one minister has cried exaggeration around the issue of sexual harassment in the work place.

It is not simply a dinner speech that we are speaking about. It is the government's proposed changes to the unemployment insurance which will potentially touch every woman in this country.

Will the Prime Minister not take the opportunity today to clarify the government's intention around unemployment insurance and to specifically denounce the insensitive comments of the minister which leave the impression that the government sees no problem or does not treat the issue of sexual harassment in a serious way?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend knows full well that grounds for sexual harassment in respect of the Unemployment Insurance Commission are well covered. The women involved should and do receive full and proper protection in the law.

I know my hon. friend has been trying to change that, to distort it and to argue that is not the case. It is the case. The jurisprudence constantly supports the position of women who make these kinds of allegations and who quite properly seek the defence of the law. The question of sexual harassment that my hon. friend is trying to tie into the unemployment insurance arguments is wrong.

With regard to the statement made by the hon. minister of fisheries, he indicated in his statement that: "Those who attended the speech that I made in Lewisporte know that nothing offensive was intended". This is a statement by the minister. Women who were in the audience say very clearly not only was nothing offensive intended, nothing offensive was taken or construed by them in regard to the minister's jocular references.

From time to time all members of Parliament, perhaps spontaneously, make a statement, a paragraph or a line or two that we would like to take back because it conveys an impression that we did not really intend. But there is a sense of humour in politics that is sometimes misplaced if misconstrued.

The people in the audience said that John Crosbie was not in any way trying to do anything other than treat himself in a jocular fashion, not the question of sexual harassment. That is the difference between the women in Newfoundland who heard the speech and the position of the hon. member who today is trying to distort it.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is for the right hon. Prime Minister.

When an Ottawa based magazine last year made grossly inappropriate and insensitive references to a member of the Prime Minister's family, the Prime Minister expressed—

Some hon. members: Oh, oh.

Mr. Speaker: Order, please. I would remind hon. members that the test for preambles or words is whether or not on balance they create disorder. That is the test that has to be decided as to whether something is acceptable or parliamentary in this place.

Some of what has just been said across this Chamber, and I am not now referring to the preamble of the hon. member, by hon. members to each other is clearly unparliamentary and I wish it had not been said. I am not under any circumstances suggesting it was justified.

I am asking hon. members to remember that whether it is a preamble or words that are very personal that will be taken as offensive by the person to whom they are said, that creates disorder in this Chamber and I ask all hon. members to understand the position the Chair is always in.

I would ask the hon. member to rephrase his question and to ensure that the question goes to the administration of the government.

Mr. Dingwall: Mr. Speaker, when the Prime Minister expressed outrage last year he did so with the full support of this member of Parliament as well as many other members of Parliament.

Let the record be very clear. The Prime Minister knows that the remarks which have been attributed to the Minister of Fisheries and Oceans are an insult to many of the women in this country.

Will the Prime Minister not now call upon the Minister of Fisheries and Oceans to do the honourable thing and to apologize for this insensitive type of remark?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have indicated to my hon. friend's colleague that for any kind of remark obviously the context has to be full and complete and that all of us from time to time have to be given the benefit of the doubt. We speak off the cuff. Sometimes the media inadvertently picks up one piece of information and leaves some others out in its reporting, which is understandable.

• (1430)

My hon. friend says that the statement attributed to the minister of fisheries was offensive to women. Perhaps in some of the manner in which it was reported, it might have been. That of course I would regret enormously.

For those women who were in the audience, who listened to the whole speech and who took in the full context of it, perhaps I could remind my hon. friend again what they said. Betty Granter of Newfoundland said: "He was nothing like what is being said. He was just joking as he always does. I think that anybody who is offended by it must have a problem".

Mrs. Stevens said: "I thought it would be damaging if people as a whole thought that sexual harassment was a joke and people did not take it seriously. But that is not the way it was intended and that is not the way the people at the dinner took it".

If the women from Newfoundland who were there and who heard the whole context place the construction on it that I have just conveyed to the House and to my hon. friend, perhaps in fairness to a fellow member of Parliament, he would place an equally appropriate construction on it.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, the right hon. Prime Minister has made references to statements made by one of the woman who attended the gathering.

One of the individuals in question has also said that there has been no sexual harassment in the work place. I want to say to the Prime Minister: that this matter could be rectified quickly and efficiently if the right hon. Prime Minister would reach down and say to the Minister of Fisheries and Oceans, stand in your place and apologize to the women of Canada for this insensitive remark. Will the Prime Minister do the honourable thing and ask and demand his Minister of Fisheries and Oceans to do that?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the minister of fisheries has already issued a statement of clarification. He has indicated in it very clearly "that those who attended the speech that I made in Lewisporte know that nothing offensive was intended".

He intended to offend no one. The women in his audience agreed with that assessment that no one ought to have been offended by what he said. I understand what my hon. friend is saying. In a hyper-sensitive atmosphere, where vocabulary is very important, my hon. friend will also admit that it is important that the full context be given.

The full context of those remarks indicate that the minister of fisheries, if you will make allowances for his well-known sense of humour about himself, and in this case it was about himself. The context of this sustains the view that he has been throughout his time in public life an ardent and effective defender of the cause of women.

EMPLOYMENT

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I would like to return to the question of jobs for people in this economy.

Tonight President Bill Clinton is going to announce between $25 billion and $30 billion worth of new infrastructure improvements this year to revive the United States' economic base and make his country more competitive.

Here in Canada, the government has refused to follow the suggestions of the Federation of Canadian Municipalities and launch a major improvement plan for our roads, our sewers, our water systems and our railroads.

Does the government not realize that this failure to move Canada ahead significantly in this area is going to leave us at a massive disadvantage in competing with Americans in the future. Why will the government not forget the new helicopters and use that money to rebuild Canada and put people back to work?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member knows very well that we took a number of positive initiatives in the December statement. It outlined very specifically proposals to invest in people, to invest in R and D, to invest in infrastructure, to invest in training, to invest in small business.

Quite frankly, the infrastructure program, which is strategically based, will help improve the productivity and the competitiveness of the Canadian economy and is something that will take place right across the country. The negotiations with the provinces are close to being completed.

There will be a number of announcements made with regard to the improvement of roads, the improvement of bridges, the construction of the electronic highway, the MLS system, a whole series of initiatives. In addition to that, there is a tax break of $1.8 billion.

We have put together a $2 billion infrastructure program, plus a $1.8 billion reduction in taxes. Providing the provinces do not take it up, it is perhaps more than equivalent to what my hon. friend is suggesting the Clinton administration is going to come out with.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, the amount of money which was actually put into that budget by the minister was far smaller than anything that has been suggested by the Federation of Canadian Municipalities or anybody else in this country.

[*Translation*]

Mr. Speaker, the Japanese government has increased its spending on infrastructure, but the Canadian government continues to reject suggestions from the Federation of Canadian Municipalities to do the same. Even the Minister of the Environment said that $10 billion was needed to improve sewage systems in Canada. Why does the government not act on these suggestions?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I know the hon. member believes that only the public sector can invest and create jobs. We do not share that view in its entirety. We believe that the private sector has a role to play, and in constructing the infrastructure program, a lot of the investment will take place by the private sector. That in turn will create jobs and economic activity and improve our competitiveness.

The hon. member talks a great line about containing the deficit, but he also talks about spending money, and he never really outlines how he would pay for this huge, magnificent, infrastructure program that he talks about.

The infrastructure program we outlined was advanced in a responsible fiscal manner. It is strategically based so that it will improve the highway system, particularly in the Atlantic region. It will remove bottlenecks. It will improve the road system in our national parks. It will provide for the improvement in airports. It will provide for the improvement in grade separations. All of these things will have a positive impact on the economic fortunes of the country. More important, it will create jobs and economic activity and I am sure my hon. friend will welcome that.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, of course we accept the suggestion that the private sector should be involved in these things but the key point is that this government is not taking leadership to get work done in this country and get people back to work.

Our independent analysis for jobs plan, to be released this week, shows over 130,000 new jobs would be established in three years without any increase in the deficit by an infrastructure program following the Federation of Canadian Municipalities approach.

Does it not make sense to put men and women back to work in this economy and rebuild the country at the same time?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Yes, indeed it does, Mr. Speaker, and that is precisely what we are trying to do, not like his friends in the New Democratic government in Ontario that spent a billion bucks on infrastructure and the creation of new jobs and they got 975 jobs created.

We can do better than that, Mr. Speaker.

* * *

• (1440)

[*Translation*]

TRADE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I have a question for the Prime Minister.

Last Thursday, the minister responsible for international trade in the United States, Mickey Kantor, said that President Clinton would not go ahead with the North American free trade agreement unless and until he obtained parallel agreements on labour and the environment.

Could the Prime Minister tell this House why the government intends to move ahead very quickly with this agreement in Canada, when Canada could also ask for parallel accords not only on labour and the environment but also for clarification of the meaning of "subsidy" and "dumping" and for the same treatment as Mexico on energy?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, as far as energy is concerned, my friend intervened in Western Canada with the National Energy Program. We do not want any more programs like that in Canada so that is not a concern of ours at the international level.

Now, as for Mr. Kantor's statement, I would be prepared to examine it. I can also repeat to my friend what I told him last week in the House, as President Clinton himself said last Friday in a press conference: the Mexico–Canada–U.S. free trade agreement is a stand alone document and supplementary agreements would not go against or weaken the spirit or letter of this document.

Given that, it is definitely in our interest to proceed with ratifying the agreement in a timely fashion.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, we have an opportunity here. The American administration does not want to proceed. It will not submit the legislation to Congress until it has its side agreements.

I do not understand why the government does not want to take this opportunity and move right away to make some changes to the North American free trade agreement and the FTA so that Canadian interests can be protected. We have an opportunity here. The Americans have created the opportunity for the Canadian government and I do not understand why the government wants to proceed in Canada when the United States is not ready to proceed before the Congress of the United States.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend says that the administration does not want to proceed. That of course is incorrect. The administration is going to proceed with the NAFTA agreement on a stand-alone basis.

The President indicated in the campaign that the supplemental agreements he is seeking are not instruments that would affect the agreement itself.

My hon. friend says that we are protecting the Canadian interest. My hon. friend says he did not say that. He did say that. He said that the President said it very specifically. I produced the transcript last week and I will be happy to send my hon. friend for his own examination a copy of the transcript this afternoon. That is precisely what he said.

In regard to the Canadian interest, we believe that the Canadian interest has been well and amply protected in the North American free trade agreement. In regard to the free trade agreement itself, it is worth noting that trade between Canada and the United States is up 12.9 per cent last year alone and $18 billion since it was signed.

We know that the protectionists are alive and well in the Liberal caucus, but perhaps for once the leader of the Liberal Party on one issue can stand up and say: "I am against" or "I am in favour of the free trade agreement;" "I am against" or "I am in favour of the GST".

Stand up and tell us what you stand for.

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question as well for the Prime Minister.

Today Canada and Mexico are meeting in Ottawa at a ministerial meeting. Is the government asking Mexico in this meeting for side agreements supplemental to the NAFTA agreement to deal with the concerns of Canadians on matters like import surges, the environment and labour standards? If Canada is not doing that at the meeting today, what is it waiting for? If President Clinton can do it, why can't our Prime Minister?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we have had a very productive series of meetings with the very impressive delegation of some eight or nine senior ministers from the Government of Mexico which is in town today. There will be meetings going on this afternoon.

I indicated to President Clinton that to the extent there would be any negotiation involving supplemental agreements of any kind, even though they did not impact on the content of NAFTA itself, on the substance of the agreement, that Canada would of course be part and parcel of any of those negotiations.

At that point in time, we would of course advance the Canadian interest. There has been no change on that point.

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a supplemental question for the Prime Minister.

Will the Prime Minister confirm that when Canada is at the table with the United States and Mexico on supplemental agreements, it will raise issues of environmental standards, labour standards, import surges and human rights? Also, will the Prime Minister recognize that President Clinton has made clear that these negotiations have to take place and will be completed before he presents legislation to Congress?

Why will the Prime Minister not do the same and wait until these agreements are completed? Why is there a rush when it comes to Canada's interests?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, there is no particular rush.

We want the House of Commons to have ample opportunity to be seized of an important matter and have all the time to consider it fully. We would like enough time to pass so that the Liberal Party caucus could agree on a position. That may take until the fall. We may find out about that the same day they tell us about their GST position.

* * *

UNEMPLOYMENT INSURANCE

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, my question is for the minister of employment.

The minister has expanded the definition of UI abusers to include not just those who commit fraud, but people who have a legitimate claim on unemployment insurance.

The minister plans to weasel out of paying benefits by not accepting any reasons for quitting. Just look at the buts attached to the just cause in the but book. Why is the minister exploiting the unemployed? Is it to satisfy the political right wing, to create a perception of a problem so that it appears necessary to find a solution?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I guess we could do as the hon. member once proposed: We should print more money to pay off the debt.

I said Friday last to the hon. member and his friends that demagoguery will lead nowhere. People in Canada who have just cause to leave employment are entitled to benefits. This government made a decision that a person who, without any valid reason whatsoever, chooses to become unemployed should not ask his neighbour to pay him benefits.

If the socialists have a different position on VQs, tell us what it is.

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, I do not think any Canadian is asking any other Canadian to pay his way. I do not think that for a minute.

What this minister is trying to do is create a perception that everybody who quits is committing fraud. That in itself is fraud.

My supplementary question is for the same minister. Why does this government insist on persecuting the unemployed of this country, condemning thousands of innocent victims in order to catch a few alleged abusers while at the same time willingly allowing corporate welfare bums to go after government handouts and tax breaks at public taxpayers' expense?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, not a word of what the hon. member has said is true. Because it is completely false, I cannot answer that. That we treat every claimant in Canada as a fraud is completely ridiculous.

* * *

• (1450)

CRUISE MISSILE TESTING

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, my question is for the Minister of National Defence.

First the minister confirmed the purchase of $4.4 billion in helicopters to chase phantom subs. Now the minister has agreed to a new ten-year arrangement for the testing of cruise missiles over the Canadian north. Whatever happened to the fresh, new thinking about defence matters since the cold war?

My specific question to the minister is this. Given that many Canadians, particularly citizens of the north as represented by the Northwest Territories government, the Dene nation and the circumpolar council, have strongly opposed any continuation of these tests, why has the minister wilfully proceeded with this agreement contrary to the wishes of these Canadians without any form of public consultation or public parliamentary hearings?

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, as the hon. member will know since he signed the first testing and evaluation agreement with the United States—

Some hon. members: Oh, oh.

Some hon. members: Shame.

Ms. Campbell (Vancouver Centre): —this is an arrangement which is important for the two countries involved.

Unlike the government of the hon. member, when we were seeking to renegotiate this agreement we asked first of all what would be in Canada's best interests and how we could maximize Canada's interests in this agreement. I believe we have done that by negotiating an agreement which is significantly more beneficial to Canada than the agreement which lapsed February 10.

It is an agreement that basically provides for Canadians the opportunity to develop defensive capacity against low-flying missiles, but it is much more than that. It is an agreement in terms of its finances, in terms of the opportunities for testing Canadian-made weapons in a world that remains dangerous. I would probably be elbowing the hon. member out of the way at the anvil if it were time to beat swords into ploughshares. It is not.

The world remains a difficult world. This agreement is an appropriate part of Canada's defence strategy. It is a vast improvement over the agreement negotiated by that hon. member's government.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, in my supplementary I would first point out to the hon. minister that it is 1993, not 1983, and a lot of things have changed. It is too bad this minister does not know how to make changes along the way.

I want to ask the minister a very specific question. Given that the agreement allows for either party to cancel, terminate, or change the agreement upon notice, will the minister give a commitment today that there will be no authorization of any specific cruise missile test without having that proposal submitted to Parliament so there can be a parliamentary hearing held where Canadians' voices can be heard, particularly the voices of northern Canadians who oppose this agreement?

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, Parliament has ample opportunity to discuss this as well as all other aspects of our defence policy. I welcome the comments of my colleague and I welcome the comments of the Canadian people.

I think most Canadian people recognize that since the agreement was first put in place in 1983 by the government of that hon. member, it has been a positive one for Canada. Concerns about negative aspects of the environment were not realized. It is my observation from the comments I have had from Canadians that they are comfortable with the renewal of this agreement and satisfied with the protections it provides to Canada to cancel if the spirit of the agreement is in any way violated by the other party.

* * *

PEACEKEEPING

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, my question is for the Minister of National Defence.

As you know, Mr. Speaker, Canada's peacekeeping effort has more than doubled in the past year while at the same time the government is reducing our peacekeeping soldiers by about 4,000. This is causing considerable strain on the Canadian forces at a critical time when Canadian forces' members are operating in situations that are becoming more and more risky.

Since peacekeeping is the major thrust of Canada's defence policy, I would like to ask the minister what the government's plan is to sort out this disturbing conflict and imbalance.

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, first of all I am not sure there is a disturbing conflict and imbalance, nor is peacekeeping the sole thrust of Canada's defence policy.

I would be very pleased to provide the hon. member with the most recent statement of Canada's defence policy which is in fact somewhat more complex than the hon. member's question would suggest. We are committed to maintaining combat ready forces for a whole variety of eventualities. We make available Canadian forces for peacekeeping operations around the world. I am not aware that we are suffering any kind of imbalance or difficulties such as the hon. member is suggesting.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I am very surprised that the minister does not understand this because the concern is so intense that two serving general officers with vast experience in peacekeeping operations have taken the unprecedented step to speak out against this in public while in uniform.

The public also has concern. All members have had it expressed to them in one way, shape or form. The public wants to know why our peacekeeping is increasing in effort and scope when we cannot afford to even maintain the soldiers we had for half the effort yet we can afford $4.5 billion on major capital equipment for which much less expensive options are known to exist.

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, I am not at all convinced that anyone in uniform has made those statements. I think that is a misrepresentation of what has been said.

In fact concern has been expressed about the ability of the United Nations to co-ordinate peacekeeping efforts. Canada has responded to that concern by sending one of our senior members of the military to help make them develop that kind of capacity.

I am delighted to hear that hon. member express his support for peacekeeping and support for proper equipment for our forces. He will recognize that the surveillance capacity of our new helicopters is not only important in a situation of war but also a very valuable asset in monitoring the enforcement of sanctions in these kinds of peacekeeping operations. I am grateful in anticipation for the support he will give to that policy.

* * *

PUBLISHING INDUSTRY

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, in 1989 the Canadian book publisher Harper Collins was purchased by Rupert Murdoch's U.S.-based News International.

In a clear violation of the government's Baie Comeau policy, the company at the time refused to divest its acquisition to a Canadian buyer. It simply waited for the government to change the rules of the game and that it did.

I would like to ask the minister of trade if he recognizes that by giving his blessing to the U.S. purchase he has in fact overruled the assurances by his own Minister of Communications regarding restricted foreign ownership? Does he recognize that this decision has thrown open the doors of foreign ownership to a fragile but very vital Canadian cultural industry?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think my hon. friend wishes to review the position that has been stated by Investment Canada. It has set out very clearly how this decision by Investment Canada supports the principles that we have set out in our cultural policy in the Government of Canada.

We have clearly seen a difference of point of view within the industry, I might say, and within part of the industry relative to the position taken by the government. These different points of view I think can be expected in an industry as complex as the industry involved.

However, I think the position that Investment Canada has taken is quite consistent with the cultural policy of this government.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, last year the Minister of Communications announced that there would be a tightening of Investment Canada's act to ensure that Canadian-controlled publishers could not be taken over by foreign countries except in "extraordinary circumstances". I submit that this is not an extraordinary circumstance.

What we see instead is that the rules have been changed and simply ignored by the acquisition of Harper Collins and as a result our publishing industry has been let down by this minister of trade and this Minister of Communications.

I would like to ask the minister whether he can explain why the word of the Minister of Communications has been broken. Will he also explain who can speak for the Canadian cultural policy? Is it the Minister of Communications, is it the Minister for International Trade, or is it Rupert Murdoch?

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, I think it is worth while pointing out to the hon. member and to the House that last year I was able to announce some $140 million that this government was committed to putting into the Canadian book publishing industry.

We did indeed announce changes with regard to the policy as it relates to foreign ownership. Investment Canada looks at the benefits that are there for the Canadian economy before approving such takeovers. Our commitment is to have a strong, independent, Canadian book publishing industry. We are going to continue to pursue that.

* * *

• (1500)

[*Translation*]

GREAT WHALE RIVER PROJECT

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is addressed to the Minister of the Environment. The New Democratic Party of Canada's environment critic, the member for Skeena in British Columbia, said in a video aimed at Americans that they should not buy electricity produced by the Great Whale River project in Quebec because it has blood on it.

Can the minister now assure us that a proper environmental assessment procedure has been applied to Quebec's Great Whale River project?

Hon. Jean Charest (Minister of the Environment): Mr. Speaker, little more than a year ago the Government of Canada, the Government of Quebec, Hydro-Québec, the Katimik Corporation and the Cree signed an agreement on co-ordinating five environmental assessments of the Great Whale project. In addition, Mr. Speaker, I would like to point out that the governments and Hydro-Québec also set up a fund to assist the other participants in the environmental assessment process.

The International Water Tribunal, which is an independent external body, has compared what is being done here with what is being done elsewhere in the world and it has concluded that our procedure is a very legitimate one that will address the concerns of all stakeholders.

* * *

[*English*]

AIRLINE INDUSTRY

Mr. John Manley (Ottawa South): Mr. Speaker, last November the Minister of Transport challenged the airline industry to reduce capacity. In January his office said that he deplored the fact that the carriers could not be more responsible in their actions.

To this point the minister has taken no action at all to solve this crisis other than to issue these idle threats. The reality is that Canada's airline policy is now being made in the competition tribunal while thousands of jobs are at stake.

When is the minister going to define this government's airline policy for Canadians and explain it to those whose jobs are at risk today?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I believe that all the stakeholders and the employees in the airline industry have demonstrated their satisfaction with the actions taken by this government to give all the players the opportunity to determine what should be their future in the industry.

We are continuing our discussions with the stakeholders to make sure that we come up with some recalibration that will correct the situation without creating a loss of jobs in the country.

* * *

PRESENCE IN THE GALLERY

Mr. Speaker: I draw the attention of hon. members to the presence in the gallery of the Mexican delegation to the ninth Canada-Mexico Joint Ministerial Meeting headed by His Excellency Fernando Solana, Secretary of Foreign Relations of Mexico.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Charles A. Langlois (Minister of Industry, Science and Technology): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to eight petitions.

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

[*English*]

HOUSE MANAGEMENT

62ND, 63RD AND 64TH REPORTS

Mr. Jim Edwards (Edmonton Southwest): Mr. Speaker, I have the honour to present the 62nd, 63rd and 64th reports of the Standing Committee on House Management regarding the membership of the legislative committees on Bills C-99, C-110 and C-95.

Pursuant to Standing Order 113(1), these reports are deemed to be adopted when laid upon the table.

* * *

[*Translation*]

MULTICULTURALISM AND CITIZENSHIP

PRESENTATION OF FIRST REPORT OF STANDING COMMITTEE

Mr. Jean-Pierre Hogue (Outremont): Mr. Speaker, I have the honour to present, in both official languages, the first report of the Standing Committee on Multiculturalism and Citizenship, which I am tabling immediately.

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

* * *

[*English*]

INCOME TAX ACT

MEASURE TO AMEND

Hon. Roger C. Simmons (Burin—St. George's) moved for leave to introduce Bill C-405, an act to amend the Income Tax Act (tax credits for disabled senior citizens).

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Simmons: Mr. Speaker, the purpose of this bill is to permit a disabled senior citizen or a person who has a disabled senior citizen as a dependent to deduct from tax otherwise payable an amount equal to 75 per cent of the disabled senior citizen's defined medical expenses, home help expenses and transportation expenses.

I have great pleasure in giving notice of the bill.

The Acting Speaker (Mr. DeBlois): Mr. Simmons 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*]

PETITIONS

CHILD POVERTY

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have a petition, certified to be in accordance with the Standing Orders, signed by people in my riding and surrounding areas. It calls upon the House of Commons to reaffirm its goal of eliminating child poverty in Canada by the year 2000, and to produce a plan for achieving this goal.

This declaration is based on the fact that on November 24, 1989, the House unanimously passed a motion, "That this House express its concern for the more than one million Canadian children living in poverty and seek to achieve the goal of eliminating poverty among Canadian children by the year 2000".

• (1510)

I do not believe there is a single member of this House who is indifferent to children or to child poverty. These petitioners should be thanked and congratulated for this initiative.

[*English*]

EMERGENCY FISHERY RESPONSE PROGRAM

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have the pleasure under the appropriate Standing Order to present a petition on behalf of about 300 constituents of my riding in the communities of Cape Ray, Port aux Basques, Searston and Gaultois.

These petitioners draw the attention of the House to the fact that as fish plant workers and other concerned citizens of Canada they have a particular grievance with respect to the Emergency Fishery Response Program recently implemented to assist fishermen and plant workers.

My petitioners and I feel that this program is quite inadequate and leaves out a lot of people, including those people who have literally fallen through the cracks. They are appealing to Parliament to urge the Minister of Fisheries and Oceans and the Minister of Employment and Immigration to implement a further program or to expand on the existing program so that these people, as much in need as people who are receiving the benefits under the program, are also included in that program or an expansion of that program or a parallel program.

I have great pleasure in presenting and supporting the petition.

PHARMACEUTICALS

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I rise today to present two petitions. The first one is a petition with over 800 names from various parts of my riding, including Moose Jaw, Watrous, Colonsay, Parkbeg, Chaplin, Imperial and other points.

The petitioners are concerned about the recent changes the government has made with respect to drugs. They call upon the government to repeal Bill C-91 which will give brand name drug companies up to 20 years to market their drugs without competition.

They also call upon the government to repeal Bill C-22 passed back in 1987 which reduced the role of generic companies as well.

The petitioners are concerned that this bill will cost seniors a lot of money and will put in jeopardy the future of the drug plan in Saskatchewan, one of the best in the country.

GOODS AND SERVICES TAX

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I also have a petition to present from a number of people from Moose Jaw.

They say that the imposition of the GST on dance lessons represents both a significant cost for those taking dance lessons and an additional burden for persons or groups operating dance schools, that there have been various inconsistencies in how dance schools in different parts of the country have been treated with respect to the GST, and that people who take music lessons are GST exempt while dance lessons are not.

They therefore call upon the government to clarify this uncertainty by making clear that dance lessons are exempt from the GST.

[*Translation*]

VIOLENCE IN SOCIETY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I would like to table a petition from people in Val-d'Or, Val-Senneville and Vassan in Abitibi, who say that violent movies on television are dangerous and therefore unacceptable because they incite more violence. They say that all toys which incite violent games are unacceptable and should not be made. These people say that freedom of the press in reporting 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 in order to eliminate violence in our society so as to protect our children more and to give all our fellow citizens a better quality of life.

[*English*]

KILLER CARDS

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I am pleased to rise under Standing Order 36 to present a petition from my constituents in Carleton—Charlotte.

The petitioners support the efforts of Mrs. Debbie Mahaffy in her quest to have killer cards seized at the Canada-U.S. border and to stop their distribution in Canada. The cards published by Eclipse Comic Books, True Crime Trading Cards and other publishers feature the crimes of serial killers, mass murderers and gangsters.

The petitioners say that they do not want these trading cards in their communities and go on to applaud the efforts of the Minister of National Revenue and his statement in the House of Commons on June 10, 1992 when he announced that his officials would seize any shipment at the Canada-U.S. border.

They go on to state that they abhor crimes of violence against persons and believe that killer trading cards offer nothing positive for children or adults to admire or emulate but rather contribute to violence.

To conclude, the petitioners call upon Parliament to amend the laws of Canada, to prohibit the importation, distribution, sale and manufacture of killer cards in law, and to advise producers of killer cards that their products if destined for Canada will be seized and destroyed.

COMMUNICATIONS

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I have a number of petitions that I wish to table today from residents throughout the province of British Columbia.

The petitioners are concerned about the introduction of long distance telephone competition as well as the passage of Bill C-62 and the consequent deregulation of the telephone system.

They ask that the Minister of Communications engage in substantive consultations with all segments of Canadian society in drawing up new national telephone regulations and ask that Bill C-62 be withdrawn by the minister at this time.

WATER EXPORTS

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is my pleasure today to present two petitions pursuant to Standing Order 36.

The first is a petition with respect to the proposed North American free trade agreement and article 1401 therein which further permits the export of bulk water through non-energy pipelines.

The people from various spots in British Columbia who signed this petition are concerned about the sovereignty of Canada over our domestic water resource. They urge the Government of Canada to resolve the uncertainty surrounding the issue of water exports through a separate and binding joint diplomatic agreement ratified by both Canada and the United States, stating that nothing in the Canada-U.S. Free Trade Agreement or proposed North American free trade agreement applies to Canada's water resource in other than bottled form.

COMMUNICATIONS

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, the second petition is from people throughout the riding just to the north of mine in Kelowna, British Columbia.

The petitioners are very concerned about the deregulation of the telephone industry. They urge the Minister of Communications to oppose the disruptive effect of Bill C-62 and to engage in substantive consultations with all segments of Canadian society in drawing up new telecommunications legislation.

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Charles A. Langlois (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. 303, 313 and 417.

[*Text*]

Question No. 303—**Mr. Butland:**

With respect to the Prime Minister's trip to France in April 1992, (*a*) what was the total cost (*b*) who accompanied him and what were their positions in the government (*c*) what was the cost of accommodation (*d*) what were the total printing costs (*e*) what was the total cost of newspapers?

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): I am informed as follows:

(*a*) In so far as the Prime Minister's Office (PMO) and the Privy Council Office (PCO) Technical Services Division are concerned, the total cost for the Prime Minister's trip to France in April 1992 was $98,360.55 as of July 23, 1992.

(*b*) The names of individuals who accompanied the Prime Minister are listed on the chart shown below.

(*c*) The cost of accommodation for PMO/PCO staff, as of July 23, 1992, was $12,141.44.

(*d*) & (*e*) PMO/PCO and the Department of Veterans Affairs incurred no printing and newspaper costs with respect to the Prime Minister's trip to France.

List of people accompanying the Prime Minister to Paris
April 1992

R. McRobb
E. Gammad
P. Smith
C. Guilbault
H. Lalonde
N. Guénette
L. Beauchamp
J. Godard
P. Terrien
M. Entwistle
K. Ginn
M. Leclerc
G. Dupuis
P. Heinbecker
Senator Meighen
M. Ferland
N. Martel
S. Bernier
Lt. Col. Migneault

Four RCMP officers, Security

Technical Service Staff
Privy Council Office

S. Paterson
T. Prusakowski
M. Faubert
A. Laurin
K. Brooman

Question No. 313—**Mr. Barrett:**

For the fiscal year 1992–93, for each department or agency, (*a*) what is the total budget for shredding of documents (*b*) how much has been spent on shredding since January 1, 1992 (*c*) what documents were shredded and for what reasons?

Mr. Charles A. Langlois (Parliamentary, Secretary to Minister of State and Leader of the Government in the House of Commons): Most departments and agencies do not have a budget *per se* for the disposal of classified documents. This service is provided by the National Archives of Canada without charge.

Also, most departments and agencies do have in-house shredders to dispose of classified/sensitive documents, working papers, memos, duplicates, et cetera which have no further historical or archival value. This shredding is done in accordance with the Government Security Policy.

This service is provided by employees of the department who, in most cases, have other duties.

In few cases, the disposal of the latter documents is contracted out at a minimal cost and where possible, it is recycled and sold.

In so far as the National Archives of Canada is concerned:

For the fiscal year 1992–93

(*a*) the total budget for shredding of documents is $633,766.

(*b*) $264,000 has been spent on shredding since January 1, 1992.

(*c*) No record is destroyed unless authorized by the National Archivist and a senior official of the creating department. The reason for destroying the records is the expiry of retention periods. There are no further legal, administrative, financial, privacy or historical constraints.

The eight federal records centres of the National Archives of Canada have provided classified records destruction facilites to 74 departments and agencies. Over 230,00 linear metres of classified records will have been destroyed in 1992-93 after expiration of authorized retention periods. This will produce 7,000 tonnes of shredded wastepaper which will be recycled to paper mills and return $150,000 to the Crown. The timely destruction of these records will also clear 20,000 square metres of records office floor space which at $94 per metre, is valued at $1,880,000 annually. Over 210,000 linear metres of record shelving will also be cleared for reutilization.

The classified records destruction facilities also provide social and environmental benefits. As well as the protection of privacy through the secure destruction of information carried out by the federal records centres, it is estimated that over 120,000 trees are saved each year through recycling of the paper. In addition, almost 100 handicapped workers are employed through contracts with associations for the developmentally challenged.

Question No. 417—**Mr. Harvard:**

With respect to the Western Economic Diversification Fund, (*a*) how many corporations have received financial help since the inception of the fund (*b*) how many of these companies are in default of their payments on loans and what is the value of those loans (*c*) how many of these companies reported a profit in the last fiscal year?

Hon. Mary Collins (Minister of Western Diversification and Minister of State (Environment) and Minister Responsible for the Status of Women): With respect to the Western Economic Diversification Fund, the response is as follows:

(*a*) as of November 30, 1992, 2,826 different clients;

(*b*) 120 clients defaulted payment, totalling $23.3 million, less than 3 per cent of the total approved assistance of $855.7 million;

(*c*) unaware of any defaulted clients reporting a profit in the last fiscal year, since most are bankrupt, in receivership or have ceased operations. Information as to the profitability of other clients is not available on a cost-effective basis; it would require several months to gather the information.

[*Translation*]

Mr. Langlois: Mr. Speaker, I suggest that the remaining questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): The questions enumerated have been answered by the hon. parliamentary secretary. Shall the other questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

BUDGET IMPLEMENTATION (FISCAL MEASURES) ACT, 1992

MEASURE TO AMEND

The House resumed consideration 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, as reported (with amendment) from a legislative committee; and Motions Nos. 1, 3, 6, 9, 12, 14, 15, 16 and 17.

The Acting Speaker (Mr. DeBlois): The hon. member for Windsor—St. Clair has six minutes remaining.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, when I was interrupted we were commiserating about the embarrassment that the member for Carleton—Charlotte had caused himself. While mistakenly referring to him as the member from Scarborough South, we were discussing how eloquently the member for Mississauga South represents the view that this government holds of democracy.

I pointed out that he and his colleague from Selkirk—Red River colluded to ensure that students affected by this legislation would have no opportunity whatever to express their concerns about legislation which would eliminate the tax forgiveness on their loans for a six-month period after graduation.

• (1520)

We heard earlier from an hon. member of the Liberal Party how dastardly it was for the New Democratic Government of Ontario to eliminate the grant portion of aid to students. He condemned it for the excessive increases in tuition students are experiencing in Ontario and attributed that to the Ontario New Democratic government.

I just want to point out that while the tuition increases in Ontario were generally less than 8 per cent, in Newfoundland which is governed by a Liberal government it was nearly a 15 per cent increase last year. We could go on with this.

We could go on to point out that one of the problems the students have to confront is the huge increase in tuition which really is a reflection of cutbacks in established program funding transfers to provinces. A good deal of that was presaged by the Liberal government actions in 1975 followed by the six and five and other measures in its last government, as well as the actions of the federal government.

What is at issue here is that there have been actions on the part of the federal government in collusion with many of the provincial governments of all stripes in fact to turn back the clock on accessibility. Certainly this attempt by the government to recoup some $35 million from students who are having a difficult time as it is is another example of this.

The hon. member for Carleton—Charlotte said that this bill provided there would be a cancellation of the 3 per cent surcharge on student loans. At least if this government had proceeded as it had promised to do with the elimination of that surcharge then it might even out because that has imposed a burden of some $25 million on students who are borrowing money.

All of this is attributed to a huge increase in the proportion of students defaulting on their loans. Of course this is another example of this government blaming the victims and taking action against the victims, when in fact what we are seeing is a clear result of the fact that so few graduates now are able to get jobs as they were in the past. The real reason they are not paying back their loans by and large is that they are not working.

It would seem to be much more profitable if another approach was taken. That would be to withdraw first of all certainly this section of the legislation having to do with the student loan changes, not all of which are necessarily bad. For example, the new arrangements with respect to the provinces that are opting out could be tolerable and could be accepted and the other portions of the bill having to do with ministerial salaries and all of that could proceed.

As an hon. member indicated earlier we are burdened with the fact that we have a portion of this bill with which we disagree. We would like to have the opportunity to vote for those favourable changes, those supportable changes. That can only be accomplished if the amendments which have been moved to eliminate that section were in fact passed by this House.

It has to be emphasized as much as possible that this government has limited debate once more. It has done so after refusing to hear those who have the greatest interest in this legislation. They have been excluded with utter disdain and with an almost hypocritical stereotyping of the situation of students which if heard by students would certainly lead to a stronger reaction than heretofore has been expressed.

So far all the students have had an opportunity to do or will have an opportunity to do is to present petitions in this House which this government will almost certainly ignore.

All I can do is attempt to appeal to the sense of decency and generosity, understanding and insight to the concerns of students that exist on the other side. That of course is likely to turn out to be an appeal to a vacuum.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I am pleased to participate in the debate at report stage of this very important piece of legislation. I am also happy to participate in this debate following the very distinguished and learned member of Parliament for Windsor—St. Clair who made the unfortunate, and I want to underline the word unfortunate, analogy between the Government of Ontario and the Government of Newfoundland as it relates to student fees and their increases.

I just want the record to show that the hon. very distinguished and learned person from Windsor—St. Clair like other individuals in this great land of ours is quite capable of making major mistakes. In fact, the people of Ontario have also made a very major mistake in electing the Rae government in the province of Ontario.

I know there would probably be unanimous consent in this House if I were to utilize the time given to me to speak to the issue of the NDP government and its record in the province of Ontario. However, knowing the discretionary powers that you have, Mr. Speaker, I wish to refrain from remarking on that subject matter and allow more capable, distinguished and learned members of the Liberal caucus to take that issue on.

But I do want to say to the hon. member that student loans in this country are in an unmitigated mess. Part of the problem lies way to the corner on the left, which is the New Democratic Party and its government at Queen's Park.

I have spoken on this issue on many occasions. I do want to say that my colleague from St. Boniface has provided a number of recommendations with regard to the report stage of this bill. If followed, I think it would enhance the student loans program we have in this country today, but I do want to make additional remarks relating to the amendments which are on the record.

Never before have we heard federal, provincial and municipal governments or the respective opposition counterparts in each of those levels of government talk about education and providing opportunities for students in this country. What rhetorical nonsense these governments are spewing out all across this country when it comes to the young people. It is not fair. It is not right. It is not appropriate that the Government of Canada would try to get off the hook as it relates to Canada student loans in this country today.

We have a 3 per cent surcharge on student loans. At the very same time the right hon. Prime Minister, the new Minister of National Defence, the Minister of Fisheries and Oceans and all of those on the front bench travel across the country talking about education and its importance to young people. If it were so important, why would a tax be placed on it?

Why would you say to young people after completing their degrees that they must pay back and within six months interest triggers in on the student loan? It is an aberration from what it used to be. Why as a Parliament can we not seize the opportunity and change the pillars of the Canada Student Loans Program in this country? Why can we not?

I suggested on second reading debate on this particular bill that student loans in this country ought to be restructured. Today, in excess of $800 million is owed to the Crown in accounts owing, defaulted loans. This government is doing very little about it. I say to those students who have completed their degrees and are meaningfully employed that they should pay back the money they received from the state.

What happens to those thousands and thousands of individuals who have no money to pay back to the state? What do they do? What is this government's answer to that? If they are married and get the child tax credit or get some other refund through income tax that would be garnisheed by the Crown in order to pay off the student loan. I suggest that is unfair, it is arbitrary and it is wrong. There are other ways students could pay back that money owed to the Crown. There would clearly and unequivocally be a role for provincial governments.

• (1530)

I make reference to the one referred to by the hon. member for Windsor—St. Clair, the Government of Ontario. It has treated students in such a shabby and insensitive manner and I am sure colleagues on this side of the House will want to place all the details of that treatment on the record.

Why can the Government of Canada not look at the problem and find solutions? For example, perhaps students who cannot pay back the money and still have a debt owing to the Crown could perform some form of community service. The marketing specialty of a business graduate in commerce could be used by the United Appeal. The services of an environmental technologist could be utilized in many of the non-profit organizations particularly in our forest industry. The services of a biology major could be used in the fishing industry. Why not use some of that able talent to rid them of the debt?

We in this Chamber know the debt will not be realized from the student no matter how many actions the Government of Canada takes to get it back. That is not to suggest in any way that those lawyers, doctors and people who are making the money ought not to pay it back. They should, but there are numerous incidents where individuals cannot pay back that money because there is no job and no prospect of a job.

This government, grossly negligent in the administration of the Canada Student Loans Program, is using the tables from 1984-85. Parental income is calculated on that basis. Numerous parents across this country, some single parents, have told me in the confines of my office that with the limited income they have they cannot afford to provide the kind of finances for their son or daughter to pursue an education in this country. Does the government try to assist families in this regard? The answer is an unequivocal no.

The Minister of Transport who sits here in the House today knows. He was one of the mighty few who agreed to plot the course of introducing an additional 40 new taxes since this administration came to power. That is what the government has done for working families in this country: absolutely zero, nothing for families.

No wonder Canadians are saying that the Canada Student Loans Program is in such a mess. There is the interest rate. There is the large number who have defaulted with no reasonable program to try to secure that money. There is a surcharge, which is a tax, and 1984-85 tables are being used.

What about foreign students? This government has not been fair. The Government of Ontario has not been fair. I suggest there are other provincial governments as well that have not been very fair to students.

I urge members opposite to support the amendments of my colleague, the hon. member for St. Boniface, who is attempting to improve this particular piece of legislation. He is trying to delete some of the provisions in the bill which I believe to be Draconian and unfair to students in this country.

In point of fact, as I have said to my constituents and to university students in my district and as I have said to those involved in the administration of that university, I am sick and tired of politicians across the way talking about the need for post-secondary education in this country and the learning curve and all that goes with it. Then they turn around and do the exact opposite. They penalize, they hurt, they focus the big government hand against young people in this country.

In conclusion, Mr. Speaker, I want to thank you and members of my caucus for allowing me this opportunity to speak at this juncture and to assure you and all other members of the House, particularly members of the New Democratic Party that they will hear chapter and verse the wonderful great things the premier of Ontario has done to students in that province.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, the hon. member for Cape Breton—East Richmond highlighted the very points I wanted to highlight especially with regard to the mess this government has made of the student loans.

This morning, Mr. Speaker, while you were in the Chair, there was controversy and a lot of debate. Just what are we debating? Are we debating the time allocation or the amendments?

I would like to put on the record that we are resuming consideration of report stage of Bill-76, an act to amend certain statutes to implement certain fiscal provisions of the budget tabled in Parliament on February 25, 1992. We are resuming debate on Motions, Nos. 1, 3, 6, 9, 12 and 14 to 17 in the name of the member for St. Boniface.

The four fiscal measures addressed in Bill-76 are: to decrease the expenditures under the Canada Student Loans Act; the creation of fees charged under the Lobbyist Registration Act; the decrease in ministerial and Prime Minister's pay under the Salaries Act and an increase in lending limits under the Small Businesses Loans Act. Let us take a look at these one at a time.

The Canada Student Loans Act would eliminate the 3 per cent administration fee on student loans. I have a letter from one of my constituents who is a student. She is pleased we are debating this today because she wrote to me quite a while ago stating this was one of her big concerns.

It is in reference to the 3 per cent guaranteed fee on student loans that was supposed to be removed some time ago. She asks in her letter: "How is it that the government found the time to cancel the six-month interest free period on student loans after graduation yet has neglected to do the same with the 3 per cent fee? I was fortunate to qualify for assistance but I had to pay $107.10 before I could negotiate my loan. This might not seem to be a great deal of money to you or to the working person, but it covers approximately one month's worth of food for me".

Rising tuition fees, GST on books, increasing basic living expenses and no job is what is facing this student. The government should abolish the GST for students especially on books. It would help students. We recommended that many times but this government has always failed to listen.

The bill is addressing some of the concerns very neatly, but it does not address how the student will repay the loan when he or she is unable to find work. I have students coming to my office who have been out of work for six months and some for even one year. They have had a few part-time jobs but hardly enough to pay off their loans.

What happens? They are then referred to collection agencies. I feel sorry for the kind of harassment students are facing from collection agencies. They are being treated like criminals. The government is cutting back on public service so there is no one to sit down with the students and counsel them on how to restructure their finances to pay off their loans. Like my hon. colleague from Cape Breton—East Richmond, I agree students who find a job after graduating must pay off what they owe the government or the bank.

When a student graduates even with a master's or a Ph.D. and cannot find a job you cannot squeeze water out of a stone. The bill does not address that whole issue.

The other aspect of this bill is bringing amendments to the Lobbyist Registration Act. The purpose is to pay fees when filing a return or in return for a service or the use of a facility provided by the registrar as required by the act.

This is part of the federal government's initiative to improve and streamline its services to the public on a cost recovery basis. Since this government came into power in 1984 why have we needed so many lobbyists in Ottawa? I thought I was elected to serve my constituents, all 100,000 of them. We have 295 members sitting in this Chamber. Are they not getting paid to represent their constituents? If every member is doing this across the country, why are there lobbyists? What is wrong with people coming to their elected representative and making representations to the appropriate minister or to the government? Why must this be done through lobbyists?

• (1540)

This again is the Americanization of Canada. Because it is done south of the border we somehow feel we have to run our country that way. No.

Who is running this country? It is certainly not the government that was given the mandate to run this country. It is not the bureaucrats who are being cut left and right. The Prime Minister boasts how he cut 4,000 people from the Public Service. No wonder there are no public servants available to sit down and counsel someone with an immigration problem, a Revenue Canada problem or a student loan problem.

Do you know who is running this country? It is the lobbyists. That is the sad state to which this government has brought Canada. Now it is the lobbyists who are going to decide what is best for Canada.

As an example, when the gun bill was going through this Chamber if I had listened to the lobbyists I would have thought 80 to 90 per cent of my constituents wanted me to support that bill. That was the perception the lobbyists were giving the public through the media. When I did my own survey through town hall meetings and door knocking it was the other way round. About 80 per cent of my constituents wanted a tougher gun control bill. That was not what the lobbyists were telling us but what the constituents were telling us.

Why the need for such expensive lobbyists? Let us remind ourselves what we were elected to do in this country. There are politicians at three levels. If people do not get satisfaction at the federal level and if it is a provincial matter, surely they can get satisfaction there without having to pay for lobbyists.

The other aspect of this bill that I would like to address is the Salaries Act, reducing the Prime Minister's salary from $73,416 to $69,920 and the ministers' salaries from $48,977 to $46,645. That of course does not include the basic salary, et cetera. It looks great, does it not?

That is not what the taxpayers are concerned about. They are not complaining that the Prime Minister is making too much. With this bill he is saving the taxpayers $3,496 a year. Do you know what the Prime Minister does then? He represents Canada in Japan and Hong Kong and spends $938,464, almost $1 million. If he had cut that expense in half he would not have to reduce his salary by $3,496 a year.

This government and this Prime Minister are masters at deceiving the public. They want the perception out there: "Look at how we are cutting back. Look at how we are belt tightening". I am sure the belt must have squeaked when this Prime Minister travelled to Germany at a cost of almost $.5 million and to Japan and Hong Kong for almost $1 million.

You are signalling me, Mr. Speaker, so I do not have time to go into further detail on how much the Prime Minister has spent. He tries to show restraint and good government with a piddly little $3,000 a year reduction in his salary and then blows millions unnecessarily.

I agree with paying all the expenses of the Prime Minister, ministers and members when they are travelling. They are representing Canada but they have to be reasonable expenses.

The final aspect is the Small Businesses Loans Act and I made my statement in the House the other day on this. Big deal, we have increased the maximum to $200,000 when the two ladies who bought into a Pizza Pizza franchise cannot get $20,000 from the local bank.

That is the issue. People are losing businesses because they cannot get $20,000. Here again the government is saying, "Big deal. We are going to increase the maximum to $200,000".

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I welcome the opportunity to participate in this debate today.

There is a lot of concern being expressed these days in Saskatchewan over what this government is doing with this bill with respect to tuition fees. In fact there is concern right across the country.

The Liberals have been making some disparaging comments about Ontario and I would like to begin by making a few points for the record.

One of the highest costs students have is tuition fees. The province of Ontario last year saw an average increase in tuition fees of 8.1 per cent. If we compare that to increases in some of the Liberal provincial governments across the country the difference is quite glaring.

In Newfoundland the average increase is over 14 per cent and at one university it is 14.9 per cent. In Prince Edward Island it is 15.2 per cent and the province of Quebec had an increase in tuition fees last year of 38 per cent. That says quite a bit. Before Liberals criticize the Ontario government they should look at their provincial colleagues.

I want to make some comments about the proposed change to remove the six-month interest free period for students.

I was recently speaking to the vice-president of academics at the University of Regina, Justin Stoltz. He told me he and Tracy Sletto, one of the vice-presidents at the University of Saskatchewan along with Trevor Davies who is with the Canadian Federation of Students and some members from the SIAST colleges in Saskatchewan got a petition together in just a few short days because they knew the government was going to push this bill through very quickly.

They managed to get over 7,000 names on a petition from students at these various institutions. That represents a significant percentage of all the post-secondary students in Saskatchewan. They are concerned because it is one more burden students will have upon graduation.

They have already been hit with a 3 per cent surtax on their loans. The government said it plans to remove it but there is no indication when or how it will be removed. It is still there.

The cost for a year of education at university is somewhere between $9,000 and $11,000. Students are having a very difficult time getting jobs these days. A high percentage of students are unable to find summer employment. This is contrary to what was said by the member for Mississauga South who said students are much better off today than when he was a student, whenever that was. I do not know but it was some time ago.

Even when I was a student a couple of decades ago it was much easier to find summer employment. It is difficult now. Students who are going to school really have to make a commitment not only to their school work but to be creative and try to find ways to put themselves through school.

The government is cutting a 3 per cent surcharge off the top, but now upon graduation the old interest clock is going to start ticking. People graduate from university these days and a large percentage of them do not have jobs waiting for them.

Students are having difficulty finding work in the summertime. They want an education and we have to agree this country can only progress and develop if Canadians are well educated. We should encourage students to educate themselves. Yet at the same time we are placing burden after burden upon students. When I graduated from university a number of years ago I had a $10,000 student loan. It was very nice to have the six-month period of grace before interest started collecting. I found that a significant payment for me to make at that time.

• (1550)

For a graduating student it is a burden to start that interest clock right away. It is a level of stress the student does not need. It is going to be a worry for students proceeding through university, for those who are in first year—the pages in the House who are in first-year university—for any who have student loans or are going to be getting more student loans. They will be worried that when they graduate unless they have a job there will be someone after them trying to collect money.

In my riding, in my constituency office, we have dealt with a number of situations in which collection agencies have been after former students to collect on student loans. They are not very friendly.

I have had situations in which I have actually had to call a collection agency and ask it to quit harassing my constituent. These constituents are attempting to make their payments but in many cases simply cannot or must make reduced payments. Yet there are collection agencies calling these people up asking for money.

Students will graduate and then the interest clock will start right away. After a period of time the government simply hands them over to a collection agency that earns a fee for the money it collects.

The whole thing makes absolutely no sense. When the objective we should be reaching for in this country is a well educated, well trained society we should be doing what we can to help those students. This is simply not doing that.

We can add other things that students are concerned about. There is the GST on books and even the GST on photocopying. I simply want to state that the 7,000 students in the province of Saskatchewan who are opposed to this legislation are a small fraction of the students across this country who are opposed to this legislation.

Until we have a government that will give real attention to education then this country will not progress in the fashion and with the expediency and speed with which it can.

This is the same government that is cutting back on transfer payments to the provinces. Certainly my home province of Saskatchewan is faced with a real dilemma with respect to transfer cuts. Last year the Saskatchewan government, which inherited a bankrupt province from the Devine Conservative government that had been in power for nine years, actually cut the deficit. If there had not been cuts in funding from this government to the provincial government it would have had a balanced budget. It will have a deficit of some $550 million, which is about equal to what this government cut in transfers to the province of Saskatchewan.

The government of the province of Saskatchewan is faced with a real dilemma. It is trying to keep its tuition costs down. It is trying to encourage its students to go to university yet it is faced with some very difficult situations in trying to provide a balanced budget and a government able to borrow money on the various money-lending markets because it must do that in order to function. What this government has done simply hurts the province, hurts the students and hurts all of Canada.

I hope the government—this is like talking to a wall. Why ask the government to change something if it is not going to change? This government is not going to change its opinion. This is a slap in the face to students and it will do nothing to help the future of these young Canadians or the future of this entire country.

Mr. David Bjornson (Selkirk—Red River): Mr. Speaker, I would like to address some of the comments that have been made across the floor so far in this debate.

First, I would like to make a comment regarding those made by the member for Windsor—St. Clair. He said that there seemed to be some type of fast-track action taken at the legislative committee. Unfortunately the member himself was unable to attend and maybe he had a little misunderstanding about how things should come together.

The complaint brought forward was that there seemed to be a lack of opportunity for the student associations to make representations to the legislative committee.

This piece of legislation has been brought about as a result of the budget of February 1992. It was common knowledge for well over a year that this legislation would be taking place but the application to appear before the legislative committee came only within a week of the February 4 legislative committee meeting at which we dealt with C-76 on a clause by clause basis.

The member for Moose Jaw—Lake Centre said that 6,000 or 7,000 students in Saskatchewan have signed a petition to show their concern about the changes regarding student loans. It is too bad they did not move a little more quickly to notify the legislative committee so that we could have accommodated them. Unfortunately those who represented them did not see fit to bring that to our attention.

The member for Moose Jaw—Lake Centre also mentioned that the average student loan is somewhere between $7,000 and $9,000. He even made the comment that his loan was in the range of about $10,000 when he finished his university training. If we do a little investigation we will find that the average student loan in Canada is approximately $6,000. If we turn around and examine the financing cost for $6,000 on a monthly basis it is approximately $4.50 a month.

We are not asking in this legislation that repayment start immediately upon graduation. This legislation is asking that now that the government has met its responsibility in loaning students the money it is now time for students to meet their responsibility to start paying back and start paying back with interest. I do not believe that $4.50 per month is a significant cost for servicing a $6,000 debt.

The member for Parkdale—High Park made a lengthy comment about how he felt that students were being harassed by those people going about collecting overdue student loans on behalf of the government. I have never heard of anybody who owes the federal government for a student loan in the short term being harassed. I do not think there are loan police working on behalf of the federal government. What the member may find is that there is a determination on behalf of the government to collect the long outstanding loans that a number of people have seen fit not to repay.

It is common knowledge that through the Secretary of State those people who have income tax rebates and have outstanding debts with the federal government as a result of student loans are being asked to pay them back by way of those rebates. All Canadians would accept that if a person has a debt owing to the federal government it is about time that he or she repaid that debt.

There is no doubt in my mind that as a result of this activity—I will discuss not only the student loan but the changes to the Lobbyists Registration Act. What I find unusual at a time when there is a standing committee researching the status of lobbyists is that the opposition seems to be fighting on behalf of lobbyists by not wanting this legislation to go through.

• (1600)

It is about time the opposition stood back, took a realistic look at this legislation and realized that this is the beginning of something that will probably strengthen the roles of parliamentarians and possibly weaken those of lobbyists in the near future.

As for the freezing of salaries of cabinet members, I cannot see why anybody in this House would be against it other than my colleagues on the front row. At a time of restraint the government is doing the proper thing through Bill C-76. I am hoping we can fast-track this debate so we can get to a vote.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the debate on Bill C-76 today concerns Motions Nos. 1, 3, 6, 9, 12, 14 and 17 at report stage. All these amendments of course concern student loans and I think that any other subject would not be relevant to today's debate, although I too have firm opinions on many of the problems facing us, such as asking lobbyists to register and pay fees to come and talk to me. No one should pay to see me. People who want to see me can see an elected representative of the people when they want to meet me; I am there to meet them and I strongly object to having people pay licences to come and talk to members of Parliament.

That said, I would like to talk about this question of student loans which concerns many members. I have a package of documents, including the most recent annual report for the Canada Student Loans Program, the report for 1989-90. I think that the information in it is quite pertinent and I would ask hon. members to read it and think about it before making off-the-cuff statements on the Student Loans Program.

The public acounts committee of the House of Commons, which I chair, met the deputy minister last June, I think. The deputy minister was the then-Under Secretary of State, Marc Rochon, who was asked many questions about the student loans program. He gave us to understand that the government was interested in this question and had noted the comments made by the Auditor General of Canada. As we know, the student loans program is largely administered by the provinces, but guaranteed by the federal government. The provinces fit the student loans programs in with their own programs, except for Quebec and the Northwest Territories, I believe.

The Auditor General of Canada made some fairly important observations on the program itself. He made some pretty serious recommendations and the Under Secretary of State, Marc Rochon, wrote to me last June 16. I will not read the whole letter, because it mentioned improvements to the program. He wrote: "As for improvements requiring legislative changes, we hope to table suggested amendments to the Canada Student Loans Act and the regulations for implementing it in early 1993."

This means that some departments, or at least the Department of the Secretary of State, were interested in this question and dealing with it. The documents that I obtained from the Secretary of State say that it is urgent to revise the Canada Student Loans Act and to adopt regulations on recovering outstanding loans. This means that millions of dollars are not paid back. Some people are delinquent in meeting their obligations and do not pay back their loans. This is very harmful to the great majority of students. Since some students do not pay back these loans, the others must bear the blame for a program that may seem hard to manage and out of control. I quote from the document: "The administrative agreement with the provinces must be reviewed to specify the provinces' responsibility for locating and recovering overdue amounts related to the program. Thirdly, appropriate control mechanisms should be implemented to ensure compliance with these new measures."

Mr. Speaker, I could go on for pages and pages; there are at least seven or eight pages of recommendations. All members know that this problem exists. All members know that we have a serious problem to solve. Now the government comes with an *ad hoc* measure to eliminate a small part of the total student aid program, namely the six-month interest free period after a student graduates from a post-secondary institution, a college or a university. This six-month interest free period would be eliminated. That is what the proposal before us today does.

[*English*]

I submit that it is a haphazard way of doing things. It is a measure which I find difficult to accept today because it has not answered the challenge before Parliament, the challenge of looking after our human resources in our colleges and in our universities and encouraging our young people to get a better education.

It does not look after or care, in my view, about post-secondary education. It attacks students when their cash flow is at the minimum of their life, when they have graduated and are trying to find a job. Eighteen per cent of students who graduate today cannot find a job. The Tories will say "Don't worry, Jean-Robert, there is an interest program they can apply for which gives them 18 months of an interest relief plan". If you are unemployed, sick or unable to work, you can apply for 18 months of interest relief. Big deal.

I just heard some statistics put by the hon. member for Moose Jaw—Lake Centre who said: "Tuition fees, the cost of living for students has gone up". It is true, but it is not a question of percentage. If you want to talk percentage like he did, he said that in Quebec it went up 38 per cent. I guess it did not go up anywhere else. In Quebec from 1985 to 1986, the average tuition fee at McGill University was $570. It went up to $1,397 in 1991-92, which is about $500 below what my people in the province of Ontario pay. It is true that tuition fees went up in Quebec but let us put our figures into perspective. They were $570 in 1985-86 and they are now $1,397. That is an increase of 145 per cent.

With these figures, you can say whatever you like. The fact is that there are students who pay much more than $1,397 in Canada. The University of Ottawa is in my riding. The average for Ontario is $1,770 per year. If you want to play percentage, it has increased over the last five to six years. It is true.

Everything seems to go up these days. For students, the cost of food, the cost of lodging, the cost of dressing themselves and looking after themselves has also increased like it has for everybody else. We should consider that in the last while, three out of four students applied for loans. I want to quote from the annual report of the Canada Student Loans Program. The last year for which we have a report is 1989-90. I quote: "The average indebtedness of Canada Student Loans recipients was $5,553 in 1989-90. Over 1,300 students were authorized to receive loans under the part-time student loans program".

It goes on and on, giving a whole series of statistics dealing with this very important issue. The question I put today is what about those students that cannot afford the loans because through no fault of their own they cannot find a job? We have to be a caring society. Six months relief of interest was not a big deal.

• (1610)

I am sure when people add all this up we will all know that it was not such a big deal. Yet the government in its haphazard way, which is my point, instead of reviewing the whole program, did not ask a committee of this House to look at the program and come up with a really interesting change to the program so that the provinces and the federal government, the students and the colleges and the universities, everybody involved, would be consulted on this scheme and be able to put in their word and their advice.

Ontario abolished its grants to students in November of last year. Ontario college and university students will no longer get provincial grants to pay for their education because the NDP government has decided to move to a loans only system of financial aid.

With regard to our students in this country, tomorrow's citizens, our only hope of being able to compete in this global economy, I find it difficult to accept that this government has absolutely nothing else to do but come in with a haphazard program, something that somebody picked out without having finished the whole review of the program. You and I know, Mr. Speaker, because I have the proof here that there are problems, there are solutions and there are issues that we must discuss that are a lot more important than six months relief to students on interest.

I am going to vote against this because I think it is haphazard. It is not serious. I do not think this government knows what it is doing. I think it is absolutely tired and bankrupt.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Thank you, Mr. Speaker, for allowing me to speak about the government's proposed Bill C-76, which would among other things eliminate the six-month interest free borrowing period for students.

During these hard economic times for all Canadians, we hear members of Parliament and of the provincial legislatures talk about an economy that absolutely has to be healed and stimulated, because we are experiencing a catastrophe all across this country due to the lack of jobs.

These members say we need new solutions for creating jobs. We know that the more jobs there are in Canada, the more people will be able to pay taxes, so that the country, the provinces, the municipalities and the regions can provide their citizens with more and more services. But for a number of years now, we have had to cut back the services available to Canadians.

[*English*]

This bill proposes the removal of a six-month interest free period starting with new loans made for the 1992-93 academic year. The government will cancel the six-month interest free post-graduation period for students with Canada student loans. This regressive measure will increase the debt load of poorer students who had to borrow through the student loan program in order to receive an education.

The Organization of Economic Co-operation and Development recently studied educational standards in 20 countries. In the areas of mathematics and science skills among 13-year-olds, Canada ranked a dismal 10 per cent and was well behind children from China, South Korea and Switzerland. As well, Canada had the second highest high school drop-out rate of the countries surveyed at 33 per cent.

Seventy-eight per cent of 75 Canadian chief executive officers recently surveyed by *Canadian Business Magazine* said that Canada's school system should be the first area for reform if we are ever to see a return to long-term economic growth.

[*Translation*]

It is the school system that must be changed, not the method of making student loans. Students have to be encouraged.

[*English*]

This government has introduced a 3 per cent administrative fee on the Canada Student Loans Program, effectively taxing those students least able to afford an education. This tax is regressive and unfair in that the greater the need, the more the student will be forced to pay.

The government often talks about not mortgaging Canada's best and brightest but makes it even more difficult for students to support their education. When will the government stop its assault on Canada's students?

This government has talked about establishing a learning culture and increasing our competitiveness. This year's budget was witness to the beginning of the privatization of student aid. The 3 per cent fee on student loans will be absorbed into an increased rate of interest on loans by the banks. When realized that this is in combination with the elimination of a six month interest free period for needy students upon graduation, the government is just adding to the growing debt burden of Canada's students.

[*Translation*]

I am pleased to read part of a letter from the Canadian Federation of Students.

[*English*]

It says: "The students across the country are furious about the federal government's new move to skim 3 per cent off their Canada student loans. What the feds refer to as a simple cost recovery initiative is going to make them $18 million annually at the expense of students. Students and our supporters argue that such an initiative is inherently unfair by taxing student loans. The government is taxing those who can least afford it and at a time when they need the money the most to pay for things like tuition fees, books, rents and food".

[*Translation*]

As we are all well aware, this government has even gone so far as to tax books. There are no summer jobs for students; they need to eat; they need somewhere to live. Students are our future, and they should be encouraged. Levying a tax, an additional penalty of 3 per cent, makes me think of certain loan sharks who overcharge: you borrow $10,000 from them and they charge you an additional percentage and it is no longer $10,000 that you owe but $10,000-plus, and you pay the interest on the $10,000-plus.

Students need the government's help. They do not need to be wiped out by the government. I see that some of the government members are making fun of my remarks. I have to say that in so doing, they are making fun of students. Students and their problems should not be a joke; they deserve our help.

I have the pleasure of sitting on the public accounts committee. The Auditor General's report has shown us that there is mismanagement in the federal government. In his 1991 report, the Auditor General says, and I quote:

[*English*]

Canada Student Loan amounts awarded in 1989-90 could cost taxpayers an estimated $39 million. In any case, as many as 47,000 full-time students receive Canada Student Loans that exceeded by $72 million the amounts to which they were entitled. The lack of legislative and administrative provisions to identify and recover those excess amounts result in a cost to the taxpayer that we estimate could be approximately $39 million.

Under the Canada Students Loans Act the federal government guarantees loans made by the lending institution to students who have been issued a certificate of eligibility by a participating province.

Provinces—

[*Translation*]

—such as the province of Ontario—

[*English*]

—assess student applications and approve federal loans according to an official administrative agreement with the Department of Secretary of State. The amount of a loan grant or scholarship depends on student's educational fees, living expenses and financial resources including support from a spouse or parents where applicable.

The students, spouse and parents are required to sign an approval form for release of tax information thereby allowing the province to verify all income data relating to the loan application. Canada student loans are given to approximately one-third of full-time students registered in universities and community colleges throughout Canada except in Quebec and the Northwest Territories which have opted for administrative payments and manage their own programs.

• (1620)

[*Translation*]

I find it interesting that in the province of Quebec the default rate is minimal. It would seem that the system in the province of Quebec is greatly superior to the system elsewhere.

With respect to Ontario, I listened earlier to my colleagues in the NDP talk very proudly about the programs in different provinces, especially provinces where there are NDP governments. I must say that I was bitterly disappointed and shocked to learn that the New Democratic government in Ontario had cut student grants and subsidies.

Students need encouragement. There are no summer jobs, and graduates are not finding work. Not only are graduates not finding work, but now they will be forced, obligated, to start paying interest as soon as possible.

I implore the government to encourage students, and not to penalize those who cannot find work from the moment they graduate.

[*English*]

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I would like to make a few comments about the bill before us. Bill C-76 includes changes to the Canada Student Loans Program as well as changes to the Lobbyists Registration Act, the Salaries Act and the Small Businesses Loans Act.

I would like to focus on the one aspect of this bill that I find so very troubling. It is probably the most contentious piece of the legislation, that is the changes to the student loans program.

What this bill seeks to do is remove the six-month interest free period students currently enjoy once finishing their programs before they have to actually start paying interest on the loans they have accumulated while pursuing their education.

It can amount to a substantial amount of money for students who go through four years of undergraduate work, go into a master's program and carry on into a Ph.D. and even into post-doctoral work. At least the six-month interest free period provided an opportunity for those students until they were actually up and running in the work place to find jobs without being penalized by having these interest payments begin immediately upon finishing their studies.

This change will make it much more difficult for such students because the interest rate clock starts ticking the moment they finish their studies. I do not know how many students out there can go right from a graduate program or an undergraduate program and into the job market. It is very difficult.

It was difficult when I was a student. Things were a heck of a lot better back in the late 1960s and early 1970s in terms of the job market than they are now. Six months is not a long time for students to have the opportunity to secure employment, but the interest rate clock starts ticking and the interest starts compounding immediately, once these changes are put into place.

That puts a lie to the government's commitment to higher education. If this government were truly committed to higher education, it would be committed to assisting students pursuing post-secondary education and post-graduate education and to allowing them the opportunity to obtain that education without having this financial broad-axe over their necks.

The repeal of the six-month deferment will cost some $30 million to $35 million a year, and this comes at a time when our graduates face very high levels of unemployment. For those under 25 years of age the unemployment level exceeds 16 per cent. We are asking students to take on a financial commitment the day after they graduate, to start paying interest on those student loans.

That is not helping our students. That is not helping education. That is not helping our desire to increase the knowledge base in the country so that we can truly become more competitive. This is a hardship the government is imposing upon students across Canada. It is a hardship that should not be borne by those individuals, many of whom will not find jobs even after six months of steadily looking. The job market just does not have the jobs available but we are penalizing them by bringing in changes to this particular legislation.

How many students are already in default? The level of default in Canada already on these student loans exceeds $150 million a year. While it is true there might be an occasional individual who tries to abuse the system, I would suspect the amount of abuse is very small indeed. What we are doing is penalizing those students who have every desire to pay off their student loans as quickly as possible. If they do not have jobs they are not going to be able to do it. Again, that interest rate clock starts ticking the day after they graduate.

This repeal, or this change in the legislation, was originally intended to give the government room so that it could remove its 3 per cent tax on student loans, which I thought was Draconian in the first place. I am glad to see that there is at least consideration of this being lifted. It was also to provide some room so that we would be able to raise the weekly loan rates.

Now it seems this legislation is coming in and these changes have not been brought into this legislation. All we see is that the six-month window has been eliminated and the interest rate clock starts to tick the day after the students graduate.

This should not have been the government's priority. The whole system of student loans has been riddled with some very serious faults. The government has done nothing to correct the serious errors in the student loans program. Students, for example, will be expected to save at least 60 per cent of their summer earnings, regardless of the living expenses those individuals might face during the year.

That mitigates against students from rural or more isolated areas, for example from the interior of my province of British Columbia which students leave to attend universities on the coast. Although we now have universities starting up in the interior of the province, for those students who have to travel and to seek room and board or a residence, it is very costly indeed. There is no flexibility in the program with respect to the increased costs of those individuals.

Parents are expected to bear an even greater and greater percentage of the financial burden of putting children through school.

The loans are administered through the provinces and therefore are not portable. For students like my daughter who graduated from Queen's University in Kingston and went to do her Ph.D. studies at the University of British Columbia, the loan is essentially not portable and they have to go through the whole process of reapplying. There should be portability in those loans throughout Canada to make it easier for students who should be looking to broaden their educational experience by attending various institutions in Canada.

Furthermore the proposed changes will make it impossible for students to combine work and study. The changes will essentially force the student into accepting full course requirements to qualify for the loan. There are many students who simply cannot continue their studies unless they have opportunity to work while taking their courses. This makes it very difficult for those students to do so.

What really disturbs me about this bill is that when it was brought in the government refused to listen to the testimony of students across Canada who wanted to bring to committee their concerns about this particular legislation, their concerns about the difficulties that the changes in this legislation would bring. The government simply refused to listen to them. It refused to acknowledge the fact that students might have a legitimate concern and a legitimate interest in making some changes in this bill. That does not speak very highly of this administration if it is not willing to listen to the students in Canada on a piece of legislation that directly affects their financial and economic future. It is shameful that happened. It is no wonder both opposition parties walked out of those committee hearings.

• (1630)

The government is not interested in listening to the students because it is really not interested in their financial welfare. The government simply does not believe in the concept of equal access to educational opportunity. It is getting more and more difficult to get an opportunity for education in this country. More and more educational opportunity is becoming the domain of the wealthy, for those students who can afford it, for those parents who can afford to put their children through school.

That is not the direction this country should be taking. It is not the direction we want to take if we need to increase the level of educational opportunity, if we want to reduce the level of functional illiteracy in Canada. We in this nation want to become competitive and we need the educational and knowledge based skills to do that.

This legislation mitigates against the opportunity for Canada to become a true competitor in our global economy. It mitigates against the future of our students in Canada.

Mr. Joe Fontana (London East): Mr. Speaker, it is my pleasure to speak this afternoon at report stage of Bill C-76 which deals with certain provisions to implement the budget passed in February 1992. There are a number of provisions in the bill. Some have to do with the changes to the Canada Students Loans Act. Some have to do with the Small Businesses Loans Act. Others have to do with changes to the Lobbyists Registration Act and to the Salaries Act.

I want to touch on two areas I believe are very important to this country and specifically to my riding. They relate to the impact these changes will have on students. I believe most of my colleagues on this side of the House have spoken about the real impact this legislation will have on students and learning.

We hear the Conservative government speaking an awful lot about competitiveness, about making sure that Canada can compete in the world. We have to understand there are global pressures with respect to research and with respect to manufacturing. It says we have to become competitive in this world. One would think it would make sense that if it really wanted to compete in the world it would invest in people's minds, in education, so that people and students for the most part can be educated and trained for those opportunities that hopefully will come down the road. If it wants to build a competitive nation, it would want to invest in people and in students. This bill speaks to penalizing students and makes it much more difficult in a sense for them to become educated.

The hallmark of a great nation is its people and how they are educated. We have tremendous pressures on society. While Canada spends on a per capita basis the highest in education at least at the primary levels, and not enough at the post-secondary level, we do not have a record to boast about especially when 30 per cent of our children are leaving before they graduate from high school. We have to make it more possible not less possible for our youth to go to college and university.

To help our students get there we must make education more relevant and meaningful so they can understand that with an education will come the economic and career opportunities they want for themselves and their families. More important, they must see education as a vehicle toward those personal goals.

A government should be there to assist students in trying to achieve those goals because it is in the country's interest. It is in the individual's interest to make sure they can move forward. Yet this government has seen fit to tell students that if they want an education and if they want to attend college or university their loans are now going to be subject to repayment the day of their graduation and there will not be the transitional period that has been in place for a number of years. Once a student has graduated it will take some time to get a job.

We understand how difficult it is to get jobs these days and how difficult it is for students to get jobs when they graduate. The country is downsizing. Their parents are being thrown out of their jobs because of global competitive forces, trade agreements and this government's economic policies. Their mothers and fathers are having trouble keeping those jobs.

Who do we want to hurt? We want to hurt those people who are just coming into the work place and will need some time to get into the work place. Essentially this government wants to penalize students who have graduated and who are looking forward to moving into new opportunities. They may have a debt of $15,000 or $20,000, which they owe to this country. They understand that, realize it and take it very seriously. They intend to pay it back and most students do; 85 to 90 per cent do. They want to invest in their own education.

What does this government do? It wants to penalize them further by not giving them the six-month opportunity to commence repayment of that loan. Additionally, it wants to start charging a 3 per cent administrative fee on those student loans.

This is a double whammy which does not help us. We want to encourage our students to want to acquire knowledge and hence education because those investments in our students will be paid back to this country 100-fold through their careers and the taxes they will pay back to this country.

These regressive measures in C-76 even run counter to the government's philosophy of building a competitive, more learned and educated population. I believe it is like C-105 in which the government is trying to penalize the unemployed. Here it is trying to penalize the students for the problems that it has created.

I do want to spend a little time discussing the Small Businesses Loans Act. Bill C-76 touches on some changes to the Small Businesses Loans Act. I know there is another bill that has been introduced in this House that further expands on these changes introduced in C-76.

These changes to the Small Businesses Loans Act under C-76 are positive in the sense that they demonstrate an understanding of the reality of business. The threshold of $100,000 needed to be increased to $200,000 and I believe C-93 or C-98, whatever the Small Businesses Loans Act bill is, further increases it.

However the biggest problem for small business is not the Small Businesses Loans Act by itself. It is not well known. Bankers do not promote it. Bankers have not used it as much as we would like. Small businesses are having problems getting loans of $20,000, $25,000, $30,000 and $35,000 not in getting $100,000 and $200,000 loans. They need those loans to create the wealth and the opportunities and so they will be able to hire people.

• (1640)

They need working capital. They need supportive financial institutions. Eighty per cent of the jobs in this country are created by small business, by those men and women who are prepared to invest in their country and their businesses. They are prepared to take the risks and hire people.

Bill C-76 and these amendments to the Small Businesses Loans Act do not go far enough. The government should be supporting those people who are prepared to invest in their own businesses, provide the jobs and create the wealth that makes this country go round.

Government must do much more than just pay lip service to small business and tinker at the edges. It must be much more supportive not only in providing the financial support that small businesses need by forcing banks to loan the entrepreneur the capital required to create wealth and jobs but also to cut the red tape, the taxes and the administrative nightmare that most of these small businesses must put up with.

They are the ones who are creating the jobs. This government likes to say that government's role is not to create the jobs. If it is not government's role then it is the role of small businesses or the private sector. Why not get off the backs of small businesses and get on their side to help them create the wealth and jobs in this country.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, it is my intention to focus today on what I believe to be the most contentious issue of this legislation, report stage of Bill C-76.

There is a lack of understanding about the financial well-being of students by the current government. If the government for just one moment thinks that education and student loans *et cetera* are too expensive, just wait until it realizes the cost of ignorance.

When students apply, whether they are at McMaster University in my riding of Hamilton West, Mohawk College or any of the other colleges or learning institutions—

An hon. member: Western.

Mr. Keyes: There is the University of Western Ontario in my colleague's city of London, Ontario. Guelph is just down the road.

Students apply for these loans because they know deep down that they have an opportunity to improve themselves. They know that given the chance they will get their education, they will have their schooling and then they will hopefully embark in the world with their educational background in the field they have chosen to pursue with the education they have received.

From the outset the individual young person must stop and think for a second. Unfortunately many are not in a financial situation to be able to pick and choose which university they choose to go to. Maybe they have to wait to go to school for a year, two years, or three years in order to attend a university or any other post-secondary school or learning institution.

That is not acceptable by any standards, whether mine or those of any of the members opposite. When people finish grade 12, or grade 13 in Ontario, they have the opportunity to go on to university. For some it is out of reach because there is not enough money in their wallet. They can possibly turn to relatives or their parents but they too may not have the money that is necessary to pursue a post-secondary education.

They turn to us for some help. They say: "Listen, if you just advance me some money I know I can make a better life for myself through education. Then I will be able to get into the work force in my chosen field and pay back what I owe".

We are trusting. We say yes. We believe them and we believe that the country will do better because they have chosen to pursue a post-secondary education. However, what are we hearing from this government?

The government talks a very good line. We have heard it say that establishing a learning culture and increasing our competitiveness is the way to go. This year's budget was witness to the beginning of the privatization of student aid. We realize that as a result of the 3 per cent fee on student loans in combination with the elimination of the six-month interest free period for needy students upon graduation. When is the government going to wake up and realize that there is a growing debt burden in our society for those who are not educated and for those who are educated but who cannot find a job?

Mr. Gauthier: Eighteen per cent of the kids.

Mr. Keyes: How many? Eighteen per cent of students cannot find a job upon graduation. That is not just necessarily in the field they have chosen but any job.

The average indebtedness for Canada Student Loans recipients is $5,553. That is according to the Department of the Secretary of State of Canada for 1989-90. Loans in default had an average value of $4,731. About 69 per cent of all defaults occurred on loans of less than $5,000.

Speaking of the Department of the Secretary of State of Canada, in an examination of that government department the Auditor General's report of 1991-92 said: "In our opinion, there is an urgent need without infringing on the rights of individuals who are entitled to loans to; (a) seek revision of the Canada Student Loans Act and provide regulations with respect to the recovery of loans in excess of need; (b) review the administrative agreement with the provinces to clarify provincial responsibility for identifying and recovering excess amounts related to Canada Student Loans; and (c) implement proper mechanisms to monitor compliance with these revisions".

Mr. Gauthier: What is the answer?

Mr. Keyes: Did the government do any of that? Has the government really sat down and assessed the overall situation concerning student loans in this country? No. What we get are namby-pamby approaches by first this government and then the NDP in my good province of Ontario. At the time Richard Allen was the minister of colleges and universities. Of course the Government of Ontario no longer has a minister of that. It is all lumped into a big envelope and he is not there anymore.

Does the House know what the NDP government has said and what it will do? Students will no longer get provincial grants to pay for their education because the NDP government has decided to move to a loans only system of financial aid. Loans only, no more grants. Anyway, I digress.

The answer from the Department of the Secretary of State to the Auditor General's concerns was: "We agree. The department is working with its legal advisers and the provinces to implement the necessary legal and administrative changes and consequently will improve internal control mechanisms".

Has any of that been accomplished? There has been no evidence of that, none whatsoever. What are we stuck with?

An hon. member: Haphazard.

Mr. Keyes: It is a haphazard approach. Look at all these notes I have here. I have so many I do not know where to go next.

This is a haphazard approach to a re-examination and restructuring of the whole Canada Student Loans Program, which requires careful thought. The baby boomers have come of age, and there are many of us in the Liberal Party. A lot of us have new ideas and new thoughts. When I worked in the broadcast industry, in which I worked for so many years, we lived by the kiss method; K-I-S-S. The letters stood for "Keep It Simple, Stupid".

• (1650)

What we are telling to the government today is to keep it simple, stupid. We have got so many different departments to go to. The students do not know whether they are coming or they are going, and if they are coming, they are not going to be going because they have got to pay back the loan which they cannot pay because they cannot get a job, because this government has decided: "Our economic policy is the way to go. We are going to do this. We're going to put on GST". It is doing it in a recessionary period.

If it was not for the social safety net implemented by this party many years ago, we would not be in a recession. We would be in a depression. We would be fighting for nickels and dimes in the streets. There would not be health care for those who need it. We would be in a hell of a mess.

We listen to the government, and I conclude, Mr. Speaker. I see you are giving me the signal. It is a matter of merit. It is a matter of co-ordination. It is a matter of trust.

We must take a look at the system and make the pieces fit and make everything work together. We must rely on the individual to put it all together and to keep it simple. Trust: when that student obtains the loan, do not force them to repay the loan the moment that they graduate when they do not even have a job. They do not even have their résumés out yet or not a return on the résumés before they are asked to pay back the loan. They are not even in the work force yet. Give them that break. Give them that opportunity to spend a little time in the work force because they will pay back in spades. They will pay back the $5,000 loan and they will pay back of course in the taxes we will receive because they will be working and not collecting UI or welfare.

It is a matter of trust. If we do not trust this government, if we do not think it is carrying out the job it should be doing, kick it out.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, the bill we are discussing today has several aspects. It is one of the multitude of omnibus bills that has come out of financial statements before Christmas.

This one deals with a number of items from changing the fees for lobbyists and talking about rules for lobbyists to some changes for small business in the Small Businesses Loans Act which were originally proposed—I understand there have been some changes to that in committee—to freezing the salaries for cabinet ministers which very few people in Canada will oppose—we are always happy to see politicians freezing their salaries—and finally, more changes proposed to student loans.

The particular change that has precipitated most of the debate today concerns the call for doing away with the interest free period, six months after graduation for the student. I think to begin charging interest immediately upon graduation completely ignores the reality of the labour market that those students are looking at today.

I have children who are in the process of finishing university. This past summer was the first year that my daughter was unable to get a job in the last six. She finally was employed for one month towards the end of the summer. There are no jobs.

Vast parts of the country do not have spaces for a whole summer that will employ a student who is not going to be available for full-time work. All we have to do to find out what the demand is for full-time workers is to talk to anyone slightly older and ask them how they are making out finding a permanent job. We will find that most of them are looking, looking and looking.

In my riding I have talked to numerous people who are in their late twenties who have never been able to get a job that lasted more than six months. Either the company they had joined went broke or they downsized or they did not need the extra workers that they thought they needed when they hired on the younger people. So it is not an easy time for young people to be looking for jobs. The demand on the part of students, the young people of an age out of high school, is very high for education. The recession has probably spurred that along but the understanding of how complex and technical our society is becoming has spurred that on as well.

The demand for educational services is extremely high and this has coincided with a time period when the federal government has decided to reduce the established programs funding which assists the provinces to carry the load on post-secondary education. When we look at some five-year periods we will see that the five years ending in the fiscal year we are about to begin $9 billion will have been cut by the federal government in payments to the provinces to assist with post-secondary funding.

The only way the provinces have had to respond to those kinds of cuts has been to increase the tuition level and to reduce as much as they can the amount of expenditure that the taxpaying part of the provincial jurisdiction makes towards universities.

Tuitions have risen. Just as an example, in the five years previous to the year we are in now, tuitions have risen in McGill by 145 per cent over that five-year period; 82 per cent at the University of Saskatchewan; 90 per cent at Simon Fraser University—just to go across the country and look at some of the increases that have occurred.

At the same time, the universities have responded by increasing the grade averages that the student must have in order to gain admission to university. At the university I graduated from many years ago, the University of Saskatchewan, those levels are now in the 80 percentile range and are so for almost every university, in the very high 80s for universities like commerce and engineering and in the low 80s for almost everything else.

The grade average situation has got to the point of bordering on the ridiculous. During this past fall we had the fall convocation and the student who received the highest marks for the university and for her college and was the outstanding student and won all the prizes was a student whose marks out of high school were such that she would not have been permitted to attend this university had she chosen to attend in the year that she graduated. In other words, the most distinguished scholar of that graduating year would not even have been permitted to attend that university had the rules been the same in the year she graduated as they were in the year she began. Thousands of students are being denied a university education because of this ridiculous adherence to very high grade point averages in order to gain entrance.

In speaking with the previous president of the University of Saskatchewan, he said you would think that with the increase in grade point averages in order to gain entry that they would have more students graduate and fewer Christmas drop outs, people who cannot hack it and have to leave at Christmas because they were not able to keep up. He said that as we go to larger classes and higher grade point averages, the dropout rate actually has increased. Having students come in from high school with higher averages has not been the answer; the real culprit in his mind was the very large classes that those ostensibly better-prepared and better-equipped students were going into. They simply could not provide them with the kind of education they needed on a first-year basis, and a great many more of them were dropping out of the 80 percentile entrants than had been the case in the sixties when entry was in the 60 percentile range.

• (1700)

It is not serving the interest of the students. This piddling effort to save $20 million or $30 million over the course of a year by forcing students to pay interest as soon as they graduate with money from jobs that are not there and will not materialize quickly is the ultimate in stupidity on the part of the government.

In this particular decision it has stooped to collecting pennies to try to resolve problems that are much larger.

We see the Prime Minister saying he will take a cut in salary of $3,000 or $4,000 per year. When I read that I was reminded of a decision by the Americans with regard to their first president, George Washington. He was apparently willing to work for nothing. After he had done so for one term in office, Congress added up the bills for all of his trips and his expenditures to maintain himself. It decided it had enough of a leader who worked for nothing. It would pay him something and would keep track of his expenditures.

I note this because it seems that international junkets have become a very expensive way for the leaders of this country to enjoy themselves. Cited earlier in the debate today was the Hong Kong—China—Japan excursion which cost nearly $1 million. A trip after that to Germany and parts of Europe cost in excess of $500,000.

If the government really is interested in saving money perhaps it could do so by toning down the lavishness of those kinds of trips. The $2,000 or $3,000 it is cutting from salaries pales by comparison.

It is time the government began to be realistic about the expenditures it does have control over and that it not try to pull a few dollars from students who are hard pressed to find jobs in this business climate.

Ms. Mary Clancy (Halifax): Mr. Speaker, I am of two minds about joining this debate this afternoon. It seems to me that I have risen many times in the past four and one-half years to talk about the abysmal state of government support for post-secondary education in this country.

However, this is the first time it has ever been incumbent upon me to stand up and talk about what I can only call a direct attack by this government on the students of this country.

My riding of Halifax has six universities within its environs and a seventh just outside. We have Dalhousie University, which is the largest university in Atlantic Canada and has its professional schools. St. Mary's University is a very large university as well and is famous for its engineering and business faculties, among others.

There is also the Technical University of Nova Scotia, the Nova Scotia College of Art and Design, the University of King's College, which is the oldest university outside of Britain in the British Commonwealth, and the Atlantic School of Theology. On the outskirts is my own alma mater, Mount St. Vincent University. Halifax has many students.

I happen to live very close to Dalhousie University and I also graduated from Dalhousie law school. I see students in my constituency office and my neighbourhood every single day. What do I hear constantly? I hear about their fears that they will not be able to pay their tuition, their fears that they will not be able to stay in school, their physical fears because in some cases there are too many of them crowded into small classrooms, and their fears because there are too many of them to ever get to see their professors. What are the reasons for this? I will tell the House.

The Atlantic provinces have the dubious distinction of having the highest tuition, the oldest physical plants and the lowest salaries in the entire country. At Dalhousie University the tuition was $1,466 a year in 1985–86. That was the highest in the country. At that same time tuition at the University of Guelph, for example, was $1,180. At McGill it was $570.

Mr. Althouse: I thought Bob Rae had the highest.

Ms. Clancy: This is 1985–86. If the hon. member from Saskatchewan wants to heckle, he should pay better attention.

The University of Ottawa had a tuition of $1,324; Lethbridge, $892; Simon Fraser, $1,290. Even then we were $250 above most universities in the country.

The tuition for 1991–92 is $2,195. That is an increase of 49.7 per cent in the hardest done by region in the country. Dalhousie in particular is famous for its national programs. Its law school, for example, of which I am very proud to be an alumnus, has a national school. We bring students from all over the country, but the majority of students are from Atlantic Canada.

We already know what the unemployment rate is in Atlantic Canada. We know what the unemployment rate is among young people. If you are between the ages of 15 and 24 in this country, this wonderful government that has brought you so many wonderful things has brought you an unemployment rate of 18 per cent.

That is a disgrace. In an industrialized country that is supposed to pride itself on what it does for its citizens, if we do that to our young people we have not really done very much for our country.

Mr. Stevenson: What was the unemployment rate in 1981–82?

Ms. Clancy: Excuse me. There is a voice howling in the wilderness, Mr. Speaker. I wonder if you would ask him to wait his turn, especially since he has probably never been near Atlantic Canada, or they would not let him in. At any rate—

Mr. Stevenson: I have a daughter going to university in Halifax.

Ms. Clancy: Then you do know, if you have a daughter going to university in Halifax—I am sorry I do not know the hon. member's designation—that she is paying the highest rate in the country. You do know that if she is going to university in Halifax that she and her colleagues have been occupying the administration offices of the universities in Halifax because of another 10 per cent raise in tuition fees. You do know if your daughter is going to university in Halifax that if she has a student loan she will have to start paying the interest on her student loan as soon as she graduates from university.

I went to university some 20 years ago. Oh, now he is whispering. Ah-hah. At any rate at least we quietened him down. I put myself through university. I was very lucky that there was a student loan program, a bursary program and summer employment. With those three sources I put myself through three university degrees. I paid back my student loan, as do the vast majority of students who take student loans in the country, religiously every month until it was paid off.

I can tell you, Mr. Speaker, when I finished university and went into my job as an articling student, I was very happy that I had that six months' grace period before I had to start paying my loan. That was when the unemployment rate was a whole lot lower than it is today. That was when the majority of students could walk out of their graduation exercises and find jobs. I hope the daughter of the hon. member who goes to university in Halifax, the member who was so knowledgeable a few minutes ago and was giving his opinion so vociferously, finds a job. I sincerely hope she does because damned few young people find jobs when they finish their university degrees. Everybody in this Chamber, right now, and everybody elected to this Chamber knows that is the truth. To say anything else is nothing but balderdash.

The student loans program is terribly important to students in this country.

My hon. colleague from Saskatchewan talked about the higher grades required to get into university. I have to say I am not certain I agree with him on that point that it is such a bad thing. University is not for everybody. Post-secondary education and training, yes, but not necessarily university. Some people go to university. Some people go to trade schools. Some people go to community colleges, whatever.

• (1710)

What we need to be aware of in this country is that there is a proper educational stream, that everybody does not go into the same cookie cutter factory, into the same educational stream. The university is a specific kind of learning environment just as the community college is another kind of learning environment and the trade school is yet another. They are no better and no worse, just different and diverse.

If you take away from the students of today the chance to get their heads above water, what are you doing to the entire program? What are you doing to the educational future? This government talks about being in favour of education and what does it do? It goes out and it slams students once again. What is going to happen to young people in Atlantic Canada? They are not getting jobs. This recession which the government is so quick to say is over is not yet over and it is particularly not over if you are a university student in Atlantic Canada.

I know because last summer I sat in my office and I saw a stream of young people who had pounded the pavement for days and weeks on end looking for jobs. They wanted jobs. They would have done anything honourable to earn money, but the jobs were just not there. That is heartbreaking.

At the same time that this government offers no assistance and no help for these young people who face an 18 per cent unemployment rate, it turns around and says: "Hey, the instant that you have that diploma and you walk out the door, you are responsible for the tuition". There is only one word for it and the word is mean. There is another word and the word is stupid.

My hon. colleague from Hamilton talked about keeping it simple, stupid, and he is right. What the government is doing here is not keeping it simple for students, it is not keeping it simple for their parents and it is not keeping it simple for the future of this country. It is making it complicated, it is making it difficult and it is creating a situation where bright, young Canadians are losing hope. They are losing a sense that their birthright includes the right to an education. They are losing the sense that their government really encourages them to find their proper educational stream and their proper education niche.

I think it is disgraceful and, more than that, I think it is un-Canadian.

The time has come to put programs in place that assist people. The time has come, not to cut the Canada Student Loans Program so that students are responsible earlier than ever before for their interest payments, but to restore established program funding. The time has come to give universities some much needed assistance. However, I fear that these pleas are falling on deaf ears. Well, soon the deaf ears will be gone.

Hon. Bob Kaplan (York Centre): Mr. Speaker, like the speaker before me, the member for Halifax who spoke so eloquently and well on this subject, I have the honour to represent university students as well in my riding at York University.

Before I begin to address the student loan issue, which is the one that I want to talk about mostly, I would like to explain a change that is occurring at York University which is very interesting and which reflects the performance of the Canadian economy.

York University, as I am sure all members would agree, is one of the great universities of Canada. It is a relatively new university that draws students from all across the country. More and more because of the economy, in a very interesting way, the students of York University are being drawn from the region of Toronto and from the area of the university itself. There is a desire on the part of a lot of young people to travel when they attend university in another part of our country. I think it is very enriching for students to be able to do that.

[*Translation*]

This enables them not only to go on to higher education but also to experience another region of the country. You might say that this strengthens Canadian unity, even if these people are going to English speaking communities. I am not speaking necessarily of being able to study in Canada's other official language, but of being able to learn a little more about the country and to share what they know of their own regions with other students from elsewhere.

[*English*]

An underlying premise of being able to go away from home for university is being able to pay for it. The adverse circumstances to which more and more Canadians have been driven by the economy makes it harder and harder for young people, either because they cannot get the kinds of jobs they need themselves or because their parents just cannot come across the way they would want to, the way they used to be able to in the more prosperous 1960s and 1970s.

People do not have the choice of going away to university. You find at big city universities more and more big city students. I think it is one of the regrettable developments that have followed from a worse and worse performing economy.

When I look at this measure, a measure which forces graduates to begin paying their university loans the day they graduate, even though it is harder than ever to find a job and the unemployment rate for young people is the highest of any age bracket, this government is imposing a measure on them which my colleague from Halifax put very well. It shows a kind of mean spiritedness that this government has toward the members of society who at various times in their lives need various kinds of assistance.

The bell that rang in my mind when I looked at this measure and thought about it was how it fits in with the most fundamental idea of this government, that the Reagan administration and the George Bush administration in the United States really knew how to do it right, that that is the government and those are the policies from which we should draw our examples.

We in Canada have had medicare for some decades now. It has been put forward as one of the great advantages of being a Canadian. We also have not free universities but compared to the United States, far more accessible universities. When young people made their minds up that they wanted to go to a particular university, it was not the tuition of a university as opposed to others. It was not the particular tuition that would be a deterrent to them.

There was federal government backing and provincial government backing at all universities which made them more or less equally accessible.

I know I probably made a statement that some Atlantic Canadians will find controversial because it is true that they are pushed more to the wall there and students have to pay higher tuition there than they do at York University.

I want to make the point and I think it is a valid point that two of the kind of shining benefits of being a Canadian were that we had health care and that our kids and our grandchildren could pick their university and pretty well be able to get into it with the kind of public support that there was.

These are not values of the American conservative or neo-conservative movement. In fact the values of the American neo-conservative movement are sink or swim. If you are not one of those people who is capable and you are not at the stage of your life where it is possible for you to swim, the other side of the coin in the American value system is that you sink.

I think our Prime Minister likes that. I think the most important cabinet ministers like that. As we had programs in health, university, industrial support or other programs of our government that have digressed from that, that have shown a tendency to share, to support each other, to use our government in a positive role and

not just the taxer, the equal playing field and so on but a government that cared for its people, they smelled a rat. The Prime Minister and the powerful ministers of this government have wanted to move more and more every aspect of our lives to harmonizing, a very musical expression but not musical in its impact on Canada, what we do in our country to the way it is done by neo-conservative value politics in the United States.

• (1720)

Why should our young people be able to go to university with the support of their fellow citizens and with the support of their government? They do not do that at Harvard. They do not do that at Yale. They have to pay their own way to get into a university like that. Why should students get support at Canadian universities?

I do not think I am exaggerating a point to say it is as simple as that; that these programs which cost us some money, which involve some commitment, which involve bringing our government into the picture, do not fit in the way the Conservatives want to see our society run. They do not exactly harmonize with the way things happen or have happened under neo-conservative governments in the United States and as fast as they can do it, they are going to be eliminated from the system in Canada.

This is a small measure, small in the over-all picture of multibillion dollar subsidy programs. We are only talking about a couple of dozen million dollars a year, which is big money, but not in terms of the over-all picture. When this is added to the harmonization picture which, if this government had its way, and if this government lasted for another year or two, would make Canada and the United States totally indistinguishable. We would become one of the poorer regions of the North American major economy, like the Appalachians or historically some other parts of the American empire that have been underprivileged, then we would be too.

I know I have run out of time. I want to close by saying I am certainly not meaning to make anti-American statements. I am not anti-American. Our party is not anti-American. However, we are not pro-American either. We are pro-Canadian.

We have developed some pretty good systems and some pretty good institutions in this country. The government opposite has it in its mind to harmonize them with the systems in the United States, to destroy the things we have created that make this society special.

Mr. John Reimer (Kitchener): Mr. Speaker, I do not know where the ideas behind the comments we have just heard about harmonizing things came from. That is not what is happening here at all.

We are streamlining a system, trying to make it less onerous on the student and transfer that burden to a person who has graduated. That is what we are doing.

It has nothing to do with harmonization of anything with any other country. All those comments are trying to do is create fear, as the Liberal opposition has done in the free trade debate and is now trying to do in this debate. It has nothing to do with the issue in this debate. I find it incredible how people can get up and make statements like that.

I had no intention of speaking on this bill, but sitting here in the House today, I am amazed at the rhetoric coming from the other side. It has nothing to do with the truth of what is in this bill. I am amazed at the statements being made over there to emphasize one point to the exclusion of all other factors. Eventually someone has to get up and say: "Wait a minute. Let's look exactly at what we are doing. Let's at least tell the truth about what's happening".

In order to try to do that, and we have 10 minutes to say a few things, let me begin with one question concerning the elimination of the six-month post-graduate interest subsidy. Is the government going to remove the 3 per cent tax on student loans? It is our intention to remove the 3 per cent tax on student loans. It could be called a 3 per cent administration fee on student loans that students take out when they undertake loans and they still are students.

Is not the elimination of the six-month interest subsidy merely the replacement of the 3 per cent tax or administration fee on student loans with an even more onerous charge? No, it is not. The 3 per cent guaranteed fee is charged at the time the student receives the loan. For students receiving maximum levels of assistance, the 3 per cent fee in effect reduces the amount of assistance received, because you deduct that 3 per cent administrative fee or tax.

On the other hand, the elimination of the six-month interest subsidy will affect only students after they have left school and are in a position where they have an opportunity to be working and starting to repay the loan.

Instead of putting the 3 per cent administration fee on to a person who is a student and cannot repay it, we are putting it on to the person at the end once they are not a student any more. That is an important ingredient to look at. We are transferring from a 3 per cent factor here while the person is a student as an administrative fee to eliminating the six-month subsidy once the person is no longer a student. I think that is an important point.

The additional financial burden will be minimal. For an average loan, the monthly payment will be increased by less than $5 a month. This is the net impact, an amount well within the financial capacity of most, if not all, students who have now graduated. In effect, the net effect of two measures, of eliminating the 3 per cent administrative fee or tax on the loan, to reducing the six-month subsidy is to shift the burden from students who are in school to individuals who have graduated and have the financial capacity to repay their loans. On balance, it is beneficial to the students who are in school.

What will be the impact of the elimination of the six-month post-graduation interest subsidy on students? The answer is that Canada student loans will continue to be interest free to students the entire time they are in school. That does not change. They are interest free while they are in school.

Second, borrowers will continue to have up to six months after completing their studies to make repayment arrangements with the lenders. However, during that six-month period they will be responsible for the interest now on their loans. However they have now graduated and they could even be working at this point.

Further, on an average student loan of $6,400—as we have heard because many have mentioned the average loan that a student has is in the neighbourhood of $6,400—with an interest fee, say, of 10 per cent, although today they are less than 10 per cent, borrowers would be responsible for interest of $54 a month for six months.

If this amount is added to the balance outstanding on the loan, it would increase monthly payments on the loan by $4.50 a month, a 5 per cent rise in monthly payments, and the person remember is no longer a student, they have now graduated and they may be working. Therefore the impact on them is minimal. In fact, it is far less than what we did before with the 3 per cent administrative fee or tax when they took out the loan while still a student. The student is further ahead with the streamlining of this program and the change that this program makes.

Further, with the removal of the six-month interest subsidy, does it mean that former students will no longer be able to apply for interest relief programs if they are unable to repay their debts?

We have heard a lot of rhetoric from the other side about that, so let us get at what the truth really is. The truth is that the removal of the six-month interest subsidy will not affect the current interest relief provisions that are there now. It does not change them. Under certain conditions the government assumes the interest charges on Canada student loans for a maximum of 18 months, during which time a former student is not required to make any payments. So for that 18 months the program continues. Former students are eligible to apply for interest relief if they are unemployed or by reason of inability to find employment or because of temporary illness or disability. They can apply for this 18-month period. That does not change because of what we are doing here in this bill. In addition to interest relief, students may also discuss modifications to their repayment schedule with lenders.

• (1730)

This afternoon I have been listening to members from the Liberal and the NDP parties talking about the GST. Every time they say GST it is almost like a swear word to them. They say, is it not awful there is GST on books. I agree with them. I have asked in every budget since we put it on that we remove the GST on books. So I agree with that but I do not treat the GST as some evil phenomenon that exists. It is simply a tax. That is all it is. Nobody likes taxes so I guess to that degree no one likes it.

Let me mention something else which none of them talked about. It is that students receive a GST tax credit. It is about $190 going over $200 depending upon how much money they earned that previous summer. They will get anywhere from $190 to $230 a year GST tax credit. That will more than offset any GST on their text books.

All those crocodile tears from over there are nonsense because students receive the GST tax credit. However no opposition spokesman mentioned that because they love misleading Canadians. That is their intent and that is what they do so well.

Another thing they said is that we have cut transfer payments. That is simply false. We have reduced the increase on Established Programs Financing. We have not cut it, we have reduced the increase. By reducing the rate of increase we are still increasing transfer payments but not at the same rate we used to. That is what they should be saying.

We have reduced the rate of increase but no, they do not say that. They say we have cut it. That is what they keep saying. It is totally false and misleading. There is no cut anywhere. It is a reduction in the rate of increase.

We should also remember that inflation is down. We have to face the fact that we have to share the burden of our national debt. That is also in the interest of the students at school today. If we can come to terms with both federal and provincial debt loads, let alone municipal debt load problems and what that does to the taxpayer, then the students who are in school today will be better off because we have come to terms with our national debt problems and with our deficit problems.

We as a federal government are saying it is time to share the debt problem. One of the ways is by reducing the rate of increase in EPF and having the provinces also pick up part of that share.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, I have looked at this bill and in fact I have spoken on it at second reading but this time around I would like to take a slightly different view because we are speaking on the amendments to the bill, specifically with respect to the Canada Student Loans Program.

I look on this as a two-part thing where the student, whether it be university or any other post-secondary institution, must find funding to be able to go to university. We look at the employment aspect during the school years and then secondarily and equally we must look at the ability of the person, once he or she has completed their university education or their post-secondary education, to find a job to be able to pay off the loans that they have made.

Employment during school dictates how much of a loan the student will have to apply for under the Canada Student Loans Program and then we have the ability or the inability of the student to find employment and pay back the amount that he or she has had to borrow.

Many of the previous speakers have pointed out the increase in cost of tuition, room and board, *et cetera*.

I refer to the member for Mississauga South when he said that students nowadays are better off than they were back when he was going to university. I would suggest that is just simply not true. It was much easier for our generation to get jobs. There were many more jobs in our days. I lived in the Kootenays in British Columbia. I was able to easily find a job whether it was in a pulp mill, a smelter or a sawmill. I could move from one to the other fairly easily during the summer and always have good solid employment at the top of the wage scale.

Now it appears the jobs have waned with technology, with cutbacks and with the competitiveness of these firms being of the utmost importance as opposed to looking at assisting our upcoming students and the future of our country.

We now have the Summer Employment Experience Development program called SEED. Unfortunately since 1985, over the past seven years, the funding for that program has dropped from $149.3 million in 1985 to $83 million today. So there is a substantial cut.

We also know that the average gross wage last summer for students was $2,261 with the average length of employment being 9.5 weeks, whereas six years ago it was 11 weeks as an average. The average hourly wage during that year was $6.07. For post-secondary students it was not much better. The wage was $2,804 for the period and the length of employment was 10.9 weeks with an average hourly wage of $6.59.

It is very difficult for students to get good, reasonable-paying jobs and they must turn to other sources such as the Canada Student Loans Program.

With that program there are problems. I received a couple of letters late last week from constituents. One was from a mother who spoke about the difficulty her son was having and this is the second part of getting a job once you are out. After having attended BCIT for several years, taking robotics and computer-aided drafting, he has been unable to get a job in these particular fields and unable to get a job that pays more than $600 gross per month. He lives in the Vancouver area now and he has had two jobs and a fairly substantial period of unemployment. He is finding it very difficult trying to pay off his Canada student loan because he cannot get employment.

We have the problem of trying to get employment for these people once they have training. On the other side is the difficulty with people that have to be streamlined through the system.

I had a fairly substantial letter from a constituent in Penticton. He set out some of the difficulties he had. Because of health problems he had to put off his education and it started the clock running on this six-month interest period. He ended up having major problems with the Canada Student Loans Program. He made some suggestions which I would like to read into the record.

First, he feels that we should develop procedures to allow students in their final semester to be eligible for interest free status even if they are registered for fewer than the required number of credits under existing student loan regulations if this smaller number of credits fulfils the required amount needed in order to graduate in that semester and if the student took a full course load the prior semester.

To be eligible, the student would have to present the educational institute with a form to be completed by the institution stating the student's needs only to complete the reduced number of credits in order to graduate. If a student fails to graduate at the end of that semester he loses interest-free status for that semester.

Second, he suggests that we develop procedures to allow students who find themselves in situations such as he suffered with his health to be eligible for interest free status if they are completing previous incompleted classes even though they are not technically registered that semester. To control possible abuse of this benefit the student must be completing a course load amount which would be considered full time if he was registered. This could also be applied to students who are registered for less than full-time course loads and are completing additional uncompleted classes.

• (1740)

To be eligible, a student would be required to present a form to the educational institute which could verify the student is actually completing classes. If the student does not complete the uncompleted courses in one semester then he loses the interest free status for that semester.

Third, he suggests developing procedures to allow a loan holder a larger window period when he or she is filing a schedule 1 for a first or second time with the example to allow the holder to file up to two weeks before his interest free period or previous schedule 1 period is to expire, not only after it has expired.

He believes that banks are willing to default the loan knowing the government will cover any defaults. The longer window period would allow the loan holder a longer period of time to alleviate problems that may arise, for example, an uncompleted form or improperly completed form and therefore avoid defaulting the loan.

Fourth and finally, he suggests that we develop procedures for quicker response from the Canadian government once the loan has been defaulted and turned over to the ministry in charge of collection of student loans. This would allow an individual such as himself to arrange payments and avoid large interest charges. It would also assist the collection agency in contacting or locating defaulting loan holders before they change location. The longer a loan goes unpaid, the more difficult it is to collect.

This person has actually come through the system and has used it because he needed it. He thanks both the federal and provincial governments for his ability to tap into a pool of funds that he could not otherwise have tapped into. It is important that we pay attention to the people who have used the program and the problems they have had in order to try and improve it.

What has happened in this particular case is that once again, the government has looked at the bottom line. It has ignored people once again. I pointed this out in speeches time and time again. It has to pay attention to the people it is trying or supposed to be serving.

Once the government learns that simple lesson, perhaps we will have a government that is a little more up to date and a little more in tune with what the students of this country actually require.

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BUDGET IMPLEMENTATION (GOVERNMENT ORGANIZATIONS) ACT, 1992

NOTICE OF ALLOCATION OF TIME TO CONSIDER SECOND READING STAGE OF BILL C-93

Hon. Tom Hockin (Minister for Science and Minister of State (Small Businesses and Tourism)): Mr. Speaker, I do not rise to question my hon. friend. I have a point of order.

I am told an agreement could not be reached under the provisions of Standing Order 78(1) or (2) with respect to second reading of Bill C-93, entitled an act to implement certain government organization provisions of the budget tabled in the House of Commons on February 25, 1992.

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 allotting a specified number of days or hours for the consideration and disposal of proceedings at the second reading stage.

Mr. Dingwall: Mr. Speaker, I find the remarks by the hon. minister to be rather inappropriate. Nevertheless, he believes strongly that the government should proceed in this way when in fact today, we are operating under the guillotine of a previous motion pursuant to Standing Order 78(3). Here again, we have another one with regard to another piece of legislation.

For the benefit of the Chair, if I could conclude—

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am sorry, but the hon. opposition House leader knows that this is only a notice and that it is possible the government will not follow through. I think it is premature to comment on a notice—which is nothing but a notice.

[*English*]

Mr. Dingwall: Mr. Speaker, in concluding my remarks, I just want to say through the Chair that we wish to serve notice on the government with regard to these particular bills which will now be going before the appropriate committees. I suggest to the hon. members that perhaps the co-operation which has been usually forthcoming from members of this side will certainly have to be reflected upon in view of these Draconian measures that the minister has taken in here today.

* * *

BUDGET IMPLEMENTATION (FISCAL MEASURES) ACT, 1992

MEASURE TO AMEND

The House resumed consideration 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, as reported (with amendment) from a legislative committee; and Motions Nos. 1, 3, 6, 9, 12, 14, 15, 16 and 17.

[*Translation*]

The Acting Speaker (Mr. DeBlois): It being 5:45 p.m., pursuant to an order adopted earlier today and pursuant to Standing Order 78(3), it is my duty to interrupt the proceedings and to put forthwith every question necessary to dispose of report stage of the bill now before the House.

The first question is on Motion No. 1, standing in the name of Mr. Duhamel. Is it the pleasure of the House to adopt the motion?

Some hon. members: No.

Some hon. members: Agreed.

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 negatived on the following division:

(Division No. 411)

YEAS

Members

Althouse	Anawak
Angus	Arseneault
Assad	Axworthy (Winnipeg South Centre)
Bellemare	Benjamin
Bevilacqua	Blackburn (Brant)
Blaikie	Boudria
Caccia	Catterall
Chrétien	Clancy
Copps	Dingwall
Ferguson	Finestone
Flis	Fontana
Gaffney	Gauthier
Gray (Windsor West)	Guarnieri
Harvey (Edmonton East)	Jordan
Kaplan	Keyes
Kilgour (Edmonton Southeast)	Kristiansen
Langdon (Essex—Windsor)	Laporte
MacLellan	MacWilliam
Marleau	McGuire
Mifflin	Milliken
Nault	Prud'homme
Samson	Simmons
Skelly (North Island—Powell River)	Stewart
Stupich	Tobin
Vanclief	Wappel
Whittaker	Wood
Young (Acadie—Bathurst)	Young (Beaches—Woodbine)—54

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bernier	Bertrand
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bouchard (Roberval)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Casey
Chadwick	Champagne (Champlain)
Charest	Chartrand
Clark (Yellowhead)	Clifford
Cole	Corbeil
Corbett	Côté
Couture	Crosbie (St. John's West)
Danis	Darling
DeBlois	de Cotret
Della Noce	Desjardins
Dick	Domm
Dorin	Duplessis
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Fretz	Friesen
Gérin	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Grey (Beaver River)
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Horner	Horning
Hudon	Hughes
James	Jelinek
Johnson	Joncas
Jourdenais	Kempling
Koury	Landry
Langlois	Larrivée
Leblanc (Longueuil)	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming—French River)	MacKay
Marin	Masse
Mazankowski	McCreath
McDermid	McDougall (St. Paul's)
McKnight	McLean
Merrithew	Mitges
Moore	Nicholson
Oberle	O'Kurley
Paproski	Redway
Reid	Reimer
Ricard	Robitaille
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Soetens	Sparrow
Stevenson	Tardif
Tétreault	Thacker
Thompson	Thorkelson
Tremblay (Rosemont)	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Valcourt	Van De Walle
Vankoughnet	Venne
Vézina	Vien
Vincent	Wenman
White	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—133

PAIRED—MEMBERS

Allmand	Bosley
Duhamel	Layton
LeBlanc (Cape Breton Highlands—Canso)	Littlechild
MacLaren	Sobeski

[*English*]

Mr. Speaker: I declare the motion negatived. I therefore declare Motions Nos. 3, 6, 9, 12, 14, 15, 16 and 17 negatived.

Mr. Boudria: Mr. Speaker, I think you would find that there would be consent to apply the same vote at concurrence. I would imagine that the government would probably want them in reverse though. In an effort to save time, you would probably want to ask for unanimous consent.

Mr. Edwards: Mr. Speaker, I think my friend's surmise is correct; the government would prefer that the result be applied in reverse.

Mr. Speaker: It has been suggested that the House accept the vote on the past vote to be applied in reverse on the next 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. 412*)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bernier	Bertrand
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bouchard (Roberval)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Casey
Chadwick	Champagne (Champlain)
Charest	Chartrand
Clark (Yellowhead)	Clifford
Cole	Corbeil
Corbett	Côté
Couture	Crosbie (St. John's West)
Danis	Darling
DeBlois	de Cotret
Della Noce	Desjardins
Dick	Domm
Dorin	Duplessis
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Fretz	Friesen
Gérin	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Grey (Beaver River)
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Horner	Horning
Hudon	Hughes
James	Jelinek
Johnson	Joncas
Jourdenais	Kempling
Koury	Landry
Langlois	Larrivée
Leblanc (Longueuil)	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming—French River)	MacKay
Marin	Masse
Mazankowski	McCreath
McDermid	McDougall (St. Paul's)
McKnight	McLean
Merrithew	Mitges
Moore	Nicholson
Oberle	O'Kurley
Paproski	Redway
Reid	Reimer
Ricard	Robitaille
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Soetens	Sparrow
Stevenson	Tardif
Têtreault	Thacker
Thompson	Thorkelson
Tremblay (Rosemont)	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Valcourt	Van De Walle
Vankoughnet	Venne
Vézina	Vien
Vincent	Wenman
White	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—133

NAYS

Members

Althouse	Anawak
Angus	Arseneault
Assad	Axworthy (Winnipeg South Centre)
Bellemare	Benjamin
Bevilacqua	Blackburn (Brant)
Blaikie	Boudria
Caccia	Catterall
Chrétien	Clancy
Copps	Dingwall
Ferguson	Finestone
Flis	Fontana
Gaffney	Gauthier
Gray (Windsor West)	Guarnieri
Harvey (Edmonton East)	Jordan
Kaplan	Keyes
Kilgour (Edmonton Southeast)	Kristiansen
Langdon (Essex—Windsor)	Laporte
MacLellan	MacWilliam
Marleau	McGuire
Mifflin	Milliken
Nault	Prud'homme
Samson	Simmons
Skelly (North Island—Powell River)	Stewart
Stupich	Tobin
Vanclief	Wappel
Whittaker	Wood
Young (Acadie—Bathurst)	Young (Beaches—Woodbine)—54

PAIRED—MEMBERS

Allmand	Bosley
Duhamel	Layton
LeBlanc (Cape Breton Highlands—Canso)	Littlechild
MacLaren	Sobeski

[*Translation*]

Mr. Speaker: I declare the motion carried.

* * *

BORROWING AUTHORITY ACT, 1992-93 (NO. 2)

MEASURE TO ENACT

The House resumed from Thursday, February 11, 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 third time and passed.

Mr. Speaker: Pursuant to Standing Order 45(6), the House will now proceed to the deferred division on the motion for third reading of Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992.

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

Government Orders

(Division No. 413)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bernier	Bertrand
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bouchard (Roberval)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Casey
Chadwick	Champagne (Champlain)
Charest	Chartrand
Clark (Yellowhead)	Clifford
Cole	Corbeil
Corbett	Côté
Couture	Crosbie (St. John's West)
Danis	Darling
DeBlois	de Cotret
Della Noce	Desjardins
Dick	Domm
Dorin	Duplessis
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Fretz	Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Horner	Horning
Hudon	Hughes
James	Jelinek
Johnson	Joncas
Jourdenais	Kempling
Koury	Landry
Langlois	Larrivée
Loiselle	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming—French River)
MacKay	Marin
Masse	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	McKnight
McLean	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Redway	Reid
Reimer	Ricard
Robitaille	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Soetens
Sparrow	Stevenson
Tardif	Tétreault
Thacker	Thompson
Thorkelson	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Valcourt	Van De Walle
Vankoughnet	Vézina
Vien	Vincent
Wenman	White
Wilbee	
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—128

NAYS

Members

Althouse	Anawak
Angus	Arseneault
Assad	Axworthy (Winnipeg South Centre)
Bélair	Bellemare
Benjamin	Bevilacqua
Blackburn (Brant)	Blaikie
Boudria	Caccia
Catterall	Chrétien
Clancy	Copps
Dingwall	Ferguson
Finestone	Flis
Fontana	Gaffney
Gauthier	Gérin
Gray (Windsor West)	Grey (Beaver River)
Guarnieri	Harvey (Edmonton East)
Jordan	Kaplan
Keyes	Kilgour (Edmonton Southeast)
Kristiansen	Langdon (Essex—Windsor)
Laporte	Leblanc (Longueuil)
MacLellan	MacWilliam
Marleau	McGuire
Mifflin	Milliken
Nault	Prud'homme
Samson	Simmons
Skelly (North Island—Powell River)	Stewart
Stupich	Tobin
Tremblay (Rosemont)	Vanclief
Venne	Wappel
Whittaker	Wood
Young (Acadie—Bathurst)	Young (Beaches—Woodbine)—60

PAIRED—MEMBERS

Allmand	Bosley
Duhamel	Layton
LeBlanc (Cape Breton Highlands—Canso)	Littlechild
MacLaren	Sobeski

Mr. Speaker: I declare the motion carried.

Bill read the third time and passed.

[*English*]

Mr. Speaker: It being 6.25 o'clock p.m. this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.25 p.m.

HOUSE OF COMMONS

Tuesday, February 16, 1993

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

INTERPARLIAMENTARY DELEGATION

COMMONWEALTH PARLIAMENTARY ASSOCIATION

Mr. Girve Fretz (Erie): Mr. Speaker, I have two reports to table, in both official languages, on behalf of the Commonwealth Parliamentary Association.

The first one is with regard to the CPA conference held in Nassau from October 7 to October 14. I would like to read into the record the titles of the debates which took place: democracy and the electoral process, democracy and the current trend to multi-party parliaments, the responsibility of democratically elected parliaments to ensure that governments practise sound financial management and promote stable economic development, the constant threat to democracy posed by poverty, environmental degradation and the population explosion, and removing the institutional, cultural and financial barriers to increase participation by women in the political process, and the final debate was on current political developments.

The second report was the CPA conference to mark the 40th anniversary of the Queen's accession to the throne held in London and Swansea from November 8 to November 14, 1992.

The topics dealt with were as follows: conservation of the environment in a world of interdependence, the management of resources with the GATT round, the CPA contribution to developing links with former and future CPA member countries, Commonwealth experience in combating threats to democracy, the relationship between Parliament and the civil service, and the CPA contribution to the encouragement of democratic development including election monitoring.

* * *

• (1010)

[*Translation*]

PETITIONS

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I would like to table a petition from people in Val-d'Or and Malartic in Abitibi, who say that violent movies on television are dangerous and therefore unacceptable, because they incite more violence.

They say that all toys that incite violent games are unacceptable and should not be made. They also say that freedom of the press in reporting 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 in order to eliminate violence in our society, so as to protect our children more and to give all our fellow citizens a better quality of life.

[*English*]

CHILD POVERTY

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, I have a petition to present from members of my constituency of Welland—St. Catharines—Thorold concerning the more than one million Canadian children currently living in poverty.

I would encourage this House to seek to achieve the goal of eliminating poverty among our Canadian children by the year 2000. It is a known fact that poor children will cause ever increasing cost to the administration of health care, justice and social welfare. Even more important, it will inhibit children from learning and

in that way they will not be prepared for employment as useful productive citizens.

I would urge this House to turn its full attention to eliminating poverty among our Canadian children by the year 2000.

YOUNG OFFENDERS ACT

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I rise today, in memory of Rosalynn Dupuis, to present a large number of petitions again asking that we draw the attention of Parliament to the fact that young offenders, especially offenders convicted of serious crimes, should be treated very seriously, that they should not be granted any form of parole without having some treatment objectives followed, that this is a serious problem with the Young Offenders Act, and that the government should reconsider and bring forward amendments to that effect.

IMMIGRATION

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is my privilege to rise today pursuant to Standing Order 36 to present a petition on behalf of a number of people throughout Canada who state that Immigration Canada has applied changes to section 6 of the Immigration Act, part of which includes the family class, and that the above changes affect those persons who wish to sponsor their parents and their parents' dependants.

The changes are as follows: dependants must be, first, under age 19 and unmarried; second, if under 19 years of age, in full-time attendance in college or university; and, third, children with a disability.

They state that this legislation will set up barriers to family reunification. Many parents and their children over 19 years of age will be separated. This will apply particularly to young women in India who traditionally remain dependent on their parents until they marry.

NORTH THOMPSON RIVER

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, I have a further petition to present with respect to Multinational Water and Power Incorporated. A private company has indicated its intention to the B.C. government to divert the North Thompson River near Valemount in order to sell one million acre feet of fresh water to California in the United States of America. This would amount to a 35 per cent reduction in the river flow at the point of diversion.

They are petitioning Parliament to urge the federal government to take whatever steps are necessary to ensure that our fresh water rivers will not be diverted into the United States of America and to pass legislation declaring that no Canadian rivers are for sale.

CHILD POVERTY

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, on November 24, 1989 the House of Commons unanimously passed the motion stating that this House express its concern for the more than one million Canadian children currently living in poverty and seek to achieve the goal of eliminating poverty among Canadian children by the year 2000. The elimination of child poverty in Canada requires just that, a commitment and an initiative among broad sectors of the Canadian public.

The petitioners from my riding and other parts of Nova Scotia want Parliament 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.

PHARMACEUTICALS

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, it is my pleasure to present petitions on behalf of a number of people who express concern about the effects of Bill C-91 and further ask for Bill C-22, which was passed in 1987, to be repealed.

They are concerned about the effect on the cost of drugs and on the cost of private plans, but more particularly provincial plans which might have to either increase premiums or reduce the benefits. They are asking that these actions be taken promptly.

* * *

[*Translation*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, if Questions Nos. 203 and 204 could be made orders for returns, those returns would be tabled immediately.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House that Questions Nos. 203 and 204 be deemed to have been made orders for returns?

Some hon. members: Agreed.

[*Text*]

Question No. 203—**Mr. Bellemare:**

With respect to the goods and services tax,

(1) what is the total value of the costs incurred prior to January 1, 1991, as absorbed by (*a*) the Department of Finance (*b*) the Department of National Revenue (*c*) other government departments and agencies

(2) of the total value of the costs referred to in (1), above, how much was spent in (*a*) salaries and benefits for permanent employees
(*b*) salaries and benefits for contract employees
(*c*) other forms of contracts

(3) of the total value of the costs referred to in (1), above, how much was spent in each of the following categories (*a*) television advertising
(*b*) radio advertising (*c*) newspaper advertising
(*d*) magazine advertising (*e*) assorted publications
(*f*) other forms of publicity (*g*) preparation of speeches by
(i) in house personnel (ii) outside contractors (iii) others
(*h*) agency fees (*i*) other publicity related expenses

(4) what is the total value of the expenses described in (2)(*b*), (*c*), and (3), above, and which were incurred as a result of public tenders

(5) what is the total value of the expenses described in (2)(*b*), (*c*), and (3), above, which were incurred without public tenders

(6) how much of the expenses refered to in (1), above, were incurred prior to the Royal Assent of Bill C-62, the G S T enabling legislation?

Return tabled.

Question No. 204—**Mr. Bellemare:**

With respect to the administration of the Goods and Services Tax, from January 1, 1991, to the date on which this question is answered,

(1) what is the total value of its costs?

(2) how much of these costs have been incurred by
(*a*) the Department of National Revenue
(*b*) the Department of Finance
(*c*) other government departments and agencies

(3) how much of these costs has been spent in
(*a*) salaries and benefits for permanent employees
(*b*) salaries and benefits for contract employees
(*c*) other forms of contracts

(4) how much of these costs was spent on each of the following categories
(*a*) television advertising
(*b*) radio advertising
(*c*) newspaper advertising
(*d*) magazine advertising
(*e*) assorted publications
(*f*) other forms of publicity
(*g*) preparation of speeches by
(i) in house personnel (ii) outside contractors (iii) others
(*h*) agency fees
(*i*) other publicity related expenses

(5) what is the total value of the expenses described in (3)(*b*), (*c*), and (4), above, which were incurred as a result of public tenders

(6) what is the total value of the expenses described in (3)(*b*), (*c*), and (4), above, which were incurred without public tenders?

Return tabled.

* * *

[*Translation*]

STARRED QUESTION

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call starred Question No. 207?

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to proceed to starred Question No. 207?

Some hon. members: Agreed.

Mr. Langlois: Mr. Speaker, given the length of the reply, I ask that it be printed in *Hansard* without being read.

The Acting Speaker (Mr. DeBlois): Is it agreed?

Some hon. members: Agreed.

[*Text*]

*Question No. 207—**Mr. Duhamel:**

1. What is the total amount of revenue collected by the government from the goods and services tax since January 1, 1991 and what has been the total amount spent on (a) advertising (b) tax credits (c) GST rebates (d) set-up costs (e) other expenses associated with the implementation of this tax?

2. What is the total of GST revenue placed in the debt service reduction Account and what is the current balance of the account?

Mr. Charles A. Langlois (Parliamentary Secretary to the Leader of the Government in the House of Commons): I am informed as follows:

1. The total amount of net revenue collected by National Revenue, Customs and Excise from the goods and services tax since January 1, 1991 to November 30, 1991 is $12.176 billion.

(a) Advertising (Year 1991)	
GST Consumer Information Office	$6,967,475
Department of Finance	$4,122,739
Revenue Canada, Taxation	$907,000
Customs and Excise	Minimal advertising after December 31, 1990 as the last major campaign was immediately after Royal Assent on December 17, 1990.

For more information, see replies to Questions Nos. 203 and 204 tabled this day.

(b) Tax credits	$2.370 billion
(c) GST refunds and rebates	$7.090 billion
(d) Set-up costs	
GST Consumer Information Office	Included in Part (e) below (Records cannot be separated)
Department of Finance	Nil
Revenue Canada, Taxation	Not applicable
Customs and Excise	$272.7 million (Total planning and preparation costs since inception)
(e) Other implementation expenses	
GST Consumer Information Office 1991-92 (to Dec. 31, 1991)	$3,736,289 including set-up costs
Department of Finance Since 1991	$3,119,898
Revenue Canada, Taxation Since 1991	$60,598,000
Customs and Excise	included in (d) above

For more information, see replies to Questions Nos. 203 and 204 tabled this day.

2. As of November 30, 1991 the government has transferred $9.6 billion to the Debt Servicing and Reduction Fund. These moneys represent total revenues received from the GST since January 1, 1991 net of repayments and credits.

[*Translation*]

Mr. Langlois: Mr. Speaker, I suggest that the remaining questions be allowed to stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

BUDGET IMPLEMENTATION (GOVERNMENT ORGANIZATIONS) ACT, 1992

ALLOCATION OF TIME TO CONSIDER SECOND READING STAGE OF BILL C-93

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

That, in relation to Bill C-93, an act to implement certain government organization provisions of the budget tabled in the House of Commons on February 25, 1992 not more than one further sitting day shall be allotted to the consideration of second reading stage of this bill; and

That, fifteen minutes before the expiry of the time provided for government orders on the day allotted 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 to dispose of the second reading stage of the bill shall be put forthwith and successively, without further debate or amendment.

The Acting Speaker (Mr. DeBlois): The House has heard the terms of the motion. 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. 414*)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bernier	Bertrand
Bird	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bouchard (Roberval)
Boyer	Brightwell
Browes	Cadieux

Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Corbett
Couture
Danis
Della Noce
Dick
Domm
Edwards
Fee
Ferland
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
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Hughes
Jelinek
Joncas
Koury
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MacDougall (Timiskaming—French River)
Marin
Mayer
McCreath
McLean
Mitges
Moore
Oberle
Porter
Redway
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vézina
Vincent
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Corbeil
Côté
Crosbie (St. John's West)
de Cotret
Desjardins
Dobbie
Duplessis
Epp
Feltham
Fontaine
Friesen
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
James
Johnson
Kempling
Landry
Larrivée
Loiselle
MacDonald (Rosedale)
MacKay
Martin (Lincoln)
Mazankowski
McDermid
Merrithew
Monteith
Nicholson
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Roy-Arcelin
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NAYS

Members

Allmand
Anawak
Arseneault
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Benjamin
Blaikie
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Catterall
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Ferguson
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Grey (Beaver River)
Harb
Althouse
Angus
Axworthy (Winnipeg South Centre)
Bellemare
Bevilacqua
Blondin-Andrew
Butland
Campbell (South West Nova)
Clancy
Copps
Dingwall
Duceppe
Finestone
Foster
Gaffney
Gauthier
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Milliken
Nault
Nunziata
Ouellet
Peterson
Prud'homme
Samson
Skelly (North Island—Powell River)
Stewart
Tobin
Wappel
Wood

PAIRED—MEMBERS

nil/aucun

• (1100)

[*Translation*]

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

[*English*]

MEASURE TO ENACT

The House resumed from Friday, February 5, 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.

The Acting Speaker (Mr. DeBlois): I wish to bring to the attention of the House a matter arising out of the debate on Friday, February 5, 1993 on Bill C-93, an act to implement certain government organization provisions of the budget tabled in the House of Commons on February 25, 1992.

[*Translation*]

On rereading *Hansard*, the Chair was made aware that in the debate on second reading, the hon. member for Cariboo—Chilcotin had moved that the question be now put, as reported on page 15483. Unfortunately, the Chair inadvertently overlooked this motion, which as a result was not formally put to the House.

[*English*]

Therefore I will now propose to the House the motion duly moved on Friday, February 5, 1993 by Mr. Worthy that the question be now put.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I am very pleased to have this opportunity to speak on Bill C-93, wherein the government is saying it is going to do away with organizations it really does not feel have any further use.

I would like to say that is not the case. Of the organizations listed in Bill C-93 I want to concentrate on the changes to ACOA, the Atlantic Canada Opportunities Agency, and Enterprise Cape Breton Corporation.

It was not very long ago when Enterprise Cape Breton Corporation was set up by this government. Set up can be used in any way you choose. You can say that it was formed or put into existence as a transient measure.

When this government took office in 1984 regional development in Cape Breton was through the Department of Regional Industrial Expansion and through Cape Breton Development Corporation. The Cape Breton Development Corporation had two different parts. One was the coal division which looked after the coal-mining industry and the other was the industrial development division. Funding was given to the industrial development division for industrial development on Cape Breton Island.

This government decided it wanted to shut down the industrial development division of Devco and would set up a corporation it would call ECBC, the Enterprise Cape Breton Corporation. This was supposedly to take over the operations of the industrial development division of the Cape Breton Development Corporation. Already in existence at that particular time was Enterprise Cape Breton which was put into place when DRIE, the Department of Regional Industrial Expansion, was done away with. We had Enterprise Cape Breton and now the government was setting up Enterprise Cape Breton Corporation.

It was not very difficult to see that the idea was to try to merge the two, get rid of one or both of them. The government got rid of Enterprise Cape Breton. Now it is getting rid of Enterprise Cape Breton Corporation. The regional development initiative, except for ACOA on Cape Breton Island, is going to disappear.

The fact of the matter is the government's statement that there is no need for this organization is absolutely false. Nothing could be farther from the truth. I do not know how the government can say this when the rate of unemployment on Cape Breton Island is worse now than when the corporation was set up initially. How can it possibly be said there is no further use for it when it is obvious, as people, the statistics and the people in government will tell you, that the need is greater?

What we are getting here is a sleight of hand against and at the expense of the people of Cape Breton Island.

This does not seem to be the attention that the people of Cape Breton or indeed any part of Canada should be receiving from their own federal government. To say that the Atlantic Canada Opportunities Agency is going to be able to pick up the activities of this organization is absolutely false. There is going to be a reduction of activity in industrial development on Cape Breton Island at a time when it is tremendously important to the region.

One example which is of significant importance is that under the Atlantic Canada Opportunities Agency Act the agency is not allowed to own land. Enterprise Cape Breton Corporation is allowed to own land and it has two important facilities: one is Sydport Industrial Park in Point Edward just outside of Sydney; the other is the experimental farm on Cape Breton Island.

• (1110)

The industrial park is of tremendous importance. It is on tide water on Sydney Harbour offering rail siding and a particular access road. It also offers wharf space and a large area of land.

What in the name of Heaven is going to become of this park? Is it going to be turned over to the municipalities? We do not know for what use. We also have to recognize that the municipalities, being in the financial condition they are at the present time, are not in a very solid state to be able to take over this facility.

Even more important is the experimental farm. There is a provincial demonstration farm on the mainland in Kentville. This farm, operated by Enterprise Cape Breton Corporation, deals with agriculture in its specific unique state in Cape Breton Island.

It has been proven that what is applicable in agriculture either through crops or animals is not necessarily applicable on Cape Breton Island. The climates are different, as well as the topography, the soils and the terrain.

The fact of the matter is there was no way of determining how to best attract agricultural activity to Cape Breton Island until this demonstration farm was put into effect. Now it has shown to be a tremendous success. It has increased the agricultural activity on Cape Breton Island tremendously and the government is saying it may have to close because ACOA cannot own land.

There has been discussion with the minister responsible for ACOA, who is also minister of fisheries. I think he is sympathetic to the continuation of this farm because of the success the farm has had. The fact of the matter is: Where is the initiative and the acceptance of Agriculture Canada to take over the operation of this farm? We have not seen it at all. The budget last year discussed the closure of ECBC and the fate of the farm, and the fact is we still do not have any initiative from Agriculture Canada.

It is not right that the people of Cape Breton Island should be treated in this cavalier fashion, particularly since the economic problems are so daunting. We have never had the fishery in a worse condition. Tourism is down because of the GST and gasoline prices and the very nature of tourism now in the United States. People are taking shorter vacations rather than the long family vacations they once were. The forestry industry has its difficulties. The steel industry is drastically reduced. The coal industry is reduced.

Now the government is saying it is going to take away the initiatives and the stimuli that Cape Breton should have in order to attract new industry. It is counterproductive to the best interests of the people of Cape Breton Island.

The government was told this when it did away with the industrial development division of Devco. It has been told repeatedly of the consequences, yet it is steamrolling ahead with this conceived idea that the people do not matter.

The people do matter. If the government would recognize that the people matter and recognize what is good for Cape Breton Island, it would not do away with Enterprise Cape Breton Corporation.

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, I enjoy the opportunity of entering into this debate dealing with Bill C–93 and only regret that it had not gone to committee before Christmas. However, after a couple of days debate it is time now to move ahead and get it to committee so it can be dealt with in detail.

I rise to enlist the support of members of this House to ensure swift passage through second reading of the legislation which is before us. I am particularly interested in part (e) of the bill, the merger of the Procurement Review Board of Canada with the Canadian International Trade Tribunal.

This merger streamlines government administration through the creation of a new entity called the international trade and procurement tribunal, or ITPT, which will combine the strengths of the CITT and the PRB and report to Parliament through the Minister of Finance.

The merger also paves the way for an improved bid challenge mechanism that more suppliers of government procurement need that can be used to appeal contracts they feel have not been awarded fairly. In fact, the legislation positions the ITPT to meet all of the government's current and future bid challenge responsibilities.

For the short time that the free trade agreement has been in place and considering the limited scope imposed upon the PRB under the free trade agreement, the PRB has under the guidance of the former chairman, Gerry Berger, and the present chairman proved to be an inexpensive, speedy and even–handed alternative to the court system.

Indeed, they have set up an impressive set of laws, regulations and policies which ensure that suppliers will be dealt with fairly. Now suppliers seeking recourse when they feel they have been denied a fair opportunity to bid have found the PRB to be an extremely responsive vehicle.

In fact about 5,000 Supply and Service Canada procurements out of almost 300,000—about 2 per cent of our procurements each year—fall within the scope of the FTA. These are all potentially subject to the PRB and the PRB has handled some 95 complaints since its inception in January 1989. The majority of these were raised by Canadian suppliers who felt they had been unfairly treated.

Indeed, as a result of the decisions, if read, you will find that about one-third of those have been sustained to the point that they felt the procurement had not followed the rules laid down by government legislation and regulation. This gives a good opportunity for the suppliers to bring their complaints and indeed for procurement officers in various federal government departments to be more aware of how they should handle their procurements in a level playing field.

Suppliers tell us they are pleased with the transparency of this quasi-judicial review authority. It brings a good bit of honesty to the federal procurement system. They have also appreciated the board's informal and expedient approach. Complainants have felt that the PRB dealt with them fairly and they have appreciated not having to incur the time and expense of court hearings.

The board has given short shrift to frivolous complainants. It has not been used as a delaying or leveraging tactic, nor has it been used to distort the competitive market.

Similar to the Procurement Review Board, the guiding principles of the ITPT will be to promote an open, fair, impartial and transparent procurement process. The new tribunal will function in a timely and effective manner with the powers to receive complaints, conduct inquiries and to make determinations.

Naturally the ITPT would first assume the PRB's former role so that the merger does not disrupt the service to suppliers and Canada will continue to fulfil its obligation under the FTA.

However, many companies in industry associations have suggested that a similar form for redress should be available to suppliers on a broader range of federal procurements, indeed federal procurements which we make just within the government and are open to only Canadian suppliers. The legislation before us opens the way to such a forum.

If we are truly committed to ensuring the integrity of fairness of government procurement then we must also be committed to ensuring that it is capable of withstanding independent third party scrutiny.

At the federal level we have already taken a number of steps, for example through the open bidding policy to achieve greater access, fairness and openness for all potential suppliers. Open bidding was an important and welcome development for suppliers. Simply put, more businesses can now access the federal market. There was nowhere to go to complain if one of them thought there was something wrong with the way the contract had been awarded.

• (1120)

The only avenues were through the departments, first of all to the procurement officer who perhaps awarded a competitor the contract, then to the deputy minister and then to the minister. With this new system the people will be able to direct it to an arm's length, third party tribunal, which will give them a fair hearing.

As I mentioned earlier, the first obligation under the FTA will be continued and then the broadened bid challenge mechanism would be introduced, which would encompass purchases covered by Supply and Services Canada's open bidding policy.

That is all the contracts which Supply and Services Canada puts out to tender of over $25,000. Generally speaking, that is good and makes sure that the playing field will be level for all suppliers. That amounts now to more than $4 billion annually that we opened up for challenge under this new mechanism.

We will set up this broadened bid challenge mechanism by establishing regulations that will allow appeals of these contract awards to the ITPT.

The introduction of such an appeal mechanism will be a landmark event for Canadian companies that supply goods and services to the federal government. It would challenge the whole federal procurement system to be squeaky clean.

Suppliers of commodities covered by the open bidding policy would then have recourse to the type of indepen-

dent bid challenge mechanism that suppliers of federal government requirements covered under the FTA now enjoy.

Later if Canada, the U.S. and Mexico ratify the North American free trade agreement or when the GATT introduces perhaps a wider scope and insists on an independent third party mechanism, the ITPT will be in a position to serve as a required bid challenge mechanism for contracts covered under the FTA, GATT, or any other international agreement.

In the case of NAFTA that chapter covers virtually all government contracts for goods and services with a value of more than $50,000.

Eventually most federal procurements, not just the portion carried out by my department but also that portion carried out by other federal departments, will be subject to ITPT scrutiny.

The new tribunal will retain the PRB's rapid response and informal hearings. I envision that for all but the biggest cases decisions will be made by one member rather than a panel. The preference will be for file hearings consisting of tribunal members' review of the government files. In other cases hearings could be conducted by telephone or through an exchange of letters. In fact in-person hearings would only be held when necessary, not as a matter of course.

The PRB approach of minimizing the need for lawyers will also be retained. Sorry about that. There will be no prerequisite to have legal representation before filing or proceeding with a complaint.

The experience with the PRB under the free trade agreement was the first for a Canadian bid challenge mechanism. It has taught us a lot. For one thing we saw that we did not have to follow the U.S. model which was complicated and adversarial, more closely resembling a court proceeding.

Instead we came up with a uniquely Canadian solution. We set up an informal tribunal with the power to investigate, to obtain relevant facts from the government and to conduct hearings in a non-adversarial climate that featured a refreshing absence of red tape. Suppliers and buyers have both gained from the PRB experience.

This does not mean that we cannot make mistakes. I have 1,600 procurement officers in Supply and Services. We do over 1,000 contracts every working day. We in the department are very encouraged by this new process of open bidding and by the openness of the appeal mechanism which this legislation is going to put in place.

I encourage all members of the House to give speedy passage to this so that we can get it into committee and out of committee and in place so that the suppliers of Canada, the taxpayers of Canada, the industries in this country will have a way of making sure that there is a level playing field when they want to bid on federal government contracts.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, each day, each week, each year that passes the credibility of this government becomes more strained. Each budget the government brings before this House makes it more difficult for the people to believe that the government has any plan to get Canada out of the deficit-debt syndrome in which we find ourselves.

Each year for the last eight or nine years the government has told the people of Canada that it is raising taxes and cutting expenditures so that it can get rid of the deficit and start working on the debt. What has happened? Each year we have been promised that it would get the deficit under control but the level has stayed the same. We have had more taxes, we have had the GST, we have had a variety of taxes foisted on us. We have had cuts in every part of every department. It has had no impact on the deficit and the debt. In fact, the debt of Canada has increased to something over $400 billion from less than $200 billion eight years ago.

None of the policies, none of the cuts, none of the tax increases that the government has indicated as part of their policy, part of their planning, has made any difference to the level of debt. As economic predictors, as economic controllers, the government has been a total failure.

We come to Bill C-93. This bill is cited as budget implementation, as government organization. Among those changes are a number: Agricultural Products Co-operative Marketing Act, Agricultural Commodities Marketing Act, Agricultural Canada Opportunities Agency, the Canadian Council for the Arts has been changed to the Canadian Council for the Arts and for Research in Social Sciences and Humanities. It also changes things like the Intellectual Properties Act.

It is an omnibus bill which does a lot of little things but does nothing to improve the economy of Canada, nothing for the people of Canada and nothing to create more jobs. It does nothing to increase the agricultural funding that is necessary. Not one of the changes in this bill has anything to do with improving the economy of Canada; not one of these changes is aimed at increasing the effectiveness of the economy of Canada.

This is a case, as a former speaker said when speaking to this bill, of Nero fiddling while Rome burns. It is wide-ranging legislation which makes changes in the structure of a number of organizations that have given this government and previous governments good advice and made the people of Canada knowledgeable about why changes were being made, why the government was doing certain things, and putting before the government good reasonable kinds of changes which would improve the structure of economic development.

The wide-ranging changes that are being suggested now are not being suggested to increase the quality of economic decisions made by this government. It is not being recognized for economic reasons. The organizations that are being cut, pressed together, eliminated in this bill are being messed around with to the point where their basic thrusts in advising the government cannot be focused on the area where they have the most control. In fact, the intention seems to be exactly the opposite, to give the organizations which are being kept and added to such a broad focus that they will not be effective in any of their advice. While the debt keeps growing, while the deficit remains the same and while the economy continues to decrease, the number of jobless increases.

• (1130)

This bill will change the Canada Council for the arts to the Canada Council for the Arts and for Research, Social Sciences and Humanities. None of the communities involved by the agencies being affected have been consulted on this change. None of them were consulted when these changes were suggested initially by the Minister of Finance. If they had been consulted, the action would probably have been quite different.

Approximately 14 years ago, these two organizations, arts and humanities and social sciences, were separated because it was recognized that one organization representing about 250,000 artists did not fit within the same area as an organization representing social sciences and humanitarian research in 100 or so universities and colleges across the country. The change to split the two organizations was carried out 14 years ago in consultation with the people involved, with the universities and with the artists of Canada. It was supported by both communities.

What has the government done now? It will tell you it is making this change to save money. However, its record is not good. The quality of previous organizations could have been kept and the cost reduced with the focus of those organizations kept upon the areas most concerned about advice being given to the government. The record of the government is not good because as it has made these cuts across the board with organizations of this type. The effective results of those cuts has not reduced the deficit but has reduced the effectiveness of the organizations. These two communities will not be well served by this division and possibly by the dilution of funding.

I suspect and so do both the arts and humanities and social sciences communities that the real aim of this amalgamation is to reduce the funding for both groups. Research funding has already taken major cuts. It is likely that this action and this bill will further cut research funding to the social sciences and humanities.

If the government's past record on effectiveness in reducing the deficit stays the same, we cannot expect anything but reduction in the effectiveness of the organizations and less value for the money that we do spend. Fourteen years ago there was no clear link between these two organizations. There is no clear link now.

It is time to get down to job creation, to effective agricultural policy funding. Now is not the time for doubtful and thoughtless changes with no real aim in improving the life of Canadians.

[*Translation*]

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, I would like to add a few words to this debate and start with the general thrust of this bill.

[*English*]

I would like to borrow a parallel from the environment and reflect for a moment on how this government is beginning to act. Actually it has acted for some time like a dinosaur. This dinosaur is in a particular frame of mind, if it has any. The dinosaur is in the throes of death and is becoming dangerous to those it purports to govern, is in a demolition mood and in that mood is more and more voracious.

As you may recall, from when we debated Bill C-63, the dinosaur had already destroyed through that measure a number of very fine Canadian institutions. Among them was the Economic Council of Canada which was a very valuable tool to the government in providing policy alternatives in economic planning and development.

The dinosaur destroyed the Science Council of Canada. I do not need to describe its merits. I am sure everyone is well aware of what it did to inform Canadians about scientific thought and its development. It took some very valid initiatives.

At that time, and I am referring to November 30, 1992 when that bill was passed by the House of Commons, the Law Reform Commission was not spared by the dinosaur. Again I do not need to describe the merits of the Law Reform Commission, they were self-evident. It was providing the cutting edge of thought in penal reform.

The Canadian Institute for International Peace and Security was also a victim of that particular misbehaviour. I might add that the Centre for Ocean Development did not escape the rage of this particular government.

It was not enough for the dinosaur. The bill we are discussing today is the expression of its desire to demolish more. Today we are debating a measure which among other things would remove or abolish the Canada Council for Arts. Actually it would compress into one council the existing but separate Canada Council and the Social Sciences and Humanities Research Council. In other words, it would make one body out of two.

We have received a number of letters on the part of people who are in charge of universities, people of academic background, in fact the entire academic community who have reacted very strongly in opposition to this measure. Unfortunately, the dinosaur does not have ears and its memory is very short as I will point out briefly.

Another measure being proposed in this bill is the elimination of Emergency Preparedness Canada which on the whole had the potential to become a very useful instrument for the protection of the public in case of emergency. One has only to think of what happened in Manitoba in the town of Oakville at Christmas. Imagine accidents of that kind, particularly those related to derailments of trains which are carrying dangerous goods, something that requires the existence and the active work of an agency that would be continuously ready for the protection of the population. Unfortunately part V of Bill C-93 proposes the elimination of Emergency Preparedness Canada.

• (1140)

I would also like to bring to your attention the proposed elimination of the Petroleum Monitoring Agency which had an important mandate to the Canadian consumer to provide the government and the public with comprehensive and objective information on the performance of the petroleum industry in Canada.

While this obsession on the part of this dinosaur, whose main political agenda seems to retreat from governments and do less and less in its role as the protector of the public interest goes on, we notice another phenomenon arising. This dinosaur in its death throes is also showing signs of amnesia. It is forgetting promises it made to Canadians through some highly publicized documents some two, three or four years ago. In the limited time available I will only be able to cover a couple of those promises.

Let me draw your attention to the promises made by the government in the field of water policy. Here we discover the promise of a drinking water safety act which was a component of the federal water strategy the government produced in 1987. It has been six years since that promise was made and nothing has happened. The drinking water safety act was mentioned again in the green plan in 1990 which the government promised it would introduce in 1991. Canadians are still waiting for that promise to be kept. Obviously amnesia is creeping and galloping in the brain of this enormous dinosaur called the present Government of Canada.

The other matter I would like to bring to your attention is the promised control of toxic chemicals. Here we find some very disturbing facts. When it comes to the priority list of substances to be assessed for the purposes of the Canadian Environmental Protection Act only 5 out of 33 chemicals have been studied as they ought to have been studied.

On the issue of toxins entering Lake Ontario and the Niagara River we find another very disturbing matter. Of the 18 toxins persistently entering the waters of the Niagara River, 8 are still being regulated. Yet the government has promised to reduce the flow of toxic chemicals into the Niagara River by 50 per cent by the year 1996. This amounts, among other things, to some 1,500 kilograms of toxic substances entering the river every day. I understand you are anxious to bring an end to this litany of unkept promises, but I have to abide by your rules and I hope to have another opportunity to continue.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, it is unfortunate that we have to go through closure and time limitation restraints on this because I think the time would be better spent in committee reviewing these changes in more detail. I would like to discuss aspects of Bill C-93 and will start with the Agricultural Products Board.

Bill C-93 provides for the winding up of the Agricultural Products Board. Over the years the board has provided the important service of stabilizing markets for agricultural commodities. We believe that 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.

The Atlantic Canada Opportunities Agency will now bring under its roof the ECBC which is Enterprise Cape Breton Corporation, the Cape Breton Development Corporation. The corporation will be dissolved and all of its rights, property and obligations will be assumed by ACOA. The ECBC programs will continue but there will be no duplication or overlap through the competing agency, ACOA. Those changes were tabled in the budget speech February 25, 1992.

Bill C-93 will also result in the creation of a new single cultural agency by combining the Canada Council and the Social Services and Humanities Research Council. I want to emphasize that despite fiscal pressures on our government we have continued to provide significant levels of funding for the arts and humanities. We believe that Canadian culture has a vital role in fostering a vigorous and united nation, so those changes will be good.

The new council will deal with the full range of cultural matters including international cultural programs and international academic relations 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.

Also under Bill C-93 we propose to fold the Canadian Commercial Corporation, otherwise known as the CCC, into the Department of Supply and Services. The minister has just spoken on that so there is not much more to be said.

We are proposing an incremental dissolution of the CCC which would not be finalized until the Minister of Supply and Services is satisfied, as he mentioned this morning, that there will be no detrimental effects upon our exports or trade relations with other countries. In the interim the CCC will continue or remain a corporate entity.

Also under Bill C-93 we are taking a look at Emergency Preparedness Canada which began as a civil defence organization in 1948 with the Department of National Defence. Its title, mandate and structure changed a number of times during the first 40 years and EPC became a separate agency with the passage of the Emergency Preparedness Act in 1988 which replaced the War Measures Act.

As part of this initiative the government also proposes in part V of this bill that Emergency Preparedness Canada be folded back into the Department of National Defence. This is an appropriate action given the fact that EPC was housed with DND prior to 1988 and still reports to the Minister of National Defence.

Part VI of Bill C-93 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 ERC and PCC, the new commission will be independent of the RCMP and will deal with public complaints concerning the conduct of

RCMP officers and review appeals and grievances from members of the RCMP.

• (1150)

Consolidating these two similar agencies will achieve savings in administrative overhead, eliminate duplication of services and allow for increased efficiency in program delivery, both to the public and to members of the force. I encourage members of the House to support this bill and facilitate its speedy passage.

Part VII of Bill C-93 deals with the Intellectual Property Tribunal. Bill C-93 will encourage efficiency gains to be realized by merging the Copyright Board, the Trademarks Opposition Board and the Patent Appeal Board to form the new Intellectual Property Tribunal, otherwise known as IPT. 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 how royalties should be divided, including those generated by the retransmission of television and radio signals. The IPT will also arbitrate disputes and copyright royalties and decide opposition and cancellation proceedings arising under the Trademarks Act.

Part VIII of Bill C-93 deals with the International Trade and Procurement Tribunal. The bill provides for the merger of the Procurement Review Board and the Canadian International Trade Tribunal, otherwise known as CITT. Following the merger the new organization will be named the International Trade and Procurement Tribunal or ITPT and will report to Parliament through the Minister of Finance.

The Procurement Review Board was established under part II of the Canada-U.S. Free Trade Agreement Implementation Act in 1988.

Part IX of Bill C-93 deals with the Petroleum and Monitoring Agency. The government intends to wind up the Petroleum Monitoring Agency known as PMA. 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 reports as requested by the Minister of Energy, Mines and Resources to whom it currently reports.

The Veterans' Land Administration is part X and the final chapter on this re-administration. It provides that the Veterans' Land Administration Act be wound up and its functions and responsibilities 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.

In summary, these are administrative changes which will have a net saving for the taxpayers of Canada. That is something we all have to be conscious of because the cost of running government seems to be escalating when it should be shrinking. That is what we are now doing but not at the expense of the delivery of services; we are doing it to enhance the delivery of services.

I think most members in this House can take encouragement from that. If we look at the cost of government services in relation to our gross domestic product, it has grown dramatically in the last 15 to 20 years. It has to be curtailed, and I think part of that curtailment goes down to the efficiency and delivery of those services.

I am encouraged by what I see and I support Bill C-93 as will most members when they have a chance to examine the bill for what it really is.

[*Translation*]

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, before I start, I know that the Minister of Supply and Services spoke just now of merging and creating an international tribunal. I would simply like it to be on the record that we find this a valuable initiative on the government's part, and we hope to hear details of this new organization and learn how it will operate.

We would also like to obtain a report from the minister about free trade as it has affected his department in the four years Canada has had free trade with the United States. He told us recently that he would be presenting a report on this subject, but we have not seen any signs of it so far. I hope he is making a note of this.

Now I would like to say something about the government's proposal to set up a new organization that would combine the Social Sciences and Humanities Research Council of Canada and the Canada Council.

As we know, this is an old idea. In 1978 the two councils did form one body, and after a great deal of discussion and consultation the decision was made to have two separate bodies, one to look after the arts and

the other to look after research in the social sciences and humanities.

It is surprising to see that the government is making this proposal. There are a great many objections to it. It is not only our caucus that objects but the educational and cultural communities also have numerous objections, especially as regards the Social Sciences and Humanities Research Council, which has done a great deal of work in the area of research. It is one of the best institutions of its kind not only in North America but anywhere in the world. It functions well, and academics connected with it have written to us to say that everything is going smoothly. Why is the government trying to break something that works? As they say in English, "If it ain't broke, don't fix it".

The council says the government's proposal has not taken its views into account. There has been no consultation at all.

In addition, as we know, the government has decided to cut the budgets of these two organizations by 10 per cent. It is incredible to see the government on the one hand cutting funding to both councils and on the other trying to get rid of them by setting up a third.

We do not support this proposal, because the evidence suggests that amalgamation would affect the integrity of the research done and of the two existing organizations.

Furthermore, the government's proposal does not take into consideration the question of representation for the two councils. What does the government propose? Is it going to appoint one representative for the Social Sciences and Humanities Research Council side and one for the arts side? How would that work?

• (1200)

I find it truly bizarre that this proposal should be brought before the House of Commons without any consideration being given to the opinions of those who will be affected by the merger. We therefore suggest to the government that it at least set aside this part of the legislation, or that it agree to hold broad consultations with these bodies and especially with the most interested parties.

I do not think there is any need to push ahead so rapidly with this proposal. We have heard from a great many representatives of universities, student groups and professors, and I do not see how the government can go ahead with a proposal that everyone is against. The government should be asked: Who came up with this proposal? Who had the idea of merging, without consultations? What would the advantages be? Personally I do not think either of the organizations targeted by the proposal would derive the slightest benefit.

That being said, we have an obligation to be very clear about this subject. As a government, as politicians, we have a duty to take Canadians' views into account before we make decisions that concern them. The government has gone ahead with this proposal without consultations. For example, the government has to devote more effort to the research and development sectors and the councils working in the social sciences sector. It also has to do more in the area of social sciences research, because we have in this country a model council, one that can serve as an example not only in Canada but in all of North America and in other countries as well.

We should undertake consultations in a positive manner and to do this we should call upon the bodies that are affected by the proposal, ask them to participate and encourage colleges and universities to get involved. We should also consult the Canadian Association of University Teachers and the various Canadian federations active in the humanities and in the social sciences. These are the groups that are particularly affected by the proposal, and the government has an obligation to consult them.

I have a letter from the Canadian Graduate Council, addressed to the Prime Minister. In it, the Council asks the Prime Minister to undertake just such consultations.

[*English*]

Mr. Stan Wilbee (Delta): Mr. Speaker, I am happy to take part in the debate today. However I am unhappy the debate is going on because I think it is entirely unnecessary. I think this is something long overdue.

Many people tell me that there are too many different branches of government, too much duplication of services and that is what this bill is really all about. It is eliminating a lot of the duplication, overlap and division of decision making that is seen. As the hon. member for Carleton—Charlotte just stated, he would much rather see this bill moved along, go to committee and then brought back to the House.

This morning I would like to deal with a couple of areas of the bill, particularly parts V and VII. The hon. member for Carleton—Charlotte did deal a little bit with emergency preparedness in Canada and the fact that today perhaps it has become a little bit redundant. Certainly most of the changes that have been recommended by the government are very worth while.

Emergency Preparedness Canada began as a civil defence organization in 1948 within the Department of National Defence. Its title, mandate and structure changed a number of times during the next 40 years. The EPC became a separate agency with the passage of the Emergency Preparedness Act in 1988 which replaced the War Measures Act.

Many people today are asking why do we need such a thing. The cold war is over. Yet as we consider the unstable nature of the world in which we live, the problems that develop periodically across the country, it is obvious that we still need such an organization.

As my colleagues have already indicated, we would like to take 15 of these separate bodies and consolidate them into 10 separate organizations. As part of this initiative, the government proposes in part V of this bill that Emergency Preparedness Canada be folded back into the Department of National Defence. This is very appropriate action, given that the EPC was housed within the DND prior to 1988 and still reports to the Minister of National Defence. I can see no reason at all for this to be a separate entity and this is an excellent move.

Some people are wondering what the function of the EPC is. It co-ordinates the development of civil emergency preparedness among federal government organizations, provincial governments and international organizations. In other words, it deals with all the various government bodies. It maintains a 24-hour a day nation-wide watch of potential and actual emergencies. That is the key; not only will it deal with emergencies but it will attempt to anticipate anything that does develop.

This would be under the auspices of the Government Emergency Operations Co-Ordination Centre in Ottawa. The EPC would be headed by an executive director who is a public servant. Its head office is in Ottawa with regional directors in most of the provincial capitals and a permanent representative on the Canadian delegation to NATO in Brussels. Its annual budget is $20 million and approximately 100 people are employed by it.

The budget papers noted that EPC's function in relation to planning and co-ordinating civil defence preparedness remains essential. I agree 100 per cent.

However, its separate organizational status is not necessary for the effective fulfilment of its mandate. Moreover, folding the EPC back into the DND will allow for its function to be continued just as adequately at a much lower cost than administrative overhead. We all agree that having the decision making and the ability to carry out those decisions without consulting other organizations is essential and makes good sense.

Like a number of other measures in this bill, the action proposed for EPC is a modest one if considered in isolation. Yet by taking them together with the other proposals of Bill C-93, it represents the sustained efforts on the part of this government to streamline its operations wherever it makes sense to do so.

This is what my constituents have been telling me. Let us see you streamline government wherever you can. Let us cut out the redundant waste. This is an excellent part of this bill.

The other area of the bill that I would like to talk about briefly this morning is the Intellectual Property Tribunal. This is an international concern. Many nations are concerned about the use and control of intellectual property. This is where the big advances are being made and it is of concern to people when they develop ideas that they want some kind of protection. They want to receive the benefits not just from manufacturing automobiles, et cetera. When they come up with ideas I believe they should have support and receive the benefits obtained from their intellectual pursuits.

• (1210)

Bill C-93 would encourage efficiency gains to be realized by merging the Copyright Board, the Trademark Opposition Board and the Patent Appeal Board to form the Intellectual Property Tribunal or the IPT.

Its duties will include the fixing of royalties which the Performing Rights Society may collect in return for granting licences for the performance of dramatic or musical works. The tribunal will also decide how royalties should be divided including those granted by the retransmissions of television and radio signals.

The IPT will also arbitrate disputes and copyright royalties and decide opposition and cancellation proceedings arising from the Trademark Act. The establishment of an Intellectual Property Tribunal was recommended by the Henderson report many years ago, which was commissioned by Consumer and Corporate Affairs Canada to study areas of concern about aspects of the intellectual property litigation system.

Some of the benefits as highlighted in the report include greater perceived and actual independence for the IPT from the government—and I think we all agree that is essential—an organization encompassing a greater wealth of expertise and experience in intellectual property law, and an operation better capable of balancing and co-ordinating varying workloads. The tribunal will bring together an expanded wealth of expertise on intellectual property law into one organization.

Industry sectors are significant and involved. The use of intellectual property will benefit through improved service such as a significant reduction of the time consumed in exchanging evidence in the Federal Court. It will short-circuit a lot of these very prolonged procedures that are necessary at the present time.

It will also benefit from an expanded expertise among board members. Given that the tribunal will at times rule on government decisions, it will and it is absolutely necessary that it remain independent of the government.

The proposed Intellectual Property Tribunal Act set out in part VII of Bill C-93 includes provisions for the charging of user fees to recover the full costs of the IPT operations, in other words user pay. These fees will be prescribed by regulation and on the recommendation of the Treasury Board. There will be full consultation with all stakeholders in the process prior to enacting these regulations.

The IPT will be comprised of a chairperson, a vice-chairperson, and up to a maximum of six members appointed by the Governor in Council. While these positions will be full time there are provisions for adding part-time members should they be required. To assist and support the board there will be a small complement of experienced public servants.

In conclusion, this new organization will bring greater efficiency to the government's role in a sector of growing importance to the Canadian economy: intellectual property with its attendant rights, responsibilities and balanced regulatory overview.

These are just a couple of the areas of this bill that I support very strongly. I know all members of the House want to see a better, more efficient government. This is a major step in that direction.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I rise to speak briefly on Bill C-93, an act that comes out of the budget papers of a year ago. Almost one year later we are debating what was discussed in the budget.

The budget indicated that a number of agencies of the government would be amalgamated. Members are within their rights and responsibility to spend a bit of time familiarizing themselves with the proposals as put before us by the government.

On the surface, a number of these proposals appear to make sense. Some raise some questions which have yet to be answered by the government. I guess that is part of the process that will occur when it goes to a legislative committee. At this stage, second reading stage when we discuss the principles involved, there are a few things that I would like to say about some of the proposals.

There are 10 agencies and groupings being proposed in this bill. There is a proposal to combine in the RCMP the External Review Committee with the Public Complaints Commission so that both the public and members of the force appeal to the same body. It seems on the surface to make some sense. The Petroleum Monitoring Agency is being wound up with its functions to be undertaken by the Department of Energy, Mines and Resources which it says will continue to analyse confidential reports from

the industry on the state of petroleum supplies and pricing.

We will have to find out whether those reports are still published in a way that provides the public and members of the House with an idea of what is going on in the industry with regard to supply and pricing. At the moment I guess we will have to wait to see whether the reports are in fact in a form that will be of some use to us in performing our duties and to the public at large.

Emergency Preparedness Canada is being folded back into DND. This is a rather interesting one, because in 1988 one of the great initiatives was to make it a separate entity. Now the government has decided to fold it back into the Department of National Defence. Whether National Defence will be more able to respond to chemical spills, as have happened a few times in the last number of years in memory, to earthquakes, to cyclones or to other such natural disasters, remains to be seen. Hopefully the military will be able to respond quickly and well. Again the proposal seems to make a bit of sense.

It is probably time to put the Veterans' Land Act in with Veterans Affairs. There are not a lot of files still outstanding and the Veterans Affairs Department is shrinking all the time so it makes some sense to do it.

Where it becomes a little more controversial is the proposal to throw under the aegis of the Canada Council the Social Sciences and Humanities Research Council and the International Cultural Program. They are all to be put under the one Canada Council. There may be an effort on the part of the government to try to combine too many things that have differing mandates and differing directions.

The mandate of the social scientist is not the same as the artist. The direction and the goals of the two groups are quite different. They will probably have a difficult time operating under the same organization, namely the Canada Council.

Social scientists have written to the government since the budget proposals came out and have put some proposals which they thought would help to mitigate that, but so far the government does not seem to have responded.

Some of the rules should be reiterated here when we are discussing this amalgamation in principle. Some basic ground rules to make the arrangement work better would include parity at all times with the representatives from the arts community and social scientists.

Since the new council has a mandate to respond to research, artistic and international concerns, it will be easier for it to respond effectively to the particular needs of each of those communities if there is an established advisory committee or panel to provide advice to the council on the particular matter. A particular panel on research, for instance, makes some sense.

• (1220)

With regard to research funds, members of the research community are concerned that the funds the government had assured them would be increased for all research councils may have difficulty coming through in the form of research under this arrangement. It is imperative, they say, that the funding for social science research continues to come from the science envelope through which the other research councils are funded. Research in the social sciences must continue to be part of the national science policy and funded as such.

The mandate of the council is also questioned by the social research community. It points out that it has done reasonably well through the tri-council committee which monitored the funding of various scientific research groupings, but if the social sciences are to be an integral part of the Canadian science policy a similar rule must be attributed to the new agency.

In light of the recent abolition of such important bodies as the Economic Council and the Science Council, the advisory role takes on added importance. This too frightens the people who work in the Social Sciences and Humanities Council. The demise of their sister councils has made them wonder just what is the priority of this government in the whole area of social scientific research. That is an area where questions are raised.

Another area is the Procurement Review Board. It has been discussed a bit this morning that it is now going to be part of the international trade tribunal, as has the Canadian Commercial Corporation which is going to be administratively merged with the Department of Supply and Services.

There is some rather strange wording in the bill as it affects Canadian Commercial Corporation. It says very clearly in clause 79 of the bill:

> The Canadian Commercial Corporation Act is repealed on such day as the Governor in Council, on the recommendation of the Minister designated for the purposes of the Act, may fix by order.

They immediately follow that by saying:

> The minister shall not recommend the making of an order under subsection (1) unless the minister is satisfied that the dissolution of the corporation will have no significant detrimental effect on Canadian exports or on trade relations with other countries.

Are we closing the corporation down and merging it or are we not? It is not very clear but it is up to the minister.

This is the kind of so-called cost saving that the government has been engaging in quite a lot since the emergence of the Reform Party. It tried to appear to be doing away with agencies which have very little effect on the cost to the government. The changes to the Agricultural Products Board is a case in point. The board members were all public officials who are paid and will continue to be paid. The Agricultural Products Board being merged will not reduce the cost of government one iota. Neither I suspect will the effects on the Canadian Commercial Corporation, because the way this bill is written reminds me of the cash advance legislation of some years ago wherein the government tried to get out of the cash advance business but has been in it ever since. It could not get out of it.

While it may make the government feel better about changing the make-up and the facial expressions with the paint and the powder, I do not see any effective change in the cost of government with these changes.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I am joining in the debate today at this particular stage of the bill to voice my objection about a specific clause of Bill C-93. That objection is to the part II of the bill which would effectively dismantle the ECBC, the agency in Atlantic Canada in Cape Breton Island which has been primarily responsible for economic diversification on that particular island.

As a Cape Bretoner I certainly understand better than most in this Chamber the difficult time Cape Bretoners and indeed people in eastern Nova Scotia have had for most of the second half of the century in dealing with economic and industrial diversification.

Cape Breton Island held great promise in the past and I hope in the future will hold great promise again. The island was developed primarily for its mineral resources and its location. It is very close to the European markets. We had—and I underline had—rich fishing grounds. We had a vibrant steel industry at the turn of the century. We did not have one steel mill; we had more than one, we had two steel mills. We had one in Sydney and one over on the north side.

In the early part of the century we also had enormous exploitation of a valuable energy resource: the coal resource.

The island has been populated by a whole hodge-podge of individuals who have come from other places looking for a better life. Many of them have come from Scotland and moved over here in a number of different migrations. A lot of people of Acadian descent live on the island up in Chéticamp and down in Isle Madam. We have the Irish.

We have almost every mix of individual that late in the last century and early in this century came over to take advantage of the jobs that were being created in industrial Cape Breton down in the coal fields, in the steel mills and also on the seas fishing.

Cape Breton has been in decline perhaps longer than any other industrialized part of this country. Cape Breton held such promise. Going way back, the fortress of Louisbourg was established and is still down there and has been re-created. It was one of the first areas of Canada that was populated because it held great promise. For many centuries new Canadians have found their fortune in Canada by working the resources of that great island.

The people are a strong people. They come from strong stock. They do not seek to take from society; they just seek to work. That is all they want to do. They want to make a living, contribute, raise their families and they want their families to perhaps have better opportunities than they had.

My father was a coal miner. He is retired now. We grew up in the town of New Waterford where I guess everybody was equally as poor. We did not realize we were poor until we grew up and moved away and said that gee, by anybody else's standards we were poor. However, we were pretty rich because we had the right value system. We had a value system that had evolved

down on that island because of economic hardship, because of adversity.

It was a mentality that said individuals living down there had to rely on each other. If you did not rely on each other you were not going to survive. That is because in the early part of the century the Nova Scotia provincial governments and the federal government allowed the resources on Cape Breton Island to be exploited.

British firms came in and set themselves up. They bought the coal industry down there. They had the rights to the coal and kept the people in collar as they would say in Newfoundland. We had the company store, the only place you could get credit. They owned the houses, the public utilities and the water system. They owned everything. In short, to try to get enough money to raise your family you were literally owned by the coal company.

The strikes came in the early part of this century and blood was spilled on the streets down in New Waterford during one of the strikes. Bill Davis was shot during a strike and killed by the army which had been called in to quell the disturbance and put people back where they wanted to put them.

Cape Bretoners have grown to be a strong people. We do not want welfare. We do not seek to have anything other than the ability to eke out a living on that island.

In the sixties the coal industry was in great difficulty. The markets were gone. The British companies that owned the coal industry had squeezed every last penny out of it to ship somewhere else. It was not reinvested in that island and the industry was shutting down.

The Hon. Allan MacEachen, who used to be a member of this place and is now a senator in the other place, introduced a bill in this House. The bill was the Cape Breton Development Corporation Act. At that point in time there were two reasons for it.

One was to try to rehabilitate what was left of the coal industry on Cape Breton Island. Liberals of that time felt they had a fundamental responsibility through policy and through legislation to try to equalize the wealth of this country. It is a principle we still believe in.

• (1230)

One part of it was the coal division which was to either phase out or rehabilitate what we could and the second division, which was the one that held most promise I would have thought, was the industrial development division.

The industrial development division was going to attempt to diversify industry on the island so that we would not rely just on king coal for our economic life line. The Cape Breton Development Corporation worked well. There was a lot of federal investment and I underline investment—it was not money that was thrown away—that was put into the coal industry.

Outside of my home town of New Waterford we had the Lingan mine open, the first new mine opened there in decades. Then we had the Prince mine on the north side and the Lingan-Phalen mine. We had development into the Duncan-Morien coal seam, about $55 million to $60 million in developmental work went into that particular coal seam and again it held great promise.

Times have changed and Cape Breton seems to have been born under a cloud. The cloud is continued economic uncertainty. It seems that almost everyone who tries to go in and to do it right just adds to the problem. I suspect perhaps that is one of the prices we pay for living on that piece of real estate. It is a beautiful piece of property by anyone's standards and has probably some of the finest people that one would ever meet anywhere in the world. We are used to the adversity.

Instead of allowing the Cape Breton Development Corporation the resources so that it could continue the diversification of industry on that island, the government sought to destroy it after it came to power. In 1986 it announced that it was going to create this thing called the Atlantic Canada Opportunities Agency. I remember it well. I was back in Nova Scotia at that time. The government said this was going to be the panacea. The Atlantic Canada Opportunities Agency was going to be new money. It was not going to take from anything that had already been put in place. It was $1.05 billion in new money. It was going to be a new future for the people of Atlantic Canada and would take away nothing from the other commitments that the government already had made.

No less than the Prime Minister himself said that in Halifax when the announcement of this new dawn for Atlantic industrial development came about. However the government was starting down a slippery slope. The slippery slope was the dismantling of every agency of special economic development in Atlantic Canada. Quite frankly ACOA has been a disaster.

When I was critic for that agency I used to try to temper my criticisms, hoping that the basic structure could be saved. I am of the opinion now that it is probably not the case. ACOA has been prone to more disasters economically than anything we have seen in eastern Canada ever. Political interference has been alleged in many of these spectacular collapses that we have in Atlantic Canada.

After years of this government dismantling systems that we had in place, what do we have? We have Cape Breton Island with 21 per cent unemployment. We have Sysco with about 450 employees. We have the Lingan colliery about to close down. We have problems with Lingan–Phalen. We have fish plants in Cape Breton that are closing. We have an island in despair.

This bill seeks to take it even further. The government was not content to do away with the industrial development division of Devco and put it under the ECBC. Now it is completing the circle in this bill. It is completing the loop that it set out on a few years ago and it is destroying this special agency to deliver special assistance for a special problem in the place that I come from and that is Cape Breton Island.

If the government was going to do away with this agency and it was putting proposals on the table to try to do things better so that the good people of Cape Breton Island, my fellow Cape Bretoners, could have some hope from these economic policies, then I would sit down, I would debate and I would listen. What the government has done is complete the loop. It has done something that I did not think was ever possible and that is, after eight years of government policy, try to break the spirit of the great people of Cape Breton Island. Therefore, I will not be supporting this bill.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I congratulate my colleague from Dartmouth who was talking about the Cape Breton Development Corporation. I thought as he spoke, what an excellent example of how a government is out of touch. If you read the bill before us, you will find that the explanatory note indicates the reason the Cape Breton Development Corporation is being folded into ACOA is that the purposes of the development corporation have been served.

If you go back to what those purposes were at the time of the inception of that corporation, you will find that they try to address the very substantial unemployment situation in Cape Breton. The unemployment rate at the time the corporation was established by the government was of the order of 16 per cent. Now I understand it is of the order of 23 to 25 per cent.

I use this by way of example because members will be aware that Cape Breton is not exactly in my bailiwick in terms of constituency, but it is in my area of interest in the sense that those people, like the people whom I directly represent here, are hurting because of the unfair measures of this government. I use this as just the latest example of that.

Here is a case where a region of the country with an unemployment rate of 23 to 25 per cent is being told, in print, by the government that there is no longer any need for the agency that was set up initially to address the unemployment situation.

It is worth looking at the title of this particular bill, Bill C–93, an act to implement certain government organization provisions of the budget tabled in the House of Commons on February 25, 1992. February 25, 1992 is almost a year to the day.

We are here a year later discussing the measures that were announced by the Minister of Finance at that time. That admission is itself a fairly revealing commentary on this government, on the mind set of this government. It is the latest proof, I say to the minister, that this administration holds Parliament itself in contempt, in much the same way that it holds the people of Canada in contempt.

We now know that the much repeated example of the 85 per cent of Canadians who said in every way possible, through letters, through petitions, through public protests, in every way available to them, they were unalterably opposed to the goods and services tax. Yet the government proceeded to implement that very unfair and very unpopular tax. It is another indication that this government holds people in contempt, holds the elector-

ate in contempt, has no respect for the concerns, for the opinions, for the views of Canadians across this country.

Here we are, a year later, about to get yet another budget from this administration, I suppose, though what that will do I do not know. It has already had eight or so of them and we are still in pretty much of a stew, indeed I think the stew is bigger and worse than ever before. We are about to get another budget from this administration, and still we find ourselves wading through the measures of the last.

Why is that? The answer is simple. You know the answer, Mr. Speaker. The answer is because this Parliament has not sat as it should have, because of the long periods when we have been out of this Chamber.

• (1240)

The government, because of its contempt for this Chamber, has not even seen fit to do the housekeeping and get its legislation through the House. We find ourselves a full year later trying to do what ought to have been done many months before.

Since it has been so long since this budget was brought down, almost a full year, it is worth reminding ourselves of some of the things that are in this budget. One of them is the tax measure whereby the government would reduce the personal income surtax. Nobody can knock a reduction in taxes.

With this government there is always a but. Even with this reduction the government managed to get it wrong. The government managed to show its hand. The government managed to treat unfairly the people who needed a reduction most.

Look at the table which is included in the budget documents entitled "Impact of Surtax Reduction". A family of four with two adults and two children and an income is $15,000 a year will get a reduction of $2 in the budget year.

For the full year 1993 the income tax deduction, because of this measure, is $8 for a family of four with an income of $15,000.

A family of four with an income of $100,000 will get an income tax reduction of $442. That one example is an indication of where this government's commitment, thinking and bias is. It is not with the ordinary people of this country.

The budget which we have now had for just about a year has failed most miserably on the issue of job creation. There is a crying need in this country right now for an administration, a government worthy of the name to address the number one issue. The number one issue identified in the polls as recently as last week is the need for employment generation.

While this government's policies are driving jobs out of the country and causing the permanent closure of plants right, left and centre we see nothing whatsoever that would replace those jobs. We do not see this government taking any serious initiatives or efforts to replace some of those jobs to get some of the 1.5 million jobless Canadians back to work.

I recall when this administration was in opposition its members made a great big fuss in 1982 because the unemployment numbers across the country had hit the 1 million mark. They launched a great campaign. The Minister of Forestry was part of that campaign. They launched a great campaign saying how scandalous it was that a full million people were without jobs across the country.

I say to him that 10 years later the figure is up to 1.5 million.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, as we have heard many times this morning, Bill C–93 is 84 pages long. You would think it was an economic program for the 1990s. In the 10 minutes I have I would like to suggest that it does exceedingly little in terms of making the Government of Canada more efficient and more protective of Canadian taxpayers' money.

For example, as you know there are dozens of departments. There are still something like 350 federal Crown corporations and agencies. The whole federal government shrieks to be streamlined; shrieks to be more efficient and more sensitive to Canadians. This bill will do very little to streamline the Government of Canada and save much needed money, scarce tax dollars for better purposes.

Part I of the bill talks about, and I quote from the note in the government's bill: "The purpose of this part is to wind up the Agricultural Products Board and transfer its function to the Minister of Agriculture and to the Agricultural Products Co-operative Marketing Act". That is part 1 of the bill.

Part II says and I quote: "The purpose of this part is to wind up the Enterprise Cape Breton Corporation and transfer its function to the staff of the Atlantic Canada Opportunities Agency" and so on throughout the bill.

In other words, the government will take what appear to be stand alone agencies now and push them under the umbrella of some other existing agency.

I would like to deal with part III in the few minutes I have which purports to: " wind up the Social Sciences and Humanities Research Council and transfer its functions and its staff to the Canada Council, and transfer certain functions and staff to the Department of External Affairs concerned with the promotion of Canadian culture abroad to the Canada Council. Canada Council will be renamed the Canada Council for the Arts and for Research in the Social Sciences and Humanities to reflect its expanded functions".

There are six parts in the bill and they all do similar things. There has been a uniform outrage from people across the country about what the part I just referred to would do: the merger of the Canada Council and the academic funding boards.

I would like to quote from a letter although I will not name the person because I do not have permission. The person is at the University of Alberta and I am sure that she speaks for academics right across Canada. A part of her letter to the Prime Minister reads as follows: "I write with regard to the legislation affecting the merger of that council with programs from external affairs and with the Canada Council. The proposed merger of these three organizations has been effected without consultation with the communities of artists and scholars involved, nearly all of whom are opposed to it.

They are opposed for good practical reasons that are historically borne out. The scholarly and the artistic communities shared the first Canada Council when it was initially established and learned how inoperative that arrangement was. This legislation proposes to reverse the separation of the councils that was initially proposed to solve a problem.

It represents a step backward into the problems we had previously stepped out of; problems created by the very basic differences between the work of cultural production in the performing of visual arts and scholarly research in the humanities and social sciences".

Finally she says: "Concerns of the research community about this merger are many. They include the failure of the present legislation to guarantee continued separate funding for the research and performing arts divisions of the new council. The failure of the legislators to consult the community of council users and the possibility—even likelihood given the description of the new council—the council's governing board will include significant members of patronage appointments with little knowledge of the arts or of scholarly research".

She asks for a reply from the Prime Minister. We will all wait with interest to see what the Prime Minister says particularly with respect to what his government has done to the academic community, to the teaching community and to equip young Canadians to compete in an emerging new world economy.

• (1250)

I do not have the time to go into it in detail, but I would just like to make three points that university teachers have made about post-secondary educational funding and federal research and development.

As my colleague said, this is what this group of dinosaurs opposite has done to the Canadian economy and young people in Canada since 1986. First of all, between 1986 and 1993 the established programs funding cutbacks will amount to $4.7 billion. That affects a lot of young people. That affects a lot of daughters and sons of a lot of members of Parliament and of course many other Canadians who are seeing post-secondary education suffer deeply at the hands of the members opposite. While they cut back $4.7 billion for post-secondary education and other programs including social programs, they have $4.4 billion available to purchase 50 submarine chasing helicopters.

What kind of priorities do these people opposite in this House have? Somebody pointed out that by not spending $4.4 billion on the submarines about 75 times as many jobs would be created if used in other more rational, more sane and more twentieth century methods.

Second, for the Tories to say that there is no money for post-secondary education when they almost instantly find the $4.4 billion I referred to for the submarine chasing helicopters is self-evident nonsense.

Third, why not institute tax credits to encourage our private sector to invest in basic research?

These people present themselves as bringing this bill before us to save taxpayers' money and make government more efficient but they have done no such thing since they took office. Canada's public debt is now about $665 billion and our foreign debt is about $300 billion. Not all of it has been hoisted on the backs of Canadians by this unloved government opposite. It is true that provincial governments have done it and the private sector has incurred debts.

A point was made recently by somebody in the private sector about the rapid deterioration in the deficit and debt to GDP ratios. In 1975 the total debt of the federal and provincial governments was 29 per cent of GDP. For those opposite, GDP means gross domestic product. In 1993 it has been estimated that the total debt in Canada will be at 96 per cent of GDP.

When will the IMF arrive in Canada? When will Japanese or Swiss investors stop buying our bonds? When will those opposite stop increasing the debt on the backs of Canadians by approximately $80 million to $100 million a day. Every 24 hours that go by, Mr. Speaker, you, your children and my children become further indebted by these people who constantly present themselves as being paragons of fiscal orthodoxy and fiscal concern.

It is like President Reagan who came into office saying he was going to fight the deficit and stop spending and borrowing money. I believe when he came into office the United States national debt was in the order of $700 billion. Today, at the end of the Reagan-Bush period of spend and borrow the U.S. federal debt is now in the order of about $4 trillion. Similarly these people opposite came into office saying they were going to fight the deficit and fight the debt. They have more than doubled the national debt of this government; $30 billion deficits through year after year after year. I will bet that if there is anybody on the other side who is prepared to get up to try to defend this bill, they will get up and say that they have been fighting the deficit and trying to protect the Canadian taxpayer. It is all a lot of nonsense, as is this bill.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I see that I only have about five minutes. I would just like to continue where my colleague left off on this particular bill.

As we know, this is primarily a machinery of a government piece of legislation. That means that the officials, under the name of efficiency, are trying to reorganize and make these government units more efficient. From that particular point, I support any effort by the government to try to make service to the public more efficient. I think it is incumbent upon all of us in this House to encourage the government to try to review various agencies, departments of government and Crown corporations to make sure that they are in fact meeting the public policy objective they were originally targeted to achieve.

The problem I have when we bring forward bills like this to the House of Commons is that they seem to take away from the real problem that is happening in our country out there. That is the deep pain that people are going through right now. We need legislation in this House that deals with putting people back to work.

I want to refer specifically to a bill we had in here last week, the Small Businesses Loans Act, where we on this side of the House co-operated with the government, put the bill through the House in one day and urged the government to bring it to committee so we can bring in some witnesses. We can then return that bill to the House and get it into third reading and pass it so that the 900,000 small businesses in this country that could or might be eligible to use the Small Businesses Loans Act can use it. That is where the real source and hope for new job creation lies in this country.

Overall, this is an omnibus bill in which we are putting all these various agencies of government together and transforming them and reorganizing them. Obviously, even if we did have some amendments here, the government probably would not accept them. It very rarely does. However, I am hoping that when we get through this particular piece of legislation we will get something back on the table that is more relevant in terms of the economy.

This is the kind of debate in this House today that really causes a lack of respect for the institution. Most Canadians do not even understand the purpose of these agencies and to exacerbate or prolong the debate is really not productive when it does not seem relevant to the real priorities which most Canadians feel we should be addressing at this point.

I wanted to mention, for example, part III of this particular bill where the government is winding up the Social Sciences and Humanities Research Council and transferring its functions and staff to the Canada Council. There was really no need for the government to make that machinery of government change.

This really was not going to improve the efficiency. One of the things that happens when you make all of these machinery of government changes or when you move these various divisions around is that quite often the effect it has on morale in a negative way outweighs the benefit that the government may attempt to achieve.

The Acting Speaker (Mr. DeBlois): It being one o'clock I do now leave the chair until two o'clock pursuant to Standing Order 24(2).

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, Quebec supports the federal government on the North American free trade agreement.

"The Government of Quebec is on the whole favorable to NAFTA," said the Liberal minister for international affairs, John Ciaccia, as he made public a 90-page study entitled *Quebec and the North American Free Trade Agreement*.

The authors of the study say that Mexico's inclusion in the free trade area will not fundamentally upset the economic parameters that Quebec producers, exporters and investors must consider.

As far as agriculture is concerned, Quebec is pleased that NAFTA will not affect the Canadian supply management system for eggs, dairy products and poultry. The study also points out that Mexico offers attractive possibilities for producers of dairy cattle and bovine genetic material.

The new trade agreement respects Quebec legislation on the professions, consumer protection and financial services. Also, Quebec's language policy is not affected.

* * *

[*English*]

THE DISABLED

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, last week the NDP premier of Ontario was handing out hundreds of billions of dollars for roads, sewers and subways. This is the same premier, the same NDP government that says it has no money for a program to train 100 people with disabilities for skilled employment as electronic technicians.

This cost-shared program of training, job placement and follow-up would repay its costs in just 30 months. Yet it keeps getting bounced from minister to minister in Toronto while people with disabilities willing and anxious to work are kept poor and dependent.

Perhaps NDP colleagues from Thunder Bay, Beaches—Woodbine, Spadina and Nickel Belt think it is just fine that the NDP government has money for pavement and pipes but not for people. Or maybe they can explain why Bob Rae and his government do not seem to believe that Canadians with disabilities deserve the same chance as anyone else to have their own job and earn their own income.

* * *

SOFTWOOD LUMBER

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, beginning June 1, 1993 the European Community will require that all exports of softwood lumber to the European Community be either pasteurised or kiln dried.

This action will dramatically affect exports of coniferous material including our manufacture of lumber and also all our manufactured products shipped in packing crates, packing cases, drums and any kind of lumber.

The industry believes that the reasons for this restriction are not legitimate and amount to technical trade barriers which will impact a great deal of our exports to Europe including lumber and other products.

This initiative is a foreign government initiative and not supported by the industry in related European countries.

The industry is calling on the Minister for International Trade, the Secretary of State for External Affairs and the Minister of Forestry to give this issue the highest priority. It is asking for an extension of the deadline to allow its arguments to be heard in the short term and a total removal of these restrictions in the long term.

* * *

WINNIPEG WATER SUPPLY

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, many Manitobans are concerned and disappointed that new exploration for gold is being allowed in Shoal Lake, Ontario, Winnipeg's drinking water supply.

The commitment to do an environmental assessment of any future mine development should the exploration prove positive is not good enough. Personally, I take the view that the time has long passed when mining in the water supply of 600,000 people should be considered at all.

The conflict between Manitoba and Ontario on this issue points out the crying need for a national safe drinking water act, something the federal government has promised for years but never delivered, despite numerous attempts by individual members such as myself, the member for Skeena and the member from Beaches to encourage such action through private members' bills.

I call on the government to bring forward draft legislation in this area and in the meantime to look at whatever other ways might exist for it to intervene in this interprovincial dispute that is pitting short-term economic goals in one province against the long-term health of another.

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[*Translation*]

TOBACCO SMUGGLING

Mr. Gilles Bernier (Beauce): Mr. Speaker, tobacco smuggling has taken on huge proportions in Canada. Over the years, the provincial and federal governments have dramatically increased taxes, which makes Quebecers and Canadians obtain their supplies on the black market and thus break the law.

I ask the Government of Canada to take the initiative of meeting representatives of the Quebec government to reassess the whole tobacco taxation system and recover the governments' revenue shortfall, because the public rightly feels exploited.

The governments know that some native bands are responsible for smuggling tobacco, liquor and drugs. Astronomical amounts of money are involved. It seems that organized crime which provides some outlaw groups with millions of dollars is tolerated. When will these people pay their taxes like any other citizen of Canada and Quebec?

Smuggling is in federal jurisdiction. The authorities and RCMP should thoroughly investigate these illegal activities. Ending all this illegal traffic on certain reserves may remove their opportunity for investing in the Charlevoix casino. Is that the way to launder dirty money?

* * *

[*English*]

JUSTICE

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I rise today in support of the 11th report of the Standing Committee on Justice and the Solicitor General.

The committee recommended that the definition of serious harm be extended from severe physical injury or severe psychological damage to include any permanent or long-term disability, disfigurement or significant reduction in the quality of life.

These changes would reflect the serious harm done to victims of violent crimes under the age of 18 who must be

protected from dangerous offenders. I urge the Solicitor General to accept these recommendations and to bring forth appropriate amendments.

I also urge the Solicitor General to bring forth amendments to make the current system of dangerous offender applications less complicated and less likely to be plea bargained away.

Such amendments would include allowing a judge to bring forth an application and allowing Crown counsel to introduce such applications for persons convicted of violent crimes who are known to be high risk or repeat offenders.

To the Solicitor General I say, enough talk. Canadians and their families demand action.

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SMALL BUSINESSES LOANS ACT

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, few in this House have doubted the need for reform of the Small Businesses Loans Act.

Growth of our small businesses is being hindered by limited access to loan capital. Last week the suspicion was reinforced by the comments of the director general of the small business office of the Department of Industry, Science and Technology. Mr. Ian Donald was reported in *The Globe and Mail* as saying that the banks are still hesitant to lend to small firms.

This statement reaffirms that today's entrepreneurs are indeed being squeezed by a reluctance to provide start-up cash and operating and expansion capital. It also points to the necessity of extensive changes to the Small Businesses Loans Act.

What concerns me is that the amendments to the SBLA in Bill C-99 do not yet address the problem of capital access while still leaving the program affordable to its applicants. Further changes must be made to this bill at committee or report stage.

We cannot lose sight of the fact that the growth of a number of our small businesses and the creation of new jobs for a number of Canadians in this sector are counting on these changes.

CN RAIL

Mr. Réginald Bélair (Cochrane—Superior): Mr. Speaker, on February 5 *The Thunder Bay Times-News* published an article predicting the eventual closure of CN's north line in northern Ontario.

It is totally irresponsible for the Thunder Bay—Atikokan NDP MP to fuel such speculation and to spread such gloom and doom. Has he thought for just one moment of the tremendous negative impact such a statement has had on the lives of the workers, the citizens and the communities along that line?

Hornepayne is a railroad town totally dependent on CN for its survival. Haavaldsrud's Lumber used the CN line to transport 12,000 tons of wood chips to Thorold last year as well as one-third of its lumber production. Weldwood of Longlac ships 80 per cent of its products on this north line.

Those affected demand that CN categorically deny the closure of this line and dissipate any uncertainty surrounding the issue. Further isolating these communities spells despair and disaster.

* * *

SOFTWOOD LUMBER

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, the European Community is at it again, this time using technical barriers to keep our softwood lumber in any form out of its markets.

If left unchecked, this provision would become effective June 1, 1993 and would result in the loss of $1.4 billion in trade. I urge the Minister for International Trade and the Minister of Forestry to continue strong representation on behalf of the softwood lumber exporters to derail this very restrictive practice. It cannot be allowed to succeed at the expense of our own Canadian industry.

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[*Translation*]

REGIONAL ECONOMIC DEVELOPMENT

Mr. Nic Leblanc (Longueuil): Mr. Speaker, several labour groups, as well as the farmers represented by the UPA, have been working for a long time to set up an ethanol plant in Varennes, in the labour minister's riding.

This project is very important for the region's economic development. It could create more than 300 jobs directly and indirectly and increase the market for corn growers in the region south and east of Montreal by 10 to 15 per cent.

• (1410)

In addition, ethanol is a product with a good future. It reduces environmental pressures and ethanol production is growing very rapidly in Ontario and Western Canada with the federal government's help.

I ask the Minister of Labour and member for Verchères to act quickly so that this project can be carried out as soon as possible.

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[*English*]

CANADA SCHOLARSHIPS PROGRAM

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, the Canada Scholarships Program has been a tremendous success. Thousands have received scholarships which are divided equally between men and women. One must have exceptional marks to qualify and maintain high grades to continue to receive the scholarships every year.

We have an opportunity through this program to measure educational results across the country by requiring applicants to take a standardized test.

I urge the minister of science of technology to consider holding tests for applicants. This will give us as Canadians an indication of how well our educational systems are performing across the country.

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GUATEMALA

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, 1,600 Canadians asked me to present a petition to the Secretary of State for External Affairs.

The petition asked her first to urge the Government of Guatemala to negotiate in good faith with the real representatives of the Guatemalan people, including the Maya, to end the civil war.

Second, it asked that Canada tell all Latin American governments that we insist on having Guatemala registered under item 12, grave and systematic human rights violations, at the next meeting of the United Nations Human Rights Commission.

On January 20 I saw 2,500 Guatemalan refugees returning from Mexico in peace, the first of 45,000 yet to come. This happened partly through the pressure of the Guatemalan people and partly through negotiations by the Governments of Canada, France, Sweden and Mexico.

I commend Canada's Secretary of State for External Affairs for Canada's part in this good beginning. I urge her to continue support for the refugee return peace negotiations with the URNG and United Nations monitoring under item 12.

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HUNGER

Mr. Joe McGuire (Egmont): Mr. Speaker, there is something radically wrong when we have people suffering from hunger in this country and we do not have a delivery system to get free food to them when it becomes available.

It is even worse when we have people actually dying of starvation in other countries and we cannot come up with a delivery system to take free food from Canada and put it into the hands and stomachs of these people.

The case in point involves 2 million hundredweight of P.E.I. and New Brunswick potatoes being diverted from the tablestock market through a federal-provincial agreement. These potatoes must be removed from the regular market.

Farmers in P.E.I. and New Brunswick do not want these potatoes to go to waste. They would very much like to see them used to alleviate hunger in Canada and abroad. Twenty million 10-pound bags of potatoes is a lot of potatoes and would feed a large number of people.

I would ask the federal government to use the resources at its disposal to make sure that as many of these potatoes as possible find their way into the plates of the hungry and starving in Canada and abroad rather than simply being allowed to rot and to be ploughed down in the fields.

POLITICS

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, clearly concerns about racism, sexism and anti-Semitism can be relative in politics.

Everyone knows that the member for St. John's West has a history of thoughtless, even tasteless loquaciousness masquerading as humour. He is an easy target even for arrows from within glass houses.

Within such a house resides Jean Pelletier who, uncondemned, counsels racial exclusion. Also there now is his friend Camil Samson who accused Jewish abortionists of trying to destroy the people of Quebec while elevating Hitler's economic policies.

Meanwhile in the Victoria men's room of the same glass house the defender of a rapist is in while two female executive members are out in the sexist cold.

The Liberal house is the house of glass; it is silent within, with an interesting cast.

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THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, this month the government missed an important deadline. By February the government had promised to complete studies of the first 33 chemicals on the priority list of the Canadian Environmental Protection Act.

Only 5 of the 33 chemicals have been assessed. In other words, the majority of chemicals have not been assessed for their toxicity as planned.

Every day 1.5 tonnes of persistent toxic chemicals enter Lake Ontario. Therefore, the fact that many of these chemicals are still to be assessed and regulated is of extreme urgency. The government will not meet its own goal in the green plan where it promises to virtually eliminate discharges of persistent toxics in the Great Lakes and the St. Lawrence River. Environment and human health are endangered because this government fails to keep its promises.

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DANGEROUS OFFENDERS

Mr. Lee Richardson (Calgary Southeast): Police forces across Canada are to be commended for publishing the names and photographs of dangerous offenders who are scheduled to re-enter the community. Canadians are entitled to learn the identities of those individuals who are considered to pose an extraordinary risk to public safety. My constituents are urging the government to take action in ensuring that the public is made aware of the identities of violent criminals and of young offenders.

I am encouraged by the initiative taken by local law enforcement bodies and urge the government to provide whatever co-operation is necessary to help protect our neighbourhoods.

ORAL QUESTION PERIOD

[*Translation*]

NORTH AMERICAN FREE TRADE AGREEMENT

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask the Prime Minister a question. Yesterday, the Minister for International Trade met with his Mexican counterparts and after the meeting, he did not say clearly what the government's position is and suggested that the government might proceed with the North American Free Trade Agreement without waiting for the results of negotiations with the Americans on labour, the environment and even agricultural problems.

Would the Prime Minister not agree to tell his minister that we should not proceed with the agreement in this House unless and until we know the results of the negotiations with the United States on the parallel accords that President Clinton wants?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, President Clinton already said, as I repeated yesterday, that the free trade agreement was a stand-alone document and that supplementary agreements would not in any way change the substance of the primary agreement. Supplementary agreements will be negotiated with Canada and Mexico in due course without affecting the accord itself. This means that we can proceed without compromising anyone's principles.

As for my friend's question, I would point out the position stated yesterday by Quebec's minister for international affairs, the Hon. John Ciaccia. He warned those like the federal Liberal leader who want to renegotiate

portions of the agreement or include new chapters in it. Mr. Ciaccia thinks that this might endanger this agreement which Quebec needs. Not only Quebec but Canada needs it. I think that Mr. Ciaccia, a former deputy minister of the opposition leader, was right and it would be time for him to listen to him again.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, yesterday the minister of external affairs for Mexico said that this accord is perfect, that they will never look at reopening any element of it and more or less said that they did not take seriously the problems that President Clinton and Vice-President Gore mentioned on the environment.

Does the Prime Minister not realize at this time that this take it or leave it attitude will lead to a big problem and that it would be wise for this government not to rush into the House of Commons with a proposition? We should know exactly what the position of the American administration will be before taking the time of Canadians on this subject.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we do know the position of the American administration. The position of the American administration was given in a statement by the President of the United States on Friday, February 5. In response to a question I indicated, and I quote: "The President has indicated many times that he is going to sign the NAFTA agreement as it is. But he proposes to bring in supplemental agreements with Mexico, particularly in regard to some of the points that he has mentioned that do not impact on the NAFTA agreement as concluded. President Clinton said: "That's right".

• (1420)

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, President Clinton said very clearly at the end of his intervention that he believes he can do that. He also said that he has to have included some parallel accord. It was exactly what was said last week by Mr. Kantor, who said that the administration will not present the deal to the American congress until it has these parallel accords.

Would it not be wise for this government to know what will happen in the United States before forcing a vote in this House, subject perhaps to coming back later to amend the legislation because there will be some supplementary agreements and the House will have to vote yes or no on them as well.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition says that President Clinton went on to say something—

Ms. Copps: No, you don't.

Mr. Mulroney: Of course he said no such thing. I will read the transcript for my hon. friend. After, President Clinton said: "That is right". He then said: "And I might add that the Prime Minister's administration in Canada has had a strong record on the environment".

Some hon. members: Oh, oh.

An hon. member: It makes sense to me.

Mr. Mulroney: Mr. Speaker, the Leader of the Opposition asks a question suggesting that the answer is there and indeed it is. I did not mean to offend the opposition, but it gets better.

Then President Clinton said: "Something that we want to try to beef up in the supplemental agreement, and that Canada would be, more or less in line with the United States in terms of its impact on any supplemental labour accord we might reach. We certainly intend to work with them. After all, this is a three way agreement, not a two way agreement". Then the President said: "But I still believe, as I said many weeks ago, that we can negotiate agreements without reopening the NAFTA itself".

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PEACEKEEPING

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, my question is for the Minister of National Defence.

About one hour ago, the minister announced that Canadian troops would be redeployed into Sarajevo. She added that there would be no new mandate, no air cover, no new equipment and no contingency plans. Yet she maintained that: "All possible measures had been taken to ensure the safety of the Canadian peacekeepers".

Considering that in the last few months 28 UN peacekeepers have been killed in Bosnia-Hercegovina, can the minister explain what kind of measures will be

taken to ensure that our troops are not being put at undue risk?

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, in making a very serious decision such as the one we made today to deploy the 2nd battalion of the Royal Canadian Regiment to an area just west of Sarajevo, we consulted and were advised by the senior members of the Canadian military as to the level of risk and its acceptability.

That is a technical question which requires a very high level of expertise. The Chief of the Defence Staff and those who work with him have advised the government that the level of risk in this new deployment is somewhat less than it was in Sarajevo, but it is considerable. We are pleased to say that the 2nd battalion of the Royal Canadian Regiment is perhaps one of the best equipped and able forces in that area of Yugoslavia at the time.

There will be a technical briefing on this deployment at 3.30 p.m. in conference room D at the Department of National Defence. I invite any members of this House who would wish to have more in depth information about the question, I think quite rightly raised by the hon. member, to attend that briefing and satisfy themselves as to the great care that went into making that decision.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, considering what the minister said and all the due consultations that have been taken, I want to quote to her a statement made by her colleague, the Secretary of State for External Affairs, on Sunday when she said: "I would like to see our troops take a more active role in terms of keeping the peace or peacemaking. I think it is important that we have clear roles of engagement and those would have to be further discussed with military people at the United Nations".

It appears that has not been done. If cabinet itself cannot speak with one voice on this issue, and there seems to be a confusion about the mandate, is it not about time that the government ensured that there is a full parliamentary debate and approval before committing our troops into these dangerous situations?

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, what my colleague the hon. Secretary of State for External Affairs was referring to was that she would like to see the international community take those steps.

She and I had the opportunity to attend a very useful and interesting conference on these matters in Munich a week and a half ago where all of our colleagues in Europe in particular and our American counterparts were addressing themselves to the question of what the future would be of the international community in addressing aggression and in trying to make sure the situation such as that in Yugoslavia did not spread and did not destabilize the rest of the world.

This is all being done through the United Nations. There is absolute consensus on the part of the government, and I think probably all members of this House, that the challenge we face now as members of the international community is to define the rules and principles by which we will join with other countries in trying to stop aggression and trying to prevent the development of a world where no country feels safe on its own, where all countries feel they have to arm themselves to the teeth because the international community cannot act to protect them.

This is the challenge we face today and this government is committed to addressing that challenge.

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NORTH AMERICAN FREE TRADE AGREEMENT

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, my question is for the Prime Minister.

This government is well aware of the concerns of Canadians with regard to environmental sustainability yet the NAFTA contains no guarantees to ensure that market forces cannot erode environmental standards, standards that are designed to protect the health and safety of workers as well as protecting the environment.

It contains no guarantees with regard to a country which fails to establish and enforce such reasonable environmental standards, which has in essence a trade subsidy.

I ask this government how it can continue to give assurance to Canadians that the interest of multinational companies will not override the democratic rights of Canadians.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, much of the information conveyed to the House by my hon. friend is of course inaccurate in regard to the proposed treaty as it affects the environment. In fact NAFTA was the first international trade treaty to deal with the environment and there is much to commend it to my hon. friend.

The members of the NDP are complaining. The NDP minister for development from Saskatchewan, Mr. Dwain Lingenfelter, said: "Western Canada and agriculture probably have more to gain from NAFTA than any other part of Canada".

Some hon. members: Hear, hear.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, that was an interesting non-answer. The minister he is referring to came back, in fact, more determined to oppose NAFTA than he was before.

An hon. member: That is right. And he said so publicly.

Ms. Hunter: Will the Prime Minister give us his assurance of a parallel environmental accord? No parallel environmental accord can adequately address the concerns. Minimum acceptable environmental standards must be negotiated within NAFTA, not alongside it. We British Columbians have learned this to our sorrow.

Under the current trade deal, a conservation program that protected dwindling B.C. salmon stock was struck down as unfair to American trade.

My question is: If the government agrees to negotiate with the U.S. and Mexico a parallel accord, will it be negotiated in secret like NAFTA? Will it be a secret dispute settlement mechanism like NAFTA or will it be toothless, like it is now?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, I think it is important to challenge the assumptions on which the hon. member is basing her questions with which we have a fundamental difference.

I think it is important to stress to the hon. member that when the Americans talk about a parallel accord they are mostly focusing on border issues between Mexico and the United States. That is the perspective in which they examine this parallel accord.

Already in Canada we have an important number of similar agreements with the United States.

• (1430)

Furthermore, NAFTA is the greenest trade agreement ever signed. It is the first one after Rio, the first one to commit to sustainable development, the first one to recognize that international environmental agreements have precedence over the NAFTA agreement itself, the first environmental agreement to also recognize that countries will not lower their standards for the purposes of attracting investment. It is the first trade agreement that has successfully leveraged the creation of a North American commission on the environment, something that this government is very proud of.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, Liberal and Tory economic priorities have already crippled the Canadian economy, causing massive unemployment and astronomical growth of the national debt.

This government is condemning Canada to an environmental deficit. What we have had so far is an in-house, secret environmental assessment.

I ask the minister. Where is the environmental assessment of NAFTA? When can Canadians trust this government to bring in real environmental concerns to this debate?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, I am glad the hon. member brought that issue up because it is the first time the federal government undertook to do an environmental assessment of a trade agreement, which was a precedent. This environmental assessment has already been made public.

Frankly, I do not know where the hon. member has been in so far as that issue is concerned because the environmental assessment has been made public.

I want to make another point that is extremely important in regard to this debate. The member is making the argument that a developing country should have tariffs imposed upon it if it does not meet certain environmental standards.

If the member chooses to pursue that argument, which I also understand is the line of argument of the Government of Ontario, Canada would then be breaking off

trade with Bangladesh, Somalia and all the other developing countries in the world. I do not think that is in the interests of Canada, which is a trading nation.

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PEACEKEEPING

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, my question is for the Minister of National Defence.

The minister is aware that 25,000 people in eastern Bosnia are cut off in the town of Cerska while a UN convoy of food and medical supplies is parked on the side of the road just 20 miles away.

In Somalia we learned it was necessary to use force against the warlords to deliver supplies to the people most in need.

On Sunday the Secretary of State for External Affairs suggested that Canadian peacekeepers should take a more active role in the region.

Does the redeployment of the second battalion which she announced today mean that the government is considering military intervention as a possible solution to the standstill of humanitarian relief efforts?

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, the short answer to that question is no. The 2nd battalion of the Royal Canadian Regiment is being deployed on the basis of what we call a permissible environment, which means it will perform its task of attempting to deliver humanitarian aid only with the acquiescence and co-operation of the other forces that are there. We see no reason at this time to change that mandate.

I think the hon. member would agree that the circumstances in Bosnia-Hercegovina are very different from those in Somalia. We are hopeful, as a result of the clarification of the American position with respect to Bosnia-Hercegovina, that co-operation will be found. We will be able to fulfil our task of delivering much-needed aid to starving people in that region of the world.

Mr. Jesse Flis (Parkdale—High Park): My supplemental is for the same minister.

On Sunday the Secretary of State for External Affairs announced that she wanted our Canadian troops to take a more active role in peacekeeping and peacemaking and that the rules of the engagement be absolutely clear.

Today the Minister of National Defence makes a confusing commitment for an additional 1,200 troops without consulting Canadians through a debate in this House. Troops cannot do their job properly if they are not given a clear mandate and a clear mission. There is a confusing mandate coming from the secretary of state, the Prime Minister and the present minister.

Will the Minister of National Defence stand up in this House today and give the troops going there a clear mandate and a clear mission as to exactly what they are to do?

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, the only confusion appears to be in the mind of the hon. member.

The troops that have been redeployed today have been in that region since last November.

The original request from the United Nations to have them deployed in the Banja Luka area was not able to be fulfilled because our people were not able to get into that region. The United Nations has now asked us to redeploy in an area west of Sarajevo. We have accepted that engagement and our people are now on their way to fulfil that engagement.

Their mandate is very clear. There is not time in the context of Question Period to go into the details of it, but I would invite that hon. member to attend a technical briefing at the Department of National Defence at 3.30 p.m. today in which he could be advised of all of the specific aspects of that mission.

It is very explicit and I assure the House there is no confusion in the minds of the Canadian men and women who will be carrying it out.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, a newspaper headline on November 3 reads: "Canada wrong to send troops to former Yugoslavia says general". In this article two generals serving in the Canadian forces questioned the manner in which we commit our troops to peacekeeping operations. Later,

serious questions on command and control of peacekeepers were raised.

Can the minister still deny, as she did in Question Period yesterday, that serving generals are so concerned about this government's handling of peacekeeping commitments that they have seen fit to speak out in public?

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, I am only aware of one general who has made a comment of that sort and that was the general from whom we took advice on the acceptability of the risk to our people who were serving in Sarajevo at the time.

I think it is important to point out that the assessment of risk, the assessment of the appropriateness of the deployment of our forces and their ability to carry out the missions is an assessment that is undertaken not by politicians, but by expert military advisers.

The government then decides on the basis of that expert military assessment whether it is consistent with our foreign policy objectives to deploy troops in that particular way.

We have always been extremely respectful of the advice of our military advisers. I am not aware of anyone wearing a uniform of the Department of National Defence who is not supportive of the decisions that we have made because they know that they are based on the very best military advice.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I think the minister has completely missed the point.

Clearly there is a problem with the way we commit Canadian troops operationally. Last fall the Chief of Defence Staff said that Canadian forces were stretched to the limit and that we could not sustain the current peacekeeping mission without additional resources. Two months later the new CDS said that reducing manpower was a defence priority. You cannot have it both ways. You cannot do more with less.

Will the minister recognize the reality of the serious situation and debate on the floor of the House of Commons Canada's involvement in peacekeeping and the manner in which we commit our troops?

Hon. Kim Campbell (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, I welcome not only a discussion of that very important issue in this House of Commons, but in Canada as a whole.

As I have indicated since I became Minister of National Defence, peacekeeping requires the participation of a highly-trained, well-equipped professional military. It is not simply a question of boy scouts with guns. It is an extremely serious enterprise.

We deploy in this particular enterprise the resources that are available to us. Canada now participates in peacekeeping operations in 15 locations around the world.

It is quite true that we cannot continue to accept engagements and I think that with the growing capability of the United Nations we will be asked to accept more engagements. Therefore, I would ask all members of this House to think very seriously about what is an appropriate level of the Canadian military, what is an appropriate level of the defence budget, how many of these kinds of engagements we can undertake, consistent with what Canadians are prepared to pay to support their defence establishment.

Those are the questions we have to address. They are questions for all Canadians to consider because I think all Canadians support the need to contribute to creating a stable world order. How big a role Canada should be playing is one which we all have to address.

* * *

UNEMPLOYMENT INSURANCE

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, my question is for the minister of employment.

The Canadian human rights commissioner has said that he is troubled by the possibility that Bill C-105 could put women who face sexual harassment at risk of losing their UI. Max Yalden is asking for the assurance that persons facing discrimination in the work place will not be disadvantaged in any way should they feel obliged on that account to leave their jobs.

The minister knows very well the problems caused by the lengthy appeal process which exists now. It is going to get worse with more appeals as a result of this bill.

How can the minister assure Mr. Yalden that claimants facing discrimination will not be disadvantaged in any way when the claimants are forced to live without income? Also they have the burden of having to prove that their case is real.

• (1440)

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, in my answer to Mr. Yalden I intend to say that Employment and Immigration Canada has a long history of dealing with such cases in a fair and sensitive manner.

The government and I will continue to deal fairly and sensitively with these important issues of sexual or other harassment. In the legislative process that lies ahead we will ensure that the legislation is demonstrably responsive to the concerns that are being raised.

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, I appreciate very much what the minister has said.

However I question his consultation process. We do not know who he is consulting and he does not seem to be listening to anybody during that consultation process.

In another article in *The Ottawa Citizen* today, we find another case where a woman wanted to leave her employment to be with her spouse in Ottawa. This woman is now in UI limbo because it has been over a year and her case has still not been heard.

How can the minister explain to us that the benefit of doubt will go to the claimant when clearly this is yet another case of someone wanting to join her spouse and is being denied benefits. Under the old system she lost a few weeks. Now she is going to lose everything. Is that fair?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, in the case to which the hon. member refers that person has sought a further review in the Federal Court of Appeal. Therefore it would be inappropriate for me to comment on it.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is for the Prime Minister.

Yesterday in responding to questions, the Prime Minister reminded the House of the government's record in appointing women to key government positions to advise this government on important matters of the day.

One of those women, a woman who all members of the House would acknowledge as an outstanding Canadian, has said of the proposed changes to the Unemployment Insurance Act: "I am very concerned. I am concerned about the consequences of the law and by the minister's stubbornness in not seeing those consequences".

Would the Prime Minister agree to listen to and act on the concerns of his own appointee, Senator Solange Chaput-Rolland and put an end to this act?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have the greatest of respect for the opinions of Senator Solange Chaput-Rolland.

She is a very distinguished member of the Senate. She has well developed opinions on matters of public policy, some of which I endorse and few of which I do not. That will not surprise my hon. friend.

The reforms being proposed by the Minister of Employment and Immigration deal fundamentally with a very simple matter. In this society with the fiscal problems this country has, is it appropriate that someone who quits his or her job without reason, without excuse and without provocation, continues to draw unemployment insurance benefits paid for by his or her fellow Canadians? That is the issue.

That action is not insurance against unemployment. That action might fall under some other social program that my hon. friend would want to propose but it does not follow that every person who quits his or her job is entitled to payment by his or her fellow Canadians. That is the issue before the House and I think we have made the proper and intelligent decision under the circumstances.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, Senator Chaput-Rolland, members of the government backbenches, certainly the opposition parties and many concerned Canadians understand something the Prime Minister does not, obviously.

Any Canadian who quits his or her job without just cause is already subject to a severe penalty today in this country. The real question the Prime Minister ought to address is: Is it appropriate in a country that has 1.6 million Canadians unemployed, and all the consequent misery for men, women and children in Canadian households, to battle unemployment by declaring war on unemployed Canadians?

Is that appropriate, or is it more appropriate to take measures to put Canadians back to work? Will the Prime Minister come to his better senses?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, this is an astonishingly misleading statement by my hon. friend, a very misleading statement.

The fact of the matter is that Canada treats its unemployed citizens more generously than any other G-7 country. Now my hon. friend might wave.

An hon. member: Talk about the penalty.

Mr. Mulroney: Talk about the penalty. The penalty is the same, for example, as exists in New Zealand and as exists in France.

An hon. member: What penalty?

Mr. Mulroney: This is a self-inflicted difficulty of someone who without reason, without justification, decides he is going to quit his job.

An hon. member: It does not cost him a cent.

Mr. Mulroney: My hon. friend should be aware that in Canada, for example, we spend four times as much per capita on our unemployment insurance scheme as in the United States of America. It is so generous that there are some experts, including the House royal commission in Newfoundland, that suggested the present unemployment insurance scheme, as argued in Newfoundland, has distorted the ethic of the people of Newfoundland and Labrador and has added 2 percentage points—

Some hon. members: Oh, oh.

Mr. Mulroney: That is an argument that has been made. It has added two full percentage points to the unemployment rate in Canada.

This country treats the unemployed with a level of generosity unmatched anywhere in the OECD, but we do not have an obligation in this country to provide someone who quits his job without reason, without provocation and without excuse with unemployment insurance paid for by fellow citizens. I think the decision of the Government of Canada has been an appropriate one.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Minister of Employment and Immigration. Yesterday the Minister of Fisheries and Oceans said that it was only the four horsewomen of the Apocalypse who cared about the unemployment insurance issue but today we see that it is not only the four horsewomen who care. Even a senator appointed by the Prime Minister has said that she is truly concerned about the minister's proposals, worried about the legislation's consequences and by the minister's stubborn refusal to see those consequences.

If the minister will not listen to the opposition, is he ready today to listen to his colleague, Senator Chaput-Rolland?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have already answered that question. I have every respect for Senator Chaput-Rolland. Incidentally she once said that the Liberal Party's systematic obstruction of the GST in the House of Commons verged on imbecility. Would you go along with me on that?

Ms. Sheila Copps (Hamilton East): Mr. Speaker, if the Prime Minister rejects Senator Chaput-Rolland's concerns, is he ready to accept the very disturbing remarks of the Chief Commissioner of the Canadian Human Rights Commission, who said in connection with the proposed changes that he too was worried about the consequences for women who left their jobs because they were harassed?

If the Prime Minister denies the remarks of his colleague, Senator Chaput-Rolland, is he ready to endorse the concerns of Canada's chief commissioner for human rights?

• (1450)

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, as I indicated earlier in the other official language, I received a letter from Mr. Yalden, which I am answering today. In it, he asks for my reassurance that we are going to continue to make sure that we treat with sensitivity cases involving harassment or discrimination. My department has 40 years experience in dealing with such cases, we have always done so fairly and justly and we will continue to do so.

[*English*]

BILL C–43

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I have a question for the government House leader.

He will note that some time ago a committee of the House and the Senate unanimously reported on an inquiry concerning Bill C–43 on the Order Paper and recommended that the Parliament of Canada Act be amended to deal with the conflict of interest of members of Parliament, the conflict of interest of ministers and others.

Is that report to be buried forever, or is the government going to follow that unanimous report and do something about the matter?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): No, Mr. Speaker, it is not going to be buried. Yes, we are going to bring it forward.

I am told by Department of Justice draft persons that it will be ready very soon. I think we will find that the bill reflects the consensus view of the all-party committee, and I hope that will be reflected in a willingness on the part of the opposition to treat the legislation expeditiously when it comes forward so we can get this important legislation in place.

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[*Translation*]

TOBACCO SMUGGLING

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, my question is for the Minister of National Revenue. The minister is well aware that cigarette smuggling in Canada has become a plague and a disgrace which profits organized crime with the complicity of thousands of citizens who act against their conscience to save a few dollars on a pack of cigarettes.

Can the minister confirm that a national conference on this issue was convened with his provincial counterparts and can he say what concrete measures have been taken so far by the federal government to end this scourge which tarnishes our reputation and weakens our ability as a country to enforce our laws?

[*English*]

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the hon. member will know that government's underlying policy as far as tobacco use is concerned is to try in every way, shape or form to reduce and eventually eliminate the use of tobacco products in this country.

We have taken cigarette smuggling, as a very serious issue. We have put in place numerous projects already, including joint efforts with the RCMP. We have increased personnel both at customs and RCMP. We have got tobacco manufacturers to put markings on tobacco products so that they can be tracked as they go through the distribution system in the United States.

Progress is being made, but we still have a long way to go. As far as the hon. member's question is concerned regarding a national conference, there are continuing discussions between the federal government and all the provinces. I know the Minister of Finance and his colleagues are going to be reviewing this matter in the very near future.

* * *

FISHERIES

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I have a question for the Minister of Fisheries and Oceans.

Last month during the fishery committee meetings in Vancouver most partners agreed that for the aboriginal fishery strategy to succeed there must be river-wide agreement. On December 7 the minister announced that he would not proceed with the strategy unless he had river-wide agreement for a particular river system.

I ask the question I asked last week: Is the minister ready to announce that he has a river-wide agreement for any of B.C.'s major salmon rivers?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, as the hon. gentleman should know, discussions are under way now with various aboriginal groups and others in British Columbia.

In connection with this issue I myself met about 10 or 12 days ago with all or most of the chiefs of aboriginal bands who live along the Fraser River. I intend to visit British Columbia again next week to meet with representatives of the commercial industry, the aboriginal groups, and the sport-fishing industry.

I intend to continue these meetings to have the stakeholders meeting together and trying to understand or understanding just what the aboriginal fisheries strategy is, that it is in the interest of everyone in the B.C. fishing industry that there should be stability, and that the issue should be dealt with calmly and rationally.

That is what I intend to do. I hope that before the fishing season opens we will indeed have a watershed agreement with reference to the Fraser River, but we do not have one yet.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, one of the points made at the hearings was that there should be multi-party negotiations; all the users should be involved in these negotiations and discussions. Is the minister consulting with anyone other than the people he has mentioned?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I have mentioned the commercial industry, which means the people representing the various gear types, the trollers, the seiners, the gill-netters. We have met with the representatives of the processing industry.

We are meeting with representatives of the aboriginal peoples. We are meeting with all kinds of representatives of the sport fishery. From time to time I have even met with representatives of the British Columbia government. We are setting up a process in which all these stakeholders will meet together on a regular basis.

I intend to write to the B.C. government to invite it to have a representative present so that we can find out exactly what its position is on these issues, just as we would like to know what the position of the NDP is on these issues. Is it supporting this policy or is it not? Is it going to continue—

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, my question is for the Minister of Fisheries and Oceans. He will know that Atlantic fishermen and plant workers are literally on the ropes because of the catch failures and quota cutbacks.

If I may say so, his handling of the problem has been haphazard. It has been unfair and in some cases it has been downright callous. For example, he blatantly excludes pockets of communities along Newfoundland's south and southwest coast and across the maritimes.

Will he now come up with an assistance package to help those who he has been neglecting for so long so that they can be properly compensated for their losses in income?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, surely the hon. gentleman is somewhat exaggerated in his criticism when he suggests that we have taken a haphazard or a callous approach.

Is it a callous approach of the government that we are spending in excess of $800 million on a compensation program in the northern cod area? Is it callous on the part of the government that we have come up with employment projects for people who do not come under the northern cod program at all? Was it callous on the part of the government when we came up with an ice compensation program costing $57 million a year or two ago when ice was the problem? Was it callous when we came up with the $500 million for the Atlantic fisheries adjustment program? Is that evidence—

Mr. Speaker: We are going to have to move on.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, yes, I would say it is haphazard that he has paid out thousands of fishermen who now have to refund because of the haphazard nature of his policy and, yes, it is callous when he gave the ice compensation to somebody who got $60,000 in income on the fisheries last year.

On that ludicrous policy of licence cancellations I hear he has seen the light a bit, but why is he still being evasive and letting those people twist in the wind as it were? Why does he not tell us now that he is not after those people—

Mr. Speaker: Given the time, the questions and the answers do have to be co-operative.

Point of Order

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, the only people twisting in the wind are those who listen to the hon. gentleman and the jet stream that he is offering in these matters.

With respect to the licensing situation, I will be issuing a release today or tomorrow, certainly this week, which will explain exactly what we are attempting to do.

We are tackling problems in the Atlantic fishery that were left untackled by the hon. gentlemen opposite. In all their years in government they never have tackled these problems. We are tackling them.

Mr. Speaker: We will move on.

* * *

THE ENVIRONMENT

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is for the Minister of the Environment.

There is a controversial project near Brookfield, Nova Scotia, concerning burning toxic waste in a cement plant. It will be the first time this has been done in Canada. People in the area are very concerned about their environment. I wonder what part the federal Department of Environment will play, and can the residents of Brookfield be confident their environment will not be damaged by this new process?

• (1500)

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, I can report to the hon. member there is no disposition that presently allows the federal government to intervene directly in this process, but I do understand the provincial government has a process that has gone forward, that recommendations have been made to the provincial minister and that he will be following up on such recommendations soon.

I may add though that the federal government, through the Canadian Council of Ministers of the Environment and through Environment Canada, works in very close co-operation with the provinces in establishing minimum standards that apply throughout Canada for the disposition of similar toxic waste, which is exactly what Canadian people expect from us in terms of co-operation among all jurisdictions in the country in the area of the environment.

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STEPHENSON INQUEST

Mr. Tom Wappel (Scarborough West): Mr. Speaker, my question is for the Prime Minister of Canada and concerns the Stephenson inquest.

The Prime Minister will know that ordinary Canadians are flooding the Solicitor General's office with calls that he drop his hard line position with respect to the Stephensons' costs.

The coroner's jury, which represents a cross-section of independent ordinary Canadians, has recommended that the government pay at least a portion of the Stephensons' legal costs. This is no longer an issue of law alone but also one of compassion.

Will the Prime Minister intervene on behalf of the Stephensons, whose little boy was so brutally murdered, and instruct the Solicitor General to implement the jury's recommendation?

[*Translation*]

Hon. Pierre Blais (Minister of Justice, Attorney General of Canada and Minister of State (Agriculture)): Mr. Speaker, the Solicitor General, who is not here today, recognizes the seriousness of the situation in the Stephenson case. However, one must understand that particular problems are raised when people not legally involved in the case are represented by lawyers in court.

Requests have been considered by the provincial government. The Government of Canada has made an offer to the family and I believe that discussions are going on between the parties. While my colleague and I recognized the seriousness of such a situation, it must be understood that there are dozens, indeed hundreds, of coroner's inquests in Canada. We must therefore make sure that our involvement is fair and equitable for all cases throughout the country.

* * *

[*English*]

POINT OF ORDER

QUESTION PERIOD

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, I rise on a point of order, During Question

Period the Prime Minister in responding to my question made reference to the House report and I believe made reference to a distorted work ethic in Newfoundland.

I have to believe, in fact I am confident, that the Prime Minister did not mean to cast any aspersion on Newfoundland workers. As a former president of IOCC, the Iron Ore Company of Canada, and someone who employed hundreds if not thousands of Newfoundlanders, I am sure the Prime Minister would want to express his confidence that when Newfoundlanders have jobs they tackle those jobs with enthusiasm and energy. I would ask the Prime Minister to make very clear, so that nothing is misunderstood, that was his intention during his remarks in Question Period.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend says that statement is not what I meant. He is quite right. It is not what I meant and it is not what I said in response.

In light of his constructive intervention I can say as former president of the Iron Ore Company of Canada that we had major and significant operations in Newfoundland and Newfoundlanders have an excellent work ethic.

The House royal commission expressed very serious concern, as did the Forget royal commission, that in Canada that work ethic could be distorted by unemployment insurance programs that are counterproductive and that foster dependence as opposed to independence and a commitment to new jobs.

This is what I said, and what we are trying to do with the amendments to the unemployment insurance programs is to keep them generous, to keep them the most generous in the world, but to ensure that all Newfoundlanders who wish to work have an opportunity to work. This is why we have committed billions of dollars to help Hibernia get off the ground in Newfoundland and Labrador.

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; and the motion of Mr. Worthy (p. 15483).

The Acting Speaker (Mr. DeBlois): The hon. member for Broadview—Greenwood has four minutes remaining.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, that is about all I need on this particular bill because it is pretty basic material.

There are very few recommendations that we have in this government reorganization bill concerning these various agencies, boards and commissions.

The one point I wanted to make to the government is that at a time when confidence and morale is very low in our country, a lot of this reorganization has an adverse effect on the Public Service in total.

Because our Public Service touches the people of Canada in so many different ways, during a period of deep depression in the economy I believe it is incumbent upon the government to be sensitive to the morale of the Public Service. A low morale ultimately affects the quality of service to the public.

In my community there are examples day in and day out. I hear from constituents that the quality of service they have been getting from the Government of Canada through the Public Service in the last few years does not seem to be as good as it used to be. When I check some of these complaints out I constantly hear that because of the cutbacks in various departments the public servants are working incredible hours under incredible pressure and just cannot get the work done.

At times this government is just too quick with the knife in terms of its cutbacks and reorganizations. I realize that this bill is going through and realistically I know that not much change is going to happen.

As the government is making these changes it should be ever mindful that the morale of the Public Service if it is functioning in a positive way can go a long way to affect the service to the public in this country.

The converse of that is also important. When those members are making these machinery of government changes in the name of efficiency, I would ask them to do so in a manner in which the morale and dignity of those public servants concerned are properly attended to.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I am happy to participate again in the debate regarding Bill C-93 and in particular some of the effects that this bill will have on different agencies and different structures of the Government of Canada.

On an earlier occasion I took the time to spell out for the House the ways in which I believe this bill has been inappropriately laid before the House. At that time I indicated clearly that I thought this bill, which affects numerous departments and agencies of the Government of Canada, ought to have been split. However, the Chair in its normal wisdom did not see the validity of my arguments and of course ruled otherwise.

• (1510)

Notwithstanding the aforesaid I do wish to reiterate for members of this House that there is one section of the bill in particular which is of great concern to my constituents. It has to do with the gutting of what has become known as Enterprise Cape Breton Corporation.

I know my colleagues from Nova Scotia, particularly the hon. member for Annapolis Valley—Hants, will want to support me in my endeavours in this particular debate. That hon. member was a part of a government on an earlier occasion which brought in legislation to create Enterprise Cape Breton Corporation. I am certain that the hon. member in question would not want to be classified or referred to in the political world of Nova Scotia as a person who does not support the principles for which he voted only a year or two ago and now would change because of the political winds a certain minister or a couple of ministers would have on the situation.

Now that I have the support of my colleague from Annapolis Valley—Hants I am wondering if perhaps we could get the support of the hon. member for South Shore who has been very studious in his representations on behalf of his constituents. I am sure that even though his political persuasion is different from mine he can readily see the merits of the proposals which I will lay before the House in a moment or two.

Years ago under the auspices of the Cape Breton Development Corporation two divisions were designated. One was a coal division, which is self-explanatory. The other was an industrial development division, the sole purpose of which was to try to expand upon the economic base in industrial and rural Cape Breton.

In 1988 the government of the day, to which members opposite are privy to, passed a piece of legislation, namely Bill C-103. In effect it did away with the industrial development division of the Cape Breton Development Corporation.

In its place members opposite, and in particular the Minister for the Atlantic Canada Opportunities Agency, that other famous person in the upper house, Senator Murray said in no uncertain terms that this particular enterprise would assume the role of the industrial development division of the Cape Breton Development Corporation.

Now just a little anecdote about the great, famous Senator Lowell Murray. He comes from New Waterford, an area in my district of Cape Breton—East Richmond, but he is a senator from Ontario.

However back in 1988 when the good senator, supported by those left-wing pinkos of the New Democratic Party, passed Bill C-103 he said the following, which 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 the ECBC as the board of directors of Devco has in respect of the IDD.

That was the great senator in 1988 when he travelled in Nova Scotia and in particular the three federal constituencies in Cape Breton and talked about this new wonderful identity called Enterprise Cape Breton Corporation.

However, now we have on the floor of the House of Commons the Government of Canada under the auspices of the Minister for the Atlantic Canada Opportunities Agency placing before the House a bill which will do away with Enterprise Cape Breton Corporation. It is the same argument the Liberal Party made during the entire debate on Bill C-103, which it opposed at that time for the very fear that this would be done away with within a short period of time.

I am sad to say to my colleagues opposite that they did have the support of the New Democratic Party with regard to Bill C-103. Perhaps not knowing the area or not understanding the complexities of the economic situation there, that is their rationale for supporting it, but I hope the New Democratic Party will come alive with its so-called common sense and support the provisions we are trying to put forward in that we ought not to destroy Enterprise Cape Breton Corporation. We ought to keep it in place.

What is even more devastating in recent weeks is that the Government of Canada, not the hon. member for Cape Breton—East Richmond, not hon. members in our caucus, but the Government of Canada through the auspices of Statistics Canada has said to the people of Canada that the unemployment rate in industrial Cape Breton is 27.6 per cent. Is there any more justification for a federally owned Crown corporation to disperse economic development in that region? What other facts would hon. members need to affirm my conviction?

The action of this government in doing away with this Crown corporation will be met in the next federal election. It will be met in the next provincial election, whenever it is called. The premier of the province, just to show how bent, unfocused and removed the premier of Nova Scotia is with regard to economic development in Cape Breton, has said very little if anything with regard to restoring this agency and thereby putting pressure on the Government of Canada.

We know the track record of one Donald Cameron, premier of Nova Scotia. He set a precedent which is being followed by the private sector throughout Cape Breton. The example I share with the House is that not less than two weeks ago Premium Automotive Tanks in Port Hawkesbury tried to lock its doors in the middle of the night and to escape into the darkness. It was following the actions of Premier Don Cameron, who did the same thing when he removed the toll booth from the Canso causeway a year prior to that.

I urge members of this House to stand in opposition to this particular bill. I give notice to the Chair and I give notice to the Table that we intend as an opposition party to seek witnesses at the committee stage of this bill to examine in its entirety the consequences not only on Enterprise Cape Breton Corporation, but also on all of the agencies which have been named therein. I seek the guidance, the support and the fairness of the Chair in making certain that particular operation is given a full hearing at the committee stage.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, in the limited time at my disposal I will try to clarify the proposals before us in this bill, which might perhaps be called an omnibus bill since it deals with a number of familiar agencies: the Agricultural Products Board, the Atlantic Canada Opportunities Agency, the Canada Council, the Social Sciences and Humanities Research Council, the Canadian Commercial Corporation, Emergency Preparedness Canada, the Independent Review Commission for the Royal Canadian Mounted Police, the Intellectual Property Tribunal, et cetera.

• (1520)

I would like to focus on the proposal to abolish the independence of one of the most dynamic bodies we have in the area of research, the Social Sciences and Humanities Research Council. It is not a Johnny-come-lately. It was founded in 1978 by a Liberal government. The research it has funded in the social sciences has contributed greatly to understanding the importance of research in Canada, truly Canadian research, in very complex and difficult areas.

The bill before us provides for the dissolution of the Social Sciences and Humanities Research Council and the transfer of its functions, and of course its staff, to the Canada Council. The responsibilities of the Department of External Affairs for culture and education in the sphere of international relations would also be transferred to this new agency, which would be called the

Canada Council for the Arts and for Research in the Social Sciences and Humanities.

The Social Sciences and Humanities Research Council of Canada is of course a funding body, which administers funds allocated to research, and awards bursaries. Created in 1977 to administer programs that were previously the responsibility of the Canada Council, it is directed by a 22-member council. Its budget for the 1991-92 fiscal year was $97,635,000, and it had 101 employees.

At the Department of External Affairs, about 25 people work international cultural and educational programs. The budget allocated to those programs for 1993-94 was in the neighbourhood of $27 million. The Canada Council, which was created in 1957, makes grants and services available to creative and performing artists and arts bodies. It has a staff of 248. Its programs are funded through revenue from an endowment fund, gifts, and parliamentary appropriations. Its budget for the 1991-92 fiscal year was $114 million. I wanted to situate all these important national bodies in their context.

The government has decided to put an end to the independence of the Social Sciences and Humanities Research Council, to amalgamate it, so to speak, with the Canada Council. Has the government taken the trouble to explain the reasons for its decision to the members of this House?

The Acting Speaker (Mr. DeBlois): I apologize for interrupting the hon. member, but I would urge members to find a quieter spot for their conversation, because it must be very distracting, both for the Chair and for the person who has the floor.

Mr. Gauthier: I am grateful for your intervention, Mr. Speaker, especially as I was myself on the verge of alluding to the chattering coming from my caucus, who are still chattering with members of the Liberal Party.

As I was saying, the government has not taken the trouble to explain the reasons for its decision to us, and still less to the immediately interested parties, that is to say the Canada Council and the Social Sciences and Humanities Research Council. It is a political decision which stems from this great program of fiscal restraint brought forward by the government in its February 25 budget which, as we know, was followed on December 2 by an additional statement announcing further decisions.

Included in those decisions was the winding up of the Social Sciences and Humanities Research Council and a 10 per cent cut in the budget of many agencies and councils, including the Canada Council.

I have been unable so far to ascertain whether or not the Social Sciences and Humanities Research Council will be affected by this new 10 per cent cut. I know that all the groups, all the non-governmental organizations, councils and agencies will be affected by this 10 per cent cut this year and the next. I know that grants and awards will be affected. I know that the operations of many groups will have to adjust to these new fiscal restraints.

I have some difficulty in understanding, when we as a country are trying to be more competitive in this global market, we are unable to understand and to explain to Canadians why we are sending confusing signals on social sciences research.

I am quite puzzled, knowing full well that the Canada Council is barely alive. Budget cuts have been so severe that the Canada Council itself is on the verge of disappearing and now they graft onto it the Social Sciences and Humanities Research Council. Is it to strengthen it? I would say, since they are two very distinct bodies, so very different from each other, that it will weaken the Social Sciences and Humanities Research Council and it will weaken this agency's contribution to Canada.

I refer to an article published by Robert Nadeau, the president of the Canadian Federation for the Humanities and a professor in the philosophy department of UQAM. I quote Professor Nadeau:

> Unwarranted decision while it is certainly legitimate for a responsible government to want to reduce as much as possible the administration costs of the many programs and agencies it supports, it is not legitimate to proceed arbitrarily and without any explanation, as if the announced measure was self-evident and the people affected by such a measure had no right to be heard. It is unacceptable that this bill winds up the SSHRC, the Social Sciences and Humanities Research Council, and creates something as an appendage to the existing Canada Council, by somehow grafting to it the SSHRC and the International Cultural Program.

I am not the one who said that. It was someone in the field, who is familiar with the issue, who is president of this Canadian Federation for the Humanities and a professor in the philosophy department at UQAM.

I was talking today with one of my good friends at the University of Ottawa who is also interested in this issue. She told me quite candidly: "It is a disaster to make such a big cut in the funding of this organization without any explanation or reason and to leave its future status in some doubt".

I know that my time is up, but I just wanted to say in closing that the government has a lot of explaining to do. This budget of February 25, 1992 is full of such bad news that it is high time for this government to explain itself to Canadians. It is high time for this government to put its mandate to the Canadian people and to call an election to clarify this issue.

• (1530)

[*English*]

Ms. Mary Clancy (Halifax): Mr. Speaker, I rise today to join in this debate.

I am not even certain how many times I have talked about this issue before. A number of my colleagues have spoken on different aspects of this bill. The aspect that most concerns me is the closure of the International Centre for Ocean Development in Halifax. It was not only in Halifax but in my own neighbourhood around the corner from my house.

It is interesting because a very well-known member of the government party from the other place, Senator Finlay MacDonald, feels every bit as strongly about this as I do. He thinks it is a disgrace that the government has decided to lay waste to ICOD and close it down in this day and age. I must say that although there are many other things that Senator MacDonald and I do not agree on, we certainly agree on this.

It is a very sad thing that Canada is losing its edge in research and development. It is losing its edge in areas where it should be leading the world. We have three oceans in this country. We have universities with oceanographic departments. We have marine biologists, marine engineers, marine geologists and on and on.

We have people in numerous disciplines who could come together through organizations such as ICOD and do wonderful things in the area of research and development for the world at large. They could add lustre and burnish to the reputation that Canada has internationally. However, what are we doing? We are closing it. We have closed it. It is gone. It is over.

We have thrown people out of jobs. We have sent off people who came to Canada because of the International Centre for Ocean Development. They came here just because of that. We have sent them off to Indonesia, Wales, various African and European countries and to the United States. Why?

It is because Canada, a country with three oceans and a long-time reputation for being a leader in this area, clearly no longer cares. Its government no longer has any interest in this kind of research and development. I call that a shame.

It is interesting, too, that this bill takes two hits at the province of Nova Scotia in the beleaguered region of Atlantic Canada. The first from my point of view is ICOD and the second is the carnage in Cape Breton, which has been dealt with very eloquently by my colleague who is the member for Cape Breton—East Richmond. It will be equally eloquently dealt with by my colleague the member for Cape Breton—The Sydneys.

It really gives one pause to think that this government is so short-sighted.

Mr. Milliken: I am not surprised.

Ms. Clancy: No, it is not a surprise. I agree with my friend who is the member for Kingston and the Islands.

What we want to know, as we stand here opposing this bill down to the wire, is what the government thinks it is doing by eviscerating all of these organizations, many of which have a mandate to look at research and development. It has a mandate to add, not only to Canada's general lore in establishing certain standards in our own country in science, technology and research, but to add to our contribution to better standards world-wide.

We are proud of a number of things that we do as Canadians. We are proud, and justly so, of our history and our present as peacekeepers. We are proud and justly so of our contributions in a thousand different ways, whether we talk about the invention of the telephone, the developments in northern Canada or the

developments in fisheries and oceans and on and on. There are so many.

Yet with the sweep of a pen and a few hours of debate in this Chamber most of the institutions that have added to Canada's reputation in this area have been wiped out. They made us a part of the international world community in the area of research and development and have been a part of our heritage as citizens of the world. I would be very interested—I think it is unfortunate that there is obviously nobody here to tell me—to know how the government sees the small amount of dollars it might save benefiting Canadians by passing this bill. None of us on this side know. We have no idea. We have asked the question repeatedly and we have received no answer.

How does the government benefit by destroying all these institutions and taking away jobs? Admittedly it is not a huge number of jobs but it has other pieces of legislation on other projects to take away huge numbers of jobs. It is taking away important jobs that add a great deal to the communities in which the institutions are located. I am curious. I pose this question, and I gather it is going to be rhetorical at this stage of the game.

Mr. Milliken: There is nobody here to answer.

Ms. Clancy: Exactly. As my hon. colleague from Kingston and the Islands says there is nobody here to answer my question. Possibly the former hon. minister from Manitoba might answer it, I do not know. He is happy not to respond.

In all seriousness, those of us on this side of the House pose the question and it is very simple. Why has the government decided to kill all these institutions? Is it because in some of these institutions there was more criticism of government policies than the Prime Minister and his cohorts might have liked? I cannot believe that. Even I find that hard to believe. I have to believe there is a method in what otherwise appears to be madness but I would like to know. More important, my constituents would like to know.

We have a proud heritage in the area of marine studies and ocean development in Nova Scotia. While ICOD is not a major contributor to our economy it was certainly a major contributor and a major potential contributor to the reputation and the general betterment of life for all countries that border on oceans and go down to the sea in ships.

We would like to know, as Nova Scotians and Canadians, what the government's reason is for this bill. It has never been explained.

My question is very simple. I would like to know what benefit this will bring to Canadians, as opposed to the great detriment it will bring to the world at large.

I think it is unfortunate but at the same time it is only what we have come to expect from this government and that too is unfortunate. We are seeing another breaking down of our infrastructure, heritage and those unique things about this country that make us Canadian.

There is only one word to say to all of that and that word is shame.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): I thank you, Mr. Speaker. I do not have a complete answer of course for the member from Halifax who just spoke. She was asking why the government is doing this. I do not have the answer but I do have a general idea of what is being done in this act. It is the result of the budget tabled February 25, 1992. The purpose of the bill is to implement certain changes made by the budget.

This legislation predominantly winds up a number of agencies, boards and commissions and moves their responsibilities to other offices. Generally speaking, I have no quarrel with that. While listening to my colleague, the member for Cape Breton—East Richmond, speak earlier I was taken by the similarities that exist between Cape Breton and my own riding of Welland—St. Catharines—Thorold and the Niagara peninsula in general.

• (1540)

This piece of legislation is in 10 parts and I want to deal with the second and tenth parts. The second one deals with the Atlantic Canada Opportunities Agency. You might wonder why someone from southern Ontario would be talking about this particular aspect.

The government wants to close down the Enterprise Cape Breton Corporation and move its function and staff to the Atlantic Canada Opportunities agency. I

question how many jobs will be cut because of this and whether it will really be more efficient.

For this reason and on that basis I am opposed to this move to kill the ECBC, the Enterprise Cape Breton Corporation.

The government stated in its budget speech that this and other organizations were being eliminated because: "They served their purpose and were no longer needed". I believe this is wrong. I believe the Enterprise Cape Breton Corporation is still needed today.

Witness some of these facts. The Cape Breton economy is still extremely troubled and special programs to address it are urgently needed now more than ever. The official unemployment rate reached almost 25 per cent earlier this year and now hovers around 23 per cent. The UI rate was only 16 per cent when the ECBC was created and Cape Breton's economy faces great challenges today just as it did in 1985.

The groundfishery is on the verge of collapse with huge quota cuts and job losses expected in 1993. Employment in the coal and steel industries is down. In my view the ECBC's job is not nearly complete.

Let us put that into juxtaposition with what is going on in the Niagara peninsula with regard to the unemployment patterns that have emerged in the last 18 to 24 months.

We in the Niagara peninsula have suffered the losses of well over 8,000 jobs in the last 18 months and if things go as they are projected to go, in the next 12 months we will be hovering around a loss of 10,000 jobs in the Niagara peninsula.

Last Saturday there was a demonstration by the members of the CAW of the Niagara peninsula who wanted to bring the plight of the people in our area to the attention of the governments of the day. I do not claim that our unemployment rate has reached 23 per cent but imagine an area where traditionally unemployment has been in single digits: 7 per cent, 8 per cent, and 9 per cent. Now we have an increase of almost 70 per cent in unemployment in the area.

Surely new programs are needed for the retraining of these people who incidentally are very highly skilled in the automotive industry, the steel industry and the abrasives industry. All these people are being affected. It is not to say that these people want charity. They want recognition as there was in Cape Breton by the foundation of the Enterprise Cape Breton Corporation. If something like that could be established in the Niagara Peninsula and offer money for training, our people too would have a chance to rebound more successfully from the depression they are in right now.

The UI bill that came up in conjunction with this is going to hit many of our people because I would say of the 8,000 who are now unemployed as of the last 18 months, 2,000 to 2,500 have taken early retirement. They are very worried at this point that their severance pay will be lumped in before they can get UI benefits.

I think about what is going on in Cape Breton with regard to the downsizing—another word for firing people—of one commission and rolling it into the other and I wonder if the job loss is worth it.

Just so we will not always be labelled as being in opposition and never looking at the good side, I agree wholeheartedly with the very practical area of the Veterans' Land Act, part X.

To put it into perspective, this part of the legislation transfers the office of the director, Veterans' Land Act, to the office of the Deputy Minister of Veterans Affairs. Part X also provides for an amendment to the provisions of the Veterans' Land Act representing review committees. It is common sense to do this.

In 1975 I was the parliamentary secretary to the then Minister of Veterans Affairs, Mr. Daniel MacDonald from Prince Edward Island.

My party and I are in favour of this because the last sitting of the board of the Veterans' Land Act was 16 years ago and all its members have been released from their responsibilities. The Liberal government in 1975 created the sunset clause on the act. Therefore since 1975 no one has been eligible to apply to the government for any loans to purchase land under the Veterans' Land Act. That is an eminently sensible thing to have done.

I would address myself to one more thing and that is the international trade and procurement tribunal. Part VIII merges the Canadian International Trade Tribunal and the Procurement Review Board into a new board to be called the international trade and procurement tribunal.

Not much concern has been expressed over this merger and it has been suggested that it may be quite positive. The individuals directly affected are awaiting more information on how it will operate and so are we, as members of this House. This is going to directly affect trade not only inside but outside Canada.

In synopsis I understand the need for this type of bill and I understand that we are going to have to take some steps to streamline. I only hope that by streamlining and downsizing not too many people will be affected. It is to that end I hope the government will address its thoughts.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, on behalf of the constituents of Hamilton West I consider it a privilege to rise on second reading debate of Bill C-93, an act to implement certain provisions of last year's budget, or as it is also known, an act to exterminate certain Crown agencies and appeal to disenfranchised Conservative supporters.

Like all eight budgets brought down by this government which slashed spending, cut away necessary resources and suppressed economic growth, the budget of February 25, 1992 was indeed no exception.

Since the government failed in those eight budgets to bring down the deficit which it promised to do when first elected, it decided to appear to be cost conscious and give the axe to several important Crown agencies.

With the government low in the polls and unable to control the deficit, as it has so prudently demonstrated, it decided to cut important public bodies and appealed to the notion that Canada had an over-bloated Public Service. By doing so it dealt Canada and important research and development a heavy blow.

• (1550)

Of course, this government has been fond of taking the Public Service to task and making a scapegoat out of it for years. Just ask the federal public servants in my riding of Hamilton West. Just ask members of the Canadian Centre for Occupational Health and Safety who are looking over their collective shoulders and expecting this government to terminate the centre. They fear that it might happen at any time.

When announcing the closures in this House, the Minister of Finance boasted of clearing the Public Service deck of over 500 public servants. He can boast that a large part of the department of immigration is going to relocate to Alberta. In fact, I stand to be corrected. It is going right into the riding of the Deputy Prime Minister who is the Minister of Finance is it not? I think it is.

Just ask the federal public servants in Hamilton West or in any riding what the workload is like at the immigration office in their particular ridings. I challenge any one of the members opposite. Have they ever taken a moment to go into the immigration office in their particular riding to see the paperwork that is stacked about a foot and a half high on the 14 desks that line the area inside that office? There are only seven, if you are lucky, federal public servants who are sitting and attempting and trying as best they can to keep ahead of the incredible workload at immigration while the cuts continue to happen.

Along the floor there are boxes of files. Heaven forbid that someone has called before you, fellow member, to inquire about that particular case. It has been pulled out of that particular box number 26 on the floor and set down on a desk somewhere. Your question has been responded to and then we have to call that immigration office on behalf of the constituent who is a little frustrated at the very least. Of course, they cannot find the file because it is out of box number 26 now and on someone's desk.

What about the savings from eliminating 46 public bodies or $22 million? Is it a lot of money? No, it is not a lot when Canada benefits so much from the work that the civil servants have done. It is not a lot when compared to the tens of millions of dollars the government paid out in consulting and advertising contracts. It is not a lot when compared to the $4.4 billion for the new Cadillac version of helicopters. We could have taken some pretty good advice to upgrade the existing ones.

The Law Reform Commission, which played a non-partisan role—as all of these agencies have done—in providing information and research to the government and to Canadians, made several recommendations to the federal government on reforms to criminal law. Instead,

it chose to refer research to the Department of Justice where, practically speaking, it is vetted of contentious issues before it reaches the minister.

The Science Council of Canada is to be wound up. Since 1966 the federal government has relied upon valuable information and research on many areas of public policy.

The Economic Council of Canada, created in 1963, served Canada for three decades. It is closed. It is another important agency and contributor of important information that was given the axe.

In a report entitled *Pulling Together* the council explains how Canada's share of world trade has fallen. The prices of Canada's natural resources have been weak. Canada has higher manufacturing costs due to inflation and slower productivity.

In another report entitled *A Lot to Learn* the Economic Council of Canada noted that education is the key to the kind of jobs and the economic base that Canada will require in the future. Some of the recommendations include: by the year 2000 all 16-year old Canadians will be functionally literate; the proportion of high school graduates will be increased; science will be emphasized in high schools and the quality and quantity of high-tech training will be increased.

To learn some of the exact things that the Economic Council of Canada recommended in one report it cost taxpayers the same amount the government will save by closing more than over 30 agencies when it used more than $20 million of taxpayers' money to fund the so-called prosperity initiative.

Mr. Boudria: It was $21 million for ads.

Mr. Keyes: It was $21 million for ads says my colleague, the member for Glengarry—Prescott—Russell.

Mr. Boudria: Untendered.

Mr. Keyes: Untendered ads.

Mr. Boudria: A very tender subject.

Mr. Keyes: My colleague from Glengarry—Prescott—Russell says it is a tender subject. This is all to tell us that we need to be more competitive.

I have had friends at the dinner table who tell me we all need to be more competitive. It is how we go about being more competitive and the tools that were available to us—the operative word here is were—to point out to the government the best way in which to achieve that competitiveness. Otherwise it is just a big guessing game, is it not?

As the title of the Economic Council of Canada's report suggests, the government itself has a lot to learn about the way our federal government should deal with public agencies that provide comprehensive scientific, medical and sociological research that has served Canada and should continue to serve Canada in the years to come.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to take part in this debate on Bill C-93 and I would like to begin my remarks by congratulating the hon. member for Hamilton West.

[*English*]

The member for Hamilton West really put it the way it is. Mr. Speaker, I am sure you noted that as well. He really got to the centre of the issue. The centre of the issue is that this government has its priorities messed up. I am putting it kindly here because I am not sure that the word I want to use is parliamentary.

The member for Hamilton West pointed out that the government wants to save money—so it says—but it has provided no proof at all that the merging of the Canada Council and the Social Sciences and Humanities Research Council is going to save any money. It has not proven that the collapsing of the Enterprise Cape Breton Corporation with the Atlantic Canada Opportunities Agency is going to save any money. There are no studies to back it up either. Also, it has not shown that that the effective closure of yet another government organization, Emergency Preparedness Canada, is going to save any money either.

Emergency Preparedness Canada is a rather interesting case. The member for Renfrew—Nipissing—Pembroke brought to our attention only a few weeks ago that the government actually announced the construction of a new facility in his riding in the election campaign of

1988 to house Emergency Preparedness Canada. It was around the community of Arnprior if my memory serves me right.

Then the government allowed this thing to drag on and on. If my memory serves me right, it announced the construction of the building twice. Now you might think there are in fact two buildings there, but no. There is in fact no building at all or no new structure as was initially proposed. Nothing is there. Now the government is collapsing this particular organization, Emergency Preparedness Canada, and is merging it with the Department of National Defence. My colleague from Renfrew—Nipissing—Pembroke, as I indicated, has been fighting valiantly to keep this particular organization in his riding.

• (1600)

I want to get back to the Canada Council and the Social Sciences and Humanities Research Council merger because there is an alleged saving of money unspecified and unsubstantiated on the part of the government. It says that it wants to save money. I have a few ideas for the government across the way. Recently Canadians to their shock and dismay found out that the government had given no less than $21 million worth of advertising contracts for Canada's 125th anniversary.

Well, Mr. Speaker, perhaps you and some of our viewers out there are thinking that it was a special celebration and it warranted ads on television. Maybe so, but $21 million is an awful lot of money.

Even if one recognizes that some advertisements may have been in order, what is the reason those ads were untendered? As I indicated earlier, it is a rather tender subject on the government side. There were no tenders. Not even a bidding process was entertained.

Do you know what the government did, Mr. Speaker? It had a meeting in a restaurant in Hull, the Cafe Henry Burger, with six invitees. The six invitees had lunch with government officials and made their pitch, as the minister put it, for the advertising contracts. No minutes were kept of the meeting, no records exist, and no written bids were submitted. Two of the six firms won the so–called successful bid, the successful oral bid made in a restaurant with no minutes. Between the two they shared the spoils: $21 million worth of advertising contracts.

Think of all the people in the riding of Algoma who could have benefited from that $21 million. Think of all the people in the riding of Edmonton Southeast who could have received assistance, or the people of Hawkesbury in the great riding of Glengarry—Prescott—Russell who are suffering right now as a result of the policies of this government. Did they get advertising contracts? Did they get untendered jobs of any kind from the Conservatives across the way?

An hon. member: They got Bill C–105.

Mr. Boudria: No, they did not. They got Bill C–105, as my colleague has just said so eloquently. It was thrown at them.

The Prime Minister said today in the House of Commons that it is the fault of the unemployment system if people in Newfoundland, as he put it, have lost their work ethic.

Get a hold of this stuff. The Prime Minister, during Question Period, alleges that unemployed Canadians who have lost their jobs as a result of this government's economic policy have lost their work ethic because the unemployment insurance system, according to the Prime Minister, is too generous. That is the Prime Minister's version of the truth.

No, that is not what Canadians expect of the government. They expect a more ethical behaviour as it pertains to the awarding of government contracts, to the way it administers dollars, and more particularly to claiming there are alleged savings that are necessary in Bill C–93.

The government has not proven to me at all that these savings will be made. Even if the savings were there, why did it not cut out some of those generous untendered contracts it is giving to friends of the government instead? Why is the government not attacking the issue that way? Even if the government had exhausted all of those, even if the government had totally cleaned up its act, which it has not done, there is still the fundamental question. Even if we did want to, and I do not think we do, merge the Social Sciences and Humanities Research Council with another agency, why merge it with the arts council? Why not merge it with another council?

What studies were done to determine if that is the best merger that could occur versus another one? None.

[*Translation*]

My party, my colleagues and I intend to vote against this bill. Of course, we still have a lot to say and we do not intend to let things go ahead so quickly. We here in this House all intend to try once again to make the Conservatives opposite, the Minister of Employment and Immigration, all his colleagues, the hon. member for Argenteuil—Papineau, understand that this bill is wrong, particularly the clauses affecting the Canada Council as well as other agencies, especially Emergency Preparedness Canada and a number of other agencies.

[*English*]

This government better start cleaning up its act, and when I say cleaning up its act I do not mean with things like Bill C-93. I mean by changing its code of ethical conduct in the awarding of government contracts and in the way that it administers taxpayers' dollars.

My colleagues and I intend to speak further on this issue of ethics in government. Let the government be warned that we are not finished talking about this issue. It will come up again, very soon. Canadians want this government to be accountable. They do not want this government to spend taxpayers' dollars lightly. They want it to be invested appropriately and for the betterment of all.

The Acting Speaker (Mr. DeBlois): 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 Moncton—Transportation; the hon. member for Nanaimo—Cowichan—Salmon Fishery; the hon. member for Mississauga South—Veterans; the hon. member for Scarborough West—Justice; the hon. member for Don Valley East—Municipal Infrastructure.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I am pleased to rise again to speak on this bill because I think Canadians are getting the impression very strongly that this government does not know what it is doing.

I do not know if it is devoid of ideas or if it has so little belief in the role of government in a civilized society that it really does not want to govern and does not believe that government can or should function for the common good of all citizens.

We have ample evidence of the incompetence of this government, its lack of direction, its lack of understanding of what needs to be done to pull the country together and to set a clear course for the future. It is totally missing.

We have a bill that dismantles 10 agencies with no rationale, no analysis of how the functions of these agencies will be fulfilled in the future, or whether they should be abandoned, whether they can be done in a different way, or whether abandoning these agencies is going to cost money or save money. This is only one in a series of measures by government to destroy a number of agencies that have served this country well, to in fact carry on a mission based purely on ideology, not on common sense and good budgeting, to carry on an agenda of tearing down those things which Canadians regard as part of their heritage and as part of the foundation of this country.

We have seen it with the destruction of VIA Rail, the cutbacks to the CBC, with a number of actions geared more to simply getting rid of this and getting rid of that, with no sense of strengthening, no sense of serving Canadians better, no sense of ensuring that there is the objective qualified advice that a government needs to make sure that it is doing what is best for this country.

• (1610)

We have seen the loss of the Economic Council of Canada, the Science Council and the Pay Research Bureau which helped make for smoother labour negotiations in both the public and private sector. We have seen the transfer of patent development away from a corporation that was doing a fine job in that field into departments all across government at much greater cost and at much less benefit to the country.

If we have been insistent in our speeches, good. This is a bad bill when it comes forward with absolutely no justification based on the functions these agencies perform, absolutely no justification based on cost. It is because we have seen the results when this government has dismantled organizations with no clear sense of their purpose, no clear sense of the public importance of the

work they do and no clear sense of how they are going to replace that work.

We see as well this trend in the kind of budgeting we have had and the absolutely stupid determination to tax Canadians more, to provide them with a lesser level of services, to live budget after budget for eight years on the pretence that somehow this is going to put us in a sounder economic situation when in fact it has done exactly the opposite.

Canadians can add. They know that the debt this country was carrying eight years ago was barely one-third of what it is today. They know that the deficit they were carrying was much smaller than they are carrying today. They know that money was being spent then to provide services that Canadians needed, not being spent as it is now just to pay the interest on the debt.

I could address the individual agencies in this bill. Some of it we happen to agree with. We feel that some agencies outlive their purpose and function, but one does not simply say cut 10 per cent across government, cut staff to serve Canadians, cut agencies. One brings forward reasonable, sensible, well founded arguments as to why an agency has outlived its purpose and what cost savings there will be in replacing it with something else, or just simply abandoning it altogether.

The kind of blanket panic of just cutting here and cutting there shows an absolute lack of any sense of management, any sense of direction, any sense of responsibility to the taxpayers for public policy or for the management of their financial resources.

We see the results. We see the results when we read today that Canada may very well have trouble borrowing on the international markets in a very short period of time. This is the kind of legacy that this government has left us.

It is the result not of what is in this bill but of the fact that this bill is so typical of how this government has operated.

There is no sense of direction for the future. There is no sense of the purpose of government and the role it plays in the national life. There is no sense that we need a good and solid public sector in this country to work in partnership with the private sector, labour, educators, the provinces and people in their own communities if we want to address the problems of Canada and create the best possible future.

We oppose this bill. We oppose it because it is so typical of the running hither and yon, the crying about the sky is falling in, the total failure of the government to take its responsibilities as a government seriously and to provide the leadership that this country so desperately needs.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I welcome the opportunity to participate in this debate today.

The bill that is before the House now is intended, according to the government, to streamline the government, the efficiencies of the government. It is to make the running of government more efficient and to make the spending of the government go further.

That is a laudable goal and it is very commendable. The problem is that the government oftentimes has gone around with these bills and these proposals in a fashion that quite frankly is not beneficial to the people of this country.

I point out, for example, in this particular bill that the Social Sciences and Humanities Research Council has been merged with Canada Council, which has caused no end of concern to these groups which are saying that this body was doing a very good job on its own. Merging them is only going to hurt the work that these people are doing.

This has happened in other areas. Last year the government in its same effort to streamline and cut costs cut the Law Reform Commission. It cut the Court Challenges Program. Both were very effective. Both made large contributions to this society. The Law Reform Commission in its work attempted to provide answers and suggestions as to the way we can better govern ourselves in this country.

That commission was cut at a time when we are facing an issue in this country of law and order. The media is carrying stories of crimes that are taking place in this country. They are of concern to people. There is the release of inmates who are considered to be dangerous criminals. There is a whole host of areas that the Canadian public is concerned about and is demanding answers to.

It is certainly going to be an issue in the next election. In fact, it is an issue right now. The Law Reform Commission was there to provide answers and did provide a lot of answers and suggestions. It is no longer there.

This whole area of crime prevention, reform of the Criminal Code and so on demands to be addressed right now. I think one of the things we have to look at is crime prevention. Certainly groups like the Law Reform Commission made comments on that. The justice committee right now is going to report on this.

It is very clear that Canada desperately needs a crime prevention strategy that is going to battle the social causes of crime right across this country. That is not a New Democratic position though. It sounds like one and it is one but that is not what the New Democrats alone are saying.

This is going to be the recommendation of the justice committee and the justice committee is made up of members from all sides of the House. The majority will be Tories, then Liberals and then New Democrats. That committee has heard evidence from so many areas and from such a wide range of witnesses that its members have been forced to come to that conclusion. I want to quote from one of the witnesses who came to this committee from Saskatoon, Sergeant Don Evers who stated: "Just as cancer eats away at people, crime eats away at our communities and societies. If we do nothing about it, it will continue to grow and erode everything".

• (1620)

Canada is the second most violent country of the Group of Seven nations, right behind the United States. Yet we have people in this country talking about building more jails, making tougher laws and becoming more confrontational.

There are areas where we do need tougher laws. That is true. This idea of having a confrontational approach simply does not work. The fact that we are starting to realize that is quite clear from the comments of the chair of that committee who, quoting from the newspaper, said: "If anyone had told me when I became an MP nine years ago that I'd be looking at the social causes of crime, I'd have told them they were nuts", said the P.C. member for Mississauga West who by the way is a former mountie. "I would have said lock them up for life and throw away the key, but not any more".

What about some of the Liberal members? The Liberal justice critic and member for Scarborough West said in an interview: "There are definitely people who will continue to commit crimes no matter what you did for them, but there are many others who turn to crime because they have low self-esteem brought about by not having a job, the breakdown of their family or some other social condition".

It is very clear a whole new approach to the way we deal with the justice system is needed and in order to deal with that we need all the tools we can possibly avail ourselves of. Certainly the Law Reform Commission was a very important tool. That commission no longer exists. We simply have to look to other areas and there are other areas.

If a government is going to be committed to reforming the justice system, it makes very little sense to cut the Law Reform Commission and the Court Challenges Program. To take a case to the Supreme Court of Canada is extremely expensive. Unless there is a fund available for Canadians they are going to be unable to access the highest court in the land, even though they may have a very good issue.

This all-party committee is going to look at "Fighting Crime By Getting Through to the Social Causes", which is a very worthwhile document. I am very much looking forward to reading it. As a member of a subcommittee of justice which is looking at recodification of the Criminal Code, we will be tabling a report next week in the House as well.

I am glad to see that through this bill and other legislation the government is attempting to reorganize the way we do business in this country and save money. The problem is it is doing it in a fashion that is not beneficial to Canadians, particularly those in the lower income brackets or from certain social classes.

I hope that we as Canadians and parliamentarians can come to deal with some of these issues in a more logical fashion. This bill deals with a whole host of groups that are going to be cut and I wanted to focus on the area of justice because I think it demands attention right now. Certainly voters in the next election are going to be asking where the particular parties and candidates stand with respect to justice and law reform.

I think the answer is very clear, certainly from this member. If we are going to have law reform, its objective has to be to provide as safe a community as possible for all Canadians.

We can do that without building more jails and without being more confrontational. We also have to be sympathetic to the causes of crime and look at crime prevention as the main goal in creating a justice system in this country that is going to benefit all.

Mr. Maurice Foster (Algoma): Mr. Speaker, I am pleased to have an opportunity to say a few words on Bill C-93 as it goes to third reading because this bill implements the parts of the 1992 federal budget.

Many of the sections of this bill are really designed for political purposes in the province of Alberta where the Reform Party last year at this time was doing quite well in the Gallup polls. The government was keen to show to the electorate in Alberta, where the Reform Party was doing very well, that it could cut and slash.

It is doing away with a lot of agencies here. In fact, most of them are just sort of moving over so the civil servants who were working before under the authority of an agency or board are taken back into the department. For instance, in the Department of Agriculture, products aboard is being done by the same government officials who are now acting within the Department of Agriculture, rather the Agriculture Products Marketing Board.

The Petroleum Monitoring Agency is useful because it tells Canadians how much they are paying in terms of excise tax and sales tax on petroleum products; how much is being charged by the retailer; how much is being charged by the various upstream sectors; the value of crude oil; the value of refining; the cost of distribution and so on.

Those sectors of the Petroleum Monitoring Agency are being taken back into the Department of Energy, Mines and Resources. It is mostly political matters that are being looked after in this whole bill rather than anything of any real substance.

The Prime Minister is concerned that when he goes to Alberta he can say he slashed and cut out government agencies. That is supposed to impress the electorate so it will vote for the Tories rather than the Reform Party which is doing quite well.

What has happened of course is that the Reform Party has gone into a complete decline. The question is whether the government would even have bothered with this legislation if it had known how much the Reform Party was going to slip in the most recent Gallup polls or in the polls that were done for Angus Reid.

I really want to talk about the budget, the government's general fiscal and monetary policy and its attitude toward the regions of this country. One of the sections for instance deals with the Atlantic Canada Opportunities Agency and the changes being proposed there.

Many areas of the country have similar agencies. Southern Ontario and Quebec have the Ministry of Science, Technology and Trade. Northern Ontario has FEDNOR, the western provinces have their little agency while southern Ontario and the province of Quebec have the full department.

Those departments were designed to create economic opportunity and diversification. They have been singularly unsuccessful in diversifying the economy, not because of the agencies themselves doing their assigned tasks, which in the case of FEDNOR is really designed for quite small projects, at least in rural areas, but because of the government's over-all fiscal and monetary policy and general policy toward the regions of the country. Of course that is identified in the budget of 1992.

• (1630)

If we look at the Algoma district we see economic carnage because the government has essentially withdrawn from the problems.

If we look at the free trade deal of 1988, the government was saying it would solve the problems of the steel industry in cities like Sault Ste. Marie. Algoma Steel would not have to worry any more about countervail duties or dumping duties. The marketplace of the whole of North America would be open and the trade problems and restrictions that had been proposed in 1982 and 1986 would be over.

If you look at that community today Algoma Steel has essentially gone into ownership by the employees. It is a kind of receivership situation. How do we see the government's trade policy? It would be hard to describe it as anything but a disaster. After the 1988 free trade agreement was put in place the screws were put on by the Governor of the Bank of Canada and the monetary policy was very restrictive.

In 1989 and the first part of 1990 the Governor of the Bank of Canada imposed interest rates that were at least 5 to 6 percentage points above those in the United States. This drove the value of the Canadian dollar from 70 cents to 85 cents and even higher. We had the worst of all worlds. We had a very high dollar.

Companies like Algoma Steel were trying to produce steel with interest rates at 14 or 15 per cent while their American counterparts were paying 7 or 8 per cent interest. At the same time the dollar had appreciated by 12 or 14 percent. It was the worst of all worlds in a supposedly free trade area of North America.

If that was not bad enough, that kind of monetary policy gave the American producers a great opportunity. They immediately started to increase their exports to Canada by some 25 per cent, taking away markets for the Canadian steel industry. That industry was in total torment because of that.

It is not only those policies that have driven companies like Algoma Steel into receivership and employee ownership hoping to recover from that. In the past few weeks the United States government has imposed a dumping duty on the Canadian steel industry right across the board along with other countries.

Supposedly the free trade deal was going to resolve those problems. In fact it is much worse. The Americans have not backed down one iota and are not only imposing dumping duties, they are taking up a larger share of the Canadian market. The industry is in the most difficult time in its history.

This budget bill, Bill C-93, an implementation act that we are debating today is being brought in at a time when the government's fiscal and monetary policies are extremely Draconian for the Canadian steel industry. That industry today is in a terrible turmoil. It is during a time when there should have been an agreement.

We talked back in the 1960s, 1970s and early 1980s of a North American steel agreement, something like the Canada-U.S. automobile agreement. That agreement is being proposed again in spite of the fact that we have a FTA, but the Americans are not agreeing to it. We are in a free trade area where there is really no free trade. All you get is countervail duties, anti-dumping duties and a demand for more and more of the Canadian marketplace which just ultimately costs more and more Canadian jobs. That really came out of that budget.

Mr. Andre: Mr. Speaker, on a point of order, I would just like to designate tomorrow as an allotted day.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I stand here today to speak on Bill C-93, which is a budget implementation bill and in effect dissolves many agencies and merges others.

In some of the cases the agencies should be dissolved. They have not been used. They have not been of use for some time. Indeed, one would wonder why it has not been considered before.

However, in other cases we wonder why the government is behaving in this fashion. It appears there was absolutely no consultation. In some cases the government may say it was due to fiscal restraint. We acknowledge this is a terribly difficult time economically for all of us. Perhaps there is reason to consider fiscal restraints. However, after looking deeper into some of these mergers it is realized that perhaps in some cases it will not only not save dollars but may also cost even more.

One of the things we would like to see when this bill goes to committee is that there be extensive consultation with some of the agencies that are suggested to be merged.

Perhaps when I was first elected I was quite naive in thinking that there was a lot of co-operation and consultation before a budget measure was implemented. However, shortly after I was elected I was made an associate critic in one of the fields and had been closely following the speeches made by the minister in charge of the particular department. If I can recall this was in February of 1989, but in any case it was the first budget I was here for.

It just so happened that approximately one week before the budget was read the minister in question went out west and gave a speech. He told the people concerned that if there were to be any way that the particular program would be discontinued they would be given ample opportunity, ample notice but that it would not be discontinued at the time.

Lo and behold, one week later in the budget the program was cut off as of midnight that night. It surprised me somewhat. I thought: Well is the gentleman not a minister? Is he not a part of what happens with the pre-budget deliberations? How could he make a speech out west guaranteeing consultation and plenty of advance warning and have one week or so later the Minister of Finance actually make him look like a bit of a fool because the program was cut off with no grace period of six months and so on.

• (1640)

I asked the minister: "Did they not speak to you before?" He just shrugged his shoulders and walked away. I thought that was not the way to do budgeting. When doing a budget, the departments are brought in to try to find the best way to utilize the dollars available. Yes, cutbacks are extremely difficult and sometimes are necessary.

I have worked as an accountant. I know how easy it is to look at an amount and think that it can be done without. But many times there would be easier ways and perhaps ways of saving even more money while doing the work that we are doing. Sometimes just looking at a sheet of paper and knocking off numbers is costlier than the amount of money it saves.

I ask this government to please reconsider and when the legislative committee is formed and studies this bill that we allow extensive consultations, especially when we deal with part II and part III of this bill which deal with the Canada Council for the Arts and Research in the Social Sciences and Humanities.

Part III of the legislation winds up the Social Sciences and Humanities Research Council and transfers its functions and staff to the Canada Council. Certain functions and staff of the Department of External Affairs and International Trade that deal with the promotion of Canadian culture abroad would also be transferred to the Canada Council. I am sure there will be some very good suggestions made by people who are involved in these councils who know the good that is being done and the ways by which the councils could be used more advantageously without costing the government a great deal of money. It is absolutely essential when we streamline that we do not, contrary to the spirit of the legislation, cause more cost for the taxpayer.

The new Canada Council would have to develop a whole new international division and network quite apart from its domestic concerns if it is to administer the various cultural programs effectively. That has not been part of its mandate at this time. We are asking that the Canada Council perform this function. Maybe the Canada Council would like to have this function. Perhaps we could allow that function to be carried on by external affairs as it has been up until now.

As well, staff in various posts abroad would now be accountable to two masters, that is, the Canada Council and the heads of the posts. How would that save money? It is far better to have them answerable to only one boss. Again, we ask that amendments which would facilitate this be considered.

It is a matter of being humane in the cutbacks. It is a matter of using your head and as well as cutting back, doing the best that you can do. The only way we can properly run this country and offer the kinds of programs we need and at the same time manage to better spend taxpayers' dollars is to have all people work together. We cannot have only one person unilaterally cut back at one level just perhaps to cost more at another level. That is not the way we will address the deficit position we are in, or for that matter the deficit positions of other levels of government and other departments.

We are asking that this government stop this unilateral decree in terms of budgets. I do want to stress it is extremely important we allow every due consideration. Those agencies that should be closed down by all means if they are not in use now let us get it over with and close them down. Those agencies that are performing very valuable functions should be separated and allowed to continue to provide the kinds of services that they have in the past so that they can continue to make us a great and wonderful country. It is absolutely essential and I beseech this government not to continue in decreeing budget cuts but to consult and together we can make it work.

[*Translation*]

The Acting Speaker (Mr. DeBlois): It being 4.45 p.m., pursuant to order made earlier today under Standing Order 78(3), it is my duty to interrupt the proceedings and put forthwith every question necessary to complete the second reading stage of the bill now before the House.

The first vote will be on Mr. Worthy's motion.

[*English*]

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. 415*)

YEAS

Members

Anderson
Atkinson
Beatty
Bernier
Bjornson
Blais
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Corbeil
Côté
Crosbie (St. John's West)
Danis
Della Noce
Dick
Domm
Duplessis
Epp
Feltham
Fontaine
Friesen
Greene
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Horning
Hughes
Jelinek
Joncas
Koury
Langlois
Layton
Lopez
MacKay
Martin (Lincoln)
Mayer
McCreath
McKnight
Merrithew
Monteith
Oberle
Paproski
Pronovost
Ricard
Robitaille
Saint-Julien
Shields
Sparrow
Tardif
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vien
Weiner
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Andre
Attewell
Belsher
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Charest
Clark (Yellowhead)
Clifford
Collins
Corbett
Couture
Crosby (Halifax West)
de Cotret
Desjardins
Dobbie
Dorin
Edwards
Fee
Ferland
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
James
Johnson
Kempling
Landry
Larrivée
Loiselle
MacDonald (Rosedale)
Marin
Masse
Mazankowski
McDermid
McLean
Mitges
Nicholson
O'Kurley
Porter
Reimer
Richardson
Roy-Arcelin
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vézina
Vincent
Wenman
Worthy—132

NAYS

Members

Allmand
Angus
Assad
Axworthy (Winnipeg South Centre)
Bellemare
Berger
Boudria
Caccia
Clancy
Copps
de Jong
Edmonston
Finestone
Flis
Foster
Gagliano
Gray (Windsor West)
Harvard
Heap
Hunter
Kaplan
Kilgour (Edmonton Southeast)
Langdon (Essex—Windsor)
MacDonald (Dartmouth)
Manley
Marleau
McGuire
Milliken
Nault
Nystrom
Peterson
Proud
Rideout
Skelly (North Island—Powell River)
Stewart
Vanclief
Wappel
Wood
Althouse
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Benjamin
Blaikie
Butland
Catterall
Comuzzi
Crawford
Dingwall
Ferguson
Fisher
Fontana
Fulton
Gauthier
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Kristiansen
Laporte
MacLellan
Marchi
McCurdy
Mifflin
Mills
Nunziata
Parent
Phinney
Prud'homme
Samson
Speller
Stupich
Walker
Whittaker
Young (Beaches—Woodbine)—76

PAIRED—MEMBERS

nil/aucun

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

Pursuant to Standing Order 61(2) the next question is on the main motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. 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:

Mr. Angus: Mr. Speaker, I rise on a point of order. Perhaps you might seek consent to apply the vote we just took to this motion.

Some hon. members: No.

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

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

(Division No. 416)

YEAS

Members

Anderson
Atkinson
Beatty
Bernier
Bjornson
Blais
Bouchard (Roberval)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Charest
Clark (Yellowhead)
Clifford
Collins
Corbett
Couture
Crosby (Halifax West)
de Cotret
Desjardins
Dobbie
Dorin
Edwards
Fee
Ferland
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson
Andre
Attewell
Belsher
Bertrand
Blackburn (Jonquière)
Blenkarn
Bourgault
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Corbeil
Côté
Crosbie (St. John's West)
Danis
Della Noce
Dick
Domm
Duplessis
Epp
Feltham
Fontaine
Friesen
Greene
Guilbault
Halliday
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
James
Johnson
Kempling
Landry
Larrivée
Loiselle
MacDonald (Rosedale)
Marin
Masse
Mazankowski
McDermid
McLean
Mitges
Nicholson
O'Kurley
Porter
Reimer
Richardson
Roy-Arcelin
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vézina
Vincent
Wenman
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Hawkes
Hockin
Holtmann
Horning
Hughes
Jelinek
Joncas
Koury
Langlois
Layton
Lopez
MacKay
Martin (Lincoln)
Mayer
McCreath
McKnight
Merrithew
Monteith
Oberle
Paproski
Pronovost
Ricard
Robitaille
Saint-Julien
Shields
Sparrow
Tardif
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vien
Weiner
Wilbee
Worthy—131

NAYS

Members

Allmand
Angus
Assad
Axworthy (Winnipeg South Centre)
Bellemare
Berger
Bouchard (Lac-Saint-Jean)
Butland
Catterall
Comuzzi
Crawford
Dingwall
Edmonston
Finestone
Flis
Foster
Gagliano
Gérin
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Langdon (Essex—Windsor)
Leblanc (Longueuil)
MacLellan
Marchi
McGuire
Milliken
Nault
Nystrom
Phinney
Prud'homme
Samson
Speller
Stupich
Vanclief
Althouse
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Benjamin
Blaikie
Boudria
Caccia
Clancy
Copps
de Jong
Duceppe
Ferguson
Fisher
Fontana
Fulton
Gauthier
Gray (Windsor West)
Harvard
Heap
Hunter
Kaplan
Kristiansen
Laporte
MacDonald (Dartmouth)
Manley
Marleau
Mifflin
Mills
Nunziata
Peterson
Proud
Rideout
Skelly (North Island—Powell River)
Stewart
Tremblay (Rosemont)
Walker

Wappel Whittaker
Wood Young (Beaches—Woodbine)—78

PAIRED—MEMBERS

nil/aucun

• (1720)

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

Motion agreed to, bill read the second time and referred to a legislative committee in the Economics envelope.

The Acting Speaker (Mr. DeBlois): 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*]

ROYAL CANADIAN MOUNTED POLICE

PUBLIC COMPLAINTS COMMISSION

Mr. Raymond Skelly (North Island—Powell River) moved:

That, in the opinion of this House, the government should cancel the proposal to amalgamate the RCMP Public Complaints Commission with the RCMP External Review Committee, and furthermore the government should implement the recommendations contained in the 1990–91 RCMP Public Complaints Commission Annual Report.

He said: Mr. Speaker, today I would like to propose that we change the direction in which the government is moving in one particular case. This is the case of amalgamating two very worth-while agencies: the RCMP External Review Committee and the RCMP Public Complaints Commission.

The concerns I have involve an incident that happened in Gibsons, British Columbia, on September 30, 1988. On that particular night an individual happened to be under the influence of alcohol and sleeping in a local pub. The owners asked that the individual be removed. The individual was then subsequently taken to the RCMP station and throughout the night an altercation resulted.

The individual was taken out of the RCMP cells during the night. He was subjected to the exercise of force by a police officer involved. There had been an altercation in the cells as well. Later on in the course of the night the individuals who were in the cell began to ask that the person be dealt with by a physician. It was clear that the person was badly injured. It was not exactly clear how those injuries came about, but very definitely throughout the night the individual did not have access to medical attention.

The next morning there were no charges taken and suddenly all the other individuals in the cell were asked to leave. This individual was held back to account for a parking ticket in Sechelt, British Columbia. Then, once his brother dealt with the parking ticket in another community, he was released out into the street where he promptly could not function because of his physical condition.

A taxicab picked him up and took him to the hospital. The hospital examined him and my understanding of the injuries were that his face had been stoved in, his ribs broken and his spleen had been ruptured. He was in fact in danger of dying. The hospital picked him up by helicopter and took him to North Vancouver to deal with the injuries.

The two points the commission findings dealt with were an improper procedure on the part of the RCMP officers involved and failure to provide medical attention. Had it not been for the RCMP Public Complaints Commission, this would never have seen the light of day.

There were definitely attempts by RCMP officers involved to obstruct the process of this complaint. It was extremely difficult to deal with it. In any other agency, such as the provincial ombudsman, nobody would have essentially picked this complaint up. It is ironic that the RCMP Public Complaints Commission came into force at midnight, October 1. Even though this had occurred on September 30, I gather the RCMP took the commission to court arguing that since the event had commenced prior to the proclamation and imposition of this legislation it did not have jurisdiction.

The Federal Court upheld that jurisdiction and the case went ahead. It took years. Eventually the RCMP admitted wrongdoing, apologized for the event and then wound up in an out of court settlement resolving it years later.

The point is not to criticize the RCMP. The RCMP is the finest police force that one can point to in Canada if not in the world. It is absolutely critical that the force maintain high morale and that the complaints commission not be used as an instrument to harass the police force when it is carrying out the will of the public so that fair, even-handed and effective law enforcement takes place.

• (1730)

We are concerned about the odd incident, the odd individual who is not suited to the rigours of police work. There must be a mechanism by which the complaints of the public can be brought before a commission or an agency that handles these fairly.

I would like to read the mandate of the External Review Committee. It says: "The RCMP External Review Committee was created to provide an independent, impartial recommendation to the commissioner on grievances, formal discipline, discharge and demotion under the provisions of the RCMP Act. Any case resulting in a formal discipline, discharge and demotion is referred to the committee by the Commissioner of the RCMP unless the member requests that it proceeds otherwise".

This is a totally different matter. It is almost a committee that handles labour grievances within the police force. I think it is an extremely valuable, useful and productive arrangement where officers within the police force can ask that these complaints be dealt with within a more impartial purview than with members of the RCMP.

On the other hand, the principles laid out in the RCMP Public Complaints Commission are different. It talks about two important functions: that the mandate of the Public Complaints Commission is to provide individual members of the public with an effective mechanism that they can make complaints in. The public also, in laying complaints, must not interfere with the public's interest in the fair and proper enforcement of the law. It is a very delicate balance. It is not there to disrupt the process of fair and even-handed law enforcement, but it is also there to deal in a fair and equitable way with the complaints of the public.

A number of important principles have to be looked at. We cannot allow these two agencies to be melded together. It is a blurring of their purposes.

The public is already sceptical enough, when you say RCMP public complaints, that it is an agency of the RCMP and that it works hand in glove with the people against whom they have a complaint. That is not true.

The first principle we should be looking at is that police forces have strict accountability in the use of force, especially the use of deadly force, which we have been encountering lately in a great many public complaints, not against the RCMP but other police forces. There is a strict accountability of the use of force against members of the public.

The second principle is that the complaints have a fair and impartial investigation mechanism to ensure the public that they are fully investigated and they know the consequences and outcome.

The third principle is that the public be aware of the process. When you talk to members of the general public it is ironic that they do not have any idea that this organization exists. Many people who have complaints against the RCMP say: "There is nothing you can do. This is the force of the state and if you wind up complaining against them the force will come down on you even harder". There is an element of truth in this.

I think there have been at least a dozen complaints against police actions in the community of Gibsons. It is interesting, when individuals were charged and the use of force was involved in the laying of that charge, the individuals who laid the complaint about what they felt was the inappropriate use of force, usually a month later or some time later, even further charges emerged. So there was a real deterrent against the individual making a complaint and it was recommended often by friends not to complain because they would make it even worse.

However, the public must be aware that there is a process by which they can get to an agency that will investigate their complaints.

When we went to the hospital in this community and asked if the records showed that when individuals were brought into this hospital that they complained about the excessive use of force or injury because of excessive force of the RCMP. It never appeared in the hospital emergency records and it was not traceable back through hospital records, so it is extremely difficult.

It is my understanding that this is now changed. If an individual comes in and says how he or she has been injured, the hospital will at least record that the injury

was as a result of police force action and the use of force in the law enforcement process.

The public is not aware of this organization. I think it is important that all referral agencies and hospitals should make it clear where one can get a fair and equitable hearing of one's complaint, a thorough investigation.

The RCMP must co-operate with an investigatory commission and that co-operation must be seen to get to the bottom of a complaint. In many cases the RCMP officer has been found to be completely justified in the use of force for the protection of himself, protection of others and for the public good of enforcing the law.

In other cases, there was a misunderstanding and an explanation to the complainant about what the procedures are has often satisfied people. There has often been a simple apology that in the heat of the moment measures might have been used that were precautionary. Then in a very small number of cases there is in fact a legitimate concern and a good thorough investigation is useful in clearing the air and resolving the matter for future police operations procedure.

This procedure, with RCMP co-operation, gets to the bottom of what its members are doing. Getting to the bottom of what its members are doing can change police operations and make our police force a more effective agency, more highly regarded in the eyes of the public for doing the work of the public.

It is absolutely critical that this process be transparent. If in those small number of cases where an individual requires discipline, where changes are made as a result of a complaint of improper procedure, then it is incumbent upon the RCMP to let the complainant know what the outcome was.

At this time, there is no indication of what occurs. The commissioner of the RCMP in responding to the report and recommendations of the commission in a finding is not required to produce that information to the complainant.

I do not know how we got to the point of talking about the recommendations in the 1990-91 report. I believe what we are talking about is the recommendations in the 1989-90 report. Substantial recommendations were put forward for changes in the RCMP legislation. Not only do these agencies have to be held apart in order to keep and encourage the public confidence in an organization that is there to handle complaints, but the legislation has to be strengthened to make it more effective.

It is interesting that in asking to be able to distribute interim reports and final reports of the agency, they are asking for the authority to make these matters of the public record and that the public can refer to previous actions taken by the commission in the event of certain kinds of activities. There is no reason that this should not be a matter of public record. There is no reason that this recommendation should not be implemented.

Another thing is that the commissioner within 60 days should be required to provide notice to the commission and to the complainant of the commissioner's response to the report and recommendation of the commission. The complainant, as I mentioned before, is entitled to know what kind of action is to be taken in a case where there was inappropriate use of force or inappropriate action on the part of the police force and its members. That should be reported. Any disciplinary action, any changes taken, should be reported back to the complainant and the commission.

The commission asks for the ability to share information that it has gathered, even personal information with the provinces who are responsible for contracting for those police forces. It is important that the attorneys general of the various provinces have access to the kinds of information that may in future affect important police operation matters. It would allow them to co-ordinate and to change actions of other police forces where it is important. This kind of change to the legislation would certainly help and be effective.

• (1740)

An interesting problem arose if the complaint is made against the police force in its entirety as well as against a member of the police force. It is suggested in the recommendation that if it is simply against a member, the discipline falls on the member. The member becomes a scapegoat and the force is held blameless. The entire operation of the police force is not up for

consideration. It is absolutely important that this recommendation be implemented as well.

The commission in its recommendations in the 1989–90 report asked for a mechanism to be provided to permit mediation of complaints where the police force and the complainant could sit down in a mediated situation rather than going to court and rather than being placed in a continuous adversarial, confrontational type of arrangement that that environment provides. Mediation as an opportunity should be provided.

In summation, it is important that those recommendations be considered seriously. There should be ongoing dialogue between the office of the Solicitor General and the chairperson of this commission for the implementation of those recommendations. We could have an improved legislative base from which this commission could operate. It would be an agency that is more effective in resolving the complaints of the public.

In fact in the long run this will enhance the credibility of Canada's police force and will improve the law enforcement activities in Canada.

One of the requirements that we should be looking for in this House is a statement from the Solicitor General. That will probably be the subject of the next private member's motion. The subject of the next private members' motion is probably that the Solicitor General report to this House the progress on the implementation of these particular recommendations.

It is important that this agency not be rolled into the External Review Committee, that its mandate and its responsibility be blurred by an activity which is not in any way related.

The suggestion is that the government will save money in this process. By the time the moves are all made and the two agencies move into their new facilities, expand the number of floors they take up and rearrange things no money will be saved. In the long run, it is likely that RCMP Public Complaints Commission will be harmed in its ability to carry out its absolutely critical tasks.

Hopefully the government is in a position to reconsider what I think is a strategic error in the law enforcement policy of Canada. To reiterate, the RCMP is literally the finest police force in the country, if not in the entire world. It is respected from coast to coast to coast by all Canadians as having done an enormously good job. When there have been complaints, we have seen those complaints addressed and we have moved on.

At this point there has to be serious consideration by the government to complaints from the public, that those complaints be moved on quickly and effectively, without harming law enforcement and to the satisfaction of the complainant. At least they got a fair hearing.

The RCMP sets a standard for law enforcement in this country. The handling of complaints in an effective, fair, even-handed manner where the complainant gets to know the reasons a situation occurred, for better or for worse does not harm this police force. It does not harm the cause of law enforcement. At least it lays to rest the often serious concerns of complainants.

It also sets an example to other police forces in this country that there is strict accountability, that the RCMP has the courage and the integrity to answer. It has full accountability to the citizens' confidence in it of delegating the right to use force in the enforcement of the laws. That example would go a long way to resolving many of the complaints that we are faced with each day.

[*Translation*]

Mrs. Monique B. Tardif (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, it is with pleasure that I rise today to address the House on a motion sponsored by the hon. member for North Island—Powell River, which reads as follows:

> That, in the opinion of this House, the government should cancel the proposal to amalgamate the RCMP Public Complaints Commission with the RCMP External Review Committee, and furthermore the government should implement the recommendations contained in the 1990–91—

Or rather the 1989–90, as my colleague corrected in his presentation

> —RCMP Public Complaints Commission Annual Report.

From the outset, it must be understood that the issue of the consolidation of the RCMP Public Complaints Commission and the RCMP External Review Committee is separate from the proposal to consider amending the RCMP Act for the purpose of improving the complaints process.

The former action is structural, a streamlining of the system to improve efficiency.

The latter pertains to a substantive review of the effectiveness of the accountability mechanism, and is in no way precluded by a merger of the two agencies.

To better explain this distinction, let me first provide a brief history of the creation of the Public Complaints Commission and the External Review Committee.

Many significant amendments to the RCMP Act were passed in 1986. Within this package of amendments, a substantial number, including the creation of the RCMP Public Complaints Commission and the RCMP External Review Committee, were in direct response to the findings and recommendations of the Marin commission of inquiry, embodied in the commission's report of 1976.

The Marin commission was established in 1974 to inquire into public complaints, internal discipline and grievance procedure within the RCMP.

The Marin commission recommended that within the RCMP, the public complaint system operate separately from the disciplinary system. However, at the independent review stage, the commission recommended the appointment of a sole authority, referred to in the report as the federal police ombudsman, to review and make recommendations on matters of public accountability, internal discipline and grievances.

Notwithstanding the recommendation for a single review authority, two separate agencies were formed through amendments to the RCMP Act in 1986: the RCMP Public Complaints Commission to review RCMP handling of complaints made against individual members of the force by the public and the RCMP External Review Committee to review and make recommendations on certain types of grievances initiated by members and appeals of formal discipline and discharge or demotion actions initiated by management.

The committee became operational in 1986 and the commission in 1988.

It is important to keep in mind that ten years passed from the time the Marin commission submitted its report of recommendations in 1976 until the RCMP Act was amended.

In that period of time successive governments researched, consulted on, and refined the issues that resulted in significant amendments to the RCMP Act and the creation of two civilian oversight bodies. Compare this deliberate and extensive process of consideration with the fact that, after only two years of the commission's being operational, the then Chairman proposed in the 1989–90 annual report 30 recommendations for improvement necessitating further substantial amendments to the RCMP Act.

As I have stated, the first study was an extensive process that evolved during a period of more than 12 years, which included the two–year inquiry by the Marin Commission. The Public Complaints commission recommendations were based on a review of only two years of operational experience.

The recommendations in the 1989–90 Public Complaints Commission annual report touch on the scope and nature of the complaint process, post–complaint discipline and the monitoring of the complaint process.

As I indicated, changes to the RCMP public complaint process would necessitate further amendments to the RCMP Act.

• (1750)

Because the commission had only been in operation for two years, it was believed premature to consider amendments to the RCMP Act at that time.

As part of the streamlining measures contained in the government's February 1992 budget, it was announced that a number of agencies would be consolidated, including the RCMP Public Complaints Commission and the RCMP External Review Committee. This was done to provide a more efficient management process to handle complaint investigations and grievances.

The purpose of the amalgamation is to reduce administrative costs, increase efficiencies in program delivery and avoid duplication.

Bill C–93, an act to implement certain government organization provisions of the budget tabled in the House of Commons on February 25, 1992, would create the new independent review commission for the RCMP. This bill was tabled in the House on February 5, 1993 and has just been passed on second reading and referred to a legislative committee. With the bill now before the House, my colleague from North Island—Powell River has the opportunity to propose amendments during the

committee's clause-by-clause proceedings or at report stage in the House of Commons.

The return to the original Marin commission recommendation of a single review authority does not detract from the distinctiveness of these two functions or impugn the impartiality of either process.

In practice, all the major activities of these two agencies will be assumed by the single agency. Moreover, as many of the administrative functions of the commission and the committee are analogous, the integration of these two agencies will result in greater efficiency and administrative savings. As well, once the new commission is established, there will be a reduction to one chairperson, one vice-chairperson and one deputy chairperson from the current configuration of, in total, two chairmen and two vice-chairmen.

With respect to the potential for conflict of interest, or real or apparent bias arising from one agency handling both public complaints and internal grievances and discipline, Bill C-93 deals with these issues. For example, one particular provision ensures that the deputy chairperson review any matter previously reviewed by the chairperson in the other context, and the legislation provides that the chairperson cannot use information that he or she has obtained from a discipline case to initiate a complaint in the public interest.

The legislation which will give effect to the new agency was drafted after a series of extensive consultations among officials of the Public Complaints Commission, the External Review Committee, the Privy Council Office, the RCMP and the Secretariat of the Ministry of the Solicitor General to ensure that all issues and potential difficulties were fully addressed.

In the end, we are maintaining an independent review system, resembling more closely the single authority envisaged by the Marin commission, with legislative safeguards that protect against possible conflict of interest situations and streamlined to increase efficiency and reduce administrative costs. The new body will continue to provide the same high quality of complaints investigation and grievance review.

I have explained why the recommendations of the 1989-90 Public Complaints Commission annual report were not pursued. Once the independent review commission of the RCMP is established and running and there has been a sufficient period of experience with it, improvements might suggest themselves.

As the system has matured since the 1989 recommendations and because of the amalgamation, it would not be appropriate to base future recommendations on the 1989-90 review. After a sufficient time of operation, we will be able to consider whether it is necessary to take a fresh look at the system with the participation of the independent review commission, ministry officials, the RCMP, both rank and file and management, the Department of Justice and the central agencies.

The consolidation of the commission and the committee does not preclude a subsequent review of the efficacy of the legislation. This is not a situation where a choice has to be made to amalgamate or conversely to implement the recommendations embodied in the 1989-90 annual report.

The decision to amalgamate is premised on this government's commitment to implement streamlining measures. This consolidation in no way jeopardizes the integrity of the oversight mechanism which is ultimately established. If there are any problems or issues that arise after a reasonable period of operation, they can be addressed at the appropriate time.

[*English*]

Mr. Tom Wappel (Scarborough West): Thank you, Mr. Speaker. I am delighted to take part this evening in making some comments on this motion by the member for North Island—Powell River. May I begin by saying that the parliamentary secretary gives a very interesting and accurate historical perspective on what happened.

May I comment briefly on what I consider to be an incredible Dickensian coincidence in connection with this motion. I notice that the member has a motion dated March 30, 1992. It concerns the proposed amalgamation of the two bodies. He happens to have it on the Order Paper today, of all days. What a fluke, since we happen to be speaking today, of all days, on Bill C-93. One portion of Bill C-93 happens to be precisely the exact same subject matter that the hon. member brought up March 30, 1992. It has taken this long to get here.

I guess in effect he has had an extra kick at the can to criticize at least a portion of Bill C–93 after we just voted to have no further debate on Bill C–93 and to proceed to committee. By the way, I voted against that because we should not be stopping debate in this House of Commons.

However, having said that, let us take a look at what that portion of Bill C–93 attempts to accomplish and why the hon. member moved his motion. It is an attempt to consolidate the External Review Committee and the RCMP Public Complaints Commission. The plain and simple reason is to save money. We are told that if these two bodies are amalgamated, there will be a saving of approximately $1 million a year. In government language there will be a reduction of seven person–years in the operation of this new commission.

The hon. member who spoke just before me also indicated that there would only be one chairperson instead of two and one vice–chairperson instead of two, with the usual support mechanisms.

Contrary to popular belief and to the unfortunate slurs that have been foisted upon the Liberal Party by the government, we are not averse to saving money where that makes sense. We support saving money where it makes sense. We think in this particular instance that it makes some sense to amalgamate the two agencies.

It is interesting that the Conservative member opposite reminded us that at one time there was a feeling that these two commissions should be one. Notwithstanding that feeling, they became two. Now, for budgetary constraints it has been decided that they become one again.

Is there something wrong with that? The member for North Island—Powell River pointed to three specifics. I wrote them down. He wanted a fair and impartial investigation mechanism. That is reasonable. He did not, however, cite any evidence in his remarks as to why this proposed amalgamated commission would be anything but fair and impartial in its investigations. He said that the RCMP must co–operate with the commission. Who could disagree? However, is there any evidence that the RCMP would not co–operate with this proposed commission? Is there any evidence that as a matter of policy the RCMP has not been co–operating with both the External Review Committee and the RCMP Public Complaints Commission? I would suggest that there is no such evidence.

He said that that process must be transparent. By that of course he means that the public should be able to judge what is going on. That is something that is not going to be changed by amalgamating.

• (1800)

Am I almost out of time, Mr. Speaker? Let me finish. I want to bring to the attention of those who are listening who have followed this one specific clause of Bill C–93 as it deals with this independent complaint commission. I cite it specifically. Clause 25(6) reads:

> No member of the force is eligible to be appointed or to continue as a member of the commission.

There can be no question of independence since there cannot be a member of the force on the commission.

Unfortunately I do not have time to comment on the recommendations in the RCMP Public Complaints Commission annual report, particularly since the wrong date was given.

The Acting Speaker (Mr. DeBlois): The time provided for consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

TRANSPORTATION

Mr. George S. Rideout (Moncton): Mr. Speaker, it is a pleasure to speak about transportation. It arises out of a question that I put to the Minister of Transport on November 20, 1992. It was a question that was very pertinent to what is going on in Atlantic Canada and the lack of a transportation policy by this government.

We were dealing with the situation in which CP had requested the abandonment of portions of the line from Saint John to Montreal. The effect of the abandonment of that line would mean the end of VIA Rail service three out of six days of the week.

We are seeing more and more pressure being put on the highway systems of Atlantic Canada. We realize, of course, that the railway has been abandoned in Newfoundland. It has been abandoned in Prince Edward Island. The government is in the process of abandoning the line from Truro to Sydney, all of which puts major burdens on our highway network. We are clearly facing a major problem in New Brunswick as well as in other provinces in Atlantic Canada, but the unique thing about Atlantic Canada is that all roads eventually go through New Brunswick if you are trying to travel from anywhere in Atlantic Canada to Upper Canada, as we call it, to Ontario or Quebec.

That means that when you tamper with a rail line and abandon that then that brings about greater pressure on our highways. Anybody who has been in New Brunswick realizes the major problem with truck transportation on a two-lane Trans-Canada Highway.

I asked the minister to tell us what the policy is. What is the transportation policy of this government as it relates to Atlantic Canada?

The answer comes back that they are looking at it, they are not sure, that all the lines have not yet really been abandoned, they will study it and they will get back to us.

Clearly there has to be a transportation policy which is going to be supportive of the three major elements of transportation in Atlantic Canada which are air, highway and rail.

If this government has its way there will be only one rail line that runs from Halifax to Montreal and if this government takes the next step, it will probably try to sell off that line to another private concern so that there will not be a national rail line that runs from Halifax to Vancouver. That is a shocking and callous display by this government.

My speaking time is limited and I have much on my mind and many concerns about this government's lack of policy in the area of transportation. Mr. Speaker, I can tell by the look on your face that you are concerned about it as well. It is a concern for all citizens of this country. We have to link this country together from east to west. If we are going to have a disjointed transportation policy that puts danger on our highways and destroys the steel linkage across this nation, then in effect we have started the dismemberment of this country.

I ask the government to come forward with a policy, stop rail line abandonment until that policy is in place and do something about the Trans-Canada Highway in New Brunswick and all of Atlantic Canada. It needs an upgrading, it needs something done. Let us see some action from this government.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I want to respond to the hon. member for Moncton who raised these issues of concern.

First, I would like to deal with the question of the rails because of course by issuing notices of intent, CP Limited has initiated the rail line abandonment regulatory process available under law.

There are certain real opportunities that should be considered by those interested in the continuation of rail service on these lines. The National Transportation Agency hearings will provide a perfect forum for all parties to raise their concerns.

With respect to highways, the federal government has certainly recognized that the road system in New Brunswick is in bad condition. A study of the national highway system identified that while only 961 kilometres or 4 per cent of the national highway system is in New Brunswick, over $2.2 billion or 16 per cent of the total required to upgrade the whole system is located in that province.

The government does not have to apologize for its commitment to highway spending in maritime Canada. New Brunswick is benefiting now from a cost-shared agreement which provided $131 million of federal funds over eight years to upgrade the highway system. For that matter since 1984 the federal government has contributed over $650 million in highway programs in Atlantic Canada alone, which represents a higher investment in this region than in any other region in Canada.

New Brunswick and Newfoundland have been the largest recipients of federal highway funds with over $240 million and $250 million contributed respectively.

In addition, the Minister of Finance announced in his December economic statement the national infrastructure program which will result in more than $2 billion during the next five years. Federal assistance will be provided on priority highway projects in New Brunswick

and Nova Scotia in order that significant work can be commenced on development of an Atlantic expressway.

We too are sorry that details have not yet been ironed out. I know that the Minister of Transport has made this a very real priority and that the message is clearly understood by the negotiators who are determined to strike the best deal possible for all parties concerned.

SALMON FISHERY

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, this discussion started with a question that I asked of the minister of fisheries five months ago yesterday.

In response to a question I put to him, he said that because he entered into agreements with aboriginals for conservation purposes, for management of fish resources and for the sale of fish that there are tensions in the industry in B.C.

Those are not the reasons. Had they been agreements for conservation, everybody would have supported them. Agreements for management would have had the same degree of support. The only question with sale is how many? If the aboriginals were selling the number of fish that they were allotted, there would have been no problem with that either.

The problem is there is no policing of the regulations and to the extent that there was supervision, the supervision was not even-handed. Everyone knows and admits that now. DFO officials will admit they were told to observe, record and report but not to do anything further than that if they were dealing with aboriginals. With respect to others, they were to arrest them on the spot if they liked.

As a result of these tensions the minister said a great deal is being made of a situation of the alleged disappearance. It is much more than alleged. A DFO official told me that 1.2 million sockeye had gone missing. When Dr. Pearse did his study he came up with a figure closer to 500,000 but whatever, it is a lot of sockeye. It is not a little thing. It is something pretty important.

The minister said it was a great success, a great year for B.C., because so many more spawners returned in this low cycle year than were expected. With respect to the Stuart Lake run, perhaps the most important of all, while we were hoping and expecting and counting on getting 200,000 spawners, according to Dr. Pearse we got 64,000, less than one-third of what we anticipated. We knew they were in the river, but they did not get to the spawning ground.

• (1810)

It is not just that they did not get there. The ones that arrived, according to Dr. Pearse, were all net scarred. They had fought a tough fight to get through the many nets that were in the Fraser River picking up these fish. The question remains, and we will not know for another four years, whether or not the spawning of even one-third of the expected number was successful. We will just have to wait and see.

It was a bad year in British Columbia. It is not because of the new strategy that there have been troubles. It is because the strategy was not applied even-handedly. It goes against both. We know that Indians were taking advantage of the situation and we know that whites were taking advantage as well.

Stories were related and not denied by anyone that white fishing boats would take a single Indian on board and put that person on deck where he or she could be seen. They then could do almost anything they wanted without fear of being picked up by DFO officials.

That is what makes it wrong. It was not even-handed. There was not the supervision that was needed to guarantee the resource. Those are the problems in the industry, not the fact that a new strategy has been introduced.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, in reply to the hon. member opposite, who has shown real concern about what happened last summer in the fisheries on the west coast, yes there were problems. I will be the first to admit that. Also, as the summer unfolded, corrective action was taken to make sure that the fish that we wanted to get to the spawning grounds would get there.

We had estimated that there would be 6.4 million fish, which exceeded the pre-season estimates and the largest run of a low-cycle year in 80 years. Salmon every four

years return to their birthplace, spawn and die. The cycle then starts all over again.

The number of early Stuart sockeye which returned to spawn, some 65,000—I have seen 66,000, I have seen 64,000, and I have seen 65,000, but within 1,000 of each other—has only once been surpassed since 1960. That I believe was four years previous.

Over all the British Columbia commercial fishing fleet had a very successful fishing season this year. In fact, it has been estimated that it had over 400,000 fish, more than what the total allotment should have been, but that is not the problem that the hon. member was alluding to. He is alluding to the problem of what took place on the lower Fraser River of the early Stuart runs.

When the problem was identified, and the member opposite will have to agree with this, on August 6 all native fishing was disallowed in the river and the nets were taken out. This was watched by helicopter surveillance so that all of the spawners, all the fish that were in the river to spawn, would get back to their grounds. A very successful season of spawners has been there, so we can look forward four years from now to a very successful fishing season.

VETERANS

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, on September 17 I directed a question in the House to the acting Minister of Communications. It was with respect to the drama documentary *The Valour and the Horror*, produced by the National Film Board and shown on the Canadian Broadcasting Corporation.

This piece of work is now being distributed by the National Film Board to schools and other institutions. The problem is that anyone can rent it and anyone who wants to rent it, gets it.

The film series is billed as a drama documentary, a documentary. Dramatized truth is what it is supposed to be.

The drama documentary that runs three parts is anything but truth. The level of historical rightness contained in the series is totally and completely false. There is a complete lack of balance and it pays no attention to the allied situation in World War II. It has an emphasis on the negative. It demonstrates Canadians as inept, murderers and horror creators. It is a shameful expression by our National Film Board and by the Canadian Broadcasting Corporation.

Veterans right across Canada have risen up. They have written and complained but that does not matter. The McKenna brothers were out to get Sir Arthur Harris, chief of bomber command. He was shown as ruthless, a murderer and someone who would bomb and kill women and children.

The Normandy—Dieppe activity was shown as a case where Canadians were badly led. They were incompetent troops and untrained troops. They were troops that did not know what they were doing. In Hong Kong, where our troops held off the Japanese invaders for 18 days, one of our men received the Victoria Cross.

This documentary shows our troops as incompetent. This is the invention of the McKennas. They have decided to rewrite history. Forget about the truth. Forget about Adolf Hitler. Forget about the fact that the German war machine had taken over all of Europe, all of the European part of the Soviet Union and that it occupied North Africa.

Forget about the fact that the Japanese, who brutally treated people, had occupied all of southeast Asia. Forget about the damage done and say our people murdered a few people. They killed a few people. A few of the enemy civilians were bombed. That is the spirit that the McKennas want to give to national television.

I know you signalled me, Mr. Speaker, that my time is almost up but I must give you a feeling for a very good veteran who served as a justice in the Supreme Court—

[*Translation*]

Mrs. Nicole Roy-Arcelin (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I am pleased to answer the hon. member for Mississauga South.

The communications minister has always respected the autonomy principle regarding the activities of the National Film Board and does not interfere with the creativity aspect of its decisions. As a producer and distributor of films and video material, the NFB is entirely autonomous in creating and marketing its productions.

As you know, Mr. Speaker, *The Valour and the Horror* is a three-part documentary on Canada's participation in World War II produced by Galafilm Inc., of Montreal, in collaboration with the NFB and the Canadian Broadcasting Corporation. This project was the brain-child of an independent producer. This program has raised controversy about Canada's participation in World War II.

This film was reviewed in minute detail during the public hearings conducted by the Senate sub-committee on veterans affairs following numerous complaints from some veterans and military historians who claimed that this film gave a distorted account of World War II events.

Mr. Speaker, you certainly know that the Canadian Broadcasting Corporation ombudsman indicated in his report that the show might contain historical inaccuracies. However, the CRTC reviewed the complaints concerning this production and found no irregularities in the way the matter was handled by the CBC.

The Senate committee has now released its report and recommendations regarding the series.

The NFB holds all the non-commercial Canadian rights for the distribution of *The Valour and the Horror* whereas Radio-Canada and the CBC hold all broadcasting rights for Canada. The usual distribution policy was followed. This production can be rented or purchased from all the NFB distribution centres in Canada. In response to concerns expressed by some members of the public, the NFB is preparing a document to be distributed to those who either buy or rent the series in order to put the events into their historical context. Therefore, anyone who—

• (1820)

The Acting Speaker (Mr. DeBlois): I am sorry, the two minutes provided for in the Standing Orders are up.

[*English*]

JUSTICE

Mr. Tom Wappel (Scarborough West): Mr. Speaker, in the brief four minutes I have allotted to me I wish to expand on a question that I asked one week ago.

On that day, February 9, an event occurred in the legal history of Canada which is unprecedented. The coroner's jury investigating the tragic murder of 11-year old Christopher Stephenson reconvened and issued a statement at a press conference.

I think it is important to read the statement verbatim into the record of this House of Commons:

> We spent four and one-half months listening to the testimony of approximately 90 witnesses before making our verdict and recommendations. We feel strongly that our 71 recommendations, if adopted, will preclude a tragedy of this nature from happening again.
>
> Crucial and indispensable to these recommendations was the cross-examination of these witnesses by Mr. Tim Danson who represented Jim and Anna Stephenson. His consistent pursuit of the truth, from all witnesses, greatly benefited our decisions. Indeed, we cannot conceive of an inquest of this depth and nature proceeding without the perspective provided by Mr. Danson on behalf of the Stephensons who are the parents of Christopher, the victim.
>
> The Solicitor General of Canada, the Honourable Doug Lewis, has publicly stated that Jim and Anna Stephenson did not need independent legal counsel and that had they come to him for legal advice he would have told the Stephensons this. Mr. Lewis also said that his decision to deny funding to the Stephensons was sensitive, sound and just. We disagree with both points. We think he is wrong. We therefore urge the minister to reconsider his position and we hope that he will consider our opinion in the positive and constructive way in which it has been given.
>
> We therefore strongly recommend and urge the federal government and the provincial government to compensate Jim and Anna Stephenson for all legal costs incurred in this inquest, the results, if acted upon, will benefit all Canadian families.
>
> We remind everyone that on June 17, 1988, Christopher Stephenson, age 11, went shopping with his mother at a local mall. They had every right in the world to be there. Joseph Fredericks who had spent 34 years in either mental or correctional institutions should not have been there. Mr. Danson made all this very clear to us.

The Solicitor General is obfuscating. The Solicitor General is stalling. He is talking about consulting with the bar association. He is talking about consulting with the Law Society of Upper Canada.

He does not need to consult because an independent jury of ordinary Canadians has already told him what to do. I quote the foreman:

> We are the ones that were asked as citizens of this country to attend the inquest. I think we are probably the only ones who have the insight to recognize that the government should pick up the legal expenses for the Stephensons.

To suggest first of all that the taxpayer should not be paying the cost is a specious argument. All legal bills can be examined by the court to determine that they are fair and reasonable. To say that this will create a precedent is also nonsense. To make the payment and simply announce this is not a precedent ends it. There is precedent in legal history for this, and I cite it for the Canadian public now.

Susan Nelles was paid an amount of money by the province of Ontario some time after her preliminary inquiry on a no-precedent basis. There is absolutely no reason why the Solicitor General cannot accept this recommendation by this jury.

The Toronto Sun said it best in an editorial:

> Well, it is time to look after the interests of the victims. Federal Solicitor General Doug Lewis and the provincial government can start with the Stephensons.

I ask the Solicitor General to please pay the reasonable legal bill.

[*Translation*]

Mrs. Monique B. Tardif (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, I believe that the Solicitor General, like my hon. colleague, is sympathetic to the tragic loss experienced by the Stephensons and the efforts they have made to participate in the recent inquest in order to get the best possible results.

Consequently, on compassionate grounds, the government offered what it believed to be a reasonable settlement of their outstanding civil action against the Crown. That offer remains on the table.

With regard to the legal fees, the government has no idea what they amount to, because no final bill or account has been submitted by the family or their counsel. Let me be clear that the offer the government made to settle the law suit was not specifically to pay the legal fees, although the family would be free to use it for that purpose.

On the matter of the inquest itself, it should be noted that inquests are provincial mechanisms established at considerable cost, to protect the interests of citizens by ensuring that the causes of deaths are known and corrective action, where required, is recommended.

The federal government co-operated fully in this process, also at considerable expense. I believe my hon. colleague will understand that the offers, which are still on the table, should receive an answer at the earliest opportunity.

[*English*]

MUNICIPAL INFRASTRUCTURE

Hon. Alan Redway (Don Valley East): Mr. Speaker, last week I had 11 constituents come into my riding office in Toronto. Seven out of those 11 constituents had lost their jobs. They were out of work. These were not habitual receivers of unemployment insurance or welfare. Each of them in fact had worked all their adult life. All of them wanted to work.

The problem is that there is no work available for them. There is no work as an architect. There is no work as an optometrist's assistant. There is no work as a sales manager. There is no work in the hospitality industry. There is no work in computers. It goes on and on.

At the same time I walked out the front door of my office and looked across the street at the East York, North York O'Connor-Bermondsey industrial district. What did I see there? I saw the McBride Group plant for sale. I saw the CCL Industries plant for sale with a sign on the front "Job Search Assistance Committee-Action Centre". I saw the McLellan and Stewart plant for sale. I saw Halls Canada Paper closed. I saw Long Packaging closed and for sale. I saw Block Drug for sale or for lease. I saw Rockwell International for sale. The list goes on and on because one-third of all of the plants in that industrial area are closed.

This is the industrial heartland of Canada. These plants were used to generate wealth for Canada and used to generate federal tax dollars. What, if anything, is there that we can do? If there is something we can do where is the money going to come from?

It is interesting to note that about one-third of all of the green plan budget, which is about $1 billion, has not as yet been publicly committed. Rather than spending that money on more and more studies, why do we not use that money not only to clean up the environment but also to stimulate the economy and to create jobs at the same time?

This Friday metropolitan Toronto is holding an economic summit to try to find ways to get the economy going again. I am going to be there. Will the minister come and will he bring with him a handful of that green plan money?

Mr. Jack Shields (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, the green plan makes an important contribution to both the environment and the economic future of this country by investing substantial resources in science, education, technology and other programs which will help us meet our environmental goals in ways that promote economic prosperity. There are many examples of how green plan funding will contribute to Canadian competitiveness.

For instance, in the forest sector the green plan commits the government to accelerate and intensify its efforts to develop and deploy environmentally sound solutions to the forest management for insects and disease. Reducing loss or damage will yield benefits to Canadians to enhance economic and recreational use of our forests.

The green plan also recognizes that private sector research and development of environmental technologies promises new investment opportunities and the creation of jobs in Canada's environmental industries.

The environmental technology industry is among the fastest growing sectors in the Canadian economy and it will play an increasing role in positioning Canada favourably in a highly competitive world market. That is why the green plan has initiated a program to accelerate the development and demonstration of commercially viable environmental technologies. That is also why additional green plan funds have been made available to assist Canadian firms in locating, assessing, transferring and promoting environmental technologies.

This government recognizes the important contribution of infrastructure projects to both job creation and to Canada's competitive position in the global economy. In its December economic statement, the government announced a strategic investment program which will encompass investments in all regions to strengthen our national transportation system and communications network.

Investments will include upgrade of federally owned highways, bridges, ports and airports, as well as development of a high-speed, high-capacity information network across the country.

Over the next five years these initiatives will result in investments in national infrastructure of more than $2 billion and are expected to generate 6,000 to 8,000 direct jobs each year.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 38(5), the motion that this House do now adjourn is deemed adopted. The House therefore stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

The House adjourned at 6.32 p.m.

HOUSE OF COMMONS

Wednesday, February 17, 1993

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

JAPAN'S ECONOMY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the effects of the recession are being felt in Japan, where businesses are limiting overtime and cutting staff. Bankruptcies are at the highest level in six years: there were 14,167 in 1992, compared to 10,723 in 1991.

According to some economists, Japan's economy has never been worse since the 1973 oil shock and businessmen are calling for lower taxes and a recovery budget.

Hundreds of firms have laid off contract, term or part-time workers hired in boom times. Other companies are encouraging employees to leave by taking early retirement.

These staff cuts subsequently affect small retailers and small and medium sized businesses, which are the backbone of the Japanese economy.

* * *

[*English*]

INTERNATIONAL YEAR OF INDIGENOUS PEOPLES

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, on December 10, the beginning of the International Year of Indigenous Peoples, the Australian Prime Minister apologized to aboriginal Australians for the damage caused to them by colonization.

A few days ago Bill Clinton drew attention to the fact that many American children experience conditions like those found in Third World countries such as Haiti and Bolivia.

In Canada, we have witnessed incidents such as substance abuse at Davis Inlet, high suicide rates at Big Cove, a rash of sexual assault charges at Sandy Bay and racist taunts of young Micmac hockey players.

When is our Prime Minister going to follow the lead of U.S. President Clinton and recognize that many aboriginal children in Canada live in Third World conditions?

* * *

LITERACY DAY

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, as all members have been made aware, today is Love Literacy Day. With the support of the Minister of Multiculturalism and Citizenship, Frontier College, the Canadian Alliance for Literacy and the Movement for Canadian Literacy, we are focusing attention on this day.

It is a most appropriate time to pay tribute to the literacy organizations and the many volunteers who are active on this vital issue. The Canadian Alliance for Literacy, composed of national organizations working for literacy, brings together advocates for the promotion of literacy in Canada.

It is partnerships among funders such as the National Literacy Secretariat within the Department of Multiculturalism and Citizenship as well as provincial governments. It is partnerships between the non-governmental organizations, business, labour and governments.

Canadians and the organizations which support the literacy movement are the front line champions of literacy. On behalf of the Government of Canada and all Canadians, I offer my sincere gratitude for their efforts to achieve full literacy for all Canadians.

Love Literacy Day is an opportune time for recognizing the indispensable importance of literacy volunteers and their organizations to Canadian society.

* * *

EXTERNAL AFFAIRS

Mr. Stan Keyes (Hamilton West): Mr. Speaker, constituents have brought to the attention of some members of the House that the Department of External Affairs circulated a data input form inviting Canadians to document breaches of humanitarian law in the former Yugoslavia.

The form states that: "Canada will draw on information gathered by this process in preparing a report to the UN Secretary-General" and should be mailed to an Ottawa post office box.

The form asks for the name of the person filling out the form, a description of events such as "rape, torture, execution, unfair trials and so on". It also calls for names and commentary on individuals who have allegedly committed breaches of law under the heading "Perpetrators".

How has Canada become involved in this witch-hunt which smacks of McCarthyism. Imagine someone in Canada who knows someone or some people in the former Yugoslavia they do not like. They attribute all sorts of atrocities to them and get others to do likewise.

How is this information verifiable? Is Canada to be party to this potential kangaroo court? More important, how can this Draconian measure be condoned by this government? I ask the Prime Minister to direct his ministers to put a stop to this shameful exercise.

* * *

[*Translation*]

TOBACCO SMUGGLING

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, ridicule will finally kill society.

Rich tobacco smugglers can buy real estate and other property with complete peace of mind, owing to a defect in the Criminal Code that does not provide for the seizure of goods acquired from the sale of smuggled cigarettes.

The warehouses of flue cured tobacco producers are robbed in broad daylight by criminals who sell the contraband in our famous flea markets. Distributors and retailers lost over $150 million in 1992 because of this illegal trade.

The governments in Quebec and Ottawa lost almost $1 billion in 1992, $450 million for Quebec and $500 million for Ottawa as its share of the tax that would have been collected in Quebec. Imagine the disaster for all of Canada.

Crime has increased 100 per cent and Canadian smokers have become the accomplices of organized crime, something which has not been seen since Prohibition. This has been going on since July 1991 and it is time to stop it.

Quebec and Ottawa must drastically cut taxes in order to kill the black market. The Criminal Code must be amended to prevent these criminals from laundering money obtained from smuggling, the exits from the Indian reserves must be controlled and above all, Quebecers and Canadians must stop buying contraband cigarettes; otherwise, the governments alone will be unable to wipe out this evil.

* * *

MEMBERS FOR SKEENA AND CHAMBLY

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, the French define politics as war in peacetime.

Indeed the member for Chambly and the member for Skeena seemed to be at war with each other. But upon checking, we found out that the member for Skeena was misquoted and so was the member for Chambly.

What I make of that is that people were misquoted. At least they agree that they disagree. I would ask both hon. members, the one for Skeena and the one for Chambly, to realize that this is not a battlefield but a place of peace.

* * *

[*English*]

PETITIONS

Mr. Benno Friesen (Surrey—White Rock—South Langley): Mr. Speaker, last fall the member for Surrey North filed a petition with the House containing the names of people who purportedly were objecting to the provisions of Bill C-86.

I thought it would be a good idea for the people who had signed the petition to get information from a government member too. I wrote to them and gave the government position on Bill C-86. Lo and behold, 15 per cent of the letters were returned to me by the post office, saying no such person or no such address.

It may be the post office did not look far enough. It may be the post office should have looked at the tombstones in the local cemetery for some of the names. After all, some elections have been won that way. I am sure the member for Surrey North would not do a thing like that but I do think, Mr. Speaker, you have a problem with some of the petitions.

* * *

METRO TORONTO

Mr. Sergio Marchi (York West): Mr. Speaker, the government continues to say the recession is over but as we know few Canadians believe them. Certainly not those Canadians living in metropolitan Toronto.

Despite these very proud Tory declarations, the economic malaise in the metropolitan Toronto region, an indispensable part of the national economic fabric, continues virtually unabated.

This Friday the metro chairman, Mr. Alan Tonks, will be convening an economic summit of all three levels of government, business, labour and the Canadian public.

• (1410)

The Conservative government is sending four ministers to the conference. I would suggest the time for empty words is over, the time for inaction is over, the time for staying a course that is clearly not working for Canadians in Toronto and across the country is over.

Torontonians want change. They want action. They want a proud government that is prepared to intervene, to stimulate the economy and to get this indispensable part of the Canadian machinery going again.

Between the Tory government in Ottawa and the NDP government at Queen's Park, Toronto is being sold out.

LABOUR

Mr. Barry Moore (Pontiac—Gatineau—Labelle): Mr. Speaker, the Conference Board of Canada has predicted a year of relative labour peace in the Canadian work place.

Low inflation and the leadership of the federal government in exercising fiscal restraint has meant that bargaining priorities have shifted to such important work place improvements as access to job training and other non-monetary benefits.

Flying in the face of these positive developments is the president of the Public Service Alliance of Canada, Mr. Daryl Bean, who has vowed to take money from a $1.25 million collective bargaining account to target certain candidates for defeat in the upcoming election.

I wonder if PSAC members are aware of Daryl Bean's intention to endorse and to work for the election of Bloc Quebecois candidates.

It strains all credulity to see PSAC's endorsement of a party that is committed to the demise of Canada and with it the disappearance of some 45,000 federal jobs in Quebec. If I were a member of PSAC, I would demand my money back.

* * *

UNEMPLOYMENT INSURANCE

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, I would like to recognize the members of *Mouvement Action—Chômage*, some of whom are here today, for the role they have played in raising the public profile of the sweeping and destructive changes planned for the UI Act.

Mouvement Action Chômage can tell many horror stories of their experiences with the UI system, problems which will escalate under the new legislation.

[*Translation*]

Mouvement Action-Chômage has done an excellent job of informing the public about the proposed amendments to the Unemployment Insurance Act and Bill C-105. I urge them to keep on fighting with the same enthusiasm and determination they have shown so far.

[*English*]

We still have much to do to kill this bill.

S. O. 31

BOSNIA

Mr. Stan Wilbee (Delta): Mr. Speaker, for the past several weeks, Canadians from all areas and walks of life have been outraged by the systematic rape of women in Bosnia to create as much social and racial disruption as possible.

The degradation of women has been one of the most sickening atrocities of this conflict that has had more than its share of new lows in human behaviour.

Many people from Delta have called or written demanding that the Canadian government do more to stop this type of outrage in the former Yugoslavia.

The Government of Canada would be delighted to stop this senseless conflict but there has to be some initiative on the part of the combatants themselves. Therefore I appreciate the fact that Canada is sending 1,200 more troops to the area to try and help the helpless and to use their well-honed skills in peacekeeping to restore some sanity and humanity to this sick country.

* * *

MUNICIPALITIES

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, municipalities across this country are being faced with a new problem.

The government has frozen federal grants in lieu of taxes.

[*Translation*]

Furthermore, to avoid paying any tax increases on government property, the government has frozen the federal grants it has been paying in lieu of taxes.

Once again this Tory government is asking Canadian taxpayers to bear the brunt of its financial mismanagement. This government refuses to take the responsibility for its own mistakes and has failed to keep its promises.

[*English*]

The time has come for the government to stand up and take responsibility for its mismanagement of the economy. It is time for the government to stop asking others to pay for its mistakes, to live up to its commitments and provide fair and just grants in lieu of taxes to Canadian municipalities.

LITERACY DAY

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, a single mother in Saskatchewan who is raising three of her own children and two foster children went back to school when her pre-schooler caught her pretending to read. She is determined to learn to read but she should not have to do it alone.

In 1991 the government made a commitment to five million Canadians who have low literacy skills, promising to cut illiteracy rates in half by the year 2000. Today we are no closer to that goal.

Illiteracy is one of the greatest barriers to productivity and full employment in Canada. Some 38 per cent of Canadians have difficulty with everyday reading and are likely to be unemployed or underemployed. The resulting poverty has huge social costs.

Illiteracy costs Canada over $14 billion annually. Today is Love Literacy Day. It is time the government made literacy a top priority. It is time it invested in literacy programs as part of Canada's job strategy.

* * *

STOUFFERS

Mrs. Christine Stewart (Northumberland): Mr. Speaker, one year ago an important Trenton employer, Stouffers, announced the permanent layoff of 171 employees, a severe blow to a community already devastated by other plant closures and layoffs.

Special assistance was requested from federal departments in order to assure that the unemployed, the affected community businesses and the community at large would have every advantage to successfully adjust to the harsh economic reality.

Pursuant to this request an employment and immigration officer from the regional office visited Stouffers on April 6 and April 9, 1992 met with management and employees and provided misinformation which has cost 85 employees two to five weeks of unemployment insurance.

The case was appealed last month, but the board of referees refused to take any responsibility for the department's error. This is grossly unfair. I have asked the employment minister on many occasions to address this injustice. There has been no response.

Citizens cannot be made to pay for government bungling. We demand that the minister respond with fairness and compensation. How can we ever have confidence in proposed unemployment insurance changes without justice now?

ORAL QUESTION PERIOD

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Prime Minister. We heard that the chairman of the Quebec Tory caucus claimed a victory on Bill C–105, saying that they had obtained major concessions on a bill that is highly controversial in this country. However, the government House leader said these were only minor changes which did not in any way alter the substance of the bill.

My question to the Prime Minister is: Whom are we to believe? Who is telling the truth: André Harvey or Harvie Andre?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Another profound question.

Mr. Speaker, for the information of the Leader of the Opposition, we said before that we were prepared to make some improvements in the bill because we do not agree with the Liberals' position that unemployment insurance benefits should be paid to people who quit their jobs without just cause. However, we want to ensure that people who do have valid grounds to leave a job are protected. That has always been my position.

In fact, if the hon. member remains in the House this afternoon he will witness the tabling of a bill proposing certain amendments to improve the situation for Canadian workers.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, for two months the Minister of Finance and the Minister of Employment and Immigration have claimed that this bill was perfect and that the Liberal Party, the NDP and even the Bloc Quebecois were completely wrong. Now they have changed their minds and the government is showing that it does not support the Minister of Finance and the Minister of Employment and Immigration.

If this bill is changed substantially will the Prime Minister inform this House that the Minister of Finance will come forward soon with a budget in order to rectify the situation? Will he tell Canadians exactly about the Canadian economic situation? Or, will the Prime Minister in the fifth year of his mandate, well into the fifth year of his mandate and with all the confusion that exists in the government, go to the Canadian people in an election and let the Canadian people decide?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we cannot call an election because the Leader of the Liberal Party has said there cannot be an election until he makes up his mind on the GST.

Some hon. members: Oh, oh.

• (1420)

Mr. Mulroney: Let us know. Make up your mind. Tell us where you stand on the GST. Tell us where you stand on free trade, yes or no, and you will get your election. You will not like the results but you will get it.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, if the Prime Minister would dare to call an election, if he would not chicken out, we would be very happy.

Some hon. members: Hear, hear.

Mr. Chrétien: In 1983 the Prime Minister said: "The fundamental British tradition in this country calls for an election not in five years but within four years so that the people can judge the actions of this government".

When will the Prime Minister do what he was preaching in 1983 and again in 1988 when he said it has been the Canadian tradition to call an election after a government has completed four years of a mandate? When will the Prime Minister read his own words, not chicken out and call an election?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I said he will get an election just as quickly as he stands up on the floor of the House of Commons and tells us once and for all what he is going to do about the GST.

Where are you going to get the $18 billion without the GST? Where do you stand on free trade? Have the guts to stand up and tell the Canadians the truth and then—

Mr. Speaker: The hon. member for Hamilton East.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the minister of employment and it concerns the changes to the unemployment insurance legislation.

Why is the government saying one thing in the French language and another thing in the English language *vis-à-vis* changes to the unemployment insurance? Why is the change called minor?

[*Translation*]

We know the hon. member for Jonquière has already said these are substantial and important changes. However, the government House leader has said they are very minor changes. Whom are we to believe: André Harvey or Harvie Andre?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, as a resident of the only officially bilingual province in Canada, I can assure the hon. member that the message is the same in English and in French: a person who without just cause, without provocation, without justification, quits his or her job will no longer be entitled to ask Canadian workers and employers to pay for his or her benefits.

[*English*]

Translated into the other official language of this country that is the same thing. A person in Canada who without reason, without justification, without provocation leaves a job cannot expect other hard working Canadians to pay him unemployment insurance benefits.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the government's backtracking on Bill C-105 proves the minister was wrong about sexual harassment.

Some hon. members: No, no.

Ms. Copps: He was wrong to accuse unemployed workers of spending their winters in Florida.

I would therefore like to ask the minister a straight question: Does he consider these new changes to be major or minor?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, no measure the government takes is ever taken lightly. It is always a serious matter because at the end of the day Canadian taxpayers will always have to foot the bill one way or another.

I hope the hon. member is prepared to support the measures we have taken and the measures we are about to take this afternoon to amend the legislation because they will benefit people who are subject to harassment, either sexual or otherwise. The purpose of these measures is to ensure that this legislation is implemented fairly and squarely for the benefit of Canadians and that contrary to what the Liberals would allow, unless they change their position, a person who quits voluntarily, without just cause, will not receive unemployment insurance benefits paid for by other taxpayers.

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

The Minister of Employment and Immigration has indicated that he will be bringing in new proposals on unemployment insurance, but it seems to me Canadians have made it very clear that they want a denunciation of the Draconian measures the minister has formally proposed. In fact members of his own caucus have not agreed with these. The Canadian Human Rights Commissioner has expressed concerns about women and other vulnerable groups in our society and how they might be affected.

Rather than trying to just eliminate terminator one to bring in terminator two, will the Prime Minister simply withdraw the changes to UI and bring in a real job plan to address unemployment? That is the issue in Canada, the rate of unemployment.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think all members of the House are waiting with bated breath for the announcement of deficit reduction programs that my hon. friend is going to announce. I want to make sure that I do not miss that.

What is being done in the House today is perfectly consistent with appropriate parliamentary procedure where the members of caucus, members of the Liberal Party and members of the NDP put forward their points of view and the minister seeks as reasonably as he can to accommodate those.

However there will be no change in the fundamental principle that I have enunciated from the very beginning in respect of the nature of this bill. It is what the minister has just stated, namely that someone who leaves his or her job without reason, without justification and without provocation ought not to expect that ordinary workers and men and women in Canada would continue to pay unemployment insurance benefits for them.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary for the minister. Canadians will not be satisfied with minor changes. This bill is unacceptable and it is flawed. The problems this bill will create are quite obvious.

That is why I would like to put this question to the minister. As the minister is aware, people who quit their jobs without just cause are now penalized by a waiting period of up to three months.

Can the minister give the House the assurance that the bill he will table today will not include the same Draconian measures under another name?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I repeat. If we accept the NDP's proposal the only alternative is to increase unemployment insurance premiums and slow down economic recovery in this country by increasing the deficit.

Canadians, whether they are employed or unfortunately unemployed, know that we must take steps to control the deficit. The underlying principle of the government's proposal is that although a person who quits his job without just cause has the right to do so, and I respect that decision, that person should not expect other workers, other Canadian taxpayers to pay him unemployment insurance benefits.

Perhaps, as has already been suggested, there should be another social program for these people, but definitely not the Unemployment Insurance Program.

[*English*]

Hon. Audrey McLaughlin (Yukon): I have a supplementary question for the Prime Minister, Mr. Speaker. The minister is simply saying he is going to bring in basically the same measures and force people on to social assistance at provincial and territorial expense. That is hardly dealing with the basic problem.

If the government wants to save money under the unemployment insurance system I would suggest that the Prime Minister bring forward a plan to get Canadians back to work. When does the Prime Minister propose to bring in such a plan to put Canadians back to work and address unemployment instead of attacking the unemployed?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the employment rates have improved quite appreciably. The news has been good on the employment front in the last number of months.

There have been some 161,000 full-time new jobs created in the last five or six months, particularly some 57,000 in December. Manufacturing sales are up. Our exports are up. More important, our unit costs compared with the United States in the first six months of this year are down by 5.2 per cent ensuring the competitive nature of what is taking place. Our industries are on a better footing. We have much better opportunities for selling abroad, thereby creating jobs at home.

• (1430)

If my hon. friend looks at the numbers available I think she will see there is reason for even the NDP to take some encouragement in what is taking place. The last thing I think she would want us to do would be to follow the example of the Ontario government which put forward a billion dollar job creation program and created 675 jobs.

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HEALTH CARE

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, my question is for the minister of health. In 11 days the minister in a secret deal will hand over to a private corporation the administration of non-insured health services for our First Nations people, ignoring their advice, their treaty rights to quality health care and their right to self-government.

Will the minister explain to Canadians why he has refused to take the advice of our First Nations' people and why was the whole tendering process conducted behind a curtain of secrecy?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, first I have to say that the member is wrong. We have consulted about what has been implemented following the report by the Auditor General in 1987 on the lack of adequate management and control of the non-insured health benefits for aboriginal people.

We implemented a national program directive and administrative procedure coupled with implementation of an health information claims processing system under contract with Ontario Blue Cross. It is already being done in Ontario, Saskatchewan, and Quebec and moving in Manitoba and phased in in other provinces.

Everything has been done normally. There is more resistance in Manitoba. We have had consultations and we will again. However, we will proceed.

Mrs. Ethel Blondin-Andrew (Western Arctic): Mr. Speaker, my question is for the same minister. He may have listened but I do not think the people were consulted. The contract for non-insured native health services was given to Blue Cross by selected tender. I am sure that was not the advice given. First Nations were not even offered a chance to bid.

In the last round of constitutional discussions the minister and his government claimed to have endorsed the inherent right to self-government. Can the minister explain how this new health policy furthers the cause of self-government?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I believe the government is always committed to self-government. That operation is not basically directed to applying that principle or not. This operation has been necessary because once again there was a lack of control in the way payments were made and information was given. Therefore, based on tenders provided, when Ontario Blue Cross won the contract we decided to move.

The aboriginal peoples have been involved. In Saskatchewan, Ontario and Quebec it is working normally. I believe that it should work normally in Manitoba where I admit we have more problems today. We are continuing to work with the leadership in the province.

My colleague will understand that to provide a better administration of what represents $100 million for aboriginal people, the best way is the one we are presently using. We intend to continue to do that with the collaboration of the aboriginal people.

* * *

INDIAN AFFAIRS

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to raise a question with the Prime Minister. Five years ago a federally funded report warned of an epidemic of child sexual abuse breaking out on the reserves in Manitoba. That report was ignored.

Today, sadly, on the Sandy Bay reserve there are over 50 cases of child sexual abuse pending. There is a continuing pattern of suicide among young people and the breakdown of families continues at an atrocious rate. The minister still refuses to respond to the pleas for help.

I want to appeal to the Prime Minister this afternoon to instruct the Minister of Indian Affairs and Northern Development to pay attention to these calls for help for better counselling, better treatment and better housing conditions so that we can break this vicious cycle of poverty affecting this native community and native communities right across Canada.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I have been informed of the problem raised by my colleague. I know the department of Indian affairs has been sensitive to the problem.

However, my hon. colleague knows that in the Department of National Health and Welfare the government recently decided to put up $160 million in order to deal with the social problems in Indian communities particularly. Some of our targets relate particularly to family violence, child abuse and sexual abuse.

We are now working with the leadership of the aboriginal people and in that case I would like to assure my colleague that we will act very quickly.

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, recent events at Big Cove, at Davis Inlet and at numerous other communities across the country illustrate that aboriginal Canadians are crying out for our help, yet this cry is falling on deaf ears.

In the case of Big Cove the federal government has yet to take any action on a coroner's inquest recommendation calling on the federal government to develop community-based mental health programs.

Will the Prime Minister give the residents of Big Cove his assurance today that he will personally take this file under his consideration and that the tragic crisis facing this community and others will receive his government's immediate action?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, it is very sad what happened in Big Cove yesterday. I am sure the whole House will join with me when I offer our condolences to the tribe or the band itself.

Two proposals were submitted by the band in January that were not given to the federal level, my own level. They were turned down by officials at the maritimes office. I called the chief last night and said I would personally look after the proposals made.

This afternoon I can say I have instructed the official on the two proposals turned down last month and they were accepted this morning.

* * *

TRADE

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is for the Prime Minister.

A Mexican government-supported development bank is openly supporting an operation to buy up U.S. companies and move them to Mexico in order to make big profits using cheap labour. Canada will be next.

Are members of the government going to sit on their collective butts while a Mexican government gang of carpetbaggers comes into this country to take jobs and move them down to Mexico, or will this government take action to protect Canadian jobs under NAFTA?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, possibly my friend should cool his rhetoric before he gets the facts.

The fact is that the Mexican government is not going to be involved in that bank.

Mr. Howard McCurdy (Windsor—St. Clair): Well, Mr. Speaker, the fact is that the prospectus of the company involved indicates clearly that the Mexican bank will be involved in it.

About this there is no doubt: the Mexican Minister of Commerce has been in Montreal selling cheap Mexican labour. In the meantime the president of ACOA-supported Canadian Helicopters Ltd. says he is very much attracted by the cheap labour in Mexico, the lax labour standards and the lax environmental standards in the Mexican work place.

Does the government—

Some hon. members: Oh, oh.

Mr. McCurdy: I have all day, Mr. Speaker.

An hon. member: No you do not.

Mr. Speaker: That is sometimes a pious hope here. The hon. member will put his question, please.

• (1440)

Mr. McCurdy: My question for the Prime Minister is: Does this government not realize that NAFTA is going to launch a tremendous Mexican sting operation, which is already evidenced, to come up to Canada to sell cheap labour in Mexico even at the expense of some of the poorest parts of this country?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the next time my friend, the Secretary of Trade from Mexico, comes to Canada I am going to ask my friend to join us. The hon. member has just taken what was said totally out of context. What we did do yesterday was visit Canadair Challenger operations, SR Telecom and the AMF operation which re-manufactures rail cars and diesel engines.

In each case these companies are actively selling successfully into Mexico, generating jobs back here, generating work for people who are paid Canadian salaries and able to compete against what my hon. friend refers to as low salaries in Mexico.

The point of the matter is that my friend should get his facts straight and should put out a balanced position as to what the attitudes and policies of the Mexican government are. I think we were very successful yesterday in helping create jobs for Canadians in Mexico who will take advantage of the North American free trade agreement.

[*Translation*]

PUBLIC DEBT

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Minister of Finance.

In 1984, when this government took office, the net public debt was 46 per cent of the Gross Domestic product. Today it is more than 62 per cent. Yesterday, the C. D. Howe Institute told us that we are on the verge of a financial crisis. For example, the European Community has set a threshold of 50 per cent for its new members.

Given that this debt is the result of its policies, what exactly is this government's objective and when does it think it will reach this objective?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the plain fact of the matter is that this government has been operating in the black since 1987. What has been the drag is the inherited debt we took over from the Liberal government. If there had not been a debt inherited, today we would have a surplus of $20 billion.

We have cut the deficit from $38 billion. As a percentage of GDP we have cut it from 8.7 per cent to about 4.8 per cent. We are on a fiscal track which will bring the budget into balance as soon as we can get some growth into the economy.

The fact of the matter is the problems with Canada today result from the inherited debt that was left by the Liberal government. When the Liberal Party suggests that it has a plan for deficit control, its record was an average increase of program spending of 14 per cent over the last 15 years. We have cut it to below the rate of inflation.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, the problem is not the inherited debt of a decade ago. It is the nine years this country has lost under this government.

This government loves to cite the C. D. Howe Institute. Let me cite from the C. D. Howe report referring to this government: "When the economy was booming in 1988, they increased spending and cut taxes; when we went into a recession, they increased taxes and cut spending. They have made the booms worse and the busts worse".

What will it take for this government to stop blaming others? What will it take for this government to realize that we are indeed in a crisis and it is a direct result of eight to nine years of gross economic mismanagement by this front bench?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, if the hon. member wants to quote from the C.D. Howe report, I can do that too.

Ed Neufeld said: "I was listening to the year-end speech of one of our political leaders," and that happened to be the Leader of the Opposition. "Very gently, he was saying: 'Let's just accept more inflation'. 'Accept more inflation'—there are a lot of people who are—ready to hear that message". As a matter of fact, he wants to abandon Canadian monetary policy. He wants the Americans to run our monetary policy.

I ask the hon. member where has he been on the 12 or 13 bills that we have brought in to contain expenditures? He has voted with his party against every single solitary measure.

It is rather interesting that the Leader of the Opposition did not raise this question. When he was in charge of the cash register as President of the Treasury Board, he increased program spending at the rate of 16 per cent per year.

Hon. Herb Gray (Windsor West): Mr. Speaker, I also have a question for the Minister of Finance.

Yesterday on television he said that his government had not added five cents to the public debt since it was in office. In 1984, when the government took office, the public debt was $168 billion. Now, almost nine years later, it is over $423 billion.

As far as I am aware, we have only had his Conservative government in office in those nine years. So I ask the minister: When is he going to stop trying to fool Canadians and the truth of what has been happening since his government has been in office? That is that it has created an economic mess for Canadians. Canadians simply do not believe him when he tries to blame all this mess on others than himself.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, let me try to explain to the hon. member. The debt that we inherited was something in the vicinity of $200 billion. The member knows that you have to pay interest on that debt. He knows that interest compounds upon interest and that it accumulated to $400 billion plus.

We have been operating in an operational surplus since 1987. As a matter of fact, I repeat, we have not added one red cent to Canada's national debt. As a matter of fact, we have reduced it by $20 billion plus.

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a supplementary question for the minister.

Surely the minister will not try and hide the fact that he and his government have supported the interest rate policy of the Bank of Canada and that interest rates are a cost of government along with all the other costs.

Why does he try to hide the fact that the public debt has moved from $168 billion to more than $423 billion since his government has taken office? Why does he not recognize that and also recognize that a major way of dealing with it is to create more economic growth and jobs for Canadians?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member suggests that we should have lower interest rates. That is true.

When he was occupying the government benches, we saw interest rates go up to 22 per cent and 23 per cent. We have tried to do two things. We have tried to contain government expenditures against the wishes of the opposition parties. We have tried to contain inflation. The key to bringing interest rates down is to bring down inflation.

The hon. member is suggesting that we should have higher inflation and that we should spend more. That is not a recipe for lower interest rates. That is a recipe for higher interest rates.

• (1450)

[*Translation*]

TOBACCO SMUGGLING

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, my question is to the Minister of Justice and Attorney General of Canada. The Criminal Code does not provide for the seizure of goods acquired through profits generated by the illegal sale of smuggled tobacco products because this activity is not recognized as a form of organized crime. In practice, this means that some Mohawks could buy the Manoir Richelieu with the money made from the lucrative black market for cigarettes and open a nice casino which Quebec would otherwise not allow them to own.

So as not to make fools of us all in this House, will the minister urgently introduce a retroactive amendment to the Criminal Code and eliminate this unacceptable loophole which enables criminals to launder the money made by smuggling cigarettes?

Hon. Pierre Blais (Minister of Justice, Attorney General of Canada and Minister of State (Agriculture)): Mr. Speaker, my colleague raises the important issue of smuggling. I must remind all members of this House that the Minister of Finance has tabled Bill C-102, which reinforces the legislation on smuggling.

However, it might also be appropriate to remind Canadians who are listening that smuggling is a crime. It is difficult to fight smuggling because people who buy cigarettes, among other contraband items, do not complain. I believe that if all of us in this House made Canadians aware of the danger to society of giving in and buying smuggled goods—and I am speaking to members on both sides of this House—we would probably increase their awareness of the issue. It is quite serious that Canadians snap up smuggled goods so easily.

I thank my colleague for her question and I must tell her—

Some hon. members: Order, order.

Mr. Blais: Mr. Speaker, look at what goes on on the other side when we discuss serious issues. We are giving a great deal of attention to this matter and we hope that our colleagues will co-operate by supporting Bill C-102.

[*English*]

NATIONAL DEBT

Hon. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is for the Minister of Finance. It concerns the C.D. Howe document.

One of the comments made in the document is that the debt crisis is now a federal–provincial crisis and that in this country we have only one taxpayer, whether federal or provincial. The transfer of federal debt to the provinces through cutbacks and transfer payments does not help.

In light of the fact that the federal government has cut back by billions of dollars in transfers to the provinces over the last number of years, is the federal government planning in its next budget to reverse that policy and keep its commitments to the provinces rather than transferring its debt to the provinces of this country?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I agree with the observation that there is only one taxpayer. I have been saying that for quite some time. I am glad that the opposition members across the way have picked it up, thanks to the C.D. Howe Institute.

The hon. member says that we have cut transfer payments. That is wrong. It is absolutely wrong. Transfer payments continue to grow. As a matter of fact in the last "Fiscal Monitor" which was just issued for the third quarter of 1992–93, he will see that major transfers to other levels of government have grown by 7 per cent this year and major transfers to persons, 4.8 per cent.

That does not sound like a cutback to me. That is a substantial increase, much larger than the over–all growth in program expenditures.

Hon. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, the House knows that the rate of increase in transfers to the provinces has been cut back by billions of dollars. In Saskatchewan alone this year, offloading will cost my province some $538 million. That is more than the provincial deficit.

In light of those facts, and this is information that I have from the federal government department, is the federal government willing to reverse its policy and keep its commitments to the provinces rather than jeopardize the credit ratings of the provinces of this country? This is happening not only to Saskatchewan but to many of our provinces.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am pleased that the hon. member clarified his question when he in fact admitted that there were not cutbacks to provincial transfers.

As a matter of fact, there has been some reduction in the over–all growth of program expenses commensurate with the other disciplinary measures that we have had to take upon ourselves in terms of reducing federal government expenditures.

Just for the record in terms of cash payments, transfers to the provinces, in 1984–85 it was cash plus tax transfers something in the order of $25 billion. That is now about $39 billion. That does not sound like much of a cutback.

Of course I understand that the provinces, and particularly his home province of Saskatchewan, are facing some very serious financial difficulties. I have met with the Minister of Finance, we have talked and we are attempting to work and co–operate with him.

I would ask the hon. member to go back to his provincial colleagues and ask them to reconsider the harmonization of the GST which would have provided a major benefit to the people of Saskatchewan and provided revenues to the Government of Saskatchewan. It may have been able to capitalize on some of these jobs that are being created through NAFTA and through the free trade agreement.

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PICKERING AIRPORT LANDS

Mr. René Soetens (Ontario): Mr. Speaker, in the 1992 budget the government announced it would proceed with selling some of the surplus airport lands in Pickering. Recently the government held an information session in the riding to explain to the people the process, but lacking from that was a time frame.

Can the Minister of Transport tell the constituents of Ontario riding when they will be able to buy back their farms and homes?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I thank the hon. member for putting this question. As he knows, over 200 million square feet of land has to be disposed of as a result of this decision by the Government of Canada.

As he aptly said, we did consult with the people at the site a couple of weeks ago. It is part of the process in order that we can present a proper submission to Treasury Board. As soon as this is done, which should be within the next few weeks, the process will be finalized.

* * *

[*Translation*]

PROPERTY TAXES

Mr. Alfonso Gagliano (Saint–Léonard): Mr. Speaker, my question is for the Minister of Finance. When we met with the mayor of Montreal, we learned that the government had promised that no change would be made to the system of paying grants in lieu of taxes to municipalities for services provided to federal facilities.

Why did the government not keep its promise to Canadian municipalities? Why did it make this announcement when most municipalities had already adopted their budget for 1993?

[*English*]

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, my colleague knows that the grants in lieu of taxes expenditure for our government has been rising at an unacceptable level. The Minister of Finance has indicated the necessity for a little bit of restraint.

As a matter of fact, I met with the Federation of Canadian Municipalities. We are very sympathetic to the difficulties that they are undergoing and we intend to work with them as closely as we can.

I want to point out that with respect to the city of Montreal, last year the account that we had to pay was around $8 million. This year it is about $13 million. Under its new system, the present system of taxation, the mill rate has gone from about 52 cents to $2.06. The member can understand, I am sure, that something had to be done to bring a reconstruction and a more equitable means of assessing the federal government for some of these facilities.

[*Translation*]

Mr. Alfonso Gagliano (Saint–Léonard): Mr. Speaker, my supplementary question is for the Minister of Public Works, then. The freeze on grants to municipalities in the Montreal region involves cuts totalling some $15 million. How can the minister impose these cuts totalling nearly $15 million on taxpayers in a region with over 225,000 unemployed? These Montrealers are unemployed or on welfare. Is that not enough? Why should they also have to pay higher municipal taxes?

[*English*]

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, I have tried to explain to my colleague opposite that we are prepared to do everything we can to accommodate the municipalities within the constraints that the Minister of Finance has been obliged to put on us.

To compare a reasonable assessment for grants in lieu of taxes with the unemployment rate of a city, I think he would agree, is rather like comparing apples and oranges.

* * *

• (1500)

[*Translation*]

TRADE

Hon. Lucien Bouchard (Lac–Saint–Jean): Mr. Speaker, my question is directed to the Minister for International Trade.

I understand that the government recognizes the need to negotiate supplementary agreements which would add guarantees on minimum standards, wages and the environment to the main North American free trade agreement. If that is so, I commend him for it.

The minister must have felt the need for these guarantees even more yesterday when he heard his Mexican colleague boast in Montreal, where unemployment is 14 per cent, about the merits of Mexico's plentiful labour supply.

Can the minister assure us that the Government of Canada will not sign the main treaty until the parallel agreements have been negotiated?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend has distorted what the minister of trade from Mexico said in Montreal yesterday and I would ask him to reconsider what he has just said.

Regarding the supplementary agreements, we will be starting the discussions on these agreements in the middle of March. This has been agreed among the United States, Mexico and ourselves just today. At the same time, we will be considering the legislation in this House, as will they be in the United States Congress and the Mexican Congress.

These will all move together at around the same pace and we will be able to consider the implications of each as that process continues.

[*Translation*]

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, I quoted an article from the daily *Le Devoir* on what the Mexican secretary allegedly said in his speech.

As for the supplementary accord, the minister knows very well that the process can easily be derailed and that the expected deadlines might not be met, in which case he must consider the possibility that the government will have to decide whether or not to sign the treaty alone. The minister has enough experience to know that if he wants to win from the Mexicans the kind of concessions we need for the environment and minimum labour standards, he must not give them what they want right away but rather negotiate on both items with them at the same time.

The Americans are doing that, as Mr. Kantor said recently. I ask the minister why he leaves it up to the Americans alone to fight for environmental protection and Canadian workers.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I said this morning that we had agreed with the Americans and the Mexicans to continue discussions on the environment and on labour as well.

We made some proposals on these accords a year ago and I think that now, with the new American administration, it is possible to have a discussion on these accords.

As I said, these discussions will begin in the second week of March.

* * *

[*English*]

POINT OF ORDER

COMMENTS DURING QUESTION PERIOD

[*English*]

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, in response to a question in the House yesterday on the North American free trade agreement, the Minister of the Environment characterized an internal environmental review as an environmental assessment. I invite him to correct that impression.

Mr. Speaker: I am sorry, the invitation may or may not be accepted, but that is not a point of order. That is a continuation of debate.

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, for the sake of clarification, it should be made very clear that the government undertook to do a federal environmental assessment of the NAFTA. It was public and it was known by all the members in this House who are interested in that issue.

I was surprised by the comment of the member yesterday, because when I commented on this environmental assessment that had been made public, she was in the room at that time or I thought she was. At least, it was somebody who looked a lot like her.

Mr. Speaker: The difficulty with this is that it is another way of extending debate. It is getting around the rules and I do not think we can do that.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 11 petitions.

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

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[*English*]

ENVIRONMENT

SIXTH REPORT OF STANDING COMMITTEE

Hon. David MacDonald (Rosedale): Madam Speaker, I have the honour to present the sixth report of the Standing Committee on Environment, in both official languages, in relation to the appointment by the United Nations of Elizabeth Dowdeswell to the position of Executive Director of the United Nations Environment Program, UNEP. Elizabeth Dowdeswell is the third person and the second Canadian to hold this prestigious position, succeeding Dr. Mostafa D. Tolba from Egypt who in turn replaced the original director, Maurice Strong.

The challenges facing Ms. Dowdeswell are daunting. The problems facing humanity can no longer be categorized as simply environment or economical or only affecting a country or a single continent. The solutions are complex and transgress international borders and cultures, ultimately affecting every human being.

It is a tribute to Canada that of the three UNEP executive directors two have been Canadians.

Our committee has worked closely with Ms. Dowdeswell during the course of its series entitled "Our Changing Atmosphere" as well as in the activities leading up to and including the earth summit. Members have been impressed by her thoroughness, determination and judgment, qualities which will serve her well in her new position.

We therefore wish to congratulate Ms. Dowdeswell on her election to this most senior international position in the environmental field. We wish her, on behalf of all Canadians, courage and success in what might very well be the most challenging times facing our global environment.

Routine Proceedings

GOVERNMENT EXPENDITURES RESTRAINT ACT, 1993 NO. 2

MEASURE TO ENACT

Hon. John McDermid (for Minister of Finance) moved for leave to introduce Bill C–113, an act to provide for government expenditure restraint.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. McDermid (for 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.

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MEAT IMPORT ACT

MEASURE TO AMEND

Mr. Ken Hughes (Macleod) moved for leave to introduce Bill C–406, an act to amend the Meat Import Act.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Hughes: Madam Speaker, this bill proposes that Canada amend its Meat Import Act to increase our control over offshore imports and consequently defend our industry against possible U.S. trade sanctions.

I am introducing this bill after speaking with many beef producers who want the government to defend our industry against this potential threat. It is really a defensive measure. By doing so this bill recognizes that the Canadian and American beef market is becoming a single market. Harmonization of certain standards, procedures and import regimes will reduce the risk of trade conflict between our two nations and the industries of those two nations.

Madam Deputy Speaker: Mr. Hughes 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.

Routine Proceedings

JUSTICE AND THE SOLICITOR GENERAL

SUBCOMMITTEE ON RECODIFICATION

Mr. Charles A. Langlois (Parliamentary Secretary to the Leader of the Government in the House of Commons): Madam Speaker, I think you will find that there is consent for the following motion. I move:

That the subcommittee on the recodification of the general part of the Criminal Code of the Standing Committee on Justice and the Solicitor General be authorized to report directly to the House.

Motion agreed to.

* * *

• (1510)

PETITIONS

JAMES BAY II

Mr. Jim Fulton (Skeena): Madam Speaker, I have the honour to table dozens of petitions from thousands of Canadians that have been certified pursuant to Standing Order 36 regarding the James Bay II project.

The petitioners say that whereas the boreal and Arctic ecosystems of the James Bay area consist of fragile ecosystems which are home to a rich variety of wildlife, including endangered and rare species such as the threatened eastern Hudson Bay population of the beluga whale, the endangered eastern populations of both the wolverine and peregrine falcon, and numerous migrating birds and large mammals extinct in most parts of the world, such as the lynx, the river otter, and the fresh water seal.

Therefore the petitioners humbly request that Parliament take any and all actions to halt the construction on James Bay II at least until a thorough global environmental impact study on James Bay II and other hydroelectric projects draining into the Hudson Bay watershed has been done.

This was kindly co-ordinated by Diane Murray from OPIRG Carleton.

EXTERNAL AFFAIRS

Ms. Sheila Copps (Hamilton East): Madam Speaker, I would like to present a petition on behalf of two Canadians, Christine Lamont and David Spencer, who have been sentenced to 28 years each in a Brazilian prison, suffered miscarriages of justice, cruel and unusual treatment in Brazilian prisons, and discrimination in sentencing and parole.

Therefore the petitioners call upon Parliament to ensure the Prime Minister requests the Government of Brazil to expel Christine Lamont and David Spencer and return them to Canada in accordance with Brazilian law.

It is signed by hundreds of people.

JAMES BAY II

Ms. Lynn Hunter (Saanich—Gulf Islands): Madam Speaker, I am honoured to present a petition on behalf of 500 people from all across Canada. The lead signature is that of David Suzuki.

This petition concerns James Bay II. It says that whereas hydroelectric dams built in increased concentrations of mercury, methyl mercury and other dangerous substances in aquatic systems, mercury is a neurotoxin known to bioaccumulate and bioconcentrate in plant and animal tissues up the food chain, and is even in minute amounts very dangerous to long lived animals such as humans and belugas.

These petitioners ask Parliament to halt all construction on James Bay II, at least until a thorough global environmental impact study on James Bay II and other hydroelectric projects draining into the Hudson Bay watershed has been done, and to protect the unique Canadian ecosystems found in the James Bay area.

SERIAL KILLER BOARD GAMES

Mr. George S. Rideout (Moncton): Madam Speaker, it is my pleasure to present a petition pursuant to Standing Order 36 concerning serial killer board games. People in my riding are petitioning Parliament to consider amending the Criminal Code of Canada so that violent and degrading material such as serial killer board games can be kept from being distributed in Canada.

YOUNG OFFENDERS

Hon. Alan Redway (Don Valley East): Madam Speaker, I have a number of petitions representing literally a ton of signatures but only a small part of the petitions signed by 140,000 Canadians. These petitions were initiated by Stu and Margaret Garrioch of Calgary in memory of their son, Ryan, who was stabbed to death by a young offender.

These petitioners call upon Parliament to replace the Young Offenders Act with an updated Juvenile Delinquents Act and to lower the minimum age to 13 years.

JUSTICE

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I have a petition from several hundred people on central Vancouver Island in memory of Dawn Shaw, a little girl who was raped and murdered in my constituency. They note that the present justice system fails to protect children in our communities who are increasingly becoming victims of sexual assault.

They ask that a number of things be done by Parliament: That sentences for sexual assault offenders be lengthened, that the law be changed to permit DNA samples to be taken from suspects of sexual assault, and that those imprints be kept in a national data base. They also call for the names of released sexual offenders to be registered with the police and the community of residents and that those names be distributed to those people having responsibility for children in the community.

This petition from several hundred people in my constituency is submitted to the House of Commons to request that those changes be made.

BILL C-91

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I have a second petition, again from hundreds of people across the country who note that the Conservative government, through Bill C-91, seeks to end the licensing of further no name generic drugs in Canada. This will result in tremendous costs to provincial and private drug programs.

The petitioners call on Parliament not to proceed with Bill C-91 and to repeal Bill C-22 passed in 1987. In this way Canadians would have the benefit of lower priced generic drugs and provincial and private drug plans could serve Canadians without being forced to charge higher fees or to provide less coverage.

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I would like to table a petition from residents of Val-d'Or, Sullivan, Senneterre, Saint-Edmond and Rivière-Héva, in the riding of Abitibi, who say that films depicting violence on television are dangerous and therefore unacceptable because they act as a stimulus for violent behaviour.

The petition also says that all toys that incite children to play violent games are unacceptable and their manufacture should be banned. It is also pointed out that the repeated broadcasting of news about acts of violence on television, on all channels, and on radio may act as a stimulus for further identical violent behaviour.

Therefore your petitioners humbly pray and call upon Parliament to pass the appropriate legislation in order to eliminate violence in our society and thus protect our children and give all citizens a better quality of life.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, the following questions will be answered today: Nos. 427 and 434.

[*Text*]

Question No. 427—**Ms. Copps:**

Regarding the purchase of new frigates for the Canadian Armed Forces, how much steel is being purchased for the program, and from which companies is it being purchased?

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): The prime contractor for the Canadian Patrol Frigate Project, Saint John Shipbuilding Ltd. of New Brunswick, will have purchased approximately 30,000 tonnes of steel by the end of the program. The two suppliers are Algoma Steel Corporation Ltd. and Marshall Drummond McCall Inc.

Question No. 434—**Mr. Peterson:**

Regarding television advertising by National Defence for ads aired in Canada (a) between January 1 and September 15, 1992 (b) between September 15 and October 26, 1992 in each case (i) what was the total cost of these ads (ii) of that amount what was paid for out of the National Defence budget?

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): (a) (i) $86,334; (ii) all.

(b) (i) $3,681,600, including "Keeping the peace" campaign $3.572 million; (ii) all.

[*Translation*]

Madam Deputy Speaker: The questions as enumerated by the parliamentary secretary have been answered.

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

Madam Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

Madam Deputy Speaker: Shall all notices of motions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—ETHICS

Mr. Don Boudria (Glengarry—Prescott—Russell) moved:

That this House condemns the government for its continued failure to establish and to adhere to a clear and high standard of public sector ethics, for its incessant inability to function within the framework of existing legislation, guidelines and standards and for its reluctance to bring forward strict new codes and legislation with regard to conflicts and other public ethics matters.

He said: Madam Speaker, it gives me pleasure to participate in this debate. It has to do with holding the government accountable for its behaviour now and for the last eight and a half years.

Let me read the following quote. It comes to us from an article by Jack Cahill written in *The Toronto Star*.

I must have another ten thousand. Will be the last time of calling. Do not fail me. Answer today.

This was the telegram sent in 1873 by Canada's first prime minister, Sir John A. Macdonald, to the solicitor for Canada's foremost businessman, Sir Hugh Allan of Montreal.

[*Translation*]

Nothing really changes. On May 24, 1986, Pierre O'Neill wrote the following in an editorial in *Le Devoir*: "After being out of power for generations, the Tories have always failed to exercise moderation in their use of it. Between the defeat of John Diefenbaker in 1962 and Brian Mulroney's victory in 1984, they only had a taste during the short reign of Joe Clark in 1979. Today, the urge to dispense political favours is so great that after only 20 months in power, we can say they have definitely overindulged. Never in political memory has a party been rocked by so many scandals and resignations in so short a time". That was a quote from Pierre O'Neill in *Le Devoir*.

• (1520)

The article also says, and I quote: "The Conservatives led by the Prime Minister [across the floor] also have an obsession: they live in fear of losing power in the next election. And that fear is not unfounded. Consequently, they tell themselves that they must go all out and take advantage of what little time they have left. Bypassing the bidding procedure in order to take advantage of those who get contracts worth less than $30,000 is lucrative but insufficient.

Therefore, they decided to apply the system to the winners of major contracts. It is from this list that party solicitors can now identify their victims. They pay them a visit and demand a kickback of 5 per cent of the value of the contract awarded to them. Those who refuse to pay kickbacks are blacklisted and can forget about any new contracts. This is what Mr. O'Neill wrote in 1986.

You know, Madam Speaker, if some members do not believe Mr. O'Neill, I can tell them that he was not the only one to raise this issue. Let me refer to a statement made by the member for Mégantic—Compton—Stanstead, who was a Conservative member of Parliament in 1991. He said, and I quote: "Companies interested in contracts must contribute money to the Conservative Party fund. Then, there are the declarations made by Suzanne Blais-Grenier, who was also a Conservative

minister at one time and confirmed the existence of such a kickback system.

Let me also quote another source. This time I am referring to something Marcel Adam wrote in *La Presse*: "Since they came to power five years ago, the Conservatives have constantly confirmed their deplorable lack of public morality and parliamentary ethics. With their weak moral standards, they are becoming one of the most corrupt parties to head a federal government and taking us back to a time that we thought had ended decades ago.

As far back as I can remember as a professional observer of public life, which is about 30 years, I cannot think of a regime showing signs of corruption so early and being so unscrupulous about the rules of ethics and the parliamentary system". This is what Marcel Adam wrote on May 27, 1989.

[*English*]

I want to turn to what Don McGillivray, Southam News columnist, said on February 2, 1990. He said the following about the Brian Gallery affair. We remember that conflict of interest case and the subsequent resignation of one Brian Gallery. Mr. McGillivray said:

> Is there no end to the parade of cabinet ministers, members of Parliament and appointed officials who use positions of public trust to advance their private interests?

He said further:

> And until Gallery's resignation as Canadian National director and vice-chairman was announced Thursday in the Commons—

And he used the Prime Minister's name:

> —was in his usual posture of stalling for time while he tried a political counter-attack: "The Liberals are not seeking justice. They want a lynching. They're not going to get it in the House of Commons".

Referring to the member for Roberval who was the transport minister at that time, he said:

> And Transport Minister—backed this play by indicating scepticism about the letters signed by Gallery and produced in the Commons by the opposition parties: "The honourable member says he has a letter. They always have letters".

Eventually the gentleman resigned, a close friend of the Prime Minister.

I have another story. This one was written in *The Gazette* of Montreal on December 16, 1989. It has the pictures of six prominent Conservatives. Because some of them are still sitting in the House I will not refer to them. I will only refer to the others who are no longer with us. It identifies the following:

> Edouard Desrosiers, the former Tory MP for Hochelaga—Maisonneuve, faces eight charges, including a corruption charge relating to $2,000 the Crown alleges he received from a company doing business with the federal government.

It continues:

> Richard Grisé, the Tory MP for Chambly, was sentenced to one day in prison, three years' probation and fined $20,000 in May.
>
> He admitted operating a complex kickback deal that put the employees of a friend's company on the government payroll. He also admitted taking kickbacks from builders.
>
> Michel Côté was fired as supply and services minister in 1988 after failing to report a $256,000 loan from a friend who was a government contractor.
>
> Roch LaSalle quit the cabinet in 1987 following reports of influence peddling—
>
> André Bissonnette was dumped as junior minister of transport in January 1987 for alleged involvement in a series of questionable land flips in Quebec—
>
> Suzanne Blais-Grenier, the minister of state for transport, stepped down in December 1985 at Mulroney's urging after press reports of her lavish spending abroad.
>
> Sinclair Stevens quit as a minister of regional industrial expansion in May 1986 after reports that his wife, Noreen, had negotiated a $2.6 million loan for his family companies from Magna International, an auto parts company that had received grants from Stevens' department.
>
> A royal commission found that Stevens had violated conflict of interest guidelines 14 times while in cabinet.

He is trying to overturn the decision. It continues:

> Robert Coates quits as defence minister in February 1985—

It goes on and on. The next story is by Geoffrey Stevens, national affairs correspondent with *The Gazette*, dated February 25, 1990. He said:

> Brian Gallery, a personal friend of the Prime Minister Mulroney, resigns as vice-chairman of Canadian National Railways following reports that he tried to influence CN to keep buying ads in publications that he owns.
>
> What's going on? Hardly a week passes, it seems, that someone in the Mulroney ambit—MP, minister or patronage appointee—is not being investigated for something or charged with something or being forced to resign from something.

This is what was said at the time by Mr. Geoffrey Stevens.

You will recall, I am sure, Madam Speaker, some years back the Prime Minister made promises to the Canadian people about patronage and about what he considered to be the moral thing to do with regard to appointments. Those promises were made during the 1984 election campaign. I kept a log of those promises along with the patronage appointments after the election of 1984 and put them in this booklet which was then known as *The Black Paper on Tory Patronage*.

Let me quote the following from the person who today is the Prime Minister. On May 24, 1983 he said:

> There'll be jobs for Liberals and NDPs too, after I've been Prime Minister for 15 years and I can't find a living, breathing Tory in the country.

That was from *The Globe and Mail*. It quoted the person who today is the Prime Minister. On July 9, 1984 the same person is quoted as saying:

> I commit myself to setting up criteria for quality which will impress the Canadian people.

That was his commitment about patronage. On July 16, 1984 he talked about patronage again and again I am referring to the man who is now Prime Minister. He said:

> The method of making appointments could be corrected by dramatic measures—We are going to bring in a brand new dimension to them of objectivity and representation and fairness for all Canadians.

I want to refer to what *The Toronto Sun* said on March 22, 1985 after the original orgy of patronage that all Canadians were subjected to by the Prime Minister. Referring to the Prime Minister he said that he "is a sincere man—from the teeth on out. Take his solemn pledge late in the election campaign when he devastated" the member for Vancouver Quadra "over patronage". The Prime Minister's promise to end it all played a major part in his massive victory".

• (1530)

The next sentence he uses is unparliamentary. I cannot quote it. He says: "The Prime Minister has been simply shameless in dispensing patronage. Hardly a day passes without news of yet another fresh batch of Tory hacks being rewarded for their partisan inclinations". That is from *The Toronto Sun* story at the time. Again, the things they say about the Prime Minister in some of the quotes in there I cannot repeat on the floor of the House because Madam Speaker would not allow them and I do not blame her. They are simply not parliamentary.

I want to talk about the next thing here. It is a story from *La Presse* on November 21, 1984: "The Prime Minister created 10 provincial committees and a national committee to consult cabinet on political nominations. That is after promising that something would be done to make things better; he appointed a committee of Conservatives in each province".

Let me tell you, Madam Speaker, how one of those committees work. Again, this is from the same story: "The Quebec committee will be presided over by Fernand Roberge, manager of the Ritz Carleton in Montreal and a close friend of the Prime Minister". Listen, Madam Speaker, to who the members are: "Other members include ministers Roch LaSalle", the member for Frontenac, "and Marcel Tremblay", the member for Quebec-Est. "As well, PC party militants Michel Cogger, Jean Bazin, Marc Dorion—all three lawyers— also Mario Beaulieu, a Clark supporter and former Union Nationale member, and Gisèle Morgan sit on the committee. The national committee consists of Norman Atkins, organizer of the big blue Ontario machine and who led the election campaign last summer. Bernard Roy, chief organizer of the Quebec campaign, has since become principal secretary to the Prime Minister. He will also act as chief of staff in the Prime Minister's Office".

Those were allegations that were made at the time by *La Presse*.

Madam Speaker, you may think that the Tories were bad and they were. You may think they have reformed their ways. Unfortunately, they have not. Very regrettably, they are still the same.

I want to quote what Stevie Cameron, a well known journalist, said on January 31, 1987: "If the Prime Minister has a single friend who hasn't been appointed to a board, commission or agency or who hasn't been awarded the title of Queen's Counsel or hasn't been given a fat contract or a Senate appointment, that friend deserves to be annoyed". That is what she said at the time.

Mr. Andre: Wow, Stevie Cameron.

Mr. Boudria: It goes on and on. The minister across the way says that is Stevie Cameron. If it came to believing Stevie Cameron versus the hon. government House leader across the floor, I know who I would believe. I would believe Stevie Cameron.

Mr. Andre: You two have fun swimming around in the mud together.

Mr. Boudria: Madam Speaker, I do not think I have said anything unparliamentary and perhaps the minister could do the same. He may not like what I am saying, but it does not mean that it is untrue. I have not accused him personally of anything wrong.

Mr. Andre: I haven't heard any truths yet.

Mr. Boudria: Madam Speaker, I will go on here with quotes from other newspaper articles. From March 24, 1989: Claude Levasseur, campaign manager in the riding of Trois-Rivières was convicted in Quebec provincial court of influence peddling. The court was told that Mr. Levasseur appointed land surveyer Jean-Marie Chastenay of Cap-de-la-Madelaine and requested a $2,500 kickback for a $50,000 contract accorded to Chastenay. Chastenay taped the conversation with Levasseur and turned it over to the police. That person entered a plea of guilty and was sentenced.

The Prime Minister is going to say it is not true, I suppose.

Mr. Andre: What constituency was he from?

Mr. Boudria: What constituency? I am glad the minister asked. He is the campaign manager and partner even today of a cabinet minister across the way. He is still a partner with him or was as late as three weeks ago. The minister across the way wonders what he does.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Madam Speaker, I have been listening very closely to my colleague for Glengarry—Prescott—Russell and I find the connection he is trying to make between a case which was adjudicated and the present case involving a minister of the Crown to be far-fetched.

Knowing my colleague for Glengarry—Prescott—Russell, I am sure he does not mean to insinuate that there might be something more to it since he could say it outside of this House. However, for the time being, I think that he should stick to what was said and avoid inuendos concerning the implication of a minister of the Crown in a case that was heard and adjudicated without the said minister or ordinary citizen at the time being called to testify in any way whatever as there was no indictment at the time. I think that the member for Glengarry—Prescott—Russell should be extremely careful when he makes such remarks.

Madam Deputy Speaker: In view of the subject matter of the motion brought forward today by the hon. member, I think that the latter part of the observations by the hon. member for Champlain is filled with wisdom and that it would be desirable at all times for everyone, on either side of the House and from all three parties, to be extremely careful not to make accusations which cannot be substantiated.

Mr. Boudria: Madam Speaker, I agree with the point raised by my colleague for Champlain. I did not say that in that case the minister had been charged. But, granted, his point is well taken.

[*English*]

As it pertains to that particular person and I agree.

I now wish to turn to the broad question of public sector ethics and morals. At the request of the hon. member for Beauséjour, I have prepared a platform document on what our party proposes to do on that issue and I want to share it with the House of Commons.

Here are some of the recommendations and I will read some of them into the record. It is my view and the view of my colleagues, that the recommendations on the special joint committee on conflict of interest should be adopted. That has been on the Order Paper now for close to four years and it has gone through two different times of dying on the Order Paper. It has been reintroduced and it was the subject of a special committee and has been left lying there for six months.

I also believe that the spouse of a member of Parliament ought to be required to disclose assets on his or her own part. I believe that a special committee should be struck to study and report on the salaries and benefits of legislators. I believe that the Department of Supply and Services and Public Works should be merged to form a federal department of government services in an effort to reduce cost.

The agency of record ought to be eliminated. A government advertising bureau should be established within the government to handle government advertising contracts and to end the kind of despicable practices that we have been subjected to in recent weeks on the issue of the unity advertising.

I think the advertising bureau that I have just suggested should be placed under the auspices of the newly created department of government services. I believe that a new system for government advertising needs to be established to ensure non-partisanship and fairness.

The next point. An independent commission of inquiry should be established to mandate the present awarding procedures of contracts and tendering thresholds as outlined in the Treasury Board guidelines.

There are a number of things that should be changed, not the least of which is that we must increase the amount of control that we have right now over lobbyists in Canada. That is an issue that I will address in committee in a few moments from now.

• (1540)

Those are some of my and my colleagues' recommendations toward improving public sector ethics in this country. My colleagues will read more of these recommendations into the record in a few minutes.

[*Translation*]

Mr. Charles A. Langlois (Parliamentary Secretary to the Leader of the Government in the House of Commons): Madam Speaker, I listened to most of the speech of the member for Glengarry—Prescott—Russell and I would have thought he would have expanded more on the motion before us today. It is an opposition motion. After all, it was presented by his party, but his speech contained mostly references to rather old newspaper articles. He mentioned names liberally and I think that is unfortunate.

I would also like to mention before asking my question that the opposition has the opportunity to hold a debate in the House about motions that it considers important ones. I am a young parliamentarian, but I think that we should use the time of the House to discuss subjects that are important for the country, for the nation, for taxpayers and for government itself. I realize this is not what will happen today since between now and eight o'clock tonight, if the debate keeps going in the direction set by the member for Glengarry—Prescott—Russell, I fear the time of the House will be spent very uselessly.

I would like to put a question to the member for Glengarry—Prescott—Russell: Could he tell me if he agrees with the methods used before 1988 by the party of which he is now a member, the party which formed government at that time? Does he agree with the methods used by the leader of the Liberal Party, which was the ruling party during those years, for nominating senators and various other officials to public functions?

[*English*]

Mr. Boudria: Madam Speaker, I am glad to hear the question of the hon. member. He referred to 1988. I think he meant 1984.

He is asking me if the system for Order in Council appointments in 1984 and prior was better to the one established since. No, of course not.

Mr. Blenkarn: So it is better now.

Mr. Boudria: No, it is the same. It has not changed.

The point is in 1984 the person who is now Prime Minister promised radical new measures to change those. He has done nothing of the sort.

The only thing we have had is an Order in Council review process that gives no power to a committee, not even the power to make a recommendation to the House of Commons under the Order in Council that happened.

If the minister across the way disagrees with that, I challenge him to go to the transcript of the Standing Committee on Consumer and Corporate Affairs and Government Operations where he will see the motion that I proposed at the time to recommend to this House that Dalton Camp not be hired to work in the Privy Council Office. The motion was ruled out of order because there was no mechanism by which the committee could make that recommendation to the House.

Mr. Andre: You are talking about different things. It was a totally different thing.

Mr. Boudria: It was an Order in Council review.

Mr. Andre: No it was not. Be honest now.

Mr. Boudria: That is under the authority for which we reviewed.

The member for Manicouagan asked questions about the tone of the debate today and what else we would do. I see that as a perfect opportunity to continue giving some of the recommendations of my party to improve public sector ethics and morals. I want to share these thoughts.

The rational system of awarding government contracts ought to be further implemented in all ministries in order to allow small business a greater opportunity to receive government contracts.

I believe the government should establish a central registry of awarded contracts subject to security requirements. The detail of any contract awarded by the government should be open to public scrutiny.

My policy and that of my colleagues is we want to ensure that federal government contracts are awarded on an equal basis and that members of Parliament be excluded from the involvement of the awarding of contracts, that political exempt staff not be stationed in regional offices of departments as they were at one period with the Department of Public Works.

There should be established within the House of Commons non-partisan nomination and confirmation procedures for Order in Council appointments such as the officers of the House, and that the committee reviewing those should have a veto power.

That the members of the House of Commons should be able to scrutinize deputy ministers and other individuals such as heads of Crown corporations and regulatory agencies. The House ought to be able to give recommendations in regard to those appointments which it cannot do right now.

A nomination procedure ought to be developed for the appointments of Citizenship Court judges. That does not exist right now.

There should be no registration fees imposed on tier 1 or tier 2 lobbyists. I believe that professional lobbyists should be required to disclose in a public register major expenses and fees with a description of the lobbying activity.

The Lobbyists Registration Act should be amended to ban contingency fees.

Professional lobbyists should be obliged to declare all of their lobbying efforts whether a fee was charged or not. It should be compulsory that lobbyists disclose fees charged to a client along with the amount and the form of any payment made.

I could continue and elaborate further if you wish for me to do so, Madam Speaker.

Mr. Rey Pagtakhan (Winnipeg North): Madam Speaker, as usual we learn a lot from my colleague from Glengarry—Prescott—Russell.

I would just like to say that if a government violates ethics, it makes Canadians lose faith in our political system. That will be the end of our nation.

My colleague was talking about the need for a central registry for the awarding of contracts. Would the member briefly comment on the 23 contracts awarded by the department of health as audited by the Auditor General that 22 of those 23 contracts were illegal and cost Canadians millions of dollars?

Mr. Boudria: Madam Speaker, that is actually a very good case in point of some of the things I have been advocating.

The Auditor General indicated in his annual report and since then we have seen case after case of government contracts awarded with no regard to the tendering procedure, not even any due regard for a proper invitational procedure where such is the procedure to be used right now.

In some of those cases that procedure should not be in existence anyway. The procedures have been breached. In the cases at the department of health it was flagged right in the Auditor General's report.

Surely members across the way cannot accuse me of innuendo, of creating those circumstances. The Auditor General of Canada is the person who has said so. These are not figments of my imagination nor the imagination of the member across the way.

This is wrong, dead wrong. The government has to reform those practices. It must do so even if it is at the 11th hour of the dying days of this administration.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, the contracts in question were, according to the Auditor General, not done by the bureaucratic procedure set down. Did the Auditor General suggest that in

fact this money was illegally or fraudulently obtained and abused? If so, why would the hon. member suggest that charges were not laid against these people who fraudulently obtained these funds and misused them, wasted these millions of dollars as alleged by the member for Winnipeg North?

Or, was it in fact that the Auditor General was merely pointing out that the bureaucratic procedures were not properly followed? Did the Auditor General say that there was fraud, theft and millions of dollars of taxpayers' money abused? If so, who are the people who did it? Why were they not charged?

Mr. Pagtakhan: The RCMP—

Mr. Andre: It is not concluded yet. No one has been charged and there is no proof of theft.

Madam Deputy Speaker: Order, please.

Mr. Pagtakhan: Read the report.

Madam Deputy Speaker: Order, please. The hon. member for Winnipeg North was recognized earlier. I am sure that he could have the floor later on some time today.

It would be appreciated for law and order and for respect for this House if he would refrain from screaming across the floor and making accusations at this time.

Mr. Pagtakhan: On a point of order, Madam Speaker.

Madam Deputy Speaker: If there is a point of order I will listen to it.

• (1550)

Mr. Pagtakhan: Madam Speaker, the government House leader alluded to the question that I posed and indicated my riding. He knew that there were only two—

Madam Deputy Speaker: The hon. member is engaging in debate when he does not have the floor. I have just asked him to please wait until it is his time to debate to rise and make his views known.

There is a minute left for the hon. member for Glengarry— Prescott—Russell.

Mr. Boudria: Madam Speaker, the Auditor General did indicate in his reports that the procedures had not been used. The minister may categorize those as merely bureaucratic. I do not believe that such is the case. That is actually a criticism of his own colleague, the President of the Treasury Board, who sets down those rules which are necessary for the good and proper awarding of the contract.

When I asked the question in the House some months ago, the government refused to answer the question that I raised on this very topic. If my memory serves me right, it was the government House leader himself who told me he could not answer because the whole issue was the subject of a police investigation.

I rest my case.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I would just make the point that there is a far cry between that and the blatant statement that millions of dollars of taxpayers' money were wasted in some fraudulent manner. That is an accusation of malfeasance which I do not think should stand unchallenged. We have a tradition in this House: When you charge somebody with violating the law you put your seat on the line. If that charge turns out to be untrue, you resign.

It is instructive, I think, that on this supply day—

Madam Deputy Speaker: Order, please. The hon. member should know that a point of order refers to the rules of this House. I would like to know which rule of the House the hon. member is now invoking.

Mr. Pagtakhan: I cannot cite a specific rule. I beg your indulgence, but I will tell you, Madam Speaker, that I was alluding to the report which indicated that there were illegal violations, violations of several laws. I can show you the page later on, Madam Speaker.

Madam Deputy Speaker: The hon. member is debating. The hon. minister has the floor.

Mr. Andre: I think it is instructive on this supply day, which is a day provided under the rules for the opposition to deal with the question of supply, i.e. the spending of public funds, that it should decide to raise this subject. I checked the record and over the last two years not once, not on one occasion has the opposition used a supply day to talk about what is intended for that purpose, namely to talk about government spending, how they would do it better and so on. But that is not surprising.

The hon. member stood up and listed alleged illegal activities, improper activities by various people. He managed to slander and libel several people, listed them from newspaper articles. Some had been charged, some had been found innocent. In our system once you are

found innocent, you are found innocent. However that did not prevent the hon. member from again accusing them of being corrupt and rotten. Even though a court of law in this country had found them innocent that did not prevent the hon. member from standing up and again slandering them because they had once been charged. Once charged, in that hon. member's mind, they are guilty.

Then he talked about, and I will get to the advertising in a moment, patronage appointments. He talked about the Prime Minister's commitment. The first thing the Prime Minister did was to establish a parliamentary committee headed by Jim McGrath which established that all GIC appointments are reviewable by committees of the House, a major innovation.

Then he said: "Ah, but he talked about Dalton Camp". Dalton Camp was a contract employee for the Prime Minister's Office in the same way as I have employees in my office and he has employees in his office. Is he suggesting that all our employees, including his employees, must be approved first by a committee of the House? What an absurd suggestion. The hon. member enjoys slandering, libelling, maliciously condeming people who are not here to defend themselves, using this institution with its privileges and its immunities to unfairly slander people and to suggest that if anybody had the temerity to be involved in partisan politics for the Progressive Conservative Party, they are unfit for public office.

It is funny that he did not complain about the appointment of Aideen Nicholson to the Immigration Appeal Board or George Henderson to the Veterans Appeal Board because they are former Liberals, or Ian Deans. It is only if you have been involved with the Progressive Conservative Party that you are corrupt. Otherwise you are okay.

Mr. Kilgour: Like 99 per cent of your appointments. Tell me what the word sophistry means.

Mr. Andre: The hon. member should write another book that nobody can read rather than sitting there.

Madam Deputy Speaker: The hon. member for Edmonton Southeast will be seeking the floor shortly, I imagine. He may want to be able to make his case without being interrupted all the time. I think it would be wise and generous of him to extend the same courtesy to the hon. minister when he has the floor.

Mr. Andre: Madam Speaker, the hon. member when quoting these various authors quoted Stevie Cameron. Stevie Cameron once wrote—

Mr. Kilgour: Now he is going to slander Stevie Cameron who happens to come from a Tory family.

An hon. member: The minister does not even know her.

Mr. Andre: Madam Speaker, you have to resort to a gag soon for that hon. member. Stevie Cameron dealt with an interior decorator, Giovanni Mowinkle, who said: "Do you know what size the closets are at 24 Sussex Drive?" There was this great two full page piece in *The Globe and Mail* about the size of the closets, the number of pairs of shoes and how this was such an outrage.

After the article came out, a couple of things happened. One thing was that Giovanni Mowinkle skipped the country with the RCMP hot on his trail. The second thing was the the editor of *The Globe and Mail*, the same Geoff Stevens who was quoted by the hon. member for Glengarry—Prescott—Russell, was fired as editor.

Mr. Kilgour: Just say something substantive, Harvie.

Mr. Andre: Madam Speaker, I do welcome the opportunity of this debate to deal with a subject that the hon. member alluded to at the end and that was advertising and the alleged, in his mind, his words and his accusation of impropriety, illegality, patronage and whatever of the advertising contracts. Let me deal with that for a moment.

Prior to 1979 advertising was done by individual departments that selected an agency and ran their own campaigns however they saw fit. Not suprisingly, in those days Liberal governments chose Liberal agencies. They wanted to pick people they had confidence in. That is understandable.

In 1979 the Clark government brought in the advertising management group, something that it is apparently in the Liberal platform to do after the next election. Well, it exists. That advertising management group co-ordinates all the various advertising campaigns by the various departments to make sure that we do a media buy that gets the best price for the government, to ensure that it hits the right audiences, that the contracts are honoured

properly and so on. It was a scheme that the Liberals carried on in 1980 after they were returned to office and is in place today. They of course appointed somebody they had confidence in to head up the group on contracts and we did the same thing. The individual is Mr. Bob Byron, with 35 years experience. I quote a civil servant: "Civil servants who deal with him say that he will have forgotten more about advertising than I have learned in my lifetime. He is an expert and full value according to civil servants for all he does".

• (1600)

In addition, what the government did in 1984 was establish a process for selecting agencies. It is notoriously difficult for government, and I was supply and services minister at the time, to contract for professional services. You cannot ask for closed tenders from lawyers, engineers, architects, accountants or advertising agencies because it does not work that way. You do that if you are having somebody build a building. You give them the plans and say: "Give us a tender; we'll cut the envelope". You cannot do that for professional services because there is something called quality that goes into it.

What industry does in terms of advertising is ask several agencies to come forward and make a pitch, to come forward with suggestions as to how they would handle the advertising campaign the client has in mind.

We put in a process where a department wants to run a campaign. We will have a committee of civil servants hear the pitches and make a recommendation. It is as fair a system as we know how to devise. It has been working pretty well, a lot better than the system before it.

The Citizen with its intrepid reporters, Kennedy and Cobb, wrote a piece in regard to the major contracting on national unity and the 125th anniversary. The headline is: "Ad contracts given without bids, sources". Sources say without bids.

What in fact happened was that the minister responsible, who happens to be a senator, sent a letter to the editor saying the article was wrong. As a matter of fact there was a committee of five public servants, Gagnier, Guité, Parkins, Uteck and Cardinal, who listened to pitches from six agencies, Académie, Burghardt, Wolowich, Crunkhorn, Camp Associates, La Boîte à Idées, Palmer Jarvis and Publitel and in fact awarded two of them, Palmer Jarvis from Vancouver and I think it was Publitel from Montreal with the contracts.

Did that satisfy the reporters that they were wrong? Absolutely not. They went on. The first thing was they went to Daryl Bean and asked what he thought of the contracting. He was outraged that there was no competition.

You can forgive Daryl Bean because he was given the same false information from those reporters. Not resisting an opportunity to scream in outrage, he reacted. We know Daryl Bean. I see that he is committed to helping the Bloc Quebecois in the next election, which is interesting too.

What really did happen? After being given these names, these reporters phoned and talked to some of the civil servants. I want to relate a little bit of the conversation they had with one civil servant who is a 30-year veteran. He says that he worked for the Diefenbaker government, the Pearson government, the Trudeau government, the Clark government, the Trudeau government again, the Mulroney government, and if the next government is the Rhinoceros Party he will work for them. He says that nobody knows how he votes. He has no partisan leanings.

In answer to this intrepid reporter, he said that he had no colours and that tomorrow nobody would know if he voted pink, blue, yellow or any different. He said: "All I am saying to you is that the system that is in place now, and I speak strictly as a public servant, is a helluva lot better than it was 10 years ago. It is a helluva lot more honest than than it was 10 years ago". That was the testimony of a 30-year public servant.

Did that turn off our intrepid reporters, Messrs. Bernstein and Woodward, who are digging in? Not at all. After this they wrote another piece saying: "Ah, but they didn't file a report". The policy statement says that they did it over lunch at Henri Burger's. "Jeez, my goodness, a business lunch. Oh, horrors".

What absolute nonsense.

The hon. member for Glengarry—Prescott—Russell stands and refers again today to evidence of corruption in advertising and says that this government has no interest in being fair and having competition. We have had the testimony of five public servants, the one in particular who said: "The system in place is a hell of a lot better than it was 10 years ago and a hell of a lot more

honest"; I underline more honest than it was 10 years ago. Does that make a difference? No.

Why possibly could these reporters not have reflected that in their story? Why would Messrs. Kennedy and Cobb not reflect this truth?

Yesterday we had a deuce before the consumer and corporate affairs committee. The committee is looking at the Lobbyists Registration Act. One of the lobbyist, a fellow by the name of Michael Robinson, a well-known Liberal activist, said and I am quoting from the minutes:

> There's some evidence that the partisanship may have been part of the motivation.

He was speaking of the motivation of the reporters. He continued:

> After two or three stories that appeared in *The Ottawa Citizen* I received a phone call from Gord Ashworth who, as many of you will know, is campaign director for the Liberal Party but also was very active with many of us in the referendum campaign and the nature of the conversation was that it was a phone call to say that he had just finished talking with Mark Kennedy, who is one of the journalists for *The Ottawa Citizen*, who was asking him questions about advertising during the referendum campaign with a view, I assume, to write more stories for *The Citizen* and, in the course of that conversation, asked Gordon if I, personally, was upset at the stories that had appeared in *The Ottawa Citizen*. And when Gordon suggested that yes, indeed, I was less than happy with the coverage, was reassured by Kennedy that I shouldn't be upset because the purpose of these stories was not to get to the Liberal Party but in fact to embarrass the Tory government.

He went on to say:

> And I find that a strange commentary from a journalist and it certainly makes me suspicious about at least what part of their motivation may have been.

The Ottawa Citizen writes an editorial saying that what it is looking into is government ethics. I humbly suggest it should do a little consideration of journalistic ethics if that is not an oxymoron when applied to these people. They think they have Bernstein and Woodward here. What they have is researchers for the NBC program *Dateline*.

He said the purpose of these stories was not to seek out the journalistic goals of who, what, where, when and why, but to embarrass the Tory government. On the front page of this great national newspaper are stories by these two reporters who seek not the truth, who seek not to inform the public, but who seek by their own words to embarrass the government. Is that not wonderful? Are we not wonderfully served by such an institution?

This brought back to my mind a conversation I had with the late Marjorie Nichols. Speaking to me in some desolation one day—she had written an article that was actually complimentary about something the government had done—she said she was heckled and abused by her own colleagues in *The Citizen*. To write an article that actually said something good about the government was considered intolerable to her colleagues like Don McGillivray who has never had anything good to say ever about anything, even if he has to contradict himself. Then she also went on to say, in some disgust at the quality of the journalism around here: "You know, Harvie, this country has the strength to survive its politicians. It may not have the strength to survive its media". If this is the kind of standards we are going to get, these words are so true.

Perhaps a less pejorative interpretation could be put on those remarks which gets to another bigger problem. I was reading a review of the book: *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Service* by R. I. G. MacLean who at the time was working with the Ontario government on a two-year assignment. He was talking about bureaucracy and how bureaucracy stifles because bureaucracy is after process, process, process, process. It is not about results; it is process and how stifling it is. He made the following observation:

• (1610)

> Each part of a bureaucratic organization has a mandate and operates within a set of rules. Lacking an objective assessment of outcomes, conformity becomes the measure of performance. This is what bureaucrats call accountability. The typical response to suggestions that we might get more done with fewer rules is that the rules are necessary for accountability to the public. This is a complete fallacy. The rules are all about accountability for inputs—the approvals required for spending. There is no accountability for outputs—what that spending achieves.

One bureaucrat was not following that procedure at least, Mr. Guité who was talking to Mr. Kennedy. He said: "Look, we followed a competitive process here. It is more honest than anything we did 10 years ago and *The Ottawa Citizen* is saying you did not provide a written report", i.e. the process. That was enough for them to conclude that the thing is corrupt and enough for them to continue in their ongoing efforts to embarrass the Conservative government.

Is that not a nice job to have? "What did you do today?"

"I embarrassed the government today".

"Wow, what an accomplishment. How are you serving the people, your readers and so on? Did you supply them with truth today?"

"No, not necessarily, but I embarrassed the government".

"Were you honest today? Did you give them the five *ws*: who, what, why, when and where?"

"No, but I embarrassed the government. By cracky, I got them".

"Wonderful".

For example, Stevie Cameron, wonderful. She must feel proud: "Hey, God, I got three reputations; I've destroyed three people this week. Alleluia, what a week". Shakespeare said: "Steal my purse, you steal trash. Steal my reputation you steal my life". She and too many like her think it is honourable to go around stealing reputations.

The hon. member for Glengarry—Prescott—Russell, by naming off people in this place who have been found innocent and implying they are still guilty because they have been charged, is engaging in the same kind of behaviour. Then they wonder why this place does not get the respect it deserves from the public. Well, you get it by being fair, by being honest; you do not tolerate corruption but you do not accuse people of corrupt practices because they did not follow the interpretation of the rules that you put to them.

The hon. member for Winnipeg North is right. This place will come apart if we continue to engage in this kind of uncontrolled, irresponsible mud-slinging that is too often a part of what happens here.

If we treat each other with respect and if we do not assume that everybody on the other side is a crook and a thief; if we make sure that our accusations are based in fact, not suspicion; and if we do not immediately yell hurrah when we have reporters like Kennedy and Cobb out maligning people, we have a chance of regaining some of the respect we have lost. If we do not do it, unfortunately this institution and this country are the losers.

I regret that we would spend a valuable day on such a subject, but in a sense I am grateful to the hon. member for giving me a chance to put these facts on the record.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Madam Speaker, I would like to pose a couple of questions to the government House leader and to make a couple of comments.

I have a hunch that I do not represent many of the official views of most political parties in Canada by the position I am enunciating, but personally I have been disturbed over the last number of years at the call for strict, legislated regulatory guidelines making law out of standards of practice and ethics in government.

There are problems, one of which was evidenced to a large degree in the province of British Columbia in the last few years. We had a premier who had difficulty, it appeared, understanding the difference between standards of public conduct and standards of private business conduct and how we ought to keep them apart.

That is something elected politicians surely have to make a determination about for themselves, with their own standards and what they think are good standards. Ultimately it is up to the electorate to make a judgment whether any given government has stood the test of a generally held view of what is acceptable public conduct among politicians.

I can recall a discussion I had with a previous minister between 1980 and 1984. He is now a senator from the province of New Brunswick. We were discussing something outside this area. He said: "Every time any one of us is in opposition and we see what we think is an abuse, we say there has to be a law, there has to be a regulation, and we have to tighten things up. All it ends up doing in the long run is having cabinet ministers who cannot sometimes yield to common sense appeals because they are bound up in red tape, regulations and laws".

Personally, and I suspect I speak on behalf of a lot more people in the body politic out there than we sometimes care to recognize, I wish that more politicians

would simply say: "Look, I have done what I have done. Here is my record. Judge me on it. It is up to you to decide what our standards of conduct should be".

As an individual member of the House of Commons there are some things in the record of this government, in its earlier years particularly, I find profoundly disturbing. There seems to be an extraordinary number of people, more than ever before in our history, who have ended up before the courts. I suspect that sort of thing is likely to happen to any party that gains a huge influx of new members with no previous political and public life experience. They do not understand when they come here in those kinds of numbers the difference between standards of conduct acceptable in the public realm and those in the private sector.

Those are comments more than they are questions. I suspect we will have some agreement. I hope it is not simply because the government House leader is sitting on that side. It is a view which I think is important to express. I would like to hear a response of the government House leader on it.

Mr. Andre: Madam Speaker, I thank the hon. member for his comments because I absolutely agree. I think he is dead on. We do have that tendency. The moment it appears a rule is broken the outcry is for tougher rules.

If we were to use the analogy of traffic by-laws, that every time someone breaks a speeding by-law we get tougher speeding laws, soon no one would be able to drive. We would soon constrict things and make it impossible to get about. We do that, the member is right, and the outcome is disturbing.

One reality in all this is that the message is very clear. The way to stay out of trouble is to follow each and every rule to the absolute nth degree. No matter that doing so produces bad value for the government, produces something that is awkward and is not responsive to the real situation or that the rules may not be appropriate in the real situation. We cannot get into trouble for sticking to the rules rigidly but we can sure waste a lot of money.

I mentioned in my speech a quote from that fellow MacLean who reviewed the book *Reinventing Government*. He really talked about it. He said that we should concentrate on outputs, not inputs, and that rather than say all the processes must be followed to the nth degree we ask what happened. I can be a tad partisan. Some of the malfeasance we have been accused of on this side is that we have done things contrary to the rules.

The fact of the matter is a better test to me for fraudulent activity is: "Did you personally enrich yourself or your friends at the expense of the taxpayer?" If one breaks the rules to provide better value for the taxpayer in terms of the program or whatnot, if it goes out to whomever, make it immigrants or whomever, surely it is almost something to be applauded.

• (1620)

Around here, this is all that needs to occur. It is what Kennedy and Cobb were talking about. They feel there was a technical breaking of the rules. That to them is equivalent to corruption. That is what I found despicable about that whole string of articles. They had the testimony of public servants who said it is a more honest system than what we had 10 years ago. I know that when I was over there I struggled with the system.

How does one contract for services? How does one find a fair way to decide which engineer to hire, which accountants or which lawyers? It is very tough.

For advertising, we have come up with this scheme which duplicates the private sector. To have these guys say that we are all corrupt because in their view we should have provided a written report—that is how they read the rules and therefore that is evidence of corruption—is a misstatement.

If this thing were to blow up and become a fact, we would have to write a new set of rules which would be the kind of bureaucratic imposition you are talking about. It serves nobody's purpose.

I would agree with you. Maybe the member and I could talk some time about how we could bring about that attitude and that result.

Mr. Don Blenkarn (Mississauga South): Madam Speaker, yesterday in Question Period the minister indicated that the government would be bringing in a bill dealing with the report of the special joint committee of the Senate and the House dealing with conflict of interest.

I was wondering if that bill would contain the amendments that were recommended to the government in the conflict of interest report as an amendment to the Parliament of Canada Act. I was wondering whether he

would also be accepting the amendments to the Criminal Code that were suggested in that report.

Mr. Andre: Madam Speaker, we certainly do intend to bring the bill forward.

I understand that the final draft is literally hours away. I am expecting to receive it and I will table it as soon as possible.

On the specifics, I can give you this general answer. I cannot give you the specifics but I can give you this general answer. The bill will reflect the recommendations of the committee of the House which the hon. member chaired and which was as a unanimous result.

There are one or two things where our legal advisers said we might have difficulty doing this or that. There was no dispute among cabinet colleagues with respect to the fundamental recommendations of the hon. member's committee.

Mr. Jack Iyerak Anawak (Nunatsiaq): Madam Speaker, it was a very moving speech by the hon. House leader of the government.

With all the signs of being angry at our daring to question the antics of the government and his comment about more people refraining from those kinds of antics, it just strikes me that I do not have the ability to do all that and look very mad.

If that is what he wants in the House, would he be prepared to be the first to refrain from having those kinds of antics?

Mr. Andre: Madam Speaker, I will accept the hon. member's criticism if he will agree to talk to his colleagues from Newfoundland in particular—including the mustachioed one from Newfoundland—I think he knows who I am talking about. Some of the others have damaged my eardrums over the years.

I do get angry about the subject. Frankly, the false accusation of malfeasance is one of the things that offends me most about public life. Argue over policy. Argue over issues. Argue over approach. However, false accusations of malfeasance and impropriety is to me going at a person's reputation and I consider that dirty pool.

The hon. member for Glengarry—Prescott—Russell the day I was in the House asked about the post office. He said: "You aren't closing all your rural post offices. You left a couple open in the Prime Minister's riding. That's evidence of patronage". Then he went out and repeated it to the press. He knows—I believe he knows and I could have told him—that he left six of them open in his riding.

An hon. member: He forgot that.

Mr. Andre: He forgot that. It is so easy to stand up here and say, "patronage". As a matter of fact there are five open in the Prime Minister's riding, but six in the hon. member's riding of Glengarry—Prescott—Russell. It is this easy flinging of the accusation of patronage, of illegality, of malfeasance, of corruption that I think destroys the reputation of all of us, damages this institution and damages the country. Yes I do get angry when people do that.

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, I would put it to the House that the minister who just left does not get it.

Madam Deputy Speaker: The hon. member was just given the floor and in the first 20 seconds figured out a way to do something that, as a veteran member of this House, he knows he should not do and that is to mention the presence or absence of any one person on the House. I would appreciate the hon. member being a little more careful. I will give him the extra 20 seconds.

Mr. Kilgour: They told me that the minister might return if I coaxed him that way.

I would like to start if I may with a quote from somebody whom I think a lot of us have a lot of respect for, the late Adlai Stevenson. He said: "Public confidence in the integrity of the government is indispensable to faith and democracy. When we lose faith in the system we have lost faith in everything we fight and spend for".

Every member in this House and everybody who is sitting in the gallery or sitting around the House knows that this House of Commons and members of Parliament have never been held in lower esteem in the history of our country than right now. I think I saw a poll recently that pointed out that 9 per cent of Canadians have a great deal of respect or considerable respect—some such term—for members of Parliament.

Why is it that we have reached a new low in all parties with having good men and women run for their parties in the election? We seem to be having fewer problems than the others but I think it is a problem all parties are having.

Let me suggest that those opposite look on the public trust—and have shown this since 1984—much the way a vulture looks on a sick cow. Has there been a single government in our entire national history that has earned the opprobrium of Canadians more than this one opposite now.

Let me just pick up a few examples of the kinds of things that Canadians are concerned about. Here is article from *The Globe and Mail* on February 21, 1990: "$670,000 for trip by MP to Costa Rica".

It states: "The government spent $296,000 for the military aircraft and crew used to transport the entourage and equipment which included flying two armour-plated Oldsmobile limousines from Ottawa to Costa Rica, and $136,000 more or less for travel expenses of officials accompanying Mr. Mulroney".

Here is one from *The Toronto Star* of December 6, 1989. It states: "External Affairs Minister Joe Clark spent $165,438 for a pair of trips to Paris and London. Clark and three officials could not get a commercial flight to Paris in August because the minister had to attend a late session of the Progressive Conservative Party annual meeting. The Challenger dropped them off in time to attend a conference in Cambodia and return to Ottawa. On return to Ottawa, it was empty. The cost was $85,000.

• (1630)

There are so many stories, Madam Speaker, it is hard to know where to stop. Here is one *en français*.

[*Translation*]

It is another article in French by Marcel Adam, published in *La Presse* on May 27, 1989, and I quote: "Since they came to power five years ago, the Tories have continued to display a deplorable lack of public morality and parliamentary ethics. They are morally so lax that they are acquiring a reputation as one of the most corrupt government parties to sully federal politics, at a time when we thought such practices were no longer tolerated".

[*English*]

Here is one dated February 2, 1990 from *The Ottawa Citizen* written by Don McGillivray, whom the government House leader does not seem to like. I will not name any names. We will just keep this general.

> Is there no end to the parade of cabinet ministers, members of Parliament and appointed officials who use the position of public trust to advance their private interests?

Here is another one from *La Presse*.

[*Translation*]

It is dated November 8, 1990, under the heading: "Two out of three Canadians believe favouritism and corruption are on the increase in Ottawa", and I quote: "Nearly two-thirds of Canadians, 65 per cent, state that favouritism and political corruption are increasing in Ottawa, while only 6 per cent claim the tendency is less widespread than it was in the past."

[*English*]

Here is one from *The Gazette* of May 24, 1991. One could pick up the paper almost any week and find a similar story. The headline read:

> Company founded by Mulroney aide got $700,000 job.
>
> Just two months after the $700,000 'strategic management review' of the Canadian International Development Agency was given to Secor Inc. of Montreal, company founder Marcel Côté quit the Prime Minister's office and rejoined the firm.

There has been a steady stream of scandals, blatant patronage appointments and questionable ethical behaviour on behalf of cabinet ministers since 1984. Let me quote from the former leader of this party, John Turner, who spoke in Montreal in March 1987 about what he called a crisis of confidence in the political system itself:

> By confusing personal, party and public interest, the Mulroney government has undermined the very foundation of the state. In today's system there is a clear distinction made between the state, the Prime Minister and the party with the majority. Despite the strength of their 1984 victory, the Conservatives do not have the right to use their position, which should be above partisan interests, for personal gains. The state exists for the common good and not for the personal interests of a few. We cannot remain passive in the light of this situation for I am certain that no one can run a country without the confidence of the people. This confidence must be earned.

He went on to talk about the people here being the trustees of the democratic institutions: "We must strengthen them, not undermine them". He talked about the need for a code of conduct to dictate honest behaviour and so on.

It is a big file. I might though, on the subject of conflicts of interest, ask those opposite to tell us what happened to the proposed conflict of interest code that was brought in September 5, 1985, when our Prime Minister said: "We have taken great pains to ensure that the new code leaves no doubt that the ultimate responsibility for the ethical standards of the federal government rests with the cabinet, and more particularly with me".

Wow. That is reassuring, is it not? It is 1993 now. Where is the code? Where do you start? Here is a quote from May 4, 1985: "Following the example set by Michael Wilson, it has been learned that the External Affairs minister Joe Clark's brother, Peter Clark, has been given all outside legal work awarded by the federal government's Calgary Olympic office".

> Not to be outdone by the Wilson family, it has been revealed that External Affairs Minister Joe Clark's sister-in-law, Marcia Clark, was appointed as a temporary member of the National Parole Board.

She is now a full-time member.

The head of the riding association of the Minister responsible for Constitutional Affairs and/or his campaign manager now sits on the National Parole Board. The brother of the member for Athabasca sits on the Parole Board. What qualifications do any of these three, or virtually any of the Parole Board appointees made by this bunch opposite, have to make decisions on what amounts to a life and death situation for the 14 Albertans who were killed needlessly because of bad decisions by the National Parole Board since 1986? It is a trough for the boys and girls.

Here is another one from June 4, 1985:

> Justice Minister John Crosbie continued the Conservative government's nepotism with appointments for his sons, Michael Crosbie and Chesley Crosbie, via the law firms—

And so on. Those boys need work. Here is another one from October 11, 1985:

> Secretary of State Walter McLean has managed to spend more than $100,000 on a trip to Africa with his wife.

The list gets so long and boring, but they just do not get it.

I would suggest that three-quarters of this bunch opposite are going to lose their seats because they just do not understand that Canadians are not back in the Duplessis era. They are not back in the 1950s in Quebec, Manitoba or British Columbia. Canadians have moved on. They would like to have some respect for the people who get elected to this House.

There are exceptions. I can see one or two here. There are many people in this House on that side who are honest. However, the leadership comes from the top and there is no leadership on this issue. There is misleadership at the top on this issue.

What are we going to do about it? As a new government it is becoming increasingly evident that we are going to have to do a lot of things. I hope we will start with an ethics in government act, akin to what the American Congress introduced after Watergate. I hope we will do the kinds of things that President Clinton has done by having pre-employment contracts with appointees that prevent lobbying and influence peddling after people leave those positions.

The Canadian public is so mad at us collectively because of these acts, which I would say come from the leadership at the top of this government, that it is going to take us years and years to regain the confidence of our fellow citizens.

I do not know why we cannot have an ethics in government act or why we cannot have a conflict code that has some teeth to it. We simply must do this before this place will have the respect of Canadians again.

I would like to state some things I would like to see done, and I am speaking personally. I would like to see the recommendations of the Special Joint Committee on Conflict of Interest enacted. I know this is a controversial issue but I think that the spouses of members of Parliament, given the unique position we have, should have to disclose their assets.

The Departments of Supply and Services and Public Works should be merged to form the department of government services with absolute honesty and transparency in the way it does business with the public.

The Agency of Records should be eliminated. A government advertising bureau should be established to handle all government advertising contracts.

There must be a more rational system of wording government contracts in all ministries in order to allow small businesses a greater opportunity for access to them. There should be a central registry for all awarded contracts. Subject to security requirements the details of

any contract awarded by the government should be open to public scrutiny.

Surely members of Parliament must be excluded from any involvement in the contract awarding process.

There should be established within the House of Commons a non-partisan nominating and confirmation procedure for Order in Council and other appointments.

• (1640)

Right now if an Order in Council appointment is referred to the energy committee, of which I am a member, we have no right to stop the appointment. We can have a little hearing. We can ask questions. My understanding is that whether we like it or not once the Order in Council is signed that man or woman is appointed and it is, in effect, just window-dressing for these committees to pretend to review these appointments.

If this Parliament is going to regain a meaningful place in society we should be able to scrutinize the appointments of deputy ministers and of appointments to Crown corporations and certain regulatory agencies.

We should also have the right to veto appointments as we saw happen recently south of here in the case of the proposed attorney general, Ms. Baird.

There should be no registration fees imposed on Tier I and Tier II lobbyists. Individuals should be free to petition and give feedback to public officials. Professional lobbyists should be required to disclose in a public registry their major expenses and fees along with a description of their lobbying activities. Contingency fees are simply unacceptable for lobbyists.

I think I have probably said enough. If I made one point I hope it is that Canadians are very, very angry. Any of us who goes door knocking in our ridings knows how angry Canadians are at us about our pensions and perks. There is a constant stream of newspaper articles describing abuse of office or worse.

The only way we are going to regain the public trust is by introducing very tough ethics in a government act which will basically do what the United States Congress did after Watergate.

Mr. Don Blenkarn (Mississauga South): Madam Speaker, the member recited a great number of articles alleging all sorts of nastiness.

I noticed that all of those articles were in the period prior to 1988 when the member ran for the Progressive Conservative Party in the last general election, and he certainly knew about them at the time. Having known about all these terrible revelations why did he put his name up and accept the letter from the Prime Minister to make him a candidate in that election on behalf of the Progressive Conservative Party?

If he was really concerned about these terrible ethical matters that he has revealed today he would not have run for the party that allegedly made these terrible errors, would he? Maybe he can explain to this House why he accepted the Prime Minister's nomination in 1988.

Mr. Kilgour: Madam Speaker, when I was expelled from the caucus after the GST vote the Prime Minister was quoted as saying that he would not sign my nomination paper if I attempted to run for the party again.

I assured him that he would never have that problem because as long as he was leader of the party I would never have anything to do with the Conservative Party.

I would remind the member for Mississauga South that in 1986 when I "left the caucus" for a period of nine months two reasons were given. They were the abuse of office by the government of the day and the lack of attention to the problems in the west.

I have some affection for the member. He may not want me to say that in public but if there were more members on that side of the House who had the candour and the outspokenness of the member who just spoke this place would be held in more esteem than it is at present.

One of the troubles with his caucus is that there are too few people like the member who are prepared to say what is on their minds either in here, in the caucus or

anywhere else. The member for Abitibi is a member of Parliament who everybody in the House can and should admire. He is an example to all of us. The members of the House should try to be more like him.

The trouble with the system is that the way to get ahead in it is by "apple polishing" the right hon. gentleman who sits there.

Until members of Parliament take pride in being members of Parliament instead of being aspiring ministers, parliamentary secretaries or ambassadors, our system will not be the kind of House that the member for Mississauga South and I would both like it to be.

[*Translation*]

Mr. Charles A. Langlois (Parliamentary Secretary to the Leader of the Government in the House of Commons): Madam Speaker, I again listened very carefully to what the member for Edmonton Southeast said. I noted in his comments to the House, especially at the very beginning, that he gave a detailed list of spending by Cabinet ministers on official trips. Of course if ministers of the Crown, representing the Government of Canada, go outside the country, it costs money. According to the member for Edmonton Southeast, we would have to conclude that this type of spending is unethical, a form of misconduct and contrary to the interests of Canada and of this House.

If that is what the member for Edmonton Southeast thinks of the value of the representations made by representatives of the government and of Canada when they travel abroad to defend our interests, pursue our foreign policy, strengthen our ties with our allies and open new trade opportunities, if that is unethical and misconduct on the part of government members, I have serious doubts about the judgment of the member for Edmonton Southeast.

If he has such a keen sense of integrity and is so scrupulous, I have a question for him. He accuses members of this caucus of lacking integrity because they do not speak up to denounce abuses. Could I ask him whether he was so scrupulous when he decided to quit the Conservative Party, even though he was elected under that banner in 1984 and 1988? Did he have the decency and the integrity to obtain his constituents' agreement for changing to a party other than the one they elected him for?

Mr. Kilgour: Madam Speaker, very briefly, I would say that it is a question of judgment, a question of respect for the public and for the federal government's lack of money.

I gave Mr. Clark as an example. He has to take a government plane to attend a Conservative Party meeting. As a Canadian of Scottish origin, I think that it is very easy to make such trips on regular flights. I do not have the article on hand, but I think that he spent something like $67,000. To me that is an abuse of power.

As for running in a by-election, I said when I was expelled from the party by the member and his colleagues that if the Prime Minister would sign a contract to call a by-election within three months or less, I would be very glad to run. Knowing the Prime Minister very well, I knew full well that if I resigned my seat, he would make me wait a year, maybe more. Since I have four children, I really like to get paid at the end of the month.

Mr. Langlois: Oh, that's it.

[*English*]

Mr. Howard McCurdy (Windsor—St. Clair): Madam Speaker, let me first of all say that this motion, which is a Liberal opposition day motion, would not find itself naturally within the context of my critic area. Let me say more about it. It is not the kind of debate that I find great pleasure participating in at all.

• (1650)

I just do not like and never have liked mud slinging and scandal mongering. In all the time I have been in this House I have not jumped to the conclusion that what the press prints about a member is necessarily true. All of us in this place are human and all of us are going to make mistakes. By and large the newspaper reports put into the record today constitute a record of human error, the perpetrators of which to one degree or another have been punished.

We talk about corruption in Canadian politics. It is time that this be put into the proper context. Much of what has been said and the impression of Canadian politicians has been created to a very large degree by the reports of what happens on the other side of the river. I know that some will look askance at that remark, but the fact is a culture has grown which says that politicians are corrupt and are never to be trusted because they are always putting money into their own pockets.

The average Canadian is absolutely convinced that most of us are here because it is going to make us rich and famous and when we get through here we are going to be not quite so famous but infinitely richer. It just is not so.

I live in Windsor, Ontario. Every Sunday when I look at the Detroit *Free Press News* I see reports of crime and criminal activity, the corruption of one politician or another, whether it be a mayor, a member of council, a police commissioner, or whomever. Corruption is as American as apple pie .You can see it every day, day in and day out. When talking about corruption, we are in the minor leagues of the minor leagues.

Consider for example the savings and loan scandal. Consider the number of reports of congressmen and senators lining their own pockets. Think of the reality of members of the U.S. Senate or Congress raising money for a campaign and when they resign they put the money in their pockets. Look at the kind of situation that creates.

It is true that kind of image of politicians affects how Canadians think of us. I think it is far more important to consider how Canadians weigh us in terms of our functions here to the extent to which we represent principle, to the extent to which we represent the people who elect us and to the extent to which we act consistent with principles that have been identified with us and with our parties.

The hon. member for Edmonton Southeast who has been so passionate in his condemnation of the Conservatives and what he sees as so much corruption better weigh the impression he has created about politics by his own acts. I am not talking about corrupt acts or anything of the sort. I am not talking about patronage. I am not talking about lining his own pocket. But what are we going to say about the principles of conservatism if you are a Conservative for many years and you get into a pique and you cross the aisle? What does that say about what he stands for? Is he a Conservative or is he a Liberal?

If a tragedy should beset this country such as the election of a Liberal government, the moment his government acts just like any other government and his colleagues are found to be just as human as the Conservatives will he then become a New Democrat?

I will tell you the answer to that. No. No, because we will not accept him. We will not accept him because politics and belonging to a party is something other than being merely comfortable. If he were so upset about the behaviour of Conservatives he should have stayed there and changed things if he was a Conservative. But of course he is not a Conservative, he is not a Liberal, he is not anything. He is what he chooses to be. When he was thinking about all of this corruption—

An hon. member: Madam Butterfly.

Mr. Volpe: I rise on a point of order, Madam Speaker. I think it is traditional in these debates that we try to stay off the personal as much as possible. We are getting to a point here where, without naming the member, we are making some rather personal references. I think that goes beyond the requirements of debate.

Madam Deputy Speaker: The hon. member might have wanted to listen to one of his colleagues a bit earlier today. We will be careful.

Mr. McCurdy: Thank you for that, Madam Speaker. What can be more personal than standing in this House and categorizing the innocent and the guilty alike as political criminals of one sort or another. That is what is wrong with this.

I wonder whether the hon. member for Edmonton Southeast was altogether conscious of the past of his own party and how his former leader ended up losing an election. Remember what the penultimate Leader of the Official Opposition had to say. "I had no choice". Do you remember, Madam Speaker, the wave of patronage appointments of the kind that the member for Edmonton Southeast dislikes so much being made as a dying government tried to pay off all who had supported it.

Do you remember a Liberal senator who faced charges of fraud? If the hon. member really believes what he said about public trust, private benefits and condemnation of people who leave this place to go out into the outside world and take advantage of their political standing, what about Judy Erola.

Let us talk about public trust. What about the Leader of the Official Opposition? What about the member for Vancouver Quadra who sits as a member of the board of

directors of Curragh Resources, a member who is supposed to consider what happened at Westray like all of the others in an objective fashion?

We could go on with this, but as I said yesterday, that House is a Liberal house and a house of glass, silence within. They have a curious cast willing and able to condemn others but not to see the wrongs that they have perpetrated themselves. I do not condemn them for having within their number people who are going to make mistakes and people who we would prefer not to have here.

Just in case the hon. member thinks that I am not being completely fair and non-partisan in this, yes the Ontario government has had its difficulties and we have had a circus of condemnation of that entire government on the basis of the errors of a few. Even as I stand here, in the province of Saskatchewan, some MLAs are being accused of improper use of government funds. This transcends a party but it should be put in proper perspective.

I see where Henry Kissinger said that 90 per cent of politicians give the other 10 per cent a bad name. That is the kind of stereotype we hear about. It is less than 10 per cent of politicians who give 90 per cent a bad name. Most people in this place are here because they believe they have something to contribute to the country. We should not engage in a game that tarnishes the whole endeavour of politics in the way this kind of debate does. We are collaborating with those who, to their own advantage, would like to take politics down to the lowest level. I submit that the hon. minister was correct. All too often the press gives itself the power to run a country by words and condemn those who really have the responsibility all too much.

• (1700)

Unless I be misunderstood, I am disappointed and I think hon. members on all sides should be disappointed that the rules and the ethical guidelines that the Prime Minister introduced in 1985 were not followed by proper legislation governing conflict of interest and that we have not yet adopted a set of ethical guidelines for all of us in here. If you have any doubts about where my party stands, we support it.

I have to agree with my colleague sitting here that it is not rules, regulations and bureaucracy that will do it. It is to have a commitment that this life we live is not a life to advantage ourselves. I mean in the sense of lining our pockets, but I also mean in terms of making others on the slimmest of suspicions be the object of punishment and calumny for political advantage. That is wrong.

The highest form of ethical behaviour is to come to this place and behave in a fashion that reflects well on the people of this country, but more than anything else we are here to act for the welfare of a nation of which we must be proud or we would not be here.

I think it would be the preference of most Canadians that we stop the name calling. Oh, no, that does not mean to disregard the wrong that we do, but it is about time we put more emphasis on those things that matter most to people. We must engage, as we were elected to do, in the process of governance and representing those who sent us here.

I hope that I do not have to get into a debate ever again which is reflected in name calling, scandal mongering and accusations of guilt of those who have not been proven guilty. If there is wrong-doing, let us root it out, but let us root it out on the basis of fair definitions of appropriate conduct in this place. The best way to do that is if the government were to introduce Bill C-43 and get it adopted in this House as soon as possible.

Mr. Joseph Volpe (Eglinton—Lawrence): Madam Speaker, I am so happy to hear the member finally get to the points at issue in the debate. If he was really sincere about talking about conflict of interest guidelines or about those practices and regulations that are going to bring honour to members in this House, then he might have followed his own advice and turned his oratorical skills in that direction at the very beginning.

It is unfortunate that we engaged in cheap, partisan shots that have a very selective view of the history of this House, of all three parties and of individuals who have served in this House.

I am not going to descend to the same kind of name calling by innuendo practised by members of his own party, but if he cares to learn some of those names, I will be happy to give him a list. I must say that if the road to Heaven and to propriety is paved with self-righteous indignation, the hon. member on this issue at least would probably be behind the wheels of a Lamborghini.

Mr. McCurdy: Madam Speaker, I do not know whether the hon. member was here when the hon. member for Glengarry—Prescott—Russell was here and listed name after name, read from newspaper article after newspaper article as if every one of those articles reflected the truth.

I simply felt that it was appropriate to point out, to even it up, one or two examples of actions or involvements of members from his party just as, and I am afraid he must have missed it, I cited members of my own party.

At the core of it all this has nothing to do with whether members are Liberals, New Democrats or Conservatives. As my hon. colleague indicated, in the human character of this place there is the inevitability that human weaknesses will be exhibited.

There can be no higher plane than to stop this nonsense. There would have been a higher plane if the Liberals had come into this place and said something about what they are going to do about unemployment or what they are going to do about integrity in government. What I mean by integrity of government is telling people what they stand for and then pursuing what they stand for.

This is a party that in government or out cannot make up its mind about what it stands for. It has no other way of behaving than to engage in an almost constant parade of name calling.

It must stop because it hurts us all.

Mr. Don Blenkarn (Mississauga South): Madam Speaker, it is with a great deal of sadness that I stand on this side of the House to answer one of the most spurious resolutions ever put before this House.

When I worked with the hon. member for Glengarry—Prescott—Russell on the special committee this House established with the Senate in connection with the review of Bill C-43, and a conflict of interest report that we filed, I thought that he had given up being the chief honcho of the rat pack. He apparently has not. Apparently he decided today to dig deep, dig it out, spill it out and swirl it out in his usual old fashioned slimy way. I sometimes wonder why he does not go out of this House and say some of the things he says in this House. I suspect he would be sued on many occasions.

The kind of thing that the member was saying today, the kind of detail of this debate, does us no good.

In today's *Quorum* there is an article about Senator Nurgitz, who was speaking to a reporter about leaving the Senate. He said in an interview that he resigned from the upper chamber. The article says:

> He was not driven from political life but he admitted that he was tired of the politics and public scorn. He said he would have quit even if he hadn't received a judicial appointment.

Further on in the article it says:

> Prominent Quebec businessman Claude Castonguay,—

who was a Senator in this place—

> —who recently gave up his seat, also complained it was difficult getting respect from people once they realized he sat in the Senate.

The article then goes on to say:

> Dr. Wilbert Keon, a world renowned heart surgeon, recently lamented he no longer enjoys the public admiration or respect he once did because he is now Senator Keon.

What has happened? What we have done in this place, what the rat pack has done, and what this kind of resolution before this House does is defame members of Parliament. In so doing, it defames all of us. It hurts all of us. It tears our reputation down. That was the finding of the joint committee of which the member for Glengarry—Prescott—Russell was a member.

The introduction of that report says on page 1:

> Service to the Canadian public has always been the highest calling of a Canadian citizen. Traditionally, Parliament has attracted dedicated men and women, from diverse sectors of Canadian life, to serve their country and fellow citizens with integrity and commitment. As intimate observers, as well as participants in the political realm, we can affirm with confidence the honesty, integrity and commitment of the vast majority of Canadians who represent Canada in Parliament. But we know that it is no longer sufficient to state this fact, however emphatically. The cases wherein a few individuals have abused their positions of public trust have bred scepticism and, worse still, resignation to dishonesty and unethical behaviour as an attribute of politicians and political life.
>
> We believe this does a disservice to all those who are dedicated to public service, who believe that it can still be the highest calling of the democratic citizen. The tradition of political philosophy from Plato to today has sought the parallel between the city and the citizen. The integrity and justice of the political life of the nation both mirrors and is mirrored in the integrity and justice of the inner lives of its citizens; the moral health of one is reflective of that of the other.

• (1710)

Our committee sat from the middle of December through until June 1992 when we filed a report with this House. That report was a unanimous report representing all of the parties in this House and the parties in the Senate. The committee had 21 members. That is a lot of members on a committee and that is a lot of members from whom to get a unanimous report. We recommended that we amend the Parliament of Canada Act by creating the concept of a jurisconsult. I want to quote from an article about the jurisconsult written by Barbara Kagedan, who was our chief researcher on the committee. It is from the *Canadian Parliamentary Review* winter 1992-93 issue, Volume 15, No. 4 on page 21. It says:

> Once a member has made the required disclosure to the jurisconsult, has taken any further steps recommended by the jurisconsult to ensure that the obligations under the act can be fulfilled, and filed the public disclosure statement, then the jurisconsult will provide a written certificate to the member, confirming that the disclosure obligations have been satisfied. If subsequently an issue is raised whether a particular asset or interest was properly disposed of, or appropriately placed in a trust, and those steps were taken at the direction of and in accordance with recommendations by the jurisconsult, then the member can rely on the certificate to demonstrate his or her compliance with the act.
>
> The second advisory role of the jurisconsult is to assist members as issues of possible conflicts of interest arise during their term in Parliament, or their tenure as minister or parliamentary secretary.

I am going to stop there for a moment. The concept is that when a member is elected he will make a disclosure of all his assets and all the assets his wife has if he knows what she has. Obviously there is no way we can insist that because a person marries someone we can force a disclosure. If they are not married we cannot force a disclosure, that is impossible to do. The member's disclosure is of all the assets he owns and all the assets he knows his wife owns.

The disclosure is of two kinds. There are personal assets, like a house, a cottage and so on, and there are business assets which are listed in detail. If it comes to shares in a company it may be a significant interest or an insignificant interest. It is a question of disclosure, and that disclosure is made public.

Once the disclosure of probable conflicts is made the jurisconsult can give members a letter saying that as long as they behave themselves in this fashion anything they do is fine. We are not going to be insisting, as is presently in the current rules for parliamentary secretaries and ministers, that they report to Georges Tsaï, the Deputy Registrar General. Mr. Tsai is a good fellow, but he has a lot of specific rules. Anybody who is appointed to cabinet or to be a parliamentary secretary has to fill in this great application. I looked at it and said: "Oh my gosh, could I ever fill that in? I do not know". I had Georges Tsaï do an application for me in blank and it was interesting. All my private business activities were apparently okay because I was not a director.

I go to director meetings by invitation and I make decisions. I may help make the decisions but I was a shareholder so that was okay. I have 200 shares in the Canadian Imperial Bank of Commerce. By George, I have to sell those. Do you know something? I even belong to a golf club and they give me my membership free. "You cannot do that," says Georges Tsaï. Why not?

These silly regulations in the current rules that cabinet ministers and parliamentary secretaries must comply with are crazy. They make no public sense. The new jurisconsult proceeding will enable members to make a declaration to the jurisconsult and he can determine if there is really a conflict of interest.

If I belong to the Mississauga Golf and Country Club because my neighbours would like me to belong to that club—I do not play golf anyway, I just eat occasionally—then surely there is no conflict of interest in my membership in that club with my duty as a parliamentarian. It would not matter if I was a minister either. It does not affect the Government of Canada.

Conflicts of interest or possible ownership or possible membership does not affect the way you operate in an honest, straightforward way as a member and it should not be a matter of disclosure, disclaimer or divestment. That is the general tenor of this whole report.

The government has said that it approves the report. The minister said today that it is in the final stages of drafting and he hopes to be able to introduce new legislation on this issue almost immediately. People will sit back and ask: "Why was it not done earlier? After all you received the report in June". Members must appre-

ciate that this House was involved in a very protracted debate and consultation with the country on the referendum debate all fall. Really, we have not had much time.

I suspect the bill will be produced well before Easter. I hope, because the report had the unanimous backing of all parties, that it and the legislation that comes from it will be approved and put through possibly on a Friday with one speaker from each side. It is the kind of thing we all want and need. It has a lot of flexibility and it does not make a series of rules that are impossible to comply with.

We looked at the American situation and felt that was the case there. We looked at the British situation where they do not have any rules and felt that we could not really go along with what they had. What we have proposed is a take-off from what is available for members of the Quebec legislature, the Ontario legislature and in British Columbia. What we have is a system that we think will work far better than anything to date.

The jurisconsult will be appointed for a seven-year period. He will be responsible to Parliament. He will report annually to Parliament. He will publish in a fair way the assets of members so we may take a look at them. They might not be in detail. It may say that you own shares in a certain company but it will not tell you exactly how many. It will only be disclosed as a significant interest or an insignificant interest or a minor interest. It will be a fair, complete disclosure with no hiding.

• (1720)

Members are not elected to get rich here. Nobody gets rich being a member of Parliament. People think it is a grand job but vice-principals in public schools earn what we earn. This is not a job to get rich on. One is not going to line one's pockets being a member of Parliament. One cannot make money in the job. You do it because you want to do something for your country. That is what you are here for.

I find it disgraceful when members of Parliament stand up in this place and accuse members of some action or the rumour of some action for no reason at all. Take the Sinclair Stevens case. There was no crime committed. There was no charge that could be laid on Stevens but he was convicted in the press and by this House. I think that issue was deplorable and disgraceful. I say that not because of any great, long friendship or anything, although he is a friend.

I want to say that those rabid attacks by the rat pack with the allegations and insinuations drove a good person out of politics. Perhaps the judgment of Mr. Justice Parker is correct but I must say that there were no rules. There was an anticipation or possibility of a conflict and the anticipation and possibility of conflict created a conflict.

We had before the committee another member of this House who has a great deal of commercial experience and background, the hon. member for LaSalle—Émard. He ran for the leadership of the Liberal Party. He has a great deal of business experience and his family is heavily involved in a number of activities through Canada Steamship Lines. He owns certain preferred shares—voting shares are with his sons in a voting trust and so on—but the fact of the matter is that he does not take part in that company at all.

However, under the current rules of Georges Tsaï, he could not be a member of cabinet. Why? Canada Steamship Lines is a public company, so he would have to divest.

Under the current system, many people who could be attracted to public life and who could offer Canada a great deal would be denied the right. Canada would be denied the right to have them.

Our proposal under our conflict of interest suggestion by our unanimous committee report will make it possible for the member for LaSalle—Émard to be a cabinet minister and possibly even something better than that at some stage in his career. I wish him luck. My colleague says that it will be many years from now. Perhaps it will be many years from now.

I want to conclude by saying that we have come to grips in this Parliament with this issue. The Prime Minister has come to grips with this issue. To have this debate today on a matter that I think we have come to grips with in a unanimous fashion, that the member for Glengarry—Prescott—Russell knows will be brought before this House in legislation before Easter, is an absolute disgrace.

I want to know something from the resolution. Where is the incessant inability to function within the framework of existing legislation guidelines and standards? I do not know of any item ever brought to this House and to this debate with the incessant inability to function within the framework of existing legislation, guidelines

and standards. I do not know where the reluctance is to bring forward strict new codes and legislation with regard to conflict of interest. I do not know where we have the continued failure to establish and adhere to clear and high standards of public sector service.

The resolution is a crock. The resolution does Parliament no favour. This is despicable. It is the kind of resolution that the Liberal Party ought now to stand with their next speakers and denounce. It is not a resolution that does any of us as parliamentarians any good. It hurts all of us. It is the old story of dig out the laundry, spread it out, cough it up and slime it out.

I say to the members of the Official Opposition that I think they ought to recant right now. I think they ought to withdraw this resolution.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I listened to the member attentively. He knows I have a tremendous amount of respect for him. Quite frankly, I thought a lot of his remarks and ideas on how we could improve the existing rules concerning conflict of interest and lobbying guidelines, et cetera, were right on the money.

If I remember correctly, it was either yesterday or today that the member stood up in this House during Question Period and put a question to his own government House leader urging his government to move forward on the issue of ethics in government, which is the conflict of interest package. I wonder how that question that you put forward to your government House leader is any different from today when we are basically assisting the question the member advanced to the government House leader yesterday by saying that it is a matter of urgency and it is pressing.

I certainly support the view that there should not be any personal name calling. I think my record in this House on that issue stands by itself, but I do believe that the issue of trust in government and the fact that the current systems are not working—this is acknowledged by the member—is something we must address. The House is about to adjourn and once again another four-year period will have lapsed and some of the very concerns that the member has mentioned repeatedly in this House over the last eight years will not have been addressed.

I think to try to bring it to a head is a constructive exercise.

Mr. Blenkarn: Mr. Speaker, I want to remind the member that the government House leader made a pretty clear declaration as to what would happen. It is not perhaps unknown to him that I might even have checked as to what was happening with the legislation before I asked the question.

I make no apologies for that because sometimes the way to get something across in this House is to do it that way.

I want to say this to the member. We are going to have a bill that was approved by this House unanimously. I do not think it does the system of Parliament any favour to have someone stand here and read old press clippings naming, slurring, slandering, gouging up and burping up accusations against individuals whether they are correct or incorrect or proven or not proven.

I think we have to understand this as members of Parliament. If we want to have public respect then we have to act in a respectable fashion one to each other.

I do not believe there is any merit in accusing someone of something unless it can be proven.

• (1730)

The minister earlier today on this issue said to a member: "If you are going to make the accusation, make it. Remember the rule around here. If you cannot prove your allegation, you resign. You put your seat on the line".

That was always the rule around here, but people slither around it. The slithering around hurts us all. It tears away at our reputation.

The member for Broadview—Greenwood did pretty well. He can do it very well. He does not have to be here to earn $64,000 a year. As far as he is concerned that is probably penny ante. He does not make a big thing out of being a member of Parliament but he works darned hard at it. He does not want his reputation slandered by people saying: "Parliamentarians did this. Parliamentarians did that. This member did that. That member did this".

Everybody sits back and says: "What did you do, Broadview—Greenwood? How much did you get in your pocket? If you did not, the other guys got some. What is wrong with you?" That is the kind of thing they say. That is what hurts us all.

I think this is a disgraceful debate. It should never have been brought forward. It does not do any of us any good. It does not accomplish anything and it does nothing for the development of a better Canada.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I would like to ask the member from Mississauga a question. He understandably seems to be placing a lot of faith in what appears to be an all-party agreement to set up a code or new standard of ethics. He hopes it will be settled by just one speaker from each party.

I want to repeat some of the reservations I had earlier. Part of my experience with recent events in British Columbia is if you have a written legislated code of ethics and standards all you end up doing is providing a certain list and as long as someone in public life does not fall within the definition of those things that are listed in that code, they think they are free and clear.

I am not at all sure that we would be much better off, whether the public would accept it or not, to adopt the British system. I think within parliamentary democracies, its standard of public conduct among government officials and ministers is to almost immediately step aside when any kind of legitimate accusation is made until the matter is settled. The perception in Britain is much greater.

Maybe I am just too far away from its press. It has a pretty active press and we hear about a lot of the rest of it. My hunch is that its standards are perceived to be much higher than those in the United States which are going further and further toward codifying, regulating and listing all the shalls and shall nots.

I am worried about selling the public and ourselves a false bill of goods simply because we cannot come to an agreement to put this issue on the shelf and put it behind us by unanimously agreeing to some grand thing called a code of ethics.

We must be willing to look at the public at election time and between elections and let them have it right between the eyes, and say: "If you are fed up with the standards that you think exist in public life, then you are the people who are responsible for it. You make sure that apart from the issues of the economy and others, it is one that you take seriously when you judge the kind of people who individually you want to elect regardless of party when you come to cast your ballot".

We have to place the responsibility with them in as open a way as possible and in a way as unregulated as possible. Unless we have a standard of ethics of public office and public conduct, I do not think we are going to solve our problems.

I would like to get some response. I know we have some agreement.

Mr. Blenkarn: Mr. Speaker, in the committee we analysed the British system.

The British system, as the member may know, is indeed quite free. There are no written rules really. The trouble is that members are permitted to serve on boards of directors of corporations dealing with the government, to be actively involved lobbying for a particular activity. They do not need a lobbyist registration act, the members of Parliament act as lobbyists.

I do not think that we would want to do that. I have real grave concerns about the British system.

What we have with the jurisconsult approach is a much more flexible arrangement. It is really a well respected person who becomes jurisconsult who really runs the show. To some extent it is like the British Columbia system, though quite a bit more restricted than that. We had some difficulty with some of the ways things could happen in British Columbia, some of the ownership arrangements, selling arrangements, dealing arrangements and so on.

We analysed British Columbia thoroughly. We analysed Ontario and Quebec thoroughly. We had the former premier of Ontario and other members of the Ontario legislature from all parties as witnesses to our hearings. They seemed to have developed in Ontario and in Quebec a system of controlling these matters in a far more civilized and sane fashion than we have to date.

In Ontario they have a commissioner who is a former judge. You disclose to him and if you are accused of something, you are tried by him. He operates as judge, jury and executioner, so to speak.

Our jurisconsult will essentially have the same type of powers. That may seem a bit strange. Former Mr. Justice Evans operates on a part-time basis. He does not have to be there full time. It is a pretty easy one-man show.

We looked at the situation in Canada right now with the current office that Georges Tsai runs. He has 20 bureaucrats there. They look after—

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired. The next two speakers will divide their time 10 minutes each.

Ms. Albina Guarnieri (Mississauga East): "There will be jobs for Liberals and NDPs too after I have been Prime Minister for 15 years and I can't find a living, breathing Tory in the country". Those were the boastful words, Mr. Speaker, of the Prime Minister in 1983. Mind you, if you look at the polls after only nine years, the Prime Minister may already be having trouble finding living, breathing Tories in Canada.

Of course, when it comes to hand-outs for cronies and backers, this government is flush with jobs and contracts. We in opposition shudder every time we hear that someone is leaving the Prime Minister's Office. It cannot be long we say before we find the government contracts headed in the same direction.

We remember the Prime Minister's former director of strategic planning who was in the PMO just long enough for a $700,000 contract to be given to the firm he once founded. Once this was achieved, this Tory friend was quick to quit the PMO and repurchase his interest in his old firm. I suppose he was one of the living, breathing Tories the Prime Minister was looking for.

Last year was a time of great suffering for many Canadians, particularly the 1.5 million unemployed and the thousands upon thousands of small business people who were forced into bankruptcy. People lost their homes, sometimes for lack of only a few thousand dollars.

Perhaps the Minister of Employment and Immigration should have made a revision of his definition of just cause for quitting a job.

• (1740)

He should have included contracts being awarded to an employee's firm as reason to pull out of the Tory well on the next slush bucket.

It must have been quite disorienting for unemployed Canadians to hear one TV ad after another saying that Canada was number one.

Canada must indeed be number one in taxpayer funded political advertising. We are told $21 million was spent to confuse the unemployed into believing that the policies of this government were not the cause of their misery. They repeatedly heard the slogan: "Yes, we can". It should have said: "Yes, we can give contracts to our Tory friends. Yes, we can cut welfare".

There is no money for health care and education, but we can spend millions on feel-good TV ads. Yes, this government can spend millions on nothing while spending nothing on millions, the millions of Canadians on social assistance.

We cannot remove from our consciences that during the life of this government an organization gave a giant donation to the Conservative Party. A questionable loan guarantee worth millions was reciprocated and ordinary hard-working coal miners lost their lives.

The question is whether the interests of Canadians are served by the expenditures sanctioned by this government. There can always be mistakes if circumstances are misinterpreted. However when expenditures are driven by the interest of Tory supporters and their individual businesses, the interests of Canadians are indeed ill served.

We cannot possibly keep track of all Tory friends, associates and donors. Recent history should teach us to wonder about Tory blunders. Premium Automotive is one such blunder.

Ministers stood one upon the next to denounce the scoundrels they had trusted with such a handsome dip into the public purse; loan guarantees and five years of tax breaks not to mention $1.2 million that Canadians will have to repay. Their Tory sanctioned investment vanished in the night or so we were told.

Can Canadians be sure that Premium Automotive was funded for its products and not its contacts? Perhaps we will never know.

The Prime Minister once said that Canada is open for business. We have to wonder if open for business meant up for sale.

Whether it is a public ad contract given to a Tory firm or jobs critical to the public interest, handed to organizations, the interests of taxpayers are not being served but sold. What is most disturbing is not that firms are favoured by their Tory connections but that the cash they receive serves no valuable purpose for Canadians.

Earlier this month this House debated a bill asking Parliament to borrow another $8.2 billion to be flushed down the Tory drain. The only certainty is that taxpayers will have to pay this money back at some considerable premium in the years to come. What is also certain is that these funds will be squandered away in the usual Tory way.

What new treasures can we expect from a new round of borrowing? Of course we can never be sure how this government will end up spending its new cash. Scarcely two years ago, we were told about the wonders of this government's green plan. Environment is a priority we were told.

This December the same government continued the defoliation of the green plan by cutting another $172 million of proposed spending. But can we find $21 million for useless TV ads? The Prime Minister's answer: "Yes, we can". Rather than use money it borrows to help extinguish the recession, this government continues to allow business after business to be engulfed in bankruptcy.

The most puzzling spending choice of all surrounds the refusal of the government to pay the $250,000 legal bill for the Stevenson family, whose efforts and personal expense have caused all Canadians to be aware of how little this government has done to protect society against criminals who prey on children.

How can we understand that the Stevenson inquest was not worth government funds but millions can be fluttered away on self-promotion? We wonder how this can be. How can we have unprecedented dependence on welfare, the need for every government dollar so great, and yet millions squandered for ads?

This is a government that pleads poverty to the poor and the needy by asking where it can find the money, but when it comes to its political friends the only question is where does it send the cheque.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I listened with interest to the excellent discourse of our colleague, the member from Mississauga.

She will know of another member for Mississauga who made a speech a little earlier today. I will be generous and call it a speech. Probably she will have listened attentively to those remarks.

I want to ask my colleague if she will give her comments on the government's so-called dedication or interest in bringing in new conflict of interest rules. I ask her to bear the following in mind: that in 1987, after the then minister, Sinclair Stevens, was found in breach of the conflict of interest code on 14 separate counts—by the way he had his legal bills paid for by the government—the government produced a bill called C-46, then C-112 and now it is called C-43. The bill died on the Order Paper twice and another one will probably die on the Order Paper when this session adjourns in a few weeks.

Does she agrees with the other member for Mississauga that the government is all gung-ho about new conflict of interest rules or does she agree with me that six years of waiting for conflict of interest rules is long enough, that it shows a complete lack of interest on the part of this government and if it ever moves ahead with the issue it will be a form of deathbed repentance because we will be only weeks away from an election?

Ms. Guarnieri: Mr. Speaker, my hon. colleague has a talent for making excellent points in the questions he asks.

There is a great deal of public scepticism about the integrity of this administration. The member for Mississauga South earlier made the comment that it does no good to point to the countless number of newspaper articles which delineate the fraud and put this administration into ill-repute. He is quite right, it does denigrate this entire establishment.

As a first-time member I value the privilege of serving in this House. It really does not serve anyone well to have members of ill repute being singled out. However, there is a great deal of scepticism about the honesty and integrity of this government to proceed with any worthwhile measures which will curtail future colleagues from behaving in a fashion that is not worthy of this House.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, quite frankly I have a difficult time participating in this debate because it is a tough issue. There is not a party in this House of Commons or a party anywhere in the country, in any legislature for that matter, that does not have its difficulties with the issue of trust.

• (1750)

I have been part of a government where we have had problems with scandals, nothing to the extent that we have seen in the last few years, but the bottom line is today we have reached such a level of distrust in our system that we must address the issue.

I was reading an article by Sissela Bok, who is a professor of ethics at the John F. Kennedy School of Government at Harvard University. At one point in her remarks she makes the following statement: "Public officials and candidates for public office bear special responsibility for the damage". She was referring to the damage related to the lack of trust.

The topic of her essay was today's "school for scandal". She is talking about everyone in business, government and all walks of life. Studies show that high school students claim they have this natural tendency. Sixty-six and two-thirds per cent of students in a study at a particular university said when the temptation for cheating was put to them, many said they would take it.

This is a problem not just in government, this is a problem within our whole society. Ms. Bok writes: "In a democracy it is not enough for citizens to respond by voicing their distrust of government and the press. Their categorical and often unthinking dismissal of all politicians contributes greatly to the problem. By opting out of serious participation in the political process they help corrupt the process".

This is the point I would like to make during the few minutes I have. I think one of the problems we have in this country related to trust is the fact that there are so many Canadians today who just do not get involved in the process.

I speak for members on all sides of this House. I worked on the Hill from 1980 to 1984 and I would watch members of Parliament debate in this House until 10 o'clock at night.

I was elected in 1988. I see members of Parliament on all sides of this House work their guts out for their constituents. I know of hundreds of examples of members of Parliament trying to put forward issues at town hall meetings in their communities and the public just does not get involved. They do not get out and work with their members of Parliament. We are only as good as the interchange we have with the people that are part and parcel of our community.

It is all well and good for the public and the press who are as much a part of this issue of distrust as any politician is. In fact it is the interaction of the press with the political culture that can quite often create a sense of distrust in the nation that is in fact 50 times greater than the actual reality.

I realize in this life perception is reality, but we have to go right back to the very root of this problem. The very root of this problem is the fact that the Canadian people have to get involved in the political process.

I am not necessarily pitching today that they get involved with the Liberal Party. Get involved with any party. Just get involved with the process. That is the one thing that irritates me.

We have all these people who are constantly criticizing politicians and constantly blaming everything on politicians but they have to realize they are part of the process too. We are only the agents or witnesses for our constituents in this House of Commons and we need their interaction and support. I think the Canadian people should get more involved.

I know hundreds of people, including businessmen, in the city of Toronto who have the time and resources to get involved in the debate on public policy. However, the closest they ever get to participating in public policy is when they make a donation. Because they make a donation or send a cheque to their local MP or the party, or they attend a fancy dinner they think that wow, they are participating in the political process.

Well, that is really not enough. We have to get the situation going in this country today where people of all ages are involved. I appeal especially to our teachers. I see many educators who do in fact get involved in the process. Students are brought to Parliament Hill day in and day out, but there are still tens of thousands of teachers who probably never even thought of busing their students to Ottawa or to a provincial legislature. It is only when the kids, the parents and the whole business

community are involved that this situation is going to improve.

I support the member for Mississauga South. I certainly support my colleague from Glengarry—Prescott—Russell who has developed a beautiful substantial paper on ethics in government where we finally get at the lobbying system in this country. There cannot be a member of Parliament in this House who does not support the fact that we need some renewal on the Lobbyists Registration Act. Well, let us get it done. Let us get it done before we go to the street.

I am sure many members on all sides agree it is time to bite the bullet because the issue of trust in this country has reached a crisis proportion. However, it is not just a job for those of us working in this Chamber; it is also a job for the Canadian people to get involved in the political process.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Mr. Speaker, I listened very carefully to what the hon. member said in his concluding remarks about this having gone on long enough and that it was time to do something this year and make some changes. He may wish to recall that in 1973, the government at the time published a green paper on conflict of interest. The President of the Privy Council was Allan MacEachen. The green paper gave a definition of conflict of interest that was not included when Bill C–62, an act respecting the independence of Parliament, was tabled in June 1978. The bill lapsed when the session ended on October 10, 1978.

On October 16, 1978 the government came back with another bill, Bill C–6. This bill died on the Order Paper on March 26, 1979 upon the dissolution of Parliament. It was not until May 1, 1980 that the new Liberal government, elected in 1980, tabled rules of conduct similar to those tabled on August 1, 1979. However they did not apply explicitly to spouses and dependent children. Until 1985 we had a code of ethics drawn up by the Liberal government in power at the time. In 1985 the government, through the Prime Minister, tabled a code of ethics for ministers and parliamentary secretaries.

I would like the hon. member to understand that the committee of which I was a member worked extremely hard to improve the existing code of ethics. Bill C–43 was referred to us after first reading. We heard a number of witnesses, but my point is—and that is what I would like the hon. member to understand—that we did not point an accusing finger at anyone. We made a fundamental distinction. As the hon. member said, and I know he was not referring to anyone in particular, perception is extremely important. There is a tremendous difference between breach of trust and fraud which are covered by the Criminal Code, and a potential conflict of interest, whether real or apparent. That is covered by the code of ethics. Our experience has been that, except in one case, conflict of interest cases did not get beyond the initial stage and in other cases, charges were dropped. As for criminal charges—this is a comment, and if the hon. member would care to listen I will be brief—in some cases these were dismissed because of lack of evidence.

Perhaps the hon. member would like to consider the following in connection with the report by the joint committee. If the government decides to go ahead and table a bill is the hon. member prepared to work together with members of all three political parties on introducing a new code of ethics that reflects the current issues and the needs of all members?

• (1800)

[*English*]

Mr. Mills: Mr. Speaker, the short answer to that question is absolutely yes. All of us on this side of the House will work with the government on this particular issue. I also want to say, going back to the 1970s and before, that I am not condoning that period. We probably could have and should have done a better job.

However, there is something totally different going on today. There is a lobby industry in this country that we all know is now in excess of $100 million a year, which is more than the total of the incomes of all of us in this place. They are working on public policy in and around us. Many of us do not even know what is going on.

As we approach this reform we are talking about we have to make sure we get it right once and for all.

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, it has been suggested here this afternoon that this motion should never have come forward. It has to do with integrity in government. The last NDP speaker suggested it was very painful for him to get up and talk about this, but he seemed to enjoy it very much once he got going, if there was anyone here to witness it. All afternoon the Tories have been suggesting that this motion should never have come forward.

I want to ask my colleague from Broadview—Greenwood, if it should not come forward then in what forum would it be decided to discuss integrity in government? If this is not the forum, what is? Would this not be the appropriate place to discuss it if the wording of it was not just right? That is something we could discuss. Talking about integrity in government when there is so much cynicism today about politicians I would think there is no more appropriate forum to discuss it than here in the House of Commons.

Mr. Mills: Mr. Speaker, I do not think the government is really reviewing the commitments of the Prime Minister. Let us forget the fact that we condemn the government because that is part of the interaction. Let us talk about the substance of the motion which reads in part: "That this House condemn the government for its continued failure to establish and to adhere to a clear and high standard of public sector ethics". It was the Prime Minister who in 1985 made this one of his priority issues. Without the condemnation words, the rest of these words are pure Brian Mulroney.

Mr. Howard Crosby (Halifax West): Mr. Speaker, I want to address the subject brought forward by this motion which is public sector ethics. First I want to make a comment on the bringing of this motion before the House of Commons this very day.

As most members I am sure are aware, and I hope the public is aware, we have a process in the House of Commons known as supply. Supply is the voting of funds to the government. It is what the taxpayers will be required to turn into the public coffers out of their pockets to support the services and programs, that we through the Parliament of Canada provide to the people of Canada at their expense.

Everybody in Canada knows the difficulties we are facing financially, the burden of our national debt, the difficulties caused by our annual deficit. In fact I am sure if members opposite asked Canadians one by one what was the major concern or the number one issue, each one would say it was the economy. In fact in the presidential election there was a phrase: It is the economy, stupid. The concern about the economy is on the mind of every Canadian.

Supply days provide the opposition with the perfect opportunity to bring these economic issues and concerns to the floor of the House of Commons. Unemployment across Canada which is of great concern to all Canadians and presumably to the members of the opposition, the state of the national debt as I have said, job opportunities, employment opportunities for Canadians, programs to create employment opportunities, could all be debated in this House this very day. However the opposition chooses to bring before this House for a day-long debate the question of public sector ethics.

Nobody is saying that public sector ethics is not important. Nobody is saying that it is not important for Canadians to have confidence in their parliamentarians, in their government, but surely members of the opposition recognize and realize that the number one issue out there among our fellow Canadians is the state of the economy, the concern for employment and that sort of thing.

While I am prepared to debate and consider ethical problems I would rather be addressing the subject of concern to all Canadians, that is the state of the economy and the opportunities for employment for our young Canadians. However since members of the opposition choose to bring to this House of Commons the subject of public sector ethics let me debate that point.

I was asked by the government House leader to participate in this debate and I understand why. I have a long-standing interest in the subject. In years past I have brought before this House of Commons legislation on the subject of conflict of interest and ethics. I have debated the issue on several occasions.

I should have known that was the least concern for members of the opposition, that is to say the establishment of a code of conduct for members of Parliament, for government officers and officials. All they wanted to

do was rehash cases of the past, cases that the government might find embarrassing, cases that are of concern today, cases of mismanagement and cases of mischief.

If we were to catalogue cases of mischief let me say the opposition has no monopoly on them. We have a few over here and we do not have to go very far back. We can pin them right on present members. As a matter of fact, interestingly enough in this very House of Commons when I was debating my own private member's bill to establish a code of conduct for members of the government and others, I had occasion myself to refer to some of these situations. My great friend the former member for Winnipeg—Assiniboia, Mr. Dan McKenzie, participated in that same debate and I would like to refer to the *Hansard* for that day, March 20, 1984.

In the debate on ethics Mr. McKenzie wanted to give an example of conflicts and he referred to the Minister of Transport. Now it may not be known who the Minister of Transport was at that time but the name of Mr. Axworthy appears in brackets. He is a current member for the Winnipeg area. He was then the member for Winnipeg—Fort Garry. The Minister of Transport transferred the auditing of Canada Ports Corporation from the Auditor General of Canada to, guess who, a friend of his in Winnipeg, a Liberal hack. Ethics? Was there a concern on the part of the Liberal members for ethics in 1984? Apparently not.

• (1810)

As a matter of fact in that same debate we raised the subject of Mr. Coutts, a former executive assistant to Pierre Elliott Trudeau. He gave an interview to a reporter for a national newspaper. The inference of the interview was that if people had immigration problems they should call Jim Coutts and he would call the immigration minister, the member for Winnipeg South Centre. When Jim calls people like the then immigration minister they listen.

If we want to talk about mischief, if we want to talk about ethics, we can talk about many people. However, that is not going to solve any problems. That is not going to restore the confidence of the Canadian public in Parliament or in government.

The only thing that will restore the confidence of the Canadian people is a recognition by elected officials that they have a responsibility to the public and that they are willing to live by an ethical code of conduct. They will only demonstrate that by continued service in observance of that code of ethics.

It may well be, and I and many other persons in this place have wrestled with this problem in the past, that there is a real need to codify a set of rules as guidelines for members of Parliament, members of government and government officials. Many attempts have been made to do that.

However, there was never an attempt made to put those rules, those regulations and those governing principles into legislation prior to 1988 when the Prime Minister of Canada introduced a bill in this House attempting to codify rules of conduct as a guideline for members of government and other government officials.

That bill was introduced in February 1988 so that all of those involved and interested would have an opportunity to see a statutory code of the kind that I have described. That was the first time that anyone ever brought to the floor of the House of Commons an actual piece of legislation dealing with matters of public ethics.

Unfortunately, time ran out in that particular Parliament and Bill C–114 lapsed. However, it was subsequently introduced again. Through Bill C–43 we had the opportunity to view, examine, debate and discuss a further statutory code of conduct.

An hon. member: Bill C–43 was never debated.

Mr. Crosby: We had the opportunity. It was brought forward for debate.

An hon. member: No.

Mr. Crosby: I am sure if all members were in agreement that the provisions of Bill C–43 were exactly the kinds of provisions that would solve the difficulties that we now realize exist in terms of public trust—but that was not the case. People immediately gave indication that there were flaws in Bill C–43.

I myself was very concerned with the definition of dependent. I happen to believe that in the 1990s women have a very special place and position in our society, and that includes spouses of members of Parliament or any other person or official. I am not prepared to accept as part of the code of conduct that my or anyone's spouse has to accept any particular rules simply because of the office or position that I or anyone else holds. I realize

that is a very debatable point and that other people have other views. I respect those other views.

I take the position, and it is my honest belief, that a spouse does not have to accept a set of rules or a code of conduct merely because of the marriage to a person upon whom those rules of conduct are imposed.

I could go on with Bill C–43 and point out other areas of difficulty. However, it is like all legislation that is brought before any legislative chamber. It has to be debated, considered and if there is agreement and concurrence to the subject matter of the bill then it can pass. I have never known any member of the opposition to stand in his or her place and say that this bill can be passed at any particular point in time. It can be brought forward for debate. If it was, I would have objections to the bill and I am sure other members would have objections. I am sure members of the opposition would say that it does not go far enough. The mere fact that it has not been processed and passed by this House is no reflection on the good will that is involved in the preparation of the bill and the codifying of those rules of conduct.

An hon. member: I cannot believe that.

Mr. Crosby: The member says he cannot believe it, yet he is a member of a party that held office for years and never made any attempt to codify the rules that govern public officials or government members in the form of a statute. Nobody has told me that Bill C–43, its predecessor, Bill C–114, or the private member's bill that I introduced had such universal acceptance that it could be brought forward and passed.

There are codes of conduct that have been established, that have been written down, that could be brought forward, that could be passed and that could be made law. Any one of them is going to have a measure of defects and a measure of merit, but if it does not accomplish the purpose of satisfying the public concern about the trust they place in elected officials then it will not accomplish the goal for which it was established.

That is the point that I want to make. Unless the members of Parliament can agree that all of us and all members of government should be governed by a code, unless we all agree on what is the proper and appropriate code to govern us, it will not be successful because people will simply fail to observe it and will find ways around it and will use their ingenuity to avoid the provisions.

There is no magic to enacting, as a code of conduct, as a set of public principles or public ethics, a statute that will then not be observed, will not be effective and will not create trust among members of the public.

I have never directed my mind to the question of whether the legislation before the House in the form of Bill C–43 would accomplish those purposes. However, nobody in the opposition has ever asked me to bring the bill forward and nobody has ever said that if the bill is brought forward it will be passed. Nobody has ever agreed to make the kinds of changes that I would want to see made.

It is just like any other legislative measure. If it does not have obvious support, if it is going to run into difficulties, if it is going to be debated, if it is not going to be given second reading, if it is not going to be brought before a committee and if it is just going to cause more strife, then it is understandable why it would remain on the Order Paper.

Let us look at what is needed to restore the confidence of the public in our political leadership and in our elected representatives, not just at the national level but right across the country. Certainly the people of Canada have a right to expect that their elected representatives will not involve themselves in any business affairs of any kind that will affect their judgment on the issues brought before them. That is what we call conflict of interest and that is the first thing to cover in any kind of ethics legislation. We must have clear provisions that would prevent any elected person, any member of government or any official from becoming involved in a matter in which their own interests affect their decision making.

I have tried many times to construct that kind of provision and it is difficult if not impossible. The most we can do is indicate the obvious situations, such as an interest in a contract, a personal interest in a transaction involving the sale or acquisition of property and that sort of thing. However there are all kinds of subtle ways in which a person can have an interest in a matter and yet not violate statutory conflict of interest provisions.

The best way to deal with the matter is to simply spell out what the offensive acts are and then impose a penalty. When that is done it simply becomes another penal statute and the code of conduct ends up competing with the Criminal Code, the Parliament of Canada Act

and all the provisions that prohibit a certain conduct and make it an offence.

• (1820)

In areas of trust in which we are not dealing with specifics, like the illicit taking of funds or other clearly criminal acts, it is very difficult to draw that line between what is acceptable and what is not acceptable.

What happens, and what has happened in Bill C–43 and every other piece of legislation that I have ever seen, is that you end up turning it over to some person to make a judgment, and maybe the member can enlighten me if he knows differently. That would be permissible in many cases but if we are going to maintain the independence of elected representatives, if we are going to maintain their ability to stand up for their constituents, for the oppressed and for people all over the country who have problems then the last thing we want to do is place them under the control and supervision of a panel or individual that can make judgments with respect to their conduct. That would put an independent elected person into a kind of servitude.

Frankly, if that is what is necessary to restore public confidence in elected representatives then we are in serious trouble. If the public is going to elect somebody and then say: "But in your day–to–day activities, in the way you handle the affairs that are brought to your attention, you must answer to some official who is appointed to preside and monitor your activities" it will make members totally subservient to the judgment of that official. They will have to say to themselves: "Before I take this action I had better confer with the board of control and decide whether it thinks this is right or wrong".

We are grappling with a difficult problem. When we talk about codes of ethics and public ethics we are talking about a subject that has created havoc for centuries, from the days of Caesar and the Roman senate. There is no magic way to assure the public that it can have total reliance on those whom it elects. But the public does have the right—

Now we hear from the NDP. For years we thought it was the Conservatives and the Liberals who were the bad persons. We thought the NDP were pristine and pure. The difference was that it never got into government. We did not know what it was doing.

Then it forms the government in Ontario, Saskatchewan and British Columbia. Then we find out what is going on with the NDP. Then we find out about hiring friends as executive officials. Then we find out about giving contracts and about firing public officials and replacing them with political friends. What else do we find? The only problem with the NDP was that it did not have the opportunity to perform these unethical acts. Now that it has the opportunity it is performing them in spades. When members of the NDP stand up and give us lectures on ethics we can ask: "Hey, but does that apply to Bob Rae and his staff? Does that apply to the premier of Saskatchewan and his political appointees and contractors? Does that apply in British Columbia?"

Now they are not so clear about these ethical standards. Now that they are involved in a few little mischief making activities they are not so quick to debate this subject. What they will learn is what we have learned, which is that honesty and integrity come from within. They come from the people and from the persona of each individual. If they do not have it inside them then there is no any legislation that will legislate it for them or for the people of Canada.

The answer is that we should work toward some code of ethics. We should continue the task of writing a code that is acceptable and effective. I think that is what the Prime Minister wants and that is what he intended by introducing the bill for discussion.

Mr. René Soetens (Ontario): Mr. Speaker, I rise not to participate in this debate, though I have listened to it for a long time. Following the comment of the hon. gentleman my concern is that this debate is serving no useful purpose.

What bothers me more is that we do not even seem to have a quorum in the House to have it happen. I would point that out. It is in my opinion, according to Standing Order 29(1), that there is a lack of quorum in the House.

The Acting Speaker (Mr. Paproski): I will ask the Clerk Assistant to count the members present.

And the count having been taken:

The Acting Speaker (Mr. Paproski): There being 20 members present, not including the occupant of the chair, debate shall accordingly continue.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have listened attentively to the comments of the member for Halifax West. They were quite good comments. He indicated in his remarks that rules regarding conflict of interest in themselves are insufficient to make people behave properly. I think he is right.

Rules are not a substitute for good behaviour. Rules are there in addition to the first prerequisite, which is of course to have a disposition to obey whatever rules exist and whatever moral code one should have. One cannot be confused with the other. I agree with the member. Just the same, even if he is an hon. member, which he is, it does not mean that we should not have conflict of interest rules.

I want to ask the member a very specific question. He indicated that no member had asked for this conflict of interest bill to be brought before the House. I point to page 15047 of the current session *Debates* in which I asked the following question:

> **Mr. Don Boudria (Glengarry—Prescott—Russell):** Mr. Speaker, my question is for the Deputy Prime Minister and it concerns the government's so-called commitment to ethics in government.
>
> In February 1988 the government introduced a conflict of interest bill and has allowed it to die twice on the Order Paper.
>
> Given that nearly five years has passed since then, is the government in its dying days in office ready to commit itself again to conflict of interest legislation?

That was as late as December 10, the second last day before Parliament adjourned at Christmas. I say to the member, and I give him the opportunity to correct the record, that what he indicated earlier is not factually correct. He will know that.

In terms of the government's commitment to adopting conflict of interest rules, as I just indicated the government first introduced a bill in 1988. It was Bill C-46 which died on the Order Paper. In the new session the government introduced another bill that was identical to the first one, Bill C-114. It died on the Order Paper. A year later the government introduced yet another bill, Bill C-43—it is still on the Order Paper—the subject of which has now received the unanimous agreement of all parties in a report. That happened in June of last year.

Does the member honestly think it is reasonable after five and a half years of delay to have had nothing happen yet? It has been six months since a unanimous report of a committee and nothing has happened yet. There has not even been a debate in the House. None of the three bills I have mentioned including Bill C-43 has ever been debated in the House of Commons, contrary to what the member said a while ago. Does he honestly think that is reasonable?

Mr. Crosby: Mr. Speaker, perhaps I did not choose my words carefully enough. I do not know if I used a plural or a singular. I agree with the member that there have been efforts made to bring a bill forward, possibly by him and possibly by other members.

He knows as I do the process and procedure in the House of Commons, that the House leaders of all parties get together and agree on a matter being processed in the House of Commons. It is that kind of undertaking I am talking about.

• (1830)

If his House leader confers with the New Democratic Party House leader, gets the consent of independent members, gets the consent of other interested parties, presents that to the government leader and says we are ready to go ahead, and that is refused, I would consider that a matter of real complaint.

As long as members stand in their places or committee members get together in a committee and make a recommendation, I think the member knows that is not necessarily going to advance the bill, or any bill or any measure in the House of Commons. There has to be agreement through the appropriate channels. I was referring to that kind of initiative.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I would like to draw to the attention of the member for Halifax West that maybe he was not present in the House during some earlier parts of this debate. There was an attempt on the part of some of us, particularly myself and the member for Essex—Windsor, to try to stop this debate from degenerating to the lower levels where it had a propensity to go earlier.

In doing that my colleague for Essex—Windsor in particular pointed out that one of the problems we have had in the province of Ontario is the election of a provincial government with a very large crop of inexperienced political people. There are particular problems when it comes to what we might loosely regard as standards of conduct or a singular lack of appreciation of some of the things done and not done in public life as opposed to those done in the private sector.

In my earlier remarks I pointed out that I thought it was what caused the deluge of court cases on the government's backbenches in the earlier years of its mandate from 1984 onward. It had a large influx of members, particularly from one province, with no previous political experience.

Rather than rules and regulations maybe we ought to be asking members of political parties across Canada to take care when they are nominating candidates for public office to nominate people with some level of experience either in elected office or in political activities so that we nominate people and elect people who have some appreciation of the standards of conduct that ought to be expected within political bodies.

Until we are ready to address the voters, hit them right between the eyes and say it is their responsibility in terms of the conduct of public officials, particularly the people they elect, we are not going to solve the problem.

According to my experience, if we draw up a lot of rules, regulations and codes of conduct, we provide a list of specific offences, and as long they do not come within those narrow definitions they think they are free and can take advantage of it.

That is the kind of situation we had a few years ago in the province of British Columbia with a premier who did not understand the difference between good conduct and bad conduct.

An hon. member: Dave Barrett.

Mr. Kristiansen: No, it was not then. Until we address those kinds of problems and not just the legalities of specific codes of conduct, we will not solve the problems we have been faced with during the last few years.

I hope the member will appreciate that we have tried to raise the level of this debate and keep it away from the list of names that were unfortunately read into the record earlier by the Official Opposition. We have tried to lift it out of the gutter and get it into some kind of discussion of principles.

I am afraid, because of his not paying attention to that, we might degenerate into a name calling affair again which would not be in the best interest of democracy or of this House.

Mr. Crosby: Mr. Speaker, at the outset of my presentation I specifically said that I had come here hoping to debate the merits of conflict of interest and code of conduct legislation but I knew that other people had other reasons. I agree with virtually everything the member has said.

Let me take this opportunity to talk about Bill C–43. It is not by any means perfect legislation. It contains very much the kinds of problems that the member just articulated. If we make a series of rules and somebody falls between them they think they have escaped any ethical damnation when in fact in the eyes of the public they have done something wrong. In the case of Bill C–43, I would support it except for the provision about spouses because I do not think it is consistent with the modern theory of married couples and their respective rights. Some statements in Bill C–43 are less than onerous: "Members will refrain from accepting any benefit, the acceptance of which might erode public confidence and trust in the integrity, objectivity or impartiality of a member". Does that mean we can accept benefits that do not do that? Give me a break. It is not an easy subject and I do not think it will ever come up with any kind of legislation.

Getting back to my friend in the Liberal Party and his statement that members want to go ahead with legislation, I do not really think that is the case. I think individuals in the House can study a piece of legislation and say it is better to enact it than not to do so. However, I find it hard to believe that there is anything close to unanimous consent on Bill C–43 or any other code of conduct for the very reasons members articulated.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I am pleased to participate in this debate on a motion put by the Official Opposition:

That this House condemns the government for its continued failure to establish and to adhere to a clear and high standard of public sector ethics, for its incessant inability to function within the framework of existing legislation, guidelines and standards and for its reluctance to bring forward strict new codes and legislation with regard to conflicts and other public ethics matters.

I want to deal with the last part of the motion, "other public ethics matters", and participate in the debate. Before I begin I should take up where the member for Halifax West left off.

Mr. Crosby: I am leaving.

Mr. Rodriguez: He says he is leaving. That is fine. It seems to me that when the government wants to show leadership it has a responsibility to prosecute its legislation. The fact of the matter is that it did bring in Bill C-43, the subject matter was referred to an all-party committee and that all-party committee reported last June.

If the government wants to show leadership and it indicates very clearly that it means business, it should bring forward the legislation and so indicate to the House leaders of the opposition parties.

That is not the concern I have. I want to talk about family business. The folks are watching. It is 6.35 p.m. and therefore this is a family show. Folks, the kids can stay up and watch and listen because we are talking here about family business. They will see it unfold as I talk about the family business.

For any government to establish ethics in government and restore the confidence of the people in the process, not just in this government but in the process of Parliament, three pieces of legislation are necessary. First, an Election Expenses Act, which we have. Second, a conflict of interest law, which we do not have. We all remember the Sinclair Stevens affair. Have we forgotten it? How quickly we forget. Third and by no means least, effective lobby legislation. That is the family business I want to talk about today.

Along with that is the great existential question of our time: Is it better to know the Prime Minister or to be the Prime Minister? That is the question, dear friends. The government was elected in 1984. I saw the picture; I saw the movie. We saw the greatest insurgency of lobbying going on on the Hill.

• (1840)

Frank Moores who had helped the Prime Minister get here, a good buddy of the Prime Minister; Mr. Gary Ouellet, who shared lodgings with the finance minister, in fact helped the Prime Minister in his struggle against the former Prime Minister and leader of the Conservative Party.

Suddenly all sorts of stories started to break. Mr. Moores was reported to have obtained somebody a lobster fishing licence for $2,000 when the licences were no longer being issued. He told us today in committee it was $500 a month for four months. I figure that is $2,000 for a fishing licence. He was to arrange a meeting with the minister so that he could get the licence. The same Mr. Moores was appointed to the board of directors of Air Canada. There he was acting as a lobbyist for an airbus manufacturer and lobbying Air Canada to sell them airbuses.

We only have to put on the record the Prime Minister's own words about lobbying. In 1985 he said in this House:

The fifth component of this comprehensive approach to public sector ethics is the undertaking of this Government to introduce into the House of Commons, at an early date, legislation to monitor lobbying activity and to control the lobbying process by providing a reliable and accurate source of information on the activities of lobbyists.

We did have the Cooper committee in 1986. We studied the question and made recommendations. We recommended what we thought was a good start to lobbying control. We said that we should note the specific issue on which the lobbyist was lobbying the public office holders.

We believe that a lobbyist is a lobbyist is a lobbyist and that tiers are not enough. We did not envisage Tier I and Tier II lobbyists. They did. We recommended that the registrar of the lobby registry have the power on a random basis to verify the information on the lobby registry. We were interested in knowing what they were spending on a campaign to obtain the item for which they were lobbying and how much money they spent on it.

We did not get any of those things. What we got in Bill C-82 is now the law of the land. It is the business card. The only information that is on the registry you can get on the business card. That is what it is known as in the lobby industry.

However the proliferation continued. The GCI, Government Consultants Inc.—have you noticed how they always have these very fancy names and government is always mentioned—is part of the family. It was Gary Ouellet, Fred Doucet and his brother. The only thing that I have a problem with is with Gary Ouellet today. I

said to him: "You got Maz a doctorate. I want you to get me a doctorate. I want a hat like the one you got for Maz that says: "Doctor Maz". I want a hat for me that says: "Doctor John".

He had Fred Doucet and his brother and like amoeba they just split. Fred has gone off and formed his own company with his brother Gerry.

Another great lobbyist in Ottawa, Jon Johnson, who is a great Tory as well, helped the government as a consultant on the free trade agreement. The Prime Minister appointed Mr. Johnson's sister a senator. He called Fred Doucet the eighth wonder of the world. He started a lobbying firm and within the space of about four years made it into the top ten largest lobbying companies in Canada.

Then of course came 1989 and who starts the lobbying first? Among others was one Hughie Segal. He started a firm called Earnscliffe. That has some sort of gothic resonance to it. Like Heathcliffe, Earnscliffe has some gothic resonance. In that firm is Harry Near. He is one of the principal's of the firm and is on the national campaign committee of the Conservative government. Billy-the-kid Fox, who used to be press secretary to the Prime Minister, is in this firm and he too is on the national campaign committee of the federal Conservative Party. He appears every Thursday morning on *Canada AM*. He is defending the government's position and appears along with Michael Kirby and Gerry Caplan, one the Liberal, one the NDP. This guy, Mr. Fox, is coming up here and lobbying public office holders.

Mr. Doucet is lobbying public office holders. Mr. Ouellet who is hoping to get placed on the national campaign committee of the Conservative Party is up here lobbying public office holders.

When I raised this I said, is the optics on this not bad? They do not see anything wrong with this. I cannot understand why any person who is prosecuting a private interest would then turn around and approach his political friends, his political colleagues, public office holders, to get a contract or to get a procurement, or to get legislation changed, or whatever.

Today Mr. Ouellet and his colleagues came before the committee and said we had it all wrong. He said the public did not care about those things. It is only a few people up here in Ottawa and the press.

Mr. Speaker, you have been in politics a long time and you know that the people care, just as the people care through every one of us here. We represent the public interest and not only must the public interest be separate from private interest, not only must it seem to be separate, it must in fact be separate.

This company that came before us today, GCI, one of its members is a retired general. He was a deputy minister of transport and the provincial governments and the federal government hired him to co-ordinate some policy for transportation in Canada. Within two weeks of having finished that contract, he had as a client one of the interests in the shipowners association. Does anybody see anything wrong with that or is it just me? I do not think so.

• (1850)

The perception of the public is that these lobbyists were here in Ottawa, proliferated like rabbits and are nothing but escort services for clients. That is what I think.

I can just see it. I am sure if an aeronautics company hires Billy Fox to be their consultant it is not because he knows all the intricacies of aeronautical engineering. He does not. What he does know are important people in high places. That is the perception.

When we were dealing with conflict of interest, one of the things that came out was that even if there is an appearance of conflict, then there is conflict. That is the argument that Sinc Stevens never understood.

In spite of the fact that there may not have been any communication between him and his wife at night in the sanctity of their room bordered by a space six feet by four feet, even when they talked on a Saturday evening about the Christian gold coin and other ways of making money, even if that did not happen and I will accept his word that it did not happen, the perception was that his spouse was going off to a client of the department of which her husband was minister to get an interest-free loan.

The perception was there. Where there is perception, there is reality. Mr. Speaker, you have been here a long time. I am sorry to hear you are not going to run again.

You are one of the finest quarterbacks the government ever had. Mr. Speaker, you know that in politics perception is reality.

I cannot for the life of me understand that these people would say: "Oh well, we do not do these things". That might be so. That might very well be so but there is the perception. In the New Testament there is a saying: "No person can serve two masters".

When Bill Fox goes on that Thursday television show in the morning defending the government, who is he representing? Whose interest is being represented? Is it the party's interest, his client's interest or the public's interest? When that same person comes to a public office holder and makes a pitch, whose interest is represented?

He has to choose. If he wants to be a lobbyist, then he must be squeaky clean and give up trying to help this government defeat itself. He has to choose. They should recognize they do not need his help. They are doing fine, thank you.

I understand as if by some unexplained extrasensory perception word has gone out in the lobbying circles. Government is not going to give any procurement contract unless you have people on the opposition side in the lobbying firm.

What do you think they have been doing? Ask the member. What do you think any self-respecting lobby firm headed by a bunch of Tories would go out and do? What do you think they would do? I ask you. I hear the answer you have given me. Of course, you have to get Liberals on board, Every single one of them has a Liberal in their stable. Okay.

We had, for example, and I may as well put it in print, Fred Doucet, who just signed up, and J.J. Blais, who used to be a minister here. He is now a lobbyist for them. They signed up Judd Buchanan. Then we have Earnscliffe. They have signed up Michael Robinson. Then we had a group, I think it was Jon Johnson's group, GCL. They signed up David Collenette. He is a candidate for the Liberals now. He is a candidate, a lobbyist, a former cabinet minister and he is a honcho in the Liberal Party in southern Ontario appointing candidates left, right and centre.

The point is that they are covering the waterfront. When they notice the *Titanic* going down, the rats start swimming toward the *Titanic*. It is the first time I have ever seen a rat swim toward a sinking ship. Mr. Speaker, you have to see something wrong with that and we have to do something about it. We have to clean up the act. We have to know specificity. We have to know who is doing what to whom, for how much and how they are doing it.

This is a family show. I did not say anything wrong. Mr. Speaker.

The Acting Speaker (Mr. Paproski): The hon. member did not say anything wrong. It is just that his time has expired.

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, I just have one short question for the hon. member who just spoke on the issue of ethics in the government. It may be considered more a hypothetical question than anything else.

The question is does he believe that ministers of the Crown should not lie to the public and then take a lie detector test to prove that they lied?

Mr. Rodriguez: Mr. Speaker, I certainly think that ethics in government is absolutely important. It is not just for the backbenchers; it is for the frontbenchers as well. It is for the bureaucracy we direct. It must be reflected in the rules we have. I think it is important that those of us who hold office recognize that and we march to that drummer.

We are in a field that is very different from running a corporation in the private sector. We are dealing with the public's business. I think we have to demand the highest ethical behaviour of members of Parliament, whether you are in the cabinet or whether you are a lowly backbencher, all of us. I make no apologies for anybody. I think we have to conduct ourselves in the long run.

I know what the member is getting at. It will be the constituents of that minister or of that member who will have to decide if they want that minister or that member representing them.

On the question of lobbying, I want to point out that lobbying is not like any business. It is dealing with the public interest.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I had almost forgotten about Shelly over here until my colleague reminded me.

I asked a question of our friend from Nickel Belt. I noted his remarks about Gothic residence and the name Earnscliffe. I am not going to ask him what that means because I am not sure anyone could define it, other than it sounds like it comes from a grand place with a pointed ceiling. I wonder if the member could perhaps give us his opinion on certain aspects of the lobbyist legislation because it is that sector which after all he has referred to.

• (1900)

I am one of those who believe that contingency fees should be disallowed. In Ontario lawyers cannot charge contingency fees. My learned colleague from Kingston and the Islands is here immediately beside me. He knows that that is the case, although perhaps that will change shortly. In any case, I think that these fees should be banned.

I also think that the fees and disbursements of lobbyists as well as the exact subject matter should be made public. It should be the exact subject matter because if someone is lobbying for a helicopter, it is important for the competing interest to know that they are not lobbying about snow removal contracts or something. The competing interest has a right to know that someone is trying to convince the government to buy a helicopter or to buy some other product or to repeal Bill C–91 or to enact Bill C–91, whatever.

It is important that we have the precise information and in addition that we know how much is spent in the process of achieving that goal.

I want to ask our colleague if he would be so kind as to react to those suggestions. I think I know already how he feels about them, but I would like him to put it on the record for us.

Mr. Rodriguez: Mr. Speaker, I thank my colleague for the question. I have no problem, first of all, with the specificity of the issue. That is absolutely paramount. It is not enough to know that the lobbyist was up here talking about the environment and not knowing what the specific item is and that it had to do with meeting the minister. I think it is important to know what the specific issue is. We recommended that.

Second, we also recommended that there be no contingency fees allowed. I agree with my colleague there should be no contingency fees whatsoever. I think it offers the greatest enticement to walk the line very closely.

Third, the hon. member asked about disbursements and fees. That is absolutely essential. There is no little cushy deal like one of the witnesses said today. They do not want to disperse that. They do not want to put that on the record. They do not want to disclose it because they do not want their competitors to know what it is they are going after or whatever. I think that is the whole purpose of the lobbyist registry, so that there is a transparency that is not just apparent but is in fact real.

I may also say to my colleague, and I will share it with him, that the lobbyist registry ought to be taken out from under the auspices of a minister of the Crown and put under someone who has reporting abilities to the House, possibly the Chief Elector Officer, the Auditor General or the Clerk of the House of Commons. That I think is also important. It must not be seen to be under the control of a politically elected minister of the Crown.

There were other issues. I think, and I am sure my colleague agrees, that the most important one is to have a rule that forbids close relationships in terms of the political parties and at the same time coming back and lobbying the government. I think we have that for public servants. They have to be out of the Public Service for a period of time before they can actually come back and lobby their departments.

I think we should make it off–side for any person who is coming to see public officer holders on the Hill to hold any active political office. If we are talking about creating an environment where nothing less than the highest standards are expected, then in fact we can go down that path and it does not matter.

I outlined some of the family connections that are going on here. I did the family business. I think Willy Loman in *Death of a Salesman* is the best model for this lobby activity right now.

In *Death of a Salesman*, Willy keeps talking about how great a salesman he is. When his son asks him how he does it, Willy says he has connections. That is the motto of the lobbyists: I have connections. Hire me and I will get you the fishing licence, I will get you the airbus sale, I will get you whatever, whatever, whatever.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I will just ask one last question of our colleague. On the last point that he made about whether or not lobbyists should have a legal right to be involved in

political parties, I am just wondering how one would stop it.

First of all, if they choose to get involved in political parties, if that is what they want to do, they will still be volunteers without having offices or titles but they will still be there. As much as I agree in the spirit of what the member wants to do, I am not sure how we could achieve it.

I want to ask about another issue and that is this whole business of intermediaries because this is a loophole in the lobbying registration system, at least as I see it.

Right now if I want to hire a lobbyist or if company *x* wants to hire a lobbyist and company *x* does not want it to be known that the lobbyist was hired, all it has to do of course is hire a lawyer or an accounting firm and then have the accounting firm hire the lobbyist. In that way the only person who is registered is the intermediary as opposed to the end user, if I can put it that way.

Does my colleague agree with me that is an insufficient registry, that the actual person who is to be the beneficiary of the lobbying is the one that should be registered?

Mr. Rodriguez: Madam Speaker, I thank my colleague and I remind him what I suggested about people who are actively involved in terms of a political party.

We have this problem with respect to banks and financial institutions. We pass laws regarding governance of those institutions and what kinds of relationships they can have. A term they use all the time is arm's length. I think it is important that we strive to establish that we parliamentarians and the people of Canada do not think highly of people who on the one hand go out and work for their political parties. There is nothing wrong with them having a party card in their back pocket but in this lobbying business you have got to make a choice because lobbying is not like any other business. It is not like school teaching. It is bordering on influence peddling.

It is a fact. One of the lobbyists coming before our committee said that in fact we made influence peddling a legal activity under the Lobbyists Registration Act. We have to be very careful.

On the question of intermediaries, of course, you are right. You have got to have who the beneficiary is going to be of the lobbying activity. I might also add that we should make sure that we do not allow coalitions. Often time you could have the coalition for clean air as the client of the lobbyist but we do not know who is in that and they are lobbying for a change in legislation.

You do not know who is in that coalition. It could be the worst air polluters going in the country, but they are all hidden under the clean air coalition. I think it is important to have the specific beneficiary of the lobbying activity and we should know and there should be full disclosure of who are members of the coalition.

Mr. Howard Crosby (Halifax West): Madam Speaker, I would like to make a comment with respect to the whole matter of lobbying.

The member has pointed out the term influence peddling. There is a provision of the Criminal Code making influence peddling an offence and that is the difficulty of articulating an offence like that. If you can get paid for exercising influence and avoid the provision of the Criminal Code, you are apparently in a legitimate enterprise. I do not agree with that at all.

I would like to ask the member in relation to lobbyists and experience that he has had with them, should we not be focusing more on the people who are hiring lobbyists? Frankly I think in many cases they are not getting legitimate services from lobbyists. They know they are not getting any legitimate services from lobbyists and yet they are willing to pay large amounts of money for whatever services they are getting which could very easily fall into that category of so-called legitimate influence peddling.

• (1910)

Therefore, I hope that when he is examining lobbyists and the lobbyist legislation he pays a little attention to what the persons who are hiring lobbyists are doing. What role are they playing? If they are actually providing funds to lobbyists knowing that they are not getting any legitimate service for that then I think that they should be called to account.

Mr. Rodriguez: Madam Speaker, I think the point the member has made is an excellent one.

We are attempting to get the clients of lobbyists before our committee. One of the reasons that clients may very well be going to lobbyists is because they think the lobbyist has got some connection. Maybe that is why they might keep paying out—like a tithe—the money to the lobbyist. They think that he has some magic elixir.

What adds to that is when the person is seen Thursday morning on television across the country on CTV and he is defending the government's position. This is the same person who is the lobbyist. Right away, in his mind, the client wants success for his project. He wants the contract. He wants the procurement. He wants the change in the act. Therefore, if he has to pick, he will pick someone he thinks has influence or a pipeline to the Prime Minister's office or to a cabinet minister. He thinks that and that is why he will do that.

What if we can level the playing field? We heard from Sam Hughes with the Corporation House lobbyists who came before us this afternoon. I consider Sam to be a fine gentleman and probably the epitome of what a professional lobbyist is. He derided this connection because, from what you have said, people will go on paying for somebody if they think he can buy access for them so that they can get to the minister.

I think that when we do the things that I suggested about separating the activities on behalf of a political party, whether it is the NDP, Liberals or Conservatives, then we are making the playing field more level and putting some professionalism back into lobbying.

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, this is to the member for Nickel Belt to whom I have listened intently. He made reference to a former deputy minister who had worked for I think the Canadian Shipowners Association. I was struck by the facts of that case because it shows how incestuous the relationship can be.

I was just wondering how the member would comment on this where that particular former deputy minister was retained by the Canadian Shipowners Association in 1991 to lobby the government. However, before the end of his contract he went to work for the government. He was retained by the government to do work for the government and did not even bother telling the Canadian Shipowners Association. Ultimately his contract expired or was terminated.

Could the member comment on that incestuous relation aspect of lobbyists that we are trying to get a handle on here?

Mr. Rodriguez: Madam Speaker, I thank my colleague for the question.

What happened was that former General Ramsey Withers was given a contract by the federal and provincial governments to be a consultant and to co-ordinate a transportation review. That ended because he registered with the Canadian Shipowners Association as a client on December 12. Two weeks prior to that, the contracts with the governments had ended. He then took the contract two weeks after with CSA.

He recognized when he was a deputy minister—he left the government in 1988 as a deputy minister—that he should wait a full year before joining this consulting firm GCI. He went from government to GCI in one year.

When he had the contract and was working for the government he had a client within two weeks. What is striking about the client is that the client was one of those who was an interested party. I am not saying that Ramsey Withers in any way did anything dishonest. I am making that crystal clear, but it is perception that we have to deal with.

In politics, perception is reality. When dealing with lobbying, one is actually walking that very fine line—my colleague from Halifax West pointed this out—between making a representation, advocacy and influence peddling. It is a very fine line.

In lobbying the line is very fine indeed. These people, for a price, have to go and convince somebody to change a law or make a tax change or get a contract. You have to understand the sensitivity of that. There has to be a lot of transparency.

As someone said, sunlight is the best disinfectant in the business of lobbying.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Madam Speaker, I am very inter-

ested to speak on the motion of my colleague from Glengarry—Prescott—Russell, which reads as follows:

> That this House condemns the government for its continued failure to establish and to adhere to a clear and high standard of public sector ethics, for its incessant inability to function within the framework of existing legislation, guidelines and standards and for its reluctance to bring forward strict new codes and legislation with regard to conflicts and other public ethics matters.

I will come back later to the wording used by my colleague to show that, in some respects, he may have gone a little too far in his assertions.

I believe it is important to take part in this debate which gives an opportunity to government members and to all members of this House to correct the impression that politicians are usually corrupt. I believe that, unless proven otherwise, no member of this House was elected with the intention of defrauding the government or pursuing his own personal interest or those of his friends.

I will not speak for other members, but personally, when I ran for office in 1984, it was primarily because I was convinced that I could do important things to improve the quality of life of Canadians and of my constituents. I was convinced then, and I still am, that I was going to Ottawa, to my riding and to all Canadian provinces, to serve and promote the collective interests of the people, and not my personal interests, not the interests of my party or those of my party's friends, but first and foremost the interests of every Canadian.

I came here to work with a great national party and I came with the deep conviction that we could implement policies for the short, medium and long term which would enable the public to benefit more from the initiatives taken by the government.

Of course we could argue about the value of those policies because ours is a multi-party system. We could discuss certain issues, but that is not the purpose of this evening's debate. Rather, I want to say that I do not consider myself a corrupt politician and I do not think that my colleagues are corrupt either. When I work for my constituents I do not think that I am working for my personal interests or for interests which will benefit me personally, and I believe the same is true for my colleagues.

Again, Madam Speaker, when you look at the work done by every committee and every member of this House, I believe that unless proven otherwise, they are all basically honest and work to the best of their knowledge, first and foremost to serve the interests of the people who elected them, as well as the interests of the people of Canada or their province, depending on whether they work at the federal or provincial level. I want to stress that particular point today because people are inclined to believe—at least that is what we have heard since the beginning of this debate—there is no legislation regulating the conduct of members or public servants or people who work in government. I think they are greatly mistaken. In the course of this debate, there has been no reference to the fact that the Criminal Code of Canada applies to members of Parliament.

• (1920)

Madam Speaker, if you will allow me, section 122 of the Criminal Code provides: "Every official"—and according to a Supreme Court judgment official also includes members of Parliament—who in connection with the duties of his office commits fraud or breach of trust is guilty of an indictable offence and liable to imprisonment for a term not exceeding five years, whether or not the fraud or breach of trust would be an offence if it were committed in relation to a private person.

In one of the papers submitted to the joint committee on Bill C-43, a bill dealing with conflict of interest, our researcher wrote, with respect to breach of trust and fraud under Section 122: "Whether or not the fraud or breach of trust would be an offence if it were committed in relation to a private person. The Criminal Code explicitly applies stricter standards of conduct to a holder of public office than it does to a private person".

This makes it quite clear that members of Parliament in general and those elected to this House in particular do not assume, as some opposition members have done, that they are above the law or that their position gives them the power to avoid the provisions of any laws that may apply, such as the Criminal Code. They do not, because it says in section 122 and in the working papers we received that politicians, that members of Parliament are subject to stricter rules than a private person where fraud, abuse of power and breach of trust are concerned. I do not think that point was made today.

Often the perception we have of the work of members of Parliament is based on certain assumptions. People assume or wonder about the relationship between so-and-so and a member of Parliament or a minister. The seeds of doubts are sown and people often forget there are a number of very strict and very clear-cut laws that apply to everyone, including members of Parliament, and that there is also a code of conduct.

As far as the code of conduct is concerned, I will report on this later on, because the hon. member for Glengarry—Prescott—Russell said in his motion that so far nothing had been done. I will show that something has been done. Often people fail to make a distinction between criminal offences and offences related to the performance of one's duties. The committee on conflict of interest has been concerned with the code of ethics. Our purpose was to help politicians avoid any potential conflict of interest, either apparent or real, in the course of their daily work.

In committee we all agreed we must ensure that no member, whether he is a senator, minister or parliamentary secretary, is above the law because of any legislation that may be passed subsequently. He is a citizen like any other, and by drawing up a conflict of interest code, by drawing up a code of ethics, we demand that his behaviour shall be as irreproachable as that of anyone else. The general public should be able to look at his record and say that the hon. member for *x* has performed his task with honour and dedication.

We were unanimous. Fortunately in committee—and I want to stress this today—we have always been very careful not to mention specific cases not to name names because just as in society at large people do make mistakes, even serious ones. I think that the courts have ruled in some cases. In other cases the code of ethics or the conflict of interest code was brought out. In other cases there was no prosecution at any level for lack of evidence. Our legal system is based on evidence and the presumption of innocence.

We never mentioned names because when a member of any party is suspected of doing something unethical unbecoming of our profession, all members suffer and all members of this group bear the consequences. In the conflict of interest committee we wanted to find the essential points for legislation that would give members the leeway they needed to work with peace of mind, knowing that there are rules to protect them but which they must obey in order to keep an image intact and serve their constituents with dedication.

My colleague from Glengarry—Prescott—Russell says in his motion which I will quote: condemns the government for its continued failure to establish. He refers to a code of ethics. In 1985 the government and my Prime Minister put in place a code of ethics instead of guidelines. Now a code of ethics is much stricter and must be obeyed. A document from the registrar's office says that the conflict of interest and post-employment code for public office holders requires them to comply with nine principles.

According to the speeches this afternoon and the terms of the motion of the member for Glengarry—Prescott—Russell, the government has not brought forward clear and strict guidelines for public office holders. The code which has existed since 1985 stipulates nine points, which I will take the time to quote, first of all for members of this House, but especially for the Canadians who are listening to us and have the impression that there are no rules. The code says that any public office holder, be it a member of Parliament, a parliamentary secretary, a minister or a senator.

Mr. Boudria: Not a member of Parliament.

Mr. Champagne (Champlain): My colleague from Glengarry—Prescott—Russell says "not a member of Parliament". He is right. We want to include it in the recommendation that was submitted whereby this code would henceforth apply to all members of Parliament without distinction. Of course this would include parliamentary secretaries, ministers and senators.

I will continue my quotation: "They shall perform their official duties and arrange their private affairs in such a manner that public confidence and trust in the integrity, objectivity and impartiality of government are conserved and enhanced. They have an obligation to act in a manner that will bear the closest public scrutiny, an obligation that is not fully discharged by simply acting within the law. They shall not have private interests, other than those permitted pursuant to this code, that would be affected particularly or significantly by government actions in which they participate. On appointment to office, and thereafter, they shall arrange their private affairs in a manner that will prevent real, potential or apparent conflicts of interest from arising, but if such a conflict does arise between their private interests and

their official duties and responsibilities, the conflict shall be resolved in favour of the public interest. They shall not solicit or accept transfers of economic benefit, other than incidental gifts, customary hospitality, or other benefits of nominal value, unless the transfer is pursuant to an enforceable contract or property right of theirs. They shall not step out of their official roles to assist private entities or persons in their dealings with the government where this would result in preferential treatment to any person. They shall not knowingly take advantage of, or benefit from, information that is obtained in the course of their official duties and responsibilities and that is not generally available to the public. Public office holders shall not directly or indirectly use, or allow the use of, government property of any kind, including property leased to the government, for anything other than officially approved activities; and they shall not act, after they leave public office, in such a manner as to take improper advantage of their previous office".

• (1930)

These are the nine principles of the *Conflict of Interest and Post-Employment Code for Public Office Holders*. In contrast with the motion of my friend, which is neither clear nor strict, this is something which is extremely clear and extremely strict. All parliamentarians are subject to this code and must submit a report annually to the Office of the Registrar to make sure that we abide by the nine principles while performing our duties.

I think we also forgot that during these last few months, all three political parties have been working very hard. It is strange how much difference there is between what is said in committee and what is said in the House. We worked hard to clarify what constitutes a conflict of interest and to try and propose something which would be in keeping with the desire of parliamentarians to give a better image of the situation. The conflict of interest committee even thought that spouses and children of parliamentarians should be subject to full public disclosure. Everybody would have the right to see what they own.

We received a representation, as my colleague for Glengarry—Prescott—Russell will recall, from the Parliamentary Spouses Association and they were fairly divided on this matter, quite divided, as a matter of fact. We were told, and that is what I was getting at, that even if we imposed stricter rules and set penalties more severe than the ones already provided under section 122 of the Criminal Code in cases of fraud, if the individual's perception of our position did not change, we would have solved nothing. In this respect, I very sincerely think as a government member and as a member who simply likes his job, that in the last few years, and I do not want to make a value judgment, there has been a tendency to lead people to believe that there was favouritism going on and that it was a crime.

Some individuals who worked on some issues rather than on others were suspected of being dishonest. In the last few years there have been attempts at introducing the notion of criminal wrongdoings in what might only have been a conflict of interest, with all that it implies under the conflict of interest guidelines. A conflict of interest is not a criminal act, depending on its nature. Obviously I would never support defending a member of this House or a parliamentarian who would have received money for his own benefit for services rendered. The legislation is clear about this, I do not have to defend this point. It is mentioned in the Parliament of Canada Act, the Canada Elections Act and the Criminal Code.

We are governed by many laws and, contrary to what some might think, that we have no rules and are above all laws, I will repeat, because I did not name all of them before. We must abide by the Standing Orders of the House of Commons, the Criminal Code, the Parliament of Canada Act, the rules of the Senate and the Canada Elections Act. All those laws dictate our conduct.

Over the years for partisan reasons I would say those motives could turn against us eventually. We let Canadians believe that conflict of interest was a criminal act. There is no solution until we implement a system or until we reach an agreement concerning our own conduct. Of course we have immunity on both sides of this House, so I am not judging one party more than the other. Everyone is aware that some of the things we hear could not be said outside the House, as we have seen in the past.

Finally, I feel it is important to mention in this House that since 1984 our government has endeavoured to establish a clear and high standard of ethics and to make sure hon. members, especially those with special functions, abide by them. We have introduced Bill C–43, created a joint committee of the Senate and the House of Commons, worked hard and tabled a report, and now we hope to be able, in the coming months, to pass conflict of interest legislation which will raise the level of debate in this House so that the intentions of any parliamentarian making allegations are crystal clear.

This afternoon several allegations were made. I think that a shame because most of the people referred to were not here to defend themselves. Of course, in most cases, with very few exceptions, no proceedings or actions were taken. As far as conflicts of interest are concerned, I would say that two people were directly affected by the Conflict of Interests Act. A lot of names were mentioned by both opposition parties and some of us. If we want to enhance the quality of parliamentary proceedings, we must, first and foremost, make a distinction between criminal activities and conflicts of interest. Thanks to the Prime Minister, we have worked hard to improve parliamentary proceedings and project a better image to the Canadian public.

Mr. Charles A. Langlois (Parliamentary Secretary to the Leader of the Government in the House of Commons): Madam Speaker, I think the last 20 minutes during which the hon. member for Champlain spoke were certainly the best 20 minutes in this debate. From listening to him closely, I must say that I found it refreshing to hear the comments of the member who has been in this House since 1984 and been a parliamentary secretary for several years now. He is recognized as a member who does his job very well and honestly. He is at work regularly and defends the interests not only of his constituents but also of all Canadians.

As I was listening to the member for Champlain, I had the opportunity to refer to a document that I have here, written some time ago by Barbara Kagedan who did some research and published this document on public duties and private interests which can of course give rise to comments on conflict of interest.

Earlier in the day, opposition members tried to show that our government has done nothing in the area of conflict of interest and ethics, nothing to implement measures that would put members above all suspicion. On reading this document I realized that the Liberal Party's record when it was in government was not very enviable. The first reference in the document I have in my hand is to July 1973.

At that time the Hon. Allan MacEachen, then President of Treasury Board, tabled a green paper entitled "Members of Parliament and Conflict of Interest". This document was studied in a committee of the House of Commons and in a Senate committee but was never debated in the House. It was only studied in committee. In 1978 legislation was tabled but it died on the Order Paper.

• (1940)

In 1983, five years later, then Prime Minister Trudeau set up a task force that studied the subject, but again nothing came of it. Only in 1985 did we see some action, which was initiated by the Prime Minister of Canada.

Therefore I find it rather far–fetched to say that our government has done nothing. Our record should be compared with that of the party that preceded us.

I would now like to ask my colleague from Champlain a question. For the benefit of the House and the public record, since he has been a parliamentary secretary for some time already, could he briefly state the rules that he must obey from the time he is sworn in as a parliamentary secretary?

Mr. Champagne (Champlain): Madam Speaker, I will provide a very brief answer to my colleague by saying that those nine rules which must be followed by parliamentary secretaries and ministers are very strict.

I also want to remind the hon. member and my colleagues—I will not read all those rules again because it would take too much time in this House—that the second of those rules states that he has "an obligation to act in a manner that will bear the closest public scrutiny, an obligation that is not fully discharged by simply acting within the law".

I believe that says it all and in our mind, at least in mine, as soon as we have a law which provides more, we will be able to tell ourselves, as politicians and government members, that we have kept our promise and that the Prime Minister, through his bill—because Bill C–43

is the Prime Minister's bill—fulfilled his promise to establish a code of ethics which would be much more precise and more closely followed by all politicians in this House.

[*English*]

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, before I get into my remarks I want to take note of the subject of the debate tonight. This is an opposition motion which states:

> That this House condemns the government for its continued failure to establish and to adhere to a clear and high standard of public sector ethics, for its incessant inability to function within the framework of existing legislation, guidelines and standards and for its reluctance to bring forward strict new codes and legislation with regard to conflicts and other public ethics matters.

That is a mouthful. I am going to try to touch on each of the areas referred to in the motion.

This grouping of topics is not the first choice on everyone's list. Some of these issues are sometimes difficult to talk about in the House. Usually they are raised by opposition. I sit in opposition. We now embark on an exercise where the opposition has to raise certain matters. It really is our duty to because often government members are not prone to dealing with them. I want to divide my remarks into four categories.

The first one is public ethics matters. When I came to the House in 1988 in my first or second week here I asked a question during Question Period about a conviction of a previous member of Parliament in a breach of trust situation.

Frankly, I was surprised at the non-answer. The government was virtually unable to reply in any reasonable fashion to the questions: What was the government going to do? What kind of a standard was it holding out, how did it propose to account to the public for that kind of situation, that kind of an offence where a member of Parliament had seriously transgressed. I must admit to my naivety at that time?

Since that year the list has grown to two and a half pages. I have to read the list so the public has a sense of what we are trying to grapple with. There is one issue involving an MP for fraud, conspiracy and breach of trust. That MP was acquitted. There is a second MP convicted for charges of corruption. There is another MP guilty of fraud and breach of trust. There is another MP charged with fraud and breach of trust. That process is not completed. Another MP was convicted of conversion of $7,000 or $8,000 in cash. Another MP was charged with fraud, breach of trust and forgery. That MP was acquitted. With another MP it was fraud, breach of trust and conspiracy. For another MP it was investigation for fraud and conspiracy. Another MP was guilty of tax evasion. Another MP faced three charges of fraud and related charges. Two assistants to MPs were charged with fraud and influence peddling.

There are several charges involving matters of personal failings which I do not refer to here. I am thinking more in terms of failures in the realm of drinking and driving, which are very serious but that is not the kind of charge I am talking about here. This list looks more like a rap sheet in a police station than it does a list of MPs. I am concerned about that.

Right off the bat I have to say I am very familiar with the biblical exhortation that he who is without sin should cast the first stone. I am not going to comment on my own situation. I do not believe I have committed a criminal offence yet and I hope that I never will.

However, what is happening here is the government is failing, and the Prime Minister perhaps is failing, to set a standard that Canadians can see prevails within the House of Commons. I think their failure to do that has been conspicuous throughout the four years I have been here. I do not recall him standing in this House and dealing with these kinds of issues and setting a standard.

It seems to me the standard which is held out and was referred to by the member opposite who spoke prior to me is the Criminal Code. Now surely the standards in this House and in the other place are higher than the standards of the Criminal Code. When government members speak in this debate they have from time to time simply pulled out the Criminal Code and said: "This type of activity happens to be a breach of the Criminal Code. There it is in section *x, y, z*. Go ahead and charge them and convict them". I think the issue is more serious than that and we can do better than that. I am urging the

government through the Prime Minister to tell Canadians what those standards are.

As I sit in this House now I have a sense of my own personal view of what this standard should be, but I think we want to look to the Prime Minister for leadership.

We cannot do anything about these events after they happen. Once the crimes are committed that is it. We are not going to go back into the early education of people. We cannot do that in this House, in the formative years of MPs or anyone else in the country. We have to deal with these realities as they are now.

Therefore, I call upon the Prime Minister to articulate in this House the standard that he is setting for all of us in this House, not just government members but all of us.

The second item I want to address is patronage. This is covered by this opposition motion today. I can deal with it fairly succinctly. I am disappointed the promise that was held out to Canadians back in 1984 has never been fulfilled. I have two quotes. One was made by the Prime Minister in May 1983 and it has been referred to in the debate today. He did say there would be jobs for Liberals and the NDP too, after he had been Prime Minister for 15 years and could not find a living breathing Tory in the country. That was in May 1983. Later he did in a manner retract that and say he had been speaking to Tories at a convention. That may be true but it is on the public record.

• (1950)

Then he did make a fairly decent promise to the electorate in July 1984 when he said: "The method of making appointments could be corrected by dramatic measures. We are going to bring in a brand new dimension to them of objectivity, representation and fairness for all Canadians".

My goodness, that is just about exactly what he did do. He did do it in a dramatic fashion. These are not my words but several years later, in 1987 it was written in *The Globe and Mail* that: "If Brian Mulroney has a single friend who has not been appointed to a board, commission, or agency, or has not been awarded the title of Queen's Counsel, or has not been given a fat contract or Senate appointment, that friend deserves to be annoyed".

The promise of rectitude, the promise of reform, the promise of doing things differently, the promise of making appointments, always quality appointments have never been fulfilled in this place. I will be honest. I am less concerned about patronage appointments that are quality appointments. Just because a person is of the same political stripe as the government it should never disentitle somebody from being appointed. I and all Canadians want appointments to be quality appointments.

About three years ago one of my colleagues tried to measure the balance in the appointments. At the time the reference was roughly one in 100 appointments that was not a Tory. I cannot personally verify that. That is second-hand information, but somebody made a reasonable attempt to measure that and that is not good enough. Canadians expect there to be more quality appointments available outside the realm of the Progressive Conservative Party.

I know from time to time the Prime Minister makes a big deal about the odd appointment that is not Tory. There have been some of those and I accept that. I do not think he has ever fulfilled the promise he held out to Canadians seven or eight years ago.

As I see it there are two bottom lines in the way these appointments should be made. The first is that we demand quality. The second is that we require accountability in the appointment process. We need to ensure that when appointments are made they are reviewed by the House in some mechanism, by committee. Appointments can be reviewed to a great extent by committee but most committees do not have enough time to get around to them. We have the job to improve on that. There is no mechanism to set aside the appointment but just to review it. So there they are: quality, we insist on it; accountability and review of the appointment, we insist on that.

I do not think people are going to believe the Prime Minister any more when he talks about his promise of accountability and fairness in the appointment system.

The third area I want to talk about is that of the lobbyists. Today several speakers from both sides of the House have discussed what is becoming a very serious public interest issue for Canadians. Many Canadians frankly are not aware of how serious it is.

We need to know who is dealing with whom on public policy issues and on government business and contract issues. We do not know that well enough now. There is a need to regulate further the lobbying efforts that affect government decisions.

I have to think that Canadian taxpayers are very frustrated now. If they are not I think they would be if they knew they paid good money to send a member of Parliament to Ottawa to monitor government, to make propositions on public policy to government and to speak for them in government as government deals with public policy and spends the taxpayers' dollars.

Now the public finds out that lobbyists, which is now a $50 million to $100 million per year industry in this town, are doing as much or more to influence government decisions on policy and contracts than MPs do. That guestimate of $50 million to $100 million is almost more than the public is spending on Parliament itself. We are not able to track that money or that influence peddling, all of which is said to be above board. It is not illegal. It is being paid for by lobby interest groups that want their piece of the pie in Ottawa.

I want to make some constructive suggestions. I have only a couple but I feel very strongly about them. The first is that our current registration provisions are inadequate. Registration requirements are minimal and we need registrations that show the lobbying agencies. Where they have more than one client we need to know who the clients are.

Where the lobbying group is a public interest group such as the Dairy Council, a farmers' public interest group or lobby group, it does not mind registering. We still do require them to register. We want to know they are there. We want to know what they are doing. Of greater concern is the professional lobbying groups, the agencies that will work for anybody, for any purpose, for a dollar. Sometimes it is for lots of dollars.

This brings me to the issue of the contingency fee. Ordinarily I would hope the lobbying firm would have an hourly rate when it is hired to work for someone. It might be 50 bucks an hour. It might be 100 bucks an hour. It might be 1,000 bucks an hour. Whatever it is I think the public wants to know how much it is.

The problem we have now is that we have lobbying firms operating on a contingency fee basis. This means if a person says to the lobbying firm "I want that $10 million contract, go and get it for me", the lobbyist says: "I will get it for you but you have to pay me 10 per cent". If the lobbyist and the applicant are successful, the lobbyist will take 10 per cent off the top. That is $1 million out of a $10 million contract.

That is a heck of a way for government to spend its money. If to spend 10 million bucks it has to peel off the first million and give it to a lobbyist, there is something wrong about it. My point is that a contingency fee that is payable only if they got the contract and made a big, fat percentage must end. Contingency piggy-backs on the taxpayers' dollar is inappropriate. It adds to the price of the contract. It makes the lobbyist simply a hired gun who does not give a damn about public policy and distorts the orderly process of the government decision making when there is $1 million in fees to throw around.

The contingency fee should be banned. We would have a strict regime of hourly rates. Most firms would not mind showing what their hourly rates are. In every case the client knows where there is an hourly rate.

Last, I want to deal with appointments. I want to point out a failure in one area of appointments. The Prime Minister has the right to appoint members to the Security Intelligence Review Committee. Those particular appointees are this Parliament's watch-dog in our security intelligence service. The act requires the Prime Minister to consult with each leader of the parties in the House before an appointment is made. What is the Prime Minister doing? He is sending a letter one or two days before the appointment is made in which he says to the leaders of the other parties whom he is appointing. In at least two cases the letter did not arrive before the appointment was made. That is not consultation. That is not following the spirit or the letter of the law in relation to appointments to positions of public trust and positions representing this Parliament.

I make note of that on the public record. I am not going to let the Prime Minister get away with it much longer. I am going to make him account legally if I have to for those appointments. I have warned him once. He has had one warning. It is not just a breach of the law. It is a breach of the spirit of the law. I call upon him to do it the right way next time. It is only in that way the system will work.

The Acting Speaker (Mr. Paproski): It being eight o'clock p.m. it is my duty to inform the House that pursuant to Standing Order 81(17) proceedings of the motion have expired.

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*]

EUTHANASIA

TERMINALLY ILL PATIENTS

Mr. Ian Waddell (Port Moody—Coquitlam) moved:

That, in the opinion of this House, the government should consider the advisability of introducing legislation on the subject of euthanasia and, in particular, of ensuring that those assisting terminally ill patients who wish to die not be subject to criminal liability.

He said: Mr. Speaker, those of us who enjoy good health have difficulty contemplating life as an incurable invalid. In pain perhaps and worried that we might be a burden on family and on society, without hope and even without dignity. We say when and if we reach that stage they will pull the plug, won't they?

But who are they? How will they know how to do it? How will they do it? What if one's family or someone else objects? What is it: withholding food and water, withholding treatment, withdrawing treatment, administering poison?

In medical ethics and bio-ethics classes, in legislatures just last week, for example in the Dutch Parliament, in editorials and letters to the editor columns, in hospitals and in hospices, these questions are being asked more than ever before. The reason is the ability of modern medicine to extend life.

People used to die at home mainly of communicable diseases. They received good palliative care from concerned family and friends. Now people die in hospitals surrounded by batteries of life saving equipment. Seventy-five per cent of deaths are caused by chronic, degenerative diseases such as cancer, heart disease, AIDS, strokes and Alzheimer's disease.

These illnesses are different from the killers of the past in part because they cause extensive physical and emotional suffering prior to death. Also new technology gives us the ability to extend life well beyond the point when death was confined to the home.

Most people know of some family member, neighbour or friend who has died after battling, with the help of the latest technology, a long illness. We are beginning to ask ourselves: I hope to God that I do not have to go through all that. The question is whether the quality of life in these last days is worth the effort to keep the patient alive.

Canadians just over a year ago saw Nancy B go to court and successfully assert her right to refuse life sustaining treatment. Perhaps members recall the case on the news. This is often called passive euthanasia.

As I speak, Sue Rodriguez, a woman from North Saanich, British Columbia, with ALS, amyotrophic lateral sclerosis, which is also called Lou Gehrig's disease after the great baseball player who died of it, is now in court seeking the right to have another person assist her in ending her life. This is called active euthanasia.

Suicide is no longer illegal in Canada, although I remember when it was illegal to take one's own life. It is still a crime in Canada to assist a suicide. In section 241 of the Canadian Criminal Code it says: "Every person who (a) counsels a person to commit suicide or (b) aids or abets a person to commit suicide, whether suicide ensues or not, is guilty of an indictable offence and is liable to imprisonment for a term not exceeding 14 years". It is illegal to assist a person to commit suicide. If one actually administers a fatal injection, for instance, with the intent of killing a person, one could be liable to a charge of first degree murder.

Last week by a vote of 91 to 45 the Dutch Parliament guaranteed physicians immunity from prosecution if those doctors follow strict guidelines for mercy killings. In Holland however euthanasia is still punishable by up to 12 years in prison. The Dutch guidelines specify that euthanasia can be applied only to a patient suffering a "perpetual unbearable and hopeless" condition who requests it repeatedly and while lucid. A second medical opinion must be obtained. The doctor must document the entire decision-making process including why euthanasia was chosen and how it was carried out and submit it to the district coroner's office after death.

I am not advocating the Dutch system. I am just pointing out there is a system in place in law in a western European country by a vote of the Dutch Parliament last week.

I want to remind the House that in a videotaped statement sent to a parliamentary committee of this House back in November, Sue Rodriguez had this to say:

> I want to ask you gentlemen, if I cannot give consent to my own death, then whose body is this? Who owns my life?

ALS is a particularly horrible disease. Phil Bissell, president of the Victoria Chapter of the ALS Society of B.C., recently described the disease as follows:

> One woman is now at the stage where she cannot move a muscle. Every day she gets propped up in front of a television at the foot of her bed.

Bissell said, according to a newspaper article, that he saw her eyes move once at a meeting but that is the only time he has ever seen her move. He also said:

> When some people lose the ability to swallow, they refuse to be fitted with a stomach tube and die in about 10 days. That means starving to death.

Later Sue Rodriguez had this to say:

> Despite my losses, I do not want pity. All I ask of my fellow Canadians is understanding and compassion. Understanding that they too may some day be in a position similar to mine.

I believe this subject raises complex legal, ethical and moral questions. I also believe that this matter ultimately belongs here for debate, here for decision, here in the House of Commons. Lately the House has fallen into the situation of reacting or responding to issues that are decided in the courts. A good example is abortion. I say Parliament should not be afraid to deal with these matters.

[*Translation*]

Why do we need an act of Parliament? Because until now, many patients have had to turn to the courts in order to get the permission to die with dignity. I already mentioned the case of Nancy B., in Quebec City. Nancy B. had asked the court to have the life-support system that was keeping her alive unplugged. Those kinds of procedures require a lot of energy, time, effort and even money on the part of patients. We have to pass a law that would eliminate all those problems and protect physicians as well. Right now, in this kind of situation, physicians can be accused of murder under the Criminal Code. We have to change that.

[*English*]

There are already a number of private members' bills before the House. Bill C-203 of the hon. member for Fraser Valley West—and I see him in the House tonight—has already been debated. It made it to a committee after the House. Unfortunately it was blocked coming out of the committee by some members and it never got back to the House for a vote.

• (2010)

That bill is restricted to the withdrawal and cessation of treatment and the provision for palliative care. It would have allowed physicians to follow patient directives without fear of legal repercussions. That could be called a more passive euthanasia.

Bill C-261, standing in the name of the member for Saskatoon—Clark's Crossing, would have gone further and made provision for doctor-assisted suicide. It was debated in this House for one hour and that debate is now finished.

Both bills were very specific in restricting any life-ending procedures to voluntary circumstances. The patient must be making the request of his or her own accord.

Both members, and I want to congratulate them, have done much work on this matter. They have carried the debate at a very high standard.

The member for Burnaby—Kingsway has also quite recently tabled a private member's bill.

I believe that my motion is unique because not only has it won the draw to be debated but an all-party committee of the House made it a votable motion. We could have a vote before the summer recess, but it depends on whether the House is prorogued or what happens.

We are now in the first hour of the debate and after another hour and 40 minutes we are to have the vote.

I worded the motion very carefully so that the government, this one or a future one, would get a clear sense of the House and hence of the Canadian people on this issue. I anticipate some good debate on the motion. Indeed I can anticipate some of the arguments against it: The possibility of abuse, a slippery slope, the Hippocratic oath, and so on. Needless to say, I think these arguments can and will be rebuffed.

I would draw to members' attention a good book on the matter, for those who still read books. It is called *The Right to Die: Understanding Euthanasia* by Derek Humphry and Ann Wickett.

An hon. member: There is nothing like an objective opinion.

Mr. Waddell: I will just read part of the book at page 313 to show what it talks about. It says:

> The right-to-life movement argues: If euthanasia is permitted in limited ways today, however tightly controlled by law, what is to stop groups and/or governments in the future from taking things a step further and introducing compulsory death for, say, the burdensome, the poor, the handicapped, the sick, and the elderly? Also, they argue, the availability of euthanasia as a lawfully and socially acceptable release will inevitably make it a duty for those old people who have "served their purpose" to die. The right to die becomes an obligation to die. Lastly, euthanasia laws could be manipulated by unscrupulous individuals to eliminate the sick/elderly who are a burden, especially if they have money to bequeath.

Then it continues:

> Countering this, right-to-die advocates claim that the rule of the law has no purpose if society cannot, by and large, enforce it. Those who misuse euthanasia laws will merit punishment as for any other crime. Where is the sense, they argue, in telling a person dying of throat cancer that euthanasia cannot be made available because Nazi Germany murdered thousands of people in the 1940s using a method labelled "euthanasia"? The lessons of history are there to be learned, and the Nazi experience has taught society how not to let government slip into the hands of an irresponsible minority.

I am not going to go into all of this tonight because I do not have the time. I anticipate that the debate will discuss the pros and the cons. However, I am trying to set the tone of the debate. The *status quo* is unacceptable. I suspect that physician and other-assisted suicide is going on in the country right now. This question should not be dealt with by the courts on a case-to-case basis. Just think of the poor patients. Not only are they terminally ill but they must find the energy to raise the money, instruct the lawyers, face the questions and so on. That is a pretty awful situation.

This is essentially a non-partisan issue in terms of the tone of the debate, although partisan in that people have many different viewpoints. I hope that all members of the House will be free to vote following their own beliefs and understandings of the issue. In other words, I hope there is a free vote on the issue.

The World Health Organization uses a holistic definition of health which includes its spiritual, emotional, family, environmental and physical aspects.

Canadians want to be active participants in their own health care so the issue of quality of life has come to the forefront of Canadian consciousness. The flip side is the quality of our death, which makes us face the issue of euthanasia. These are hard issues to face.

Surely someone who wants to end their life with dignity and cannot do so because of the nature of their illness, as in the Rodriguez case, should have the right to make that choice. Of course there must be controls to make sure that the choice is not taken advantage of. Legislation, if written, must be carefully crafted to prevent abuse but the principle stands.

This motion says that if there is a clear reasoned choice then in law that should be respected and those who assist the person in carrying out that choice should be protected. This is a very important debate in the House. Yes, there are other issues such as unemployment and all kinds of other issues. Yes, as a Parliament we have to pursue them.

David Suzuki, from Vancouver, said that politicians in the future will be measured in terms of their ability to deal with the more complex questions and the public wants us to do that. That is why it should ultimately be done here and not ultimately in the courts.

I also feel on reading the material on this matter and hearing other debate that the public is concerned about this issue because it is well aware that medical technology has changed. In their own lives people are well aware of some family member, some relative, some neighbour, or some friend who has been terminally ill, has suffered for a long time and has been kept alive by the new technology. Perhaps dignity was not there in their death. They are afraid. We are all afraid of death. We are all afraid that we might have to face the same situation. That is why it is important to clarify the matter.

My motion states, and I repeat it:

> That, in the opinion of this House, the government should consider the advisability of introducing legislation on the subject of euthanasia—

I worded that very carefully, "should consider the advisability"—

> —and, in particular, of ensuring that those assisting terminally-ill patients who wish to die not be subject to criminal liability.

That directs the government. That is not the *status quo*, and that is probably what the vote will be on in the House if the vote comes to the House. Members will

have to search their own consciences to decide on that matter.

This is a debate that's time has come. We must deal with this issue as a country. I am very pleased because I anticipate that we are going to deal with it in a fair minded, high-level debate in this House of Commons.

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, who will choose for you? Who will choose for me?

When I was conceived it was a choice by my father and mother, or perhaps an accident, but it certainly was not my choice. When I was a child I was cared for by my parents. I was protected by my parents. I was protected by the state. I was given the support of teachers, doctors, pastors and a full range of community services because I grew up in this great and wonderful country. My community nurtured me so well and added to my family values. My country has protected me ever since.

• (2020)

As a man I began to make my own choices and then learned to live by the consequence of those choices. Surely the ultimate freedom in a free and democratic society is when an educated rational man or woman has become self-actualized in creating, making and living with the results of their own free choice. Is that not what we are trying to create by law here? The capacity to make free and rational choices and the stage that we can make these free and rational choices and then we become mature. When we are mature should we not have the right of free choice to make our own decisions in what might well be our own end times?

Why should our right to free choice as rational men and women be stolen from us just because we have become terminally ill? That does not mean we lose our capacity to think, to feel, to suffer. I resent that this right is not my right before the laws of Canada. Why should the doctors of Canada, the medical profession and medical technology make the decision for me?

An hon. member: They do not. They refuse to.

Mr. Wenman: But they do. Well you should have joined us through the whole of those committee hearings.

An hon. member: I was there. It is a legal fact. I was there.

Mr. Wenman: Why should the state, if not the medical profession or the government, decide for me? That is even more threatening. I want to protect myself through law from the medical profession. I want to protect myself through law from well-meaning state and government laws.

Most of us in this room and everyone listening will become terminally ill because as technology improves the occurrence of terminal illnesses as opposed to sudden illnesses becomes more and more probable.

For those who do not understand I will try again. Terminal illness is when you are diagnosed with a disease there is no cure for. There are more and more curable diseases. More often now, more and more people are dying of terminal illnesses.

I want to preserve my right that should I become terminally ill I might at one point in the suffering process of my death say that enough is enough. Let me go. Leave the final decision between me and my God. Make me comfortable and let me go.

I must shout right now in this House because of the great fear I have of lying powerless and helpless in an extended terminal care bed somewhere and not being able to shout. Instead the decision would be made for me by well-meaning doctors, by the state, or even a well-meaning family.

That is why I brought in Bill C-203. I wanted that right of protection from the state against the state and against the medical profession and against the technology so that I could make a decision between myself and my God.

Even at some point in the life and death process it seems science and technology and the state are fighting against death but prolonging suffering. I do not think that was the intention of God when He gave us medical science. He gave it to save our lives, yes, and He gave it to give our lives comfort and He gave it to give us comfort as we pass from death to life again.

We, the political representatives in this House of Commons, or at least too many of us, are filled and paralyzed with fear, fear for our own, our family's and our friends' deaths, fear of change, fearful even of discussion. Those of us who are here tonight will discuss death, but I can tell you that this is one of those great unmentionables. The only time we talk about death is when we have to face it. We face it in the hospital corridors and in the quiet whisperings in the funeral

parlours. It has to be faced now while we are in good health and while we have the capacity to act with compassion.

It is time to put fear aside. It is time for courage. This is not an easy decision for Parliament to make. It is not an easy decision for us to frame. I know it is hard. I know my bill may not be quite the right answer or quite the right motion, but let us make a decision about whether we have the right to withdraw surely and truly from treatment if we are terminally ill? Does a doctor have the right to be protected if, in fact, he gives us maximum comfort from pain and suffering? This is common practice in Canada today. We must either charge the doctors or change the law, but let us not live in this grey, middle area or we will be, as some of the others say, on that slippery slope.

This is the inevitable life and death question for all of us and all those we love and care for. Since I first raised this in the House of Commons I have had members of Parliament from all sides come and tell me: "I want to get up and speak on this but I will cry because I went through it with my parents" or "I went through it with a friend and I saw them suffer more than they needed to suffer when they were begging to be let go." It does not occur too often, but if it occurs one time it is too many and I know it occurs many times in many people's lives.

This motion may not be quite right but I urge a free vote. If this is the method to get the discussion going, let us at least get the discussion going in this Parliament. Let us resolve to act in this Parliament and, if not in this Parliament, to ready ourselves to do what the majority of Canadians want, which is to die in peace.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I must say that I never thought, until not long ago, that we would be having this debate tonight in this Parliament. I think I can say that I have some knowledge of the issue, having lost my father and my mother-in-law, my wife's mother, in the past 18 months, both from a cancer. I had to suffer the loss of beloved family members who both died from very serious diseases. They were not the first, but they were recent cases.

[*English*]

What we are discussing today is not whether a doctor has to provide treatment against the will of a patient. That is not so. That is not what we are debating tonight. It is not even in the motion. What we are not debating either is whether or not a patient has the right to refuse medical treatment. Clearly a patient has that right and is protected by the Criminal Code of Canada. A patient has that right, Mr. Speaker.

What we are, however, debating is whether we will give the right to any human being to kill another human being. That is the debate that we are having right now.

We can say: Yes, but it is not just any ordinary human being, it is a human being who is going to die anyway. Perhaps that is so. It is a human being in the case of what is happening in Holland now whose life is not worth living. I am not exaggerating the point when I read this headline entitled, "Euthanasia for newborns who face 'poor quality of life' gaining acceptability". That is what we are dealing with and that is what we are debating tonight.

• (2030)

Why are we debating this? We are debating this because of an unfortunate person who is very ill in British Columbia and who I believe has been used by others in a propaganda campaign on this issue. That is sad for all of us as a society, and it is particularly sad for that woman. Of course I am referring to Mrs. Sue Rodriguez.

Last week it came to our attention that the so-called protector of Mrs. Rodriguez who came here to testify on her behalf admitted to newspapers that he had forged the signature of Mrs. Rodriguez on certain documents. Yet that person is the one who asks us to trust him or others like him with the life of an individual when he was not even trustworthy enough not to forge the signature of someone else. That is why we are here, because of that. It is sad, but let us bear it in mind when we are having the discussion.

I see an hon. member who is a medical doctor. He will no doubt have other concerns as well, such as the trust between the patient and the medical practitioner. What does it do to the medical practitioner when we have a situation such as the one that exists in Holland where people will decide whether or not to enter a hospital

based on their chances of escaping euthanasia if they go there. What does that do to the trust that exists between the medical profession and the patient? I do not think it does it much good. I do not think the doctors who sit in this Chamber, or elsewhere, would think it does much good either.

In Holland there are some 10,000 cases of active euthanasia per year. In Holland there is a virtual absence of hospices and palliative care, and the two are linked. In Great Britain where there is a good level of palliative care, and there is never enough of course, there is a virtual absence of euthanasia. In other words, euthanasia has been the quick fix for the lack of care provided for the dying. That is what this is all about.

We had before the committee that studied Bill C-203 Dr. John Scott who directs what I believe to be the largest palliative care hospital in Canada, *le Centre Elizabeth-Bruyère*, here in Ottawa, who talked to us about that issue.

Dr. Scott told us what he thought of euthanasia. He is not in favour of it. He has assisted people in the last stages of their lives more than any one of us has or probably ever will. He said: "Unrelieved suffering in Canada urgently needs to be addressed by palliative care strategy which includes widespread education, research and bedside services. The fear and the pain of dying can and must be relieved in Canada".

Dr. John Scott totally rejected euthanasia, mercy killing, assisted suicide, or anything like that as a solution.

At the same time, we should all pray for Mrs. Rodriguez. We should think of others who are suffering from this disease. I am thinking of Judge Sam Filer, an Ontario court judge, who is also suffering from Lou Gehrig's disease.

From a report that I have, in 1989 Judge Filer suffered a respiratory failure. The medical profession asked his wife: "What do we do with him? Do we revive him?" His wife allegedly said: "I will take care of his quality of life, thank you very much. You take care of saving his life". They revived him. Today, even with the difficulties that the judge has in communicating, he says that he is glad to be living. Do you know what he also says? He says that eight or ten years ago when he became sick, had someone asked him at that time: "Would you want to live like this 10 years from now?" he would have said: "No".

Who will change Mrs. Rodriguez' mind if she could sign a document like that and if there were no criminal law to protect her? Who would save her? Is it John Hofsess? I hardly think so.

[*Translation*]

Mr. Speaker, it is true that this is a difficult issue. It is for me as it is for all members of this House, and I do not take it lightly. I must also say that it is much easier not to talk about it than to talk about it. It is difficult for all of us, even for those who claim that they have the courage to talk about it. However, we must voice our opinions. Whether we are afraid of the issue or not, we must do everything to protect the human life.

I would like to conclude with a quote from a Law Reform Commission report concerning the need for legislation protecting the dignity of human life. The quote reads as follows: "The repression of unlawful actions is neither the only mission of the law, nor even its main mission. The law is the expression, in the fullest meaning of the word, of the type of society to which we belong".

[*English*]

That is quite true. That is the purpose of law, to state where we stand as a society.

Mr. Waddell: Mr. Speaker, I rise on a point of order. I did not want to interrupt my friend during his very interesting speech.

I know he did not want to make allegations to the contrary, but with respect to using Mrs. Rodriguez, I know he will note that my motion has been on the Order Paper since May 15, 1991.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, tonight this House is considering the motion put forward by the hon. member for Port Moody—Coquitlam.

The last half of that motion reads:

> —of ensuring that those assisting terminally ill patients who wish to die not be subject to criminal liability.

This is an extremely sensitive issue that does not easily fit into political positions based on ideology. Supporters for and against this motion can be found in all parties and across the social and political spectrum in our Canadian society.

There is much discussion in Canadian politics and society about individual rights and freedoms. The public and politicians are bombarded with messages which remind us of this. However, within the past, current and I suspect future political discourse, there has rarely been acceptance of an absolute supremacy of individual rights.

Notwithstanding the distinction between passive euthanasia which involved the cessation of treatment and active euthanasia which involves positive, contributing actions leading to death, the people supporting the acceptance of euthanasia and mercy killing would like our society to set aside the principle that intentionally taking the life of another is wrong. They want us to set that principle aside.

• (2040)

I would like to quote from a thoughtful article in *The Ottawa Citizen* of January 18 written by Susan Zimmerman, a lawyer who has been involved with the McGill University Centre for Medicine, Ethics and the Law. She wrote:

> If euthanasia is an acceptable option for the terminally ill, should it also be offered to the chronically ill, the severely disabled and the elderly? Should the physicians routinely offer death as an alternative to treatment? Should they be the ones to decide when to raise death as an option?
>
> Acceptance of euthanasia in any form means that death becomes an option where currently it is not. How will we measure the insidious shift this will entail in social attitudes toward the weak, the infirm, the elderly and the dependent?

This article suggested that an acceptance of euthanasia might lead to a change in what society considers a life worth living and what is an impairment which would justify actively ending a life.

Another article in *The Ottawa Citizen* today suggests that in the Netherlands—the Netherlands has been quoted here this evening already—these decisions are not just being considered for the terminally or chronically ill, but also for newborns. When a child is born with a severe physical or mental disability, parents and doctors consult and make a hypothetical determination about that child's quality of life. Based on that decision they can proceed through a number of steps to put the child to death.

I realize that a single story in a newspaper cannot give the full story, but the idea in itself is extremely disturbing and something to be feared.

The issues which physicians and medical ethics experts deal with when discussing euthanasia are admittedly complex and often lacking in clear definitions. There is active and passive, voluntary and involuntary euthanasia, as well as doctor-assisted euthanasia. Even more confusing is determining acceptable and unacceptable levels of suffering and whether these assessments can be made on behalf of those people who are unable to indicate their situation to caregivers and to loved ones.

Reviews of the law covering euthanasia have been carried out in the recent past. In 1983 the then Law Reform Commission of Canada recommended against decriminalizing voluntary euthanasia. The commission recommended that the offence of counselling, aiding or abetting suicide should not be removed from the Criminal Code or revised.

In the past years there have been a number of developments in relation to terminally ill persons, chronically ill persons and persons who are unconscious and in what physicians call a persistent vegetative state. Public consensus is continuing to develop regarding issues relating to cessation of treatment but no consensus has developed on issues involving euthanasia and aiding suicide.

The Quebec case of Nancy B. involved an incurably, but not terminally, ill woman who had failed to respond to treatment and who wished to have the hospital disconnect the respirator which was keeping her alive. The court found that under the civil law of Quebec the patient had the right to refuse treatment and that this did not conflict with the provisions of the Criminal Code.

Although surveys in the United States and Canada have found people sympathetic to the situation in which some incurably or terminally ill persons find themselves, when referendums were held in the United States that specifically allowed voters to decide whether they wished to decriminalize euthanasia and aided suicide, the voters were unwilling to take this step. They may have remained unpersuaded of the need for such action and

they may have also been concerned about the effect it could have.

Neither has the case been made for decriminalization. Court decisions have made it increasingly clear that generally approved medical practices such as administering palliative care for pain relief even when it may also have the effect of hastening the death of terminally ill patients is not murder. Removing a respirator at the request of a patient is seen by most as an accepted practice. Withdrawing drugs and food from patients in a persistent vegetative state at the request of a patient's family has been recognized as an extension of the patient's own right to refuse treatment. In all these situations, treatment has not been successful and all that remains is to make the patient as comfortable as possible or to grant the request of the patient or his or her family to cease any further attempt to treat. Most people involved in the medical profession suggest more importance should be placed on palliative care for the relief of pain instead of forcing people to look at the issue as a choice between a quick painless death and a slow painful death. Palliative care to relieve pain is intended to relieve symptoms, not to sedate patients and hasten death.

There is a need in Canada and that need is to consider how best to promote a palliative care strategy which includes widespread education, research and bedside services to relieve Canadians of the fear of pain and dying.

The danger is that where physicians decide to practice euthanasia or aid in suicide, their patients might not be aware of the option of appropriate and effective palliative care. Similarly, there is little incentive for the health care systems to promote and support palliative care. Where doctors are known to assist suicide or provide euthanasia services, in this sense there is a danger that euthanasia may then be regarded as a cheap substitute for palliative care.

In conclusion, with this motion before us we have a challenge facing us as parliamentarians and citizens. It is an ethical question which forces us to look at ourselves, and I for one, as the representative for Fraser Valley East, cannot bring myself to support the motion or the sentiment surrounding it. I do not want to set aside the principle that intentionally taking the life of another is no longer wrong. Therefore, if I have the opportunity of voting on this, I will be voting against this motion.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, this is a very emotional subject, one that is going to bring out deep beliefs and deeply held feelings. I think we can discuss this matter on the level of the legalities involved.

I want to spend a few minutes looking at the wording of the motion and talk about some definitions. The motion says: "That in the opinion of this House, the government should consider the advisability of introducing legislation on the subject of euthanasia". That is the first part of the motion. What does euthanasia mean? How can we consider the advisability of bringing forward legislation on a subject unless we know precisely what we are talking about? Let us have a look at some of these definitions.

In a recent article in a newspaper, the author tried to put forward some definitions. The definition for active euthanasia was put forward. Note the adjective. There is not just euthanasia, but it would appear that there are different types of euthanasia. "Active euthanasia—the deliberate termination of the life of a human being who is ill, usually by injection or overdose of medication by a physician or surgeon at the patient's request". Let us look at that definition for a moment.

The deliberate termination of the life of a human being. That is a sanitized way of saying the deliberate execution of a human being, the deliberate killing of a human being. Let us make no mistake about it, that is exactly what it is. The termination of a life is its execution or its killing, usually by injection or overdose of medication, but not necessarily.

Then the author assumes that it will be by a physician or a surgeon as if execution or killing is somehow justified because it is performed by a physician or surgeon. Yet, if we look at this motion we will see that the words physician and surgeon do not even appear.

In the second portion of the motion it says: "and, in particular, of ensuring that those assisting terminally ill patients who wish to die not be subject to criminal liability". It does not even mention that physicians and surgeons assisting terminally ill patients not be subject to criminal liability. Just "those". It could be anybody. It could be a nurse assisting a doctor. It could be a brother.

It could be an aunt or an uncle. It could be anyone under the terms of the very wording of this motion.

• (2050)

Is that what we want to do? Do we want to have just anyone terminate, execute, kill an ill person? The third part of the definition states: "at the patient's request".

We talk about Holland and the experience that the Dutch have had. Recently there were headlines in the newspapers trumpeting the great news for humanity that the Dutch Parliament approves law sanctioning euthanasia.

Here are the guidelines to protect us from ourselves apparently: The request for euthanasia must be made entirely of the patient's own free will and not under pressure from others. The patient must be spoken to alone to ensure the decision is voluntary. These are patients who are dying, who in many cases are in agony. Are they going to be thinking straight? Are they going to have the ability to determine this on their own? Of course not.

The patient must be well informed about his or her situation and must have been able to consider the alternatives. Oh yes, because of course in the throes of a terminal illness they are going to be sitting there rationally listening and adding up the ledgers *a* and *b* and the debits and the credits columns to make a rational decision.

The patient should have a lasting longing for death. Requests made on impulse or based on a temporary depression cannot be considered. What is a temporary depression? What is a lasting longing for death? Who is going to decide? There is no answer in the Dutch legislation.

The patient must experience his or her suffering as perpetual, unbearable and hopeless. Virtually any doctor will tell you that there is virtually no disease known to man where the pain cannot be controlled. If there is a disease where the pain cannot be controlled, I say doctors should be looking for ways to control the pain, not to execute the patient.

Another guideline: The physician must consult at least one colleague on the patient's request. In other words, if the patient has the wherewithal to say: "Hey, by the way do you mind checking with a colleague", then the doctor has to check with a colleague.

A well documented written report must be done stating the history of the patient's illness and meeting the carefulness requirements. Note the code words, the carefulness requirements. This is in the Dutch legislation. This is the dramatic jurisdiction that we should be considering as our model.

What happened in Holland? In 1990, 1,030 Dutch patients' lives were terminated. They were killed without their consent under these guidelines. Of 22,500 deaths due to withdrawal of life support, 63 per cent of them, 14,175 living patients, were denied medical treatment without their consent and 12 per cent of them, 1,701, were mentally competent but were not consulted. They were killed without consultation. They were executed without consultation.

The common law provides very clearly that absolutely no one has to accept treatment. If treatment is forced on you against your consent that is an assault against your person and the doctor can be charged criminally or face a civil suit. No one has to accept treatment. The argument that my friend, the member for Fraser Valley West, put forward that we are inflicting life on people is specious to say the least.

We do not have to get into religion. Of course if we mention religion there are those who will say, "You are imposing your religious views on others".

All we have to do is look at the medical facts and we have to listen to some doctors. This is what Dr. Gordon Dickey, President of the Ontario College of Family Physicians says: "Doctors are in the business of caring for patients. Euthanasia as I understand it is killing people and killing people is morally wrong and not something that physicians should be involved in".

The member for Fraser Valley West however did mention the word "God", something that we do not often mention in our society today. He mentioned his God and I know his God because He is the Christian God. I remind him and people listening of precisely what his God has already said in one of His 10 very simple rules: "Thou shalt not kill".

Mr. Stan Wilbee (Delta): Mr. Speaker, I do appreciate the opportunity of at least starting a little speech here tonight to talk on this very fascinating subject.

I think the fact that many members stayed at this hour of the night to listen to the debate indicates the interest that there is in it.

We recognize also that there is a Gallup poll that has been done which shows that 75 per cent of all Canadians favour euthanasia but when you look at that poll more closely you will find that euthanasia is not very well defined.

When we were holding hearings on the bill, from the member for Fraser Valley West we discovered that there are many different aspects of euthanasia and many different definitions. I think when we look at this bill that a motion should be made for the government to initiate legislation to discuss euthanasia.

Immediately we would have to ask what the need is. What are the manifest needs for such legislation in this House at this particular time? I have not had any great numbers of letters or phone calls or anything from my constituents. We have not seen any great outcry from the newspaper and the popular press.

What we do have is a couple of very significant court cases that have occurred in the past and are occurring at the present time, particularly Sue Rodriguez. I appreciate the clarification of the sponsor of this motion that the motion was put in prior to the time that Sue Rodriguez went to court.

What concerns me when I watch the television proceedings of the Rodriguez case in Vancouver is that I see a very ill woman who we all must sympathize with. All around her I see lawyers, politicians and various activists who all have some particular benefit to be gained or have some agenda that they want to see served. The real question on my mind is whether this woman is being manipulated. She has expressed a desire to end her life when the time comes. I have a real concern for this woman in that area.

I think there is some evidence for that in the headlines of *The Vancouver Sun* on February 2. The head of the Right to Die Society admitted that he had forged Sue's initials on a letter. In it he said that the Saanich woman said the letter does not represent her viewpoint and was sent without her knowledge. The fellow that did that is the executive director of the Right to Die Society that is backing Rodriguez court challenge to have the law prohibiting assisted suicide struck down. He admitted: "My actions were both inappropriate and unethical. I think we need to look at that with care.

The member for Glengarry—Prescott—Russell mentioned a judge in his area. I have a constituent, a Mr. Roy Slater, from Ladner, the founder of the ALS society who was told 12 years ago that he only had a year or two to live. Yet in that time he has founded the ALS Society. As head of the retired civil servants, he has been active in Indian missions and he has been active in his church.

About one year and a half ago, I went to the Willow Chest Centre at Vancouver General Hospital for what I thought was my last visit with him. Just about six months ago we went to a dinner in his honour put on by the ALS Society. One and a half years ago, he could have been terminated but he chose not to and he is continuing on.

I will continue this speech at the next hour.

The Acting Speaker (Mr. Paproski): The hon. member will have six minutes remaining in his speech.

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 from the order of precedence on the Order Paper.

It being nine o'clock p.m., this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 9 p.m.