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OFFICIAL REPORT (HANSARD)

Thursday, January 20, 1994

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

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The House met at 10 a.m.
Prayers

ROUTINE PROCEEDINGS

[Translation]

INTERPARLIAMENTARY DELEGATION

Hon. Sheila Finestone (Secretary of State (Multiculturalism)(Status of Women)): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the report of the Canadian group of the Interparliamentary Union.

This is the report of the official delegation representing Canada at the 90th Interparliamentary Conference held in Canberra, Australia, from September 13 to September 18, 1993.

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[English]

PETITIONS

TAXATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have a petition from my electors that asks the government to undertake a comprehensive review of taxation at its earliest convenience to remove the current injustices.

These petitioners indicate a particular injustice in the current legislation; single income families with special needs children are discriminated against for their decision to remain at home with their children.

They point out that there is a significant cost that is incurred by families advised by physicians to place their children in day care catering to special needs children. I may add as well that these costs remain the same whether the family has a single or double income. This is, in the opinion of these petitioners, unfair and discriminatory. (1005)

[Translation]

These constituents are asking for a report on what is being done about taxes. They want the injustices to be removed. [English]

THE CONSTITUTION

Mr. Myron Thompson (Wild Rose): Mr. Speaker, pursuant to Standing Order 36, I am pleased to table a petition on behalf of the constituents of Wild Rose, in and around the town of Sundre, which states: "The undersigned, your petitioners, humbly pray and call upon Parliament to enact legislation providing for a referendum of the people binding upon Parliament to accept or reject two official languages, English and French, for the government and the people of Canada; the acceptance or rejection of the proposed amendments to be determined by a majority vote of the total votes cast in the whole of Canada, together with a majority vote in a majority of provinces with the territories being given the status of one province. And as, in duty bound, your petitioners will ever pray".

On behalf of these petitioners, I submit this today.

VIOLENCE

Mr. Dennis J. Mills (Broadview—Greenwood): Mr. Speaker, pursuant to Standing Order 36, I have the privilege to present before this House petitions that have been signed by constituents from not only my riding but from around the greater Toronto area. They call on Parliament to recognize that the incidence of violence against women and children is unacceptable.

The petitioners humbly pray and call upon Parliament to accept legislation designed to eliminate violence against women and children, encourage and support women to report incidents of assault or abuse, provide assistance and support for women reporting assault or abuse and the need for abuser rehabilitation.

They want to concentrate special effort on the training of police, lawyers, court workers and judges to become knowledgeable about women and child abuse and also to focus public attention on this very important and long ignored problem.

CANADIAN FORCES BASE MONCTON

Mr. George S. Rideout (Moncton): Mr. Speaker, pursuant to Standing Order 36, it is a pleasure to introduce a petition from

the workers at Base Moncton who are petitioning the government to maintain the depot facilities that are there.

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Mr. George S. Rideout (Moncton): Mr. Speaker, second, it is my obligation to introduce certain petitions pursuant to Standing Order 36 dealing with language and referendums.

SERIAL KILLER BOARD GAMES

Mr. George Proud (Hillsborough): Mr. Speaker, pursuant to Standing Order 36, I rise to present a petition on behalf of constituents and people of my province. They ask that government ban the sale of the serial killer board game and prevent any other such game or material from being made available in this country.

Mr. Paul DeVillers (Simcoe North): Mr. Speaker, I have a similar petition signed by my constituents in Simcoe North. It deals with the importation of the serial killer cards. It denounces the sale and the importation of these cards into Canada.

I am cognizant of the danger of restricting freedom of expression in a democratic society, but nevertheless I must endorse this petition and its denouncement of the glorification of the horrors of these crimes particularly when one considers that many of the victims of these killers are women and children.

(1010)

The Speaker: My colleagues, with unanimous agreement, may we revert to private members' bills for one moment?

Some hon. members: Agreed.

* * *

[Translation]

PARLIAMENT OF CANADA ACT

Mr. Eugène Bellemare (Carleton—Gloucester) moved for leave to introduce Bill C–201, an act to amend the Parliament of Canada Act (oath or solemn affirmation).

He said: Mr. Speaker, it is a great honour for me to present a bill amending the Parliament of Canada Act so that from now on members would make an oath of allegiance not only to the Queen but also to the country, Canada and the Constitution.

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

GOVERNMENT ORDERS

[English]

SPEECH FROM THE THRONE

RESUMPTION OF DEBATE ON ADDRESS IN REPLY

The House resumed from January 19 consideration of the motion for an address to His Excellency the Governor General in reply to his Speech at the opening of the session; and of the amendment; and the amendment to the amendment.

Mrs. Ablonczy: Mr. Speaker, I rise on a point of order. Pursuant to Standing Order 43(2), I would advise the Chair that Reform members speaking in this debate will be dividing their time. For each 20-minute time period two speakers will speak for 10 minutes each for the rest of this debate on the throne speech.

The Speaker: The notification is duly recorded.

[Translation]

Mr. Duceppe: Mr. Speaker, I suppose that the five minutes for questions and comments will follow right after the first ten minutes and not come at the end.

The Speaker: Yes, usually that is the case. Today it will be that way as well.

[English]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food): Mr. Speaker, I am very honoured to join in this debate on the Address in Reply to the Speech from the Throne at the beginning of a brand new Parliament and the beginning of the mandate of our new government.

In that government I am very grateful to have the opportunity to represent the people of Regina—Wascana. I want to thank them for the trust they vested in me in the election of October 25.

Regina—Wascana includes the southern half of the city of Regina and a rural area running south and east from the city. I am proud to represent Saskatchewan's provincial capital, together with several thousand rural residents. I would note that most of the rural voters now in Regina—Wascana were previously in a Saskatchewan constituency known in earlier Parliaments as Assiniboia which I had the honour to represent in this House in the 1970s. I am pleased that a respected friend and colleague from that earlier Parliament has been chosen by this House as its chief presiding officer. I also want to congratulate you, Mr. Speaker, upon your election to this high responsibility.

I want to pay tribute to the two distinguished members who moved and seconded the Address in Reply to the Speech from the Throne. They are representative of the diversity, strength and depth of the government caucus, of which I am very pleased to be a part. That caucus has worked hard to get to this House and to get to the government side of this House and I know they are determined to play a strong and positive role. They have already done so in working with me in my responsibilities as Minister of Agriculture and Agri–Food Canada. They have been vigilant, mature and highly effective in advancing the interests and concerns of their constituents on agricultural issues.

(1015)

As Minister of Agriculture and Agri-Food, I am responsible for a very important component of Canada's economy and a major source of economic growth. This sector employs more than 1.8 million Canadians and generates 8 per cent of Canada's gross domestic product. Food production and processing are important activities in all parts of Canada, east, west and central, rural and urban. Our agri-food policy was spelled out very clearly in the famous red book during the election campaign.

The two broad thrusts of that policy are to provide the agricultural sector with stability and certainty for the future and to ensure that it contributes to economic growth and jobs. We ran on that platform, we were elected on that platform and we plan to implement that platform. We will work hard with industry and with the provinces to ensure that the job gets done.

A secure agricultural sector means safe, reasonably priced food for Canadians, financial stability for farmers and others in the sector, stewardship of our resource base, and a predictable trade environment.

Economic growth requires that we take advantage of export opportunities, that we promote innovation, that we support market development and reform policies that might tend to impede growth.

In that overall process international trade must be central to any attempt to rebuild the Canadian economy and to broaden our opportunities in agriculture and agri-food. One and a half million Canadian workers—that is one in five—depend directly on exports for their livelihoods. Total two-way trade in goods and services accounts for almost half of our GDP. Only Germany among the Group of Seven countries is more dependent on trade than is Canada.

Given those facts, reaching a new GATT agreement was essential for Canada's future. It is one step on the road to achieving the goals of job creation and economic development.

This government came into the GATT negotiating process as the clock was very close to nearing midnight. There were barely six weeks between the time the cabinet was sworn into office and the GATT deadline date on December 15. But once at the table in Geneva we battled hard to reach the best possible agreement for Canada. My colleague, the Minister for Interna-

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tional Trade, and I made a number of visits to Geneva and Brussels to deliver Canada's message personally to trade negotiators and ministers from other countries. We fought hard and I believe we have a good agreement.

It is true that we did not get everything we wanted in the bargaining process, but we gained much more than we may have given up.

Although much of the focus in this round of the GATT has been on agriculture per se, the agreement over all will benefit all Canadians. It should stimulate the world economy and help create badly needed jobs in our country. The OECD has estimated that the agreement will give the Canadian economy an \$8 billion boost by the year 2002. It is in my opinion a good deal for Canada.

Agriculture, of course, was a major part of this Uruguay round at the GATT. For the first time in the history of GATT we now have an agreement that brings agriculture under effective trading rules. The agreement will reduce the risk of damaging trade actions because rules will apply equally to all countries and countries' specific exemptions will be eliminated. A framework of rules will help to prevent the misuse of things like sanitary and phytosanitary measures as disguised trade barriers.

A strong new international body, the World Trade Organization, will help to resolve trade disputes. Canadian farmers and processors will be less subject to unfair competition resulting from foreign export subsidies. Improved market access in Japan, Korea, Europe and the newly industrialized countries will bring exciting new trade opportunities for Canadian exporters. While the timing of export subsidy cuts is certainly slower in the GATT than we would have wanted, the cuts that were in fact achieved will result in significant subsidy reductions by the end of the six—year period of this new GATT. That should help to stabilize and improve prices in the grains and oilseeds sector of our economy.

(1020)

While in the bargaining process we found virtually no support in other countries for our strengthened and clarified article XI, our preferred method for safeguarding supply management, we are confident that our supply management systems in Canada can continue to do well under the new concept of comprehensive tariffications.

The livestock and red meat sector will be winners under the GATT because of greater security of access to markets. Replacing import restrictions, import levies and other trade distorting measures with tariffs will result in additional export opportunities for beef and pork products to Europe, Japan and Korea and over time this will create a more equitable trading environment for Canadian exporters.

The new trade regime, while by no means perfect, should provide the stability and the predictability that we need to plan and invest for the future. We must now work together as Canadians to ensure that we reap the maximum benefits for all sectors of the agri-food industry in all parts of this country.

We have 18 months to prepare ourselves for the implementation of the GATT. If we do our homework well in that period there are abundant opportunities for us to capitalize upon and the future for agriculture and agri-food can be and I believe will be bright indeed.

To deal with the special needs of the supply managed sectors of agriculture I have asked my parliamentary secretary to head a small consultative task force involving producers and processors and government officials on the broad question of supply management renewal. This process has been endorsed by all of my provincial colleagues across the country. The purpose of the task force is to identify for governments all of the issues that we will have to address and to recommend processes by which those issues can be addressed in this 18—month period before the GATT comes into effect because we all as governments, federal and provincial, want to be fully ready for July 1995.

Changes in the world economy will profoundly affect the way that we trade. We are witnessing the increasing globalization of markets. It is no longer unusual to see fresh produce from New Zealand or southeast Asia in our local grocery stores. In addition, commodity prices are experiencing a long-term decline in real terms.

Canada can no longer depend on primary product exports to the extent we have in the past for improvements in our standard of living. We will have to rely more and more on value added exports to new and changing markets.

I think there is tremendous potential in value added. Three-quarters of all agri-food jobs are found beyond the farm gates. My Department of Agriculture and Agri-Food is now positioned and ready to help farmers and businesses take advantage of the kinds of opportunities that new markets represent.

The department has a new branch, Market and Industry Services, with offices right across this country in all provinces specifically designated to work with the industry on enhancing its global competitiveness and increasing its share of domestic and international markets.

The federal government also has 50 full-time employees working on agri-food trade development in more than 150 foreign markets. The team includes 13 specialists dedicated to agricultural issues in priority export markets including Japan and Taiwan. Their job is to help improve market access and provide up-to-date market information and intelligence to

Canadian exporters. Agri-food specialists in other key international locations may well be appointed in the future.

One of the Prime Minister's first major initiatives after taking office was to travel to Seattle to meet leaders of the 17 nation Asia—Pacific Economic Co—operation group. These APEC countries represent the most dynamic and fastest growing economic region in the world.

(1025)

While western industrialized economies have stagnated in recent years, annual growth among APEC countries has been between 6 per cent and 9 per cent and they account for 40 per cent of world trade. World Bank figures indicate that half the increase in the world's wealth between now and the year 2000, as well as half the increase in world trade, will come from Asian countries. There are huge opportunities for Canada in this burgeoning market, particularly in products like pork and other value added products.

Speaking to the Ontario Federation of Agriculture last November, Dennis Avery of the Hudson Institute described the Asian marketplace as the greatest opportunity in farming history. As Asian countries become more affluent their demand for high protein products will rise. It is a demand that they may be hard pressed to meet and that is where we come in. Canada has a well earned reputation for producing the highest quality food products in the world, and it is a reputation we can capitalize on to penetrate new markets.

Next to Asia, Latin America is the fastest growing trading area in the world. For Canadian agri-food exporters it has trailed only the United States as the second fastest growing market for our products. In recognition of the importance of trade and the need to develop these markets for Canadian products, the Prime Minister has appointed two secretaries of state within foreign affairs with responsibility for trade with Asia and Latin America as well as with Africa.

With the GATT and the NAFTA in hand the government has been turning its attention to other outstanding trade issues, in particular our ongoing bilateral disputes with the United States. While in Geneva in December, I had the opportunity to discuss some of these issues with my American counterpart, the U.S. Secretary of Agriculture, the hon. Mike Espy. I met with Mr. Espy again earlier this month in Toronto and we have had a number of conversations by telephone since.

I remain reasonably optimistic that the various areas of disagreement between Canada and the United States at the present time from wheat to peanut butter, to sugar, to some dairy matters can be resolved to the satisfaction of both countries, but we may rest assured that the Canadian government will be vigorous and vigilant in advancing the Canadian interest in respect to these products.

The issue of outstanding wheat and barley rights with respect to the European Community is also a top priority. My officials and I will continue to work with the Europeans, as will representatives of international trade, to seek adequate compensation for our historic GATT rights with respect to high quality wheat and barley in Europe.

Another key priority will be to develop new whole farm safety net programs for the future. In two weeks time I will be meeting with provincial and industry representatives in Winnipeg to start work on the future of safety nets in agriculture in Canada. In my view we need a safety net system that meets the basic needs of all agricultural sectors and does not distort market signals, one that lets farmers make sound decisions based on comparative advantage and not based on government programs. Money is tight. We cannot afford a patchwork of ineffective programs. However I believe we can afford a safety net system that works, and that is what we will all be working toward.

Even as we strive to reduce expenditures I intend to place increased emphasis on agricultural research. Good research is not a frill to be cast aside in tough times. It is fundamental to make Canada a world agricultural and agri-food leader. In our platform, the famous red book, we talked about the importance of research and the need to increase joint venture funding. Since we do not have a lot of money I will be looking for ways within my own department of reallocating priorities so that we can continue to move forward on research despite the necessities of budgetary restraint.

I believe the federal government can play a leading role in innovative research and development, for example in biotechnology which has a very strong reputation in my province and other exciting new areas like ethanol.

However R and D spending cannot just be turned on and off like a tap. Inadequate and inconsistent support for research has already resulted, in my judgment, in some missed opportunities.

(1030)

We must effectively bring together the drive and dynamism of individuals and entrepreneurship with the brain power and strength of our universities and research labs. If we do that effectively the combination can be very powerful for Canada and very powerful in the field of agriculture.

As I conclude I recall that 90 years ago this week Sir Wilfrid Laurier declared that Canada would fill the 20th century. It has become fashionable to compare today's reality with Sir Wilfrid's sentiment and to say that he was wrong.

However when we consider carefully what Canadians have achieved in this century, a country with one of the highest standards of living in the world, a country with a peaceful

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democratic society, a country that is the envy of people everywhere, maybe Sir Wilfrid was not so far off the mark after all.

Over the next four years we will have the opportunity to show that the 20th century did indeed belong to Canada. We will have the opportunity to make history, to restore the faith of Canadians in themselves and in their country, and to prepare Canadians for the next century with the same confidence they had at the start of this one.

This government is looking forward to meeting that challenge.

[Translation]

Mr. Jean H. Leroux (Shefford): Madam Speaker, first I would like to thank the hon. member for Regina—Wascana for the speech he made in this House. He stressed the importance of his department and, as the Official Opposition's deputy critic for agriculture and agri-food, I would like to voice the concerns of my constituents in the riding of Shefford. There are many farmers in my riding, and today they are very worried.

Last December, I attended the UPA convention in Quebec, and I must say farmers in Quebec and Ontario are extremely concerned about what is happening as a result of GATT and NAFTA. Chicken, dairy and egg producers are very worried, as their future seems very uncertain.

I think the minister made it clear in this House that he intended to expand the role of the Department of Agriculture. Madam Speaker, you know as well as I do that agriculture has never been an important department when the Liberals are in power. However, we hope that this time, after the minister's eloquent speech, agriculture will receive more emphasis, since in Quebec more than 350,000 people depend on agriculture and the agri-food sector. As the minister said so eloquently, this is an area where we can develop markets and an area in which we can compete internationally thanks to the quality of our products. I would therefore urge the minister to stay his course.

We in the opposition intend to monitor very carefully the decisions that will be made by this government. If it does it right, it can be sure that on behalf of all farmers in Shefford, Quebec and Canada, we will support those decisions.

[English]

Mr. Vic Althouse (Mackenzie): Madam Speaker, I wish to congratulate the Minister of Agriculture on his first speech in this session of the Commons.

During his speech he was discussing GATT and the marvellous solution that we have signed in that accord. He mentioned the new rules and that "rules will apply equally to all countries". Yet in the GATT we appear to have signed away our rights under article XI which protected our supply managed industries. The Americans appear to have maintained their waiver under article XXII which retains their ability to keep out dairy products, peanuts, cotton, sugar, et cetera. In spite of the rules allegedly applying equally to all countries, we still have a

situation which has not changed whereby the constitution of the United States still permits the Congress to overrule, at virtually any moment, any international agreement that its president and administration has signed.

(1035)

Given that the constitution has not changed and their waivers continue, how can he say that we have in fact received an improvement? If we did, why are we now negotiating rather than insisting upon our rights for barley and wheat sales into the United States, one of the highest priced markets for those products, largely because the U.S. insists on sucking its own market dry with its export enhancement program which has created a marvellous opportunity for our product to rush in at a good price?

Mr. Goodale: Madam Speaker, I appreciate both the comment made by the previous member and the question just asked by the member from my home province of Saskatchewan.

With respect to the situation prevailing at this present moment the short answer to the member's question is that the new regime under GATT has not yet come into effect. The implementation date is July 1995, so the benefits we hope to achieve and that I mentioned in my speech will be forthcoming after implementation. I would dearly love to see those benefits come in advance but unfortunately we cannot get them until the process actually gets into place.

On the question of whether we have given up our ability to have import controls under article XI where other countries have not given up corresponding things, the facts are that all countries have surrendered their rights to have those kinds of border restrictions. In Canada those restrictions related to our supply managed sectors under the auspices of article XI.

In the United States it is the section 22 waiver under the U.S. agricultural adjustment act. In Europe it is the system of variable levies. In Japan and Korea it is the limitation system they had with respect to rice. All those methods previously used as non-tariff barriers will no longer be permissible in future under the new GATT once it is implemented in 1995. All of us have surrendered something in that regard, getting instead this system of comprehensive tariffication.

Will there be aberrations along the way? Undoubtedly so. We will have to be vigilant, to watch out, to make sure that this playing field is as level as it possibly can be. One thing we do have to assist us in that regard now, or when the GATT is implemented, is a new world trade organization which should be

a substantial improvement over the ad hoc and undisciplined system that used to exist in the past.

Mr. Myron Thompson (Wild Rose): Madam Speaker, last year many barley growers in and around my riding enjoyed the freedom of an open continental barley market. For the first time in many years this free enterprise was working and they were very pleased with it. Although this lasted only for a short time, farmers were able to increase their sales by a huge margin.

I would like to know if the Minister of Agriculture could explain to us why this opportunity no longer exists and if it will be open again in the near future, as the barley growers are anxiously waiting.

Mr. Goodale: Madam Speaker, I am fully aware that opinion in some parts of western Canada is very sharply divided upon the method of marketing barley.

(1040)

The short answer to the member's question as to why the system is no longer in place as it was temporarily in place in the latter part of 1993 is simply that the previous government proceeded by a method which the courts ruled to be beyond the government's jurisdiction. The courts ruled that the process undertaken by the previous government was in fact contrary to law

In terms of whether the system ought to be revisited or reviewed in the future, some in western Canada are proposing the idea of a plebiscite on the issue. The matter of a producer plebiscite can be considered in due course. However, I would caution members against rushing too quickly toward that conclusion. That is because plebiscites sometimes are not quite as simple and clean solutions as one might otherwise think.

In this case, for example, I think there would need to be a legislative framework to ensure that the plebiscite was conducted properly. One would need to have some definition of a trigger mechanism to start the process of a plebiscite. One would have to give careful attention to the wording of the question. As the hon. member knows, whether the question is phrased positively or negatively can have a profound impact on the outcome. Then there are the thorny questions like who gets on the voters list, who is entitled to vote on the issue, and whether it is restricted in some way.

There are a good many complexities relating to the question of a plebiscite. I think all of us would want to think it through very carefully before rushing into that as necessarily the right way to go in these circumstances.

[Translation]

Mr. Laurent Lavigne (Beauharnois—Salaberry): Madam Speaker, I listened carefully to the speech the Minister of Agriculture just gave. As member for Beauharnois—Salaberry,

a mainly agricultural riding where grain production has been increasing over the past few years, and given the recent developments regarding GATT and NAFTA, I would like the minister to tell me what is to become of farm income stabilization, crop insurance, and the Crow rates as they apply to western grain transportation.

Will these benefits be considered as some form of subsidy? Will they be allowed under the terms of these agreements? There does not seem to be too much of a problem for the time being. However, should this type of insurance be regarded as subsidy and should farmers be deprived of such assistance, what are you planning to do for grain producers who are presently covered?

The Acting Speaker (Mrs. Maheu): Order, please. Unfortunately the time allotted for questions and comments has expired. Will the House allow the minister a short answer?

Some hon. members: Agreed.

[English]

Mr. Goodale: I am pleased to have the opportunity to briefly respond to the question. I am sure we will have other opportunities to consider the questions raised by the hon. member in greater detail. The member certainly has touched upon some vital questions in terms of the future of Canadian agriculture.

I mentioned in my remarks that we would be reviewing the whole system of farm safety net programs and hopefully moving toward the concept of whole farm income safety nets for the future. They have a number of advantages from our domestic point of view. The whole farm income concept also has the great advantage of being largely production and market neutral. Therefore it is less likely to be subject to any violation of the new GATT. That is one of the reasons we are very interested in this concept of whole farm income safety nets. That would touch upon many of the support programs the hon. member has referred to, including crop insurance and so forth.

The area is under review. We have a conference coming up in February to begin the process of that review. Working with the provinces, the farmers and farm organizations, I think we can arrive perhaps at the end of 1994 at a much clearer understanding about how we need to adjust our programs to ensure they are doing the job properly for Canadian farmers.

(1045)

The answer on the Western Grain Transportation Act would necessarily be long. I assure the hon. member it is a subject which is very likely to be affected at least in some way by the implications of the GATT. It is a subject matter that we will undoubtedly revisit in this House on many occasions as I consult, as I ought to do, before any changes are made.

Mr. Stephen Harper (Calgary West): Madam Speaker, this is my first opportunity to address the House at length. I am sure you are getting tired of hearing that but two-thirds of us are new

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members. Many of us who have been here in the past are in new roles, as are you. I congratulate you on your appointment to that role.

At the beginning of these new roles or the beginning of our careers we have the opportunity to think longer term about the problems of our country than perhaps parliamentarians have done in the past.

Many people in my constituency have built successful careers, homes and families by thinking longer term in their affairs. Now they have taken a brave step this time in electing a new MP from a new political party to represent them for the next four or five years.

I want to take a moment to say I am greatly honoured by that election. It is an overwhelming honour and I plan to do my best to fulfil their expectations. We certainly know what happens when you forget who sent you here. The Prime Minister alluded to that yesterday. I hope that I and this Parliament do not let the people of Canada down, as I feel the last Parliament did.

In my particular case I was elected from an urban riding, a riding entirely within the city of Calgary that has 100,000 people. It is in the western suburbs of Calgary. We have a large military base. We have two post–secondary institutions.

In spite of that, my riding and our city reflect largely a private sector character. We do not have a federal or provincial government. We are one of the larger cities that does not.

Of course we have experienced the ups and downs that Alberta has had in the past decade largely through and because of our dependence on the oil industry. In spite of that there is a broadening of our industry in Calgary historically from agriculture to energy, now to services. This broadening reflects our entrepreneurial spirit in the west, in Alberta and in Calgary in particular.

This growth in the view of most Calgarians, I think I am safe to say, has been not so much with the help of government as in spite of it and in spite of the federal government in particular.

I was a newcomer to Alberta when a distant government imposed policies that brought an end to the boom times that brought me to Alberta to begin with. Of course I am referring to the national energy program. No Canadian can live through an experience like that without it influencing greatly his or her thinking about government and about our country. In spite of that thinking and in spite of the drain the federal government has often imposed on Albertans, Albertans have never wavered in their patriotism or in their optimism about the future.

Today the federal government presents not hopes but obstacles to economic recovery. The obstacles are most clearly represented by the national debt and the deficits adding to it which we are experiencing and have experienced in the past number of years. I am not going to recount the statistics. I am an economist and that would be economics and that is a dangerous

combination. Let me talk instead about what these numbers mean.

In the election campaign my colleagues and I in the Reform Party argued strongly about the need to understand the long-term link between fiscal mismanagement and economic recession and decline. We argued against the view that we should create jobs rather than fix the financial problem, not because we oppose creating jobs but because these are not conflicting objectives. They are the same objective.

(1050)

Countries like companies or households that mismanage their financial affairs do not create jobs. They destroy them. Households, businesses, families and governments that mismanage their affairs do not fulfil dreams. Those who mismanage their affairs watch their dreams slowly slip away.

Many of my generation, young professionals, the backbone of the future of Canada, have left Canada, are leaving Canada or are thinking of leaving Canada because they fear the high taxes and the declining services that this mismanagement has brought about and may worsen in the future.

Let me not preach from the Reform Party policy manual. Let me quote the government itself. For members who have not read it, Canada's Economic Challenges contains a very good summary of our economic and financial situation. It lays out better than I could all the relevant numbers on the deficit and debt and the impact on our economy, such as the fact that it absorbs our domestic savings, increases our foreign indebtedness, worsening our current account, lowering national income, our potential growth, reducing our fiscal flexibility, threatening our social programs, increasing our tax burden, raising real interest costs and decreasing our competitiveness. It is all there.

Those are not short-term problems. They are not caused by the recession. A short spurt in growth or activity will not resolve them. The chapter is illustrated with dozens of statistics.

Why then would the same government that released this book also release the throne speech this week and turn its attention instead to spending priorities and in particular to the much ballyhooed infrastructure program. That is a \$6 billion commitment, \$2 billion sought from this Parliament to kick start the Canadian economy, as if it is possible to do such a thing as kick–start an economy.

On reading the briefing notes for the program it will be noticed there are no fewer than four program objectives and nine related criteria. There are in fact lots of objectives. There are no clear priorities. None of these objectives is new to the program spending that parliaments have passed before. We are therefore led to ask why the government believes that another \$2 billion

would kick start an economy in a way the first \$160 billion of spending this year has been unable to do.

Let us be clear about the magnitudes involved. In the case of Alberta we are talking about \$88 million against an economy of \$70 billion and an infrastructure investment of at least \$1 billion a year. These are hardly kick start kinds of numbers. That is the magnitude and context of the program.

I do not want to quarrel with infrastructure as a priority or even a higher priority than it has been in the past. What I want to do is simply suggest that it will not fulfil the objectives stated by the government and the raised expectations of consumers, taxpayers and investors. It is short—term thinking about jobs and activities that has long—term consequences in terms of employment and output and that has been the past generation as we have seen it.

I ask members, especially government members, to give strong consideration to this before they cast their votes on this matter and on the legislative program that will flow from the throne speech. Members opposite will be held responsible by the public for the performance of the Canadian economy in the next four years.

Possibly the infrastructure program will deliver some shortterm benefits and some short-term visibility. But in the long term, by the next election—that at least we will talk about as our long term—the infrastructure program will long be passed and we will be stuck with the bills for it.

I suggest that until the government has contemplated a way to credibly finance these things and to fit these within the \$153 billion spending cap that we suggest it should re–examine these priorities.

I ask government members to give strong consideration to this aspect of fiscal discipline, the subamendment we propose, to support and vote for it and to include it in the speech from the throne. On that basis we would be building a more successful government program, not just from our standpoint but also for the potential of their own re–election in four years.

(1055)

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry): Madam Speaker, I would like to begin by congratulating the member for Calgary West on his maiden speech in the House of Commons. I know it will be a constructive experience over the next four or five years.

I would like to get right to my question because I know this member by reputation and I know he cares about small and medium sized businesses in this country, especially in his own community and in his own province. I noted that he did not seem to spend a lot of time in his opening remarks commenting on the difficulty that small business is having getting access to capital.

The Prime Minister said repeatedly during the campaign, in the red book and in the speech from the throne, that small and medium sized businesses would really be the engine for putting people back to work. The greatest hope for putting people back to work rests with the entrepreneurial spirit in that small business area. We all know that the banks are really not co-operating with that sector.

I wonder if the member could explain to this House if the Reform Party shares the view of our party that the financial institutions of this country really have to deal with putting the economy back on track. I wonder if the member would stand and say that the Reform Party will join with us in making sure that the banks do their job for small businesses.

Mr. Harper (Calgary West): Madam Speaker, I thank the hon. member for his question and for his congratulations. I have known the hon. member for some time and it is a delight to be able to sit with him in this Chamber.

Of course there was not time in my speech to address all of the concerns that the hon. member would like me to address. If in future the rules of the House are altered so that I can speak at greater length, I would be delighted to do so.

The member raises the question of small and medium sized business and their access to capital. My supporters, particularly my association, are predominantly people who work in small and medium sized business and they voted for our party I suspect precisely because they share our concerns.

I would suggest to the government that certainly there are problems with access to capital in the banking sector. However, I would suggest that what the government should do before it starts figuring out how to run the banks and how to run small and medium sized businesses and all kinds of other institutions that it run itself so that small and medium sized businesses have access to capital.

According to the projections of the Minister of Finance, in this financial year we will be borrowing up to \$45 billion in the financial markets. Certainly some of this money, if not a large part of it, would be available to small and medium sized businesses if the government would undertake the credible program of deficit reduction that is being advanced through our subamendment. If we do not do that, it would be ridiculous to try to alter the rules of the banking system if the capital itself is being tied up by the Government of Canada which is more than absorbing our domestic savings. That is all in the book his own government has put out.

The Address

I would suggest that the way to deal with the problem of capital access for small and medium sized businesses—and the message from the people in my constituency—is to deal first with releasing those funds through deficit reduction and only then should we deal with the problems in other institutional arrangements.

The Acting Speaker (Mrs. Maheu): The hon. member's time has expired.

Mr. Mills (Broadview—Greenwood): Madam Speaker, on a point of order. Is not the question and answer period 10 minutes?

The Acting Speaker (Mrs. Maheu): It is five minutes on a ten-minute debate. They are splitting their time.

Mr. Riis: Madam Speaker, a point of order. I have listened very carefully to the very thoughtful comments of my colleague. Considering the importance and the nature of the tax system and the funding for small business, would the House permit two or three other questions in response to the hon. member's comments? Can we have unanimous consent to allow a few more questions to be put to the member?

(1100)

The Acting Speaker (Mrs. Maheu): Is it the will of the House to allow a few more questions?

[Translation]

Mr. Robichaud: Madam Speaker, I thought there was a consensus and that the Speaker had been informed that we would split the time allotted, that is ten minutes for a speech, followed by a five-minute question period. I would like us to stick with this formula to give more people a chance to speak to this debate, otherwise each member could considerably exceed the time limit and I do want as many hon. members as possible to have the opportunity to speak.

[English]

The Acting Speaker (Mrs. Maheu): Unfortunately consent is denied.

Mr. Riis: Madam Speaker, a point of order. I appreciate the point made by my hon. friend. If the concern is to allow as many members to speak to this important debate as possible, we can always extend the hours for people to do that.

My point was that the past speaker was a very important spokesperson for the Reform Party and an obvious person of whom to ask a number of questions.

The Acting Speaker (Mrs. Maheu): There will be another chance for questions unless the next speaker is willing to cede his time.

Mr. John Williams (St. Albert): Madam Speaker, I would like to start by congratulating you on your election to the Chair of this honourable House.

I presume that while you waited with bated breath, while your colleagues took a second look before firmly ensconcing you in the Chair, but I have no doubt whatsoever in your ability to lead us in our deliberations with decorum and respect.

I would also like to congratulate the Prime Minister and his colleagues. Who would have predicted that the red book which was so long on rhetoric and so short on substance could have lead to such a stunning and upset victory?

I would also like to thank the citizens of the St. Albert constituency for the confidence they expressed in me. I spoke to them during the election campaign about fiscal prudence and sound management of the public purse. I believe it was their desire that I stand in this House and carry that message to the government.

Hon, members can be assured that I will persistently advocate the principle of fiscal responsibility during my tenure in this House.

To the hon. member for Calgary Southwest, my congratulations. Of all the particular challenges that he could have chosen, he selected a riding that was perceived to be the most daunting. Yet he triumphed in the most outstanding manner. I look forward to working with him and the rest of my Reform colleagues as we explain to all Canadians our vision of a new Canada which was so eloquently articulated by the member for Calgary Southwest "as a balanced democratic federation of provinces, distinguished by the conservation of its magnificent environment, the viability of its economy, acceptance of its social responsibilities and recognition of the equality and uniqueness of all its provinces and citizens".

I would also like to recognize the hon. member for Lac-Saint-Jean and his colleagues. Their agenda differs from ours but I hope that before the end of this Parliament the issues that currently pull this country apart will eventually pull us together to realize our hope of a new Canada.

His Excellency the Governor General spoke of his government's desire to create jobs for the hundreds of thousands of Canadians who are losing hope and faith in the economic miracle that has been Canada's until the last number of years. We have seen feeble attempts to maintain a robust economy on a philosophy of borrowing and spending our way to prosperity. That false god of prosperity without effort has taken this country into the long dark tunnel leading to economic ruin. We now have double digit unemployment, mushrooming welfare rolls, regions dependent on government handouts; in essence, breadwinners without bread. That story is repeated a million times across this land. Canadians are crying out for leadership, vision, hope, but most of all for jobs and careers. But where do they turn when their hope diminishes with each passing day? There is no plan in place for them to realize their hopes and aspirations.

(1105)

Over 30 per cent of every tax dollar collected by this government is now paid to bankers and investors as interest on the money that we have already spent. As the debt continues to mushroom, so too does the cost of servicing that debt. On our current economic path Canadians can only look forward to a future of higher taxes and declining services while they work to fill the pockets of lenders and investors.

The Auditor General said in his report tabled in this House yesterday: "Looking at where we have been is not enough; it is also necessary to see where we are going". We are going down the road to economic ruin. He also said: "Hard choices lie ahead".

This government must choose the road to a balanced budget. That is the hard choice. That road is not paved with more social programs that destroy the initiative of Canadians to work. It is not paved with simple quick fix band—aids such as the \$6 billion infrastructure program. A balanced budget means that we as Canadians accept the consequences of the follies of previous governments. The hard choice is that only 70 per cent of tax dollars collected can be returned to Canadians by way of services delivered. If we do not accept that consequence today, tomorrow we will have to live with only 60 per cent, or even less, being returned in services to Canadians.

That is the hard choice. Do we bite the bullet now or do we wait until it is too late?

During the election campaign we, as Reformers, spelled out a complete program to balance the budget. Two and a half million Canadians voted for that program. They are prepared to make that hard choice now, yet there is little evidence in the speech from the throne that the government has even heard the message. How long before the government does the right thing and makes that hard choice?

We want jobs in this country. The myth that deficit financing creates jobs was debunked long ago. If that theory worked there would not be a single unemployed Canadian today.

Where do we go from here? I ask this government to make a commitment now to balance the budget by the end of this Parliament. Business is looking for a signal that the upward spiral of government spending will come to an end. With that signal we will know that tax increases will no longer be the order of the day. Declining services will not be the way of the future. If business can believe that this government has the resolve to make these hard choices then investment will follow. That is the creator of real jobs. The private sector will pick up where the public sector leaves off.

Canada was forged by people who want to build a future for themselves and their children. I came to this country to participate in a young and vibrant nation but I have watched as socialism has wrung this vitality dry. Our economy is feeble and we must rebuild it for our children. Our heritage is free enterprise. It created our prosperity. It developed products and

innovations that raised our standard of living. It was not social programs that gave us wealth but the opportunity to work hard and keep what we had made. That was the driving force that built this country.

The hard choice has a great future. If we balance the budget lower taxation will come. Jobs will be created. Horizons will be opened up. We will have the money to educate our children, look after our old, the sick and the poor and still be able to compete with any nation in the world. Jobs come from trade not from infrastructure programs.

To sum up, we must turn this country around and start anew. I look for leadership and vision from my honourable colleagues across the floor. Hard choices must be made. History has always glorified leaders who have reached beyond themselves and led their nation through the dark tunnel to the light, which in our case is renewed prosperity without debt.

(1110)

I issue this challenge: will this government commit itself now to balancing the budget by the end of this Parliament? The first step down the hard road is to approve the subamendment by the member for Calgary Southwest to cap federal spending at \$153 billion. I urge all members of this House to vote in favour of the subamendment.

Mr. Nelson Riis (Kamloops): Madam Speaker, I congratulate my hon. friend on his maiden speech in the House. One of the main points he raised referred to the fact that we have to get our deficit under control.

One of the causes of our deficit problem is the amount of money the federal government fails to collect. It is an issue that more of us should get very serious about when we consider that a major preoccupation of many Canadians has now become purchasing contraband cigarettes and illegal liquor.

We found from the Auditor General's report yesterday that tens of thousands of businesses appear to be collecting the GST and not remitting it to the federal government. This obviously indicates a clear loss of faith in our tax system, to say nothing of the underground economy that probably includes almost everybody in one form or another through cash transactions or a barter system designed to avoid paying tax.

Does my friend share the view that one of the major steps to be taken in terms of reducing the deficit would be to close off some of the more obviously unfair tax exemptions that exist in our tax system to begin restoring faith in the system so that people will again be prepared to participate in the revenue collection of the country, knowing that our system is fair and more just?

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Mr. Williams: Madam Speaker, in response to the question of the hon. member for Kamloops, I mentioned in my speech that we have a feeble economy. Taxes are too high. This is why we find today that businesses are struggling to pay the taxes to keep the government afloat. Even then the government still needs another \$40 billion or more to pay its bills.

If we are going to look for a vibrant and strong economy we must look forward to the day when investment overtakes spending by the government. We must also look forward to the day when taxes start to come down and affordability of taxes comes within the realm of everybody to pay their fair share.

We always agree with the need for equality but I think the focus of the government has to be toward a balanced budget. It can collect the taxes due in order to do so but we must look forward to the day when we see taxes coming down and a greater willingness by Canadian people to participate in paying for the government of this country.

[Translation]

Mr. André Caron (Jonquière): Madam Speaker, I listened carefully to the hon. member's words. I was surprised to hear his stand on social programs, because I understood him to say that social programs destroyed the initiative of Canadians and should therefore be eliminated.

This particular position is disappointing to me because what I heard from the voters of Jonquière during the election campaign was that Canada and Quebec have always been concerned about the weakest and the most disadvantaged. My constituents said clearly to me that they do not believe people who get rich by profiting from private enterprise will be generous enough to take care of the disadvantaged, the sick and the poor.

(1115)

I have a question for the hon. member and I hope he will have the time to respond. I will be brief. Does he know of many cases where people who became wealthy through their work or their business were successful in setting up programs or providing health care and social services, or services to the unemployed and the disadvantaged on a scale equal to what we now have in Canada?

[English]

Mr. Williams: Madam Speaker, in response to the hon. member's question, I think we have to recognize that this country was born and developed out of initiative. We very much recognize our social obligations to Canadians who are old, those who are sick and those in unfortunate circumstances who are unable to look after themselves. Recognizing its responsibilities in these areas shows the maturity of any society. I would be the last to suggest that we shun that responsibility.

We also have a responsibility to those who are prepared to lead the country in its economic growth. We have to give recognition to them that prosperity comes from that direction. As I said, we do not want the government to destroy the opportunities and initiatives of people to develop the country and continue to provide the growth and the jobs we so badly need.

Mr. John Maloney (Erie): Madam Speaker, my first words in this House must be those of appreciation for the privilege and honour of representing the riding of Erie. I would like to thank its voters for their trust and confidence without which I would not be here. I am aware of my responsibility to my constituents and indeed to all citizens of this country and I hope I will be equal to this task. I will not forget where I came from or who put me there. I will advance their position from the highest government in the land. I cannot deliver perfection but I can deliver accessibility, honesty and integrity.

On a personal note I would also like to thank my wife, Sherrie, and my children, Megan, Patrick, Alanna, Andrew and Sarah, for allowing me this privilege. I will endeavour to keep their personal sacrifices as minimal as possible.

I wish to congratulate you, Madam Speaker, on your appointment to this esteemed office of which you are most worthy.

I would further like to take this opportunity to congratulate the hon. member for Welland—St. Catharines—Thorold on his election as Speaker to this 35th Parliament, a position of honour and responsibility unequalled in this House. I have enjoyed his sage advice over the years and regret the non–partisan aspect of his office now denies me the privilege of his counsel.

I further wish to congratulate the mover of the Address in Reply to the Speech from the Throne, the hon. member for Bruce—Grey, and the seconder, the hon. member for Madawas-ka—Victoria, on their addresses.

It is indeed a great honour for me to be in this Parliament, especially under such an honourable leader as the Prime Minister. It is a pleasure for me in my maiden address to introduce the riding of Erie to my fellow members of Parliament.

Having been born and raised in Erie it seemed only fitting that on finishing my formal education I would return to Erie. For many years I served on a great number of local committees and boards. This exposure to local issues and people made my decision to enter federal politics a little easier. I believe that Erie deserves the best representation possible in Ottawa and I hope I am worthy of that responsibility.

As some may gather from the name, Erie riding follows the north shore of Lake Erie, one of the fine Great Lakes. It extends from the border town of Fort Erie in the east to the western boundary of the regional municipality of Niagara. It is a

rural—urban riding encompassing the city of Port Colborne, the southern portion of the city of Welland, as well as the towns of Fort Erie, Pelham, West Lincoln, and the township of Wainfleet.

This is only geography and does no justice to describing the heart of this riding. Erie riding was blessed with many Canadian riches. Our history, agricultural climate, economic potential and traditions in my humble opinion are unparalleled in any other part of Canada.

Many historical battles of the War of 1812 were fought on Erie soil. Erie also saw the likes of William Lyon Mackenzie during the Upper Canada rebellion of 1837 and the Fenian raids of the 1860s

(1120)

The early settlers of Erie were joined by the United Empire Loyalists, a group of people dedicated to what would later become the Dominion of Canada. Over the years our riding was further blessed with healthy immigration from all European countries and most recently from the Pacific Rim. There has also been lateral migration from other areas of Canada: from the west, from the maritimes and from labelle province de Québec, all attracted by the lushness and opportunity that Erie offered. The riding indeed reflects the multicultural heritage that makes our country so strong. I hope I may embody some of their independent, industrious and enthusiastic spirit as I work for my constituents and dedicate myself to community and country.

On the very eastern boundary of Erie riding is the Niagara River which divides Canada from our neighbour, the United States. Our proximity to the American border offers us opportunities for trade and industrial development that will help enhance and diversify our economy well into the 21st century.

Apart from the historical significance, development potential and beauty of the riding, the moderate climate and fertile soil have made Erie famous for its fresh produce, bountiful orchards and vineyards. The Niagara region is one of the best grape growing regions in the world and forms the basis of Canada's wine industry. Poultry and dairy farming represent a solid mainstay in Erie's economy as well as that of our nation.

The climate and charm of Erie attracts a great number of tourists who come to enjoy the water and beaches of Lake Erie, to browse through our heritage museums and historic sites, to marvel at the ships plying the Welland Canal, an integral part of the St. Lawrence seaway system, or just to enjoy the pleasant surroundings and chat with our friendly residents.

Due to the rural nature of my riding many Erie residents embrace a traditional way of life. This lifestyle is rooted in their heritage and must be preserved. This preservation is a goal of mine during my first term in office. I support the maintenance of rail and postal services to these people. I am happy to be a member of a party that also encourages the rural way of life.

I would be remiss if I did not commend the Canadian public for taking the opportunity of electing a majority Liberal government. They knew that the Liberal Party was a party with a plan, as we heard in His Excellency's throne speech. It is obvious it is the priority of this government to put unemployed Canadians back to work, to give them back their pride in employment. Erie riding is struggling with an unemployment figure of approximately 15 per cent of the work force, an unacceptable level.

The throne speech outlines several initiatives that are fundamental to this new Parliament, a new Parliament I may add that is in a position to make a real difference to Canadians. These major proposals impact on every community regardless of a member's political affiliation and follow the themes of integrity, economy and society.

Integrity in government is an issue that must be dealt with before we begin debating our significant reforms. The conduct and ethics of Parliament will determine how such debates are carried out. We will achieve little unless members are permitted the courtesy to voice their concerns.

In his address to this House on Monday the Speaker stated:

Yet perhaps never in our history have we enjoyed a less favourable opinion on the part of. . . Canadians.

Before anything meaningful can be done in this House we have a duty as representatives to earn the confidence and trust of our fellow Canadians as we conduct our business.

Our government, as promised, is committed to integrity and honesty. We have proposed cuts to members' services and allowances, reduced political staff, the elimination of perks and the reform of MPs' pension plans. The recommendation of the appointment of an ethics counsellor, legislation to bring lobbying out in the open and reform measures to give members of Parliament and House of Commons a greater role in Parliament are very refreshing and very necessary changes.

As a newly elected member of Parliament I am quickly learning how complex many constituents' requests are, but I would suggest that when circumstances are beyond our control we deal forthrightly with the constituents in question.

We are all individuals representing distinct ridings. Therefore it is unlikely that we will agree with every proposal and perspective in this House. Nevertheless we must respect other views and accept the outcome as decided by the greatest number of members.

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On Tuesday this government announced its plans to create a more active economy. This goal is desired by all Canadians.

(1125)

As I mentioned before, the Erie riding embraces the creation of jobs through such programs as the renewal and expansion of infrastructure. I am pleased to say I have already corresponded with Erie riding mayors regarding the steps already taken by this government to initiate renewal at the local level.

I applaud this government for its swift action on launching and obtaining agreements on the infrastructure program.

Another change announced yesterday was the replacement of the goods and services tax or the GST as it is commonly known. It is one of the most reprehensible taxes ever imposed and Canadians have demanded its discontinuation. We cannot impose upon Canadians something that is so vehemently objected to when we have been chosen by them to communicate and reflect their views. This is an arrogance the government does not need.

The youth of our country are our greatest asset. However, as the father of five children I am well aware of the growing despondency of our youth with respect to their futures. I welcome the creation of a youth service corps and a national apprenticeship program which will give more direction and employment to our children and youth.

I was also particularly pleased to see so many initiatives designed to strengthen the fabric of this nation which will continue to make our fine Canadian society the envy of the world

The environmental assessment act will be well received by all Canadians and the benefits of this act will be appreciated for generations. Representing a riding that is affected by the Great Lakes I hope to see measures within that act to continue to clean up our waters and to prevent further pollution.

In the short period of time I have held this office I have heard from my own constituents as well as many others across the country who are deeply concerned about crime, justice and personal safety.

This government announced its intention on Tuesday to foster safer communities for all Canadians, especially for women and children. I do not believe that any Canadian, male or female, should be apprehensive about his or her safety. However, I know that this fear exists and is real for many. I am pleased to be part of a team that believes the problems of criminal justice and the penal system are deserving of attention and action.

In the area of aboriginal affairs I welcome the announcement that the implementation of inherent aboriginal self-government

will begin. Erie riding has a substantial urban aboriginal population and I look forward to learning how self-government will impact on this community.

As I sit in this Chamber among my colleagues I realize that despite political affiliation we also have the same goals of doing the best job possible for the constituency. Many great members have come and gone before us with similar ambitions. I salute all of those who have come to this place to represent Canadians. As we all know, it is not an easy task.

A great man once stood in this House and in his maiden address said: "I suggest that the time has come for action. We have a tremendous opportunity—the people of Canada look to us; the people of Canada trust in us; the people of Canada are counting on us; in heaven's name, let us not fail them". That man, a predecessor to the free spirits who now sit in this House, was Mr. Tommy Douglas. Mr. Douglas had a vision of a new Canada. I hope that within ourselves each of us also has a vision.

It is fitting to begin this Parliament at the start of a new year for this is the time when resolutions are made. In a recent letter received from Rural Dignity of Canada there was a quote from a 4–H publication. It reads: "May the thoughts in our heads blend with the compassion in our hearts, to guide our hands as they safeguard the health of those things we care most for: our loved ones, our communities and our world, throughout the coming year".

I encourage members to keep these thoughts in mind and in action in the months and years to come as we work for Canadians everywhere, as we work for a strong and united Canada. And when at some unknown future time we leave this Chamber for the final time we can proudly hold our heads high and each of us will be able to say: "I made a difference".

[Translation]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): Madam Speaker, I am happy to see that some of our friends opposite do care about what is going on in their ridings and are committed to standing up for their constituents.

They can join us in so doing, as we are here to look after the interests of Quebecers. Welcome, sir. Join the club.

(1130)

I would also like to take this opportunity to tell the hon. member that our regions as well are faced with major problems, which we certainly intend to bring up over and over again. In my riding for example, the previous government shut down the CBC station which provided a vital link within the community. So, I will take every opportunity to remind this House of what a vicious deed this was, as regions can no longer make themselves

heard from government because of the lack of communication. I will make this point every time I rise in this House until the CBC and the new government get the message that regions must be given the means to communicate again, first among themselves, and then with the rest of the country, from coast to coast.

Mr. Bernard Deshaies (Abitibi): Madam Speaker, dear colleagues, I am pleasantly surprised to see the strong interest shown by the hon. member for his riding, since I represent the constituency of Abitibi, which may not be as beautiful as the hon. member's riding, but which, for me, is nevertheless the nicest one.

The people in the riding of Abitibi, possibly the largest one in Canada after the Northwest Territories, managed from the very beginning, early in the twentieth century, to clear the land and develop agriculture. It is through their daily efforts that these people were able to develop this region which is not as old as that of the hon. member, but of which I am very proud.

I am also pleasantly surprised to see that some members of this House have large families. I personally have seven children. Therefore, I believe that the future of our children must be the top priority for Canada as well as for Quebec.

I want to emphasize the problems which I experienced during the election campaign in my riding of Abitibi, where regional development is so important. I am not referring to problems linked to facing an opponent but, rather, to the difficulty of meeting people and listening to their concerns, which have to do with finding work, for example in the case of workers who have to rely on social assistance and who, at fifty years of age, are losing hope of finding a new job.

I am honoured to rise for the first time in the House and I want to take this opportunity to discuss the problems which exist in my riding and to ask you, the government members, the Liberal government, to listen to people in all those ridings who expect you to succeed in your endeavours. It is a fact that we, on this side of the House, will take a close look at your legislation. If you table good bills we will certainly support them, and the Reform Party members have also said they will: if it is good legislation, we will not purposely criticize it. On the contrary, we will support it.

But you can be sure that people in my riding, who elected me to represent them in this House, want Canada to do better, regardless of the decision they will have to make in the next few years.

I want to tell the hon. member for Erie that goods and services in this country are traded between provinces. In our family business we would routinely, as wholesalers, buy products from your region, whether it was fruits or vegetables. We have to learn to accept each other's choices. Yesterday, I listened to the speech made by the hon. member for Renfrew—Nipissing—Pembroke, who is the dean in this House and who spoke about communication. I hope that throughout this session both sides of the House will communicate more and more and learn to better understand each other's interests.

I conclude by stating my keen interest in the role of this House, and in the future I intend to give even more substance to my questions.

(1135)

[English]

Mrs. Rose-Marie Ur (Lambton—Middlesex): Madam Speaker, I wish to congratulate the hon. member for Erie on his maiden speech. I too am proud to say that I have been elected to represent one of the nicest areas in southwestern Ontario, the riding of Lambton—Middlesex. It has a huge agriculture base.

I agree with the contents of his maiden speech. I stress that we all work together to maintain a strong support for agriculture and small business in Canada to ensure growth for Canada and Canadians. I congratulate the hon. member.

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup): Madam Speaker, I am honoured to have this opportunity to reply to the speech from the throne. The constituents of Kamouraska—Rivière-du-Loup, the men and women living in the regional municipalities of Kamouraska, Rivière-du-Loup and Basques ridings as well as the municipality of Pohénégamook, gave me the mandate to express to the federal government the will of the population of Quebec which wants fundamental changes in the relationship between Quebecers and the rest of Canada.

Since 1980, I have chosen to live in Eastern Quebec, more specifically in La Pocatière. Everywhere I went, I noticed that the needs of rural Quebecers are not quite understood. Government members do not seem to recognize the urgency here, since no regional development strategy is mentioned in the throne speech.

On behalf of the neglected rural and urban populations, I would like to say how disappointed I am about this omission.

Given the insensitivity of the government to our specific development concerns, whether it is in Rivière-du-Loup, Amos, or Lotbinière, we have lost all hope of seeing the government respond quickly to the situation. Hence the need for Quebecers to get back all necessary political and financial powers to make sure measures are being taken right away.

Even if it is not included in the Constitution, regional economic development is a jurisdiction on which the federal

The Address

government has impinged without taking into account the will of the Quebec government to take full responsibility in this area.

For over 30 years, Quebec regions have been used as laboratories for tests which only proved that the present federal system does not work.

At first, the federal government opted for economic centralization, as shown in the Higgins-Raynauld-Martin Report. This devastating approach was reinforced by the creation of the Department of Regional Industrial Expansion, whose decision-making process focused on sectoral concerns, instead of regional characteristics.

In 1987, even the Standing Committee on Regional Industrial Expansion of this House of Commons recognized the fact that the federal programs did not meet the needs of the people, because the criteria being used were not suited to the needs of the regions. Because of a lack of participation from the regions, the money was given to useless projects, instead of some local and worthwhile initiatives. Take for example the magnificent \$7 million drill hall which was built in my riding. Fascinating, but if the people in the area had had a word in the matter, I can assure you they would have found other much more interesting projects to subsidize with that \$7 million.

The federal government made some adjustments by developing a new strategy based on framework agreements. That does not work either, as shown by the unemployment rates. Regions can and must do more to supply domestic and foreign markets with raw materials. To create jobs, we must develop processing industries and make use of local resources. The government's role in putting GATT in place will also be judged by what happens here. Its defence of GATT was not very convincing, I must say. The government accentuates regional dependence.

(1140)

The federal government might as well admit that its actions in the area of regional development are inappropriate. The economic base is crumbling, the social fabric is falling apart, the exodus from rural areas continues, with young people among the first to leave.

The number of municipalities whose population is shrinking has increased at an alarming rate in the past 25 years, so that today, their numbers exceed the number of communities where the population is growing. Nevertheless, the people in the regions are doing something about it. A first step was taken by the *Union des producteurs agricoles du Québec* and 25 groups that signed the *déclaration des États généraux du monde rural* at their meeting in 1991.

Perhaps I may recall some of the main highlights of this declaration: rights of the individual; the community's control over its future; promoting and respecting regional and local values; co-operation between local and regional partners; diversification of the regional economic base; protecting and re-

generating resources; fine tuning lines of political authority; and promoting alternative measures for sustainable development. The Bloc agrees with these principles and supports this consensus.

Regional development means more than just building roads. Quebecers know that that is not enough. Progress depends on the active participation and creativity of local resources. The government should provide financial support as needed. In this respect, research and development are the way of the future for the regions. Remote locations are no longer an obstacle to attracting high–tech companies.

Haphazard action by the federal government has created bizarre situations, as in the case of its policy of closing rural post offices, which meant that communities were deprived of essential services, while at the same time community futures committees were being set up to provide local communities with the appropriate development tools. When we consider that 83 per cent of the employees in these post offices are women, an excuse for speeches on employment equity, this is a clear case of the left hand not knowing what the right hand is doing.

The Federal Office of Regional Development fails to take the comprehensive view of local development. What it does is often more like window dressing. Boosting regional economies means knowing how to use local human resources. Forestry workers who lost their jobs to a machine should be able to go back with dignity and help develop that same forest for the benefit of future generations. When companies increase productivity, the proceeds should be used to create jobs.

Actually, the inefficiency of manpower training programs is most apparent in the regions, where it is harder to get a training program for a group of workers than to relocate them. I had this experience myself on an adjustment committee, when 20 employees from Bombardier had been laid off and it took at least two major political manoeuvres to get these people a training program for welding, although the Bombardier plant, well–known internationally, was only a few kilometres from the training location.

What is there in the Throne Speech that will make life easier for a young entrepreneur from Saint-Hubert or Rivière-du-Loup who wants to launch a new product? Who can help him? The Business Development Centre, the Community Futures Committee, the Youth Enterprise Centre, the Corporation de développement économique, the tourism corporation, the Federal Office of Regional Development, the Industrial Development Corporation, plus two members' offices. The development agencies mean well, but it is a real nightmare for our young entrepreneur to find his way through this administrative labyrinth. Often, after knocking in vain on all these doors, our young entrepreneur has to go back to dreaming about his future.

Meanwhile, and this is even worse, agencies in the region compete with each other in a way that is unproductive.

(1145)

Regional development must also be based on comprehensive projects like the high–speed train in the Quebec–Windsor corridor—that cannot be overemphasized. This project would create jobs in greater Montreal, at the Bombardier plant in La Pocatière and for our Canadian neighbours. This project would have a major impact. It would use the potential of our young people who are skilled in high–tech fields and would develop an expertise which could be exported throughout the world. It would also be a major contribution to the conversion of military industry.

Geographical isolation is trivial compared to isolation from the main decision—making centres. The future of regional development in Quebec depends on respecting Quebec's jurisdiction in that field and recognizing the regions' right to control their own development, as the Bélanger—Campeau Commission said.

Federal intervention in regional development is very costly. Overlapping jurisdictions require such an expenditure of energy that not enough is left to deal with the real problems. By creating intermediate structures, too much time is spent administering the programs in order to co-ordinate decision making among various agencies. Meanwhile, money does not go to the community; it stays in the bureaucratic system.

The share of income collected directly by government through taxes should diminish as local authorities obtain access to revenue sources from these same citizens. The infrastructure program is an eloquent example. What a fine effort the governments seem to be making without putting too much money into development!

But do you not think that ideally, the municipalities themselves should have the ability to collect taxes and raise the funds needed for their development, without asking themselves whether the federal Parliament in Ottawa must be involved in the decision about a garage or a roadway in the Rivière-du-Loup region?

I think it would be much better to decentralize the budgets and available funds significantly so that our local elected officials can decide on these matters.

In the present federal system, a way to do this would be to give Quebec the tax points for the federal investment in this area, over \$200 million, and to recognize Quebec's exclusive jurisdiction in this field.

We are in a paradoxical situation, where the federal government which has the right to raise taxes never developed the proper tools to meet the regions' needs in support of their development.

We gather from the 1993 election campaign that people yearn for a way to the future, where only one government will decide and will have all the power to tax and to eliminate duplication, overlap and inconsistencies among departments. People want to call on the values that already exist in their communities.

This way of the future is Quebec sovereignty, a unique opportunity for a massive transfer to the regions of the \$28 billion in taxes which Quebecers pay to Ottawa. We will vote against the subamendment moved by the member for Calgary Southwest because it is out of the question to give the government a blank cheque for deciding on cuts without first setting up a committee to thoroughly study the proposed cuts.

[English]

Mr. Ted McWhinney (Vancouver Quadra): Madam Speaker, may I first of all congratulate you on your appointment to this distinguished office and through you the Speaker who we elected several days ago.

(1150)

It is a significant fact that in a changing Parliament and in a changing Canada we are in the process of changing the House constitution, the rules. It indicates the basic fact of common law from which the law of Parliament is passed, that it is not a frozen cake of doctrine that gelled once and for all in some bygone age, but a continuing process of creative adjustment of old rules to new social circumstances.

We have seen changes that were not expected. The House has elected a Speaker for the second time, but in this particular election there were extensive meetings between candidates and the political parties: the Bloc Quebecois, the Reform Party and as a special suggestion of the Prime Minister, with the Liberal Party. Perhaps no votes were changed, but I think there was a profound educational process.

We are all better informed of the options of choice for the future development of parliamentary rules and procedures available to us. In the process of give and take there is a cumulative advance in our thinking because parliamentary constitutional law, as I said before, is not fixed in time. It is not graven on stone tablets. It evolves and it must evolve.

The precedents we received in the 19th century must be balanced against precedents from other ages, the 17th and 18th centuries, for example. In some ways these are much more dynamic and creative in terms of the evolution of English parliamentary constitutionalism. They also affected the American constitution.

What comes out of this is that this House will continue to build on parliamentary procedures, will continue to create new rules incrementally on the old. One looks forward to the co-operation of opposition parties in building a new and strengthened role for backbenchers and for committees. It is good to have the full co-operation promised by the Prime

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Minister and the House leader not merely in the election campaign but since so that we represent law in the making.

That is a signal event for us because of course the speech from the throne has two main thesis in it. One is the concept of change that we live in a period of transition, in a sense a world revolution of our times, of which the collapse of the Soviet empire and the fall of the Berlin wall were merely symbolic indications. Large changes are occurring and they affect Canada as much as anybody else. Our institutions must respond to those changes.

The speech from the throne picked up the thesis advanced in the *Livre rouge* of the Liberal Party that change must come, that it is inherent in our society. It should not be resisted. One should guide and direct it constructively.

The second main theme in the speech from the throne is also the notion that one cannot isolate social problems. The social scientists speak of the polycentricity of problems and problem solving. It simply means that individual problems are not islands to themselves. One cannot separate social problems from economic problems nor can one today separate internal problems from larger problems of foreign policy.

We live in a global village and what happens in far-flung areas of the world impacts upon Canada and upon our development. It is in that perspective that I approach my intervention in this debate.

I represent the constituency of Vancouver Quadra which has had the honour of having as its members a Prime Minister, my predecessor John Turner, but also a very distinguished Conservative foreign minister, Howard Green who lived to a very ripe old age after his retirement from Parliament. He is remembered for reinforcing a principle developed first by Prime Minister Pearson and Paul Martin Senior, the notion that Canada's commitment in foreign policy includes a concern for people outside Canada and a concern for human rights. Howard Green, if you will remember, took the initiative as foreign minister within the Commonwealth to raise the issue of race relations with a member of the Commonwealth, South Africa, and to say that a policy of openness and open society is and should be a precondition to membership in the Commonwealth.

(1155)

And so I continue in that tradition. I must say one of the striking things in my constituency is that it mirrors the changes in process occurring in Canada as a whole. We have suddenly become a global community by the very happy fact of immigration and the integration of our new communities into Canadian society.

My constituency encompasses Greek Canadians. It also has Polish Canadians. Some came as war veterans after World War II. Some came to escape the dying days of an inefficient, incompetent communist regime. The boat people came 10 or 15 years ago and now have their children at college. There is a success story for you because they came with nothing. Our Indo-Canadian community and the Sikh community have

contributed so much to our cultural richness. Our Chinese Canadian communities have come from mainland China, Taiwan and Hong Kong and are united in maintaining a new plural Canadian tradition.

This in some way signals the growth and change occurring in British Columbia which was once traditionally preoccupied with forestry and industries with natural resources. They are still there. They are at the basis of our richness and the new dynamic and I would say, forward looking policies of management, a part of their present development.

However, it may have escaped the notice of people in other parts of Canada that we lead in scientific development, particularly in the area of the relationship of science, scientific research, advanced technology and industrial application which the Japanese perfected but which we are doing now.

The TRIUMF/KAON project is a monument to the new dynamism in British Columbia education and science and research. It groups together the great physicists of Canada and the world. It has attached to it as ancillary projects, geneticists like the Nobel laureate, Michael Smith. It has built a massive export industry which converts a company like Ebco of Richmond that once was a minor tool manufacturer into a multimillion dollar export industry for Canada with new jobs and new wealth contributing to the national well being.

Therefore British Columbia represents at once this meeting of the new communities in a larger community of communities. By the way that term, sometimes attributed to Canadian political figures, is that of Martin Buber. He was speaking from his viewpoint as a central European scholar who later went to Israel and saw the need for communities to work together. The new pluralism means every community is enriched in the process.

There is no longer, if there ever was, a problem of languages in British Columbia. It is the objective of parents whose children have mastered the *cours d'immersion* in the French language to move over to a third language. I think that may be the Canadian dream reflecting the new Canada and reflecting the new orientation to which British Columbia has contributed so much. The centre of gravity in the world community is moving from Europe to the Pacific and the Pacific rim and we are there.

Therefore we will be speaking out in caucus and in Parliament on the necessary recognition of the new role of British Columbia. We sometimes feel that bureaucrats and maybe even political leaders in central or eastern Canada are insensitive to these dramatic changes in the balance of power in Canada.

(1200)

The important thing to remember here is that we have a view of federalism which corresponds to the view I expressed of the common law. Federalism did not gel once and for all in 1867 in a series of static relationships between institutions or a glorifying of old processes simply because they were there.

We accept Mr. Justice Holmes' view that it is revolting to have no better justification for a rule than that it was laid down in the time of Henry II. Henry II has been dead for so many centuries. Therefore we believe in the continual updating of federal institutions.

Federalism, as Prime Minister Trudeau said, is pragmatism. It is a process of constant readjustment of old institutions and rules to meet new problems. And so we have faith in federalism and the fact that our distinctness as part of the larger Canadian society can be reflected and translated into institutional and other changes within the Canadian Constitution and by a process of evolutionary growth that does not necessarily require formal changes to the constitution. The dynamic of constitutional growth in an existing society is that it comes through incremental change and adjustment in response to contemporary problems.

In this period of change in which we all live I have spoken of the movement of the world community, the shift in the centre of gravity from Europe to the Pacific rim. It is a fact of life. It means there will have to be new emphasis on trade and co-operation with Pacific rim countries.

However it also reflects one of the great dilemmas of the world community in a period of transition. We sometimes have the coexistence of the old with the new. It is sometimes a painful coexistence, even a collision.

We expect that the 21st century will see the ideal of a viable world government. It is not with us now. Therefore, one of the realities is the commitment that Canadians have made in foreign policy from the golden period of St. Laurent, Pearson and Paul Martin, Sr. to the United Nations has to be balanced against the recognition of the regionalism that exists within the world community as a whole.

It is good that the GATT discussions led to the suggestion for a world trade organization, but this is not for the first time. It was one of the hopes of the founding fathers of the United Nations in 1946 that there would be a world trade organization. It was the failure, in some ways the unexpected failure, of this project that led to the not very satisfactory compromise of GATT. But like many not satisfactory compromises it performed a necessary function and deserves credit for those measures that have existed since 1946 to prevent an autarchic system of international trade.

I come back to the basic point that to put all one's faith in a world trade organization and in GATT is not a sufficient remedy for the economic problems of our time. I have no doubt, in historical terms, that the government has been right to put its faith in NAFTA.

The regional organizations, the trends of history, the movement of the European Community through the ideal of the single act into, in many respects, a closed regional community compels us to look for external markets wherever we can find them. I compliment both the red book, the livre rouge, and the government for the commitment to NAFTA. To be sure, there were international problems to consider, a thicket of problems that perhaps could have been considered more fully in the last several years. However, they are not insuperable. Treaties once made are not graven in stone. There are processes under international law for changing them to new circumstances.

I had occasion as a private citizen in another capacity to examine the issue of freshwater export in bulk, whether it was to be covered by NAFTA or not. My conclusion was clearly it was not covered by NAFTA but I appreciate the concerns of those Canadian citizens who thought it was.

(1205)

On this particular point it seems to me that the solution adopted by the Canadian government, the exchange of statements, is adequate in international law to achieve that point of making assurance doubly sure on the water issue. Further possibilities for change exist on a similar basis. If we worry about what the United States would say, I would simply say that the United States government more than anyone perfected these methods of change in treaties, creative change after the treaty has been signed, sealed and delivered.

We move to this situation of a coexistence of mondialist, one world tendencies through the new world trade organization, through the development of GATT and through our creative membership in new regional organizations like NAFTA.

We should all commend the initiative taken by the trade minister to put out feelers to Chile, to new countries for membership in NAFTA to expand our trade opportunities. However we should also look carefully at associate membership for our Pacific rim trading partners, or trading partners to be.

One of the great advantages of the new Canada, the new pluralistic Canada, is that we have an enormous natural resource in our citizens who have come here from other countries. They have the language and know the customs in terms of trade and commercial relationships and these things should be used to the fullest. I expect in the expansion of the trade initiatives this will be acted upon by the government to the fullest.

In the general area of foreign policy the problems of living in an era of transition are obvious enough as they are in other areas.

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We would have to recognize that western foreign policy as a whole, after the period of creative growth, post war with the Marshall plan and those brilliant imaginative conceptions of a new world order have been somewhat lacking in imagination and forward looking thinking in recent years.

It is noticeable that there were no strategic plans in place to take account of the collapse of the Soviet empire and even Europe. There was a real failure to anticipate that collapse, yet it had been amply warned by all of the specialists.

There was also a failure to anticipate in the absence of a plan for state succession the would-be renaissance of national conflicts, of ethnic conflict of the sort which existed in southeast Europe before 1914 and was reflected in the two Balkan wars and in World War I.

One of our problems for Canadian foreign policy is that the golden era when we did lead the free world in new ideas, the golden era of the 1950s and 1960s, the St. Laurent–Pearson–Martin era, cannot be replicated any more. We were there because the colonization had not yet occurred. However, we anticipated it and we led the way to its peaceful application and peaceful development.

Our economic position was stronger in relative terms in the world community than it is now. Of course we could say this even more for the United States which is also in a more imaginative period of thinking in foreign policy than in recent years.

Some of the problems with which a new government and new Parliament is beset reflect from a failure to recognize the contradictions and to act on them in timely fashion. That is one of the challenges for a new government and a new Parliament.

In relation to peacekeeping which Canada invented—it was Mr. Pearson's achievement and he was a Nobel laureate on account of that—we have to recognize today too many disparate tasks in too many disparate areas. In some senses in the defence forces there is too much preoccupation with military hardware and not enough attention to the new and highly political role that peacekeeping involves today. I think there was a second failure to recognize the distinction between peacekeeping which we, Mr. Pearson and Canada, devised and peacemaking which involves the overt use of armed force.

(1210)

These are some of the issues that we face now: the tragedy of Somalia, the tragedy of Bosnia-Hercegovina. These are problems that could have been anticipated and not really met—

The Acting Speaker (Mrs. Maheu): I am sorry, your time has expired.

[Translation]

Mr. Yves Rocheleau (Trois–Rivières): Madam Speaker, on behalf of all my colleagues, I would like to commend the hon. member for Kamouraska—Rivière–du–Loup for his excellent speech on regional economic development.

Having worked for the Quebec government in the area of regional economic development for 25 years myself, I fully agree with him on three points. The first point he made concerning regional development, or non-development rather, was the laisser-faire policy we have in this country at this time.

The second point that I endorse at once is that Quebec should get this jurisdiction back along with all the related tax considerations as soon as possible, so that there can a be a semblance of economic planning in that new country to be.

The third point I obviously endorse and the last one he made is that the people of Quebec should make as soon as possible the only rational choice open to them in terms of comprehensive and global development, and that is the road of sovereignty, national sovereignty for Quebec as soon as possible.

The Acting Speaker (Mrs. Maheu): For the hon. member's information, usually, as a rule, questions and comments must deal with what the previous speaker has said, not another speaker who had the floor before the hon. member. Any other question or comment?

Mr. Michel Guimond (Beauport—Montmorency—Orléans): Madam Speaker, as this is the first time I rise in this House, I would like to take this opportunity to thank the people of Beauport—Montmorency—Orléans for electing me on October 25, last year, to represent them in this place.

My question or comment for my hon. colleague from Vancouver Quadra is this: I want to tell him that I really appreciated his speech and that I would have liked him to stress the importance of rail transportation for regional development. My hon. colleague from Kamouraska—Rivière—du—Loup, who is very devoted to regionalism, strongly emphasized the fact that the regions were getting poorer and poorer and I believe that his province and region are among those which owe their development to a railway stretching *A mari usque ad mare*, *d'un océan à l'autre*, from coast to coast.

In their speeches, the Prime Minister and the hon. Minister for External Affairs have indicated how committed they are to this country. It reminded me of a slogan I heard as a fourteen year old during the Centennial campaign in 1967, which said: "Canada Stand Together, Understand Together". At any rate, I hope that the hon. member for Vancouver Quadra will ensure that rail transportation is maintained in the years to come.

I also support the comment the hon. member for Kamouras-ka—Rivière-du-Loup made about the need for a high-speed train for the Quebec-Windsor corridor.

(1215)

[English]

Mr. Speller: Madam Speaker, I rise on a point of order. I am somewhat surprised. We have now had two members of the Bloc up asking questions of my colleague and he has not yet been able to respond to them. I am wondering what rule you have been using to cut off the response to my colleague?

The Acting Speaker (Mrs. Maheu): I thank the hon. member. The hon. member for Vancouver Quadra was not on his feet. I assumed he did not wish to make a comment and therefore I went on to debate.

Would the hon. member like to make a comment? We have five minutes left. You must rise so I can recognize you.

[Translation]

Mr. McWhinney: Madam Speaker, I would like to thank my colleague for his remarks. I am very much aware of the flexibility of the Canadian federal system as I myself am a regionalist. I know we can make some important changes to our Canadian system.

I would not want to speculate on the initiatives being developed by our hon. colleague, but I know that there will be good opportunities for the growth of regionalism in Canada in the near future.

[English]

Mr. Jim Silye (Calgary Centre): Madam Speaker, I wish to join the previous members in congratulating you and the hon. member for Welland—St. Catharines—Thorold for his election to Speaker of the House.

In the words of the Hon. J. J. Greene, a former Liberal minister from my home town of Arnprior, Ontario: "I am sure that you will fill with distinction the office that has in the past been occupied by so many distinguished men and women".

I also congratulate the mover and the seconder of the Address in Reply to the Speech from the Throne. I wish both of them success in their careers in public service and here in the House.

I would also like to take this opportunity to thank the constituents of Calgary Centre for electing me as their member and representative of this 35th Parliament. It is truly an honour and a privilege to represent such a diverse group of people from a city that is so rich in western character and traditions.

My constituents come from all walks of life and the majority are highly motivated and educated people who no longer believe in the concept of executive federalism. They are tired of secret policy formulations and abusive use of government patronage, perks and pensions at a time when they are asked to pay more and more in taxes.

My constituents want fiscal and social reforms and more direct control over politicians and they want them sooner than later. As their member of Parliament I plan to listen to them and more importantly be held accountable to them during the time I am here, not just at election time.

We have changed the faces of over 200 members in this House but if we only change the faces and not the system we will have accomplished nothing.

Superficial or cosmetic attempts to correct the injustices in fiscal and political accountability will no longer be tolerated by voters of this great country.

Time is of the essence in this Parliament. The time has come to satisfy the majority interests in this country and not just that of the special interest groups and elite Canadians. Today I will be analysing the government's legislative program from the perspective of fiscal responsibility and tax reform.

As the national debt continues to increase, we know it threatens the future economic health of our nation.

(1220)

Continued deficit spending will force future generations of Canadians, our children and grandchildren, to accept responsibility for this debt. It is a handicap that will be reflected in our ability to compete globally and to grow and prosper domestically. The average Canadian taxpayer cannot be asked to pay more in taxes in any form.

In the speech from the throne there is no mention of deficit or debt or how the GST will be replaced. This is a concern. The Prime Minister has stated that the current system of taxation does not work.

The need for tax reform is obvious. First, it is too complicated. Most cannot fill out their own forms. They need to hire professional assistance. Second, it is inequitable. The progressive system with its many tax loopholes favours the rich. Third, there is no real effective mechanism to prevent open ended spending on ineffective and unnecessary programs. Fourth, our high rates of taxation and the GST have contributed greatly to the underground economy of \$60 billion to \$80 billion which is not taxed. We must introduce measures to eliminate the need for taxpayers to avoid paying taxes. As witnessed yesterday by the Auditor General's report there is over \$900 million in GST unremitted. Fifth, it is unfair to finance current programs at the expense of future generations who have no vote in the political process.

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Our children and grandchildren may never forgive us if we do not acknowledge that it is their money that we are spending and committing.

As members know, our chartered banks are reluctant to lend money these days because of the economic uncertainty. Why not give some direction and leadership and commit this 35th Parliament to solutions which send the right signals to the investment community, the lenders and the taxpayers? Increased taxation and a reliance on infrastructure spending alone will not significantly reduce the deficit or encourage an economic recovery.

The federal government could demonstrate fiscal responsibility and restraint however by considering the following alternative to the taxation system which would help us solve some of our problems. It is essential to broaden the tax base in order to lower the average rate of taxation with a new system that treats all individuals and corporations equally. This will surely appeal to the common sense of all Canadians.

I would propose a simple, flat tax on income or, as my leader likes to call it, a "proportional tax" with a generous, fully indexed exemption for lower income wage earners.

Mr. Speaker, you may have already heard of this idea under the name of the single tax as it was called by the hon. member for Broadview—Greenwood. His book, entitled simply *The Single Tax*, gives a lucid and compelling exposition of how this approach could be applied to Canada. Regrettably the proposal has found no favour in his own party whose leaders unfortunately are in love with the complex and manipulative character of the old system. I challenge and encourage them to reconsider.

In conclusion, we should commit ourselves to balancing the budget, target funding to the truly needy and limit expenditures to \$153 billion in the 1994–95 fiscal year. These changes would have tremendous advantages. First, they would stimulate higher tax revenue for the government. Second, they would remove the incentives for the underground economy. Third, they would stimulate more economic growth and create jobs which after all is the number one priority of the Prime Minister's red book.

I would like to close by changing somewhat the slogan of the late Senator Stan Waters from "Keep on marching" to "Let us start marching".

Mr. Jack Iyerak Anawak (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the hon. member just talked about having constituents from all walks of life and how changing just the faces will not work if we just change the faces and not the intent of the government.

The hon. member is well aware, because he looks this way, of the very different faces that are on the government side, whether it is my colleague or others. I think that members should be aware that changing the faces or the colours of the faces has

very much changed the dynamics of how the government will be operating in the years to come.

(1225)

The member said: "all walks of life". I just want to ask the member whether he has any groups of aboriginal people in his riding and where his party stands on the issue of the inherent right of self-government because in the throne speech mention was made of the recognition of the inherent right of self-government for aboriginal people.

I just want to ask the hon. member this. I realize he may not be the person dealing with aboriginal issues but he may well know the policy of his own party.

Mr. Silye: Mr. Speaker, in response to the hon. member and going back to only changing the faces and not the system, I perhaps may not have explained myself very well. If all we do is change the faces and not the way we do business in this House, not the way we look at how we spend money, not the way we look at how we evaluate programs and not the way we decide what is in the best interests of Canadians then we will have accomplished nothing. Whether we have aboriginals, Hungarians or different colours, it does not matter. We must have systemic change in this House. That is what is important.

Canadian voters wanted change and expressed it by sending so many new people to this House. They have changed the people so it just follows logically that we have to change the system.

In response to the second part of his question with respect to aboriginal rights, my party and I are very much in favour of working with aboriginals towards self-government and for the fulfilment of their dreams.

[Translation]

Mrs. Pauline Picard (Drummond): Mr. Speaker, I appreciate the hon. member noting that the government must balance the budget. However, the approach taken will be the critical factor. We are confident that the hon. member and his party, the Reform Party, will agree that spending must not be reduced at the expense of the least fortunate. A parliamentary committee should be convened to review each separate budgetary expenditure.

[English]

Mr. Silye: Mr. Speaker, I would concur with the hon. member that balancing the budget is a priority. I would also concur that a review of the spending estimates, program by program and then line by line, is very important and one that would provide great benefit to this House.

Mr. Herb Grubel (Capilano—Howe Sound): Mr. Speaker, before I was elected to this House I was a professor of economics. How I wished I could use the threat of failing grades to get

the attention of this audience. Unfortunately I have to use other means.

My position here has cost me dearly. Upon learning about my election my former colleague and friend, Milton Friedman, noted that now I had become an unreliable economist. You can imagine my dismay when the hon. member for LaSalle—Émard the other day said to me in front a large audience that I could expect to be at the bottom of the totem pole as a member of the House who is also an economist.

Before I present my comments on the throne speech, Mr. Speaker, I would like to take this opportunity to tell you and the hon. members of this House where I come from in a number of senses.

I arrived in North America in 1956 at the age of 22 with only a light suitcase full of clothing and the heavy baggage of a really thick German accent.

(1230)

Through hard work, lots of luck and a long odyssey of academic positions in the United States, in 1971 I saw the light and accepted a position as professor of economics at Simon Fraser University, which, as you may know, was identified by *Maclean's* magazine as the best Canadian university in its class last year.

I love my adopted country of Canada. Its system of democracy, liberty and opportunity has made it possible for me to be in this distinguished Chamber today. Its economic system has produced the highest standard of living for the largest proportion of the population of a country in the history of mankind. I have dedicated myself to the defence of this system against the onslaught of excessive government in the lives of Canadians and against the massive deficits that threaten its very existence.

There is no perfect economic and social system in this world. But I think that the efforts to perfect ours have gone too far. Some of our country's most serious economic and social problems have been caused by well—intentioned but flawed government programs. That is why I believe that the solution to these problems is less, not more, government.

Geographically I come from the riding of Capilano—Howe Sound which is scenically one of the most spectacularly beautiful ridings in all of Canada. It consists of the Vancouver bedroom communities of West Vancouver and North Vancouver which enjoy one of the highest per capita incomes in all of Canada. The riding also includes the industrial town and port of Squamish, the farming community of Pemberton and last but not least the resort community of Whistler which has been for some years identified as the best ski area in North America. In a recent survey it was called the best in the entire world. I am proud and deeply honoured to be able to represent the residents of Capilano—Howe Sound in this House.

The throne speech and many other pronouncements by the government have promised the restructuring of Canada's social programs as one of its major legislated programs for this Parliament. In the few minutes remaining to me here I would like to share with members of the House some insights I have gained from a study of these programs.

Before I do, I want to get out of the way one other fundamental and very important matter. From long experience I know that the discussion of social programs often leaves antagonists questioning each other's motives. Please, in our deliberations in this House let us not do so. Neither the hon. member for Winnipeg South Centre nor the hon. member for Burnaby—Kingsway have a monopoly on compassion. It is because of my strong concerns about the ability of the government to deliver support to those in need in the future that I make the following remarks.

The issue for me and Reform is not whether the unfortunate in our society should be cared for but how best to care for them today and tomorrow. Canada's social programs are beset by three major problems.

First, too much of the spending benefits families with high incomes. For example, families with incomes of over \$100,000 a year in 1992 received \$2.5 billion and \$1.5 billion in UIC and OAS benefits respectively. Such transfers clearly are not consistent with the objective of providing a security net for Canadians beset by financial calamity. They are a subsidy to higher income earners that the country can no longer afford. They are the unwanted consequence of the noble desire to provide benefits universally without a means test.

Second, the current system has created incentives to which rational Canadians are responding in ways that greatly dismay socialists in Canada and the rest of the world.

(1235)

Most of the hon. members here remember the choice faced by the single mother in Toronto who took her case to the media last summer. The media missed the main point by concentrating on whether or not she lost income by giving up her \$42,000 a year job and going on welfare. Even if she had suffered a loss of \$6,000, what the system does is that under these conditions she is asked to work for \$500 a month. She and many Canadians have been deciding that it is not worth their while to work for that amount of income. I do not blame her or anyone else on welfare or UIC for making such choices and neither does society. That is the reason why, in spite of record outlays for social programs, the problems today are alleged to be worse than they were even 20 years ago.

Third, the framers of our large and universal social insurance programs knew that, except in the case of seriously handicapped people, government support should be temporary. It knew that

The Address

lengthy assistance would create dependency and ultimately hurt recipients more than it helped them on their life voyage. Experience with Canada's programs has now shown that dependency has become a serious problem for a dismaying large number.

The preceding diagnosis of the ills of Canada's social programs cries out for a prescription for a cure. I must confess to you, Mr. Speaker, and the other members of this House that I do not have such a prescription because basically I believe there are none.

What I do have are some ideas on how to alleviate the ills that I have identified. However, the discussion of these ideas must wait. In the meantime, I wish the hon. member for Winnipeg South Centre and the government the best of luck in their own search for possible cures, band—aids and palliatives.

[Translation]

Mr. Laurent Lavigne (Beauharnois—Salaberry): Mr. Speaker, I would like to comment briefly on the speech by the hon. member of the Reform Party.

In my opinion, he touched on two critical points. The first is the high cost of social assistance for the less fortunate and the poor in our society. The second is the concern over the cost of administering the government. As of yesterday, the deficit topped the \$500 billion mark. This is absurd, frightening and, I would even say, dangerous.

Obviously there is reason for concern about Canada's ballooning debt. The daily interest alone on the debt is astronomical. Why is it that the first reflex we have when it comes to putting our finances in order is to target those who are the least fortunate?

There are many other things that we should consider before turning our attention to the disadvantaged, the poor, the sick, welfare recipients and so forth. This morning's edition of *Forum* tells the story. There are at least five to six pages of examples of government mismanagement.

Mention is made of the \$25 million spent on travel by ministers. Twenty-five million and perhaps ever more, according to the Auditor General. There is a reference to administrative oversights regarding tax breaks for resource companies. I cannot remember the exact amount quoted, but the figure was enormous. I think it was \$900 million. Then there is the enormous cost of running our embassies.

The Bloc Quebecois wants to review each administrative item separately and clean house. I am certain there is a considerable amount of money to be recovered. Then, if further cuts were needed, perhaps then we could look at the most disadvantaged. However, we should not start with them. We must start by trimming the fat.

(1240)

Mention was made of a kitchenette and bathroom installed for the head of Investment Canada at a cost of \$125,000, according to what was said this morning. That is enormous. You may say that these are mere drops in the bucket as far as the overall budget goes. However, these are the kinds of expenses we have to tally and eliminate before—

[English]

The Speaker: Order. I see the member for Capilano—Howe Sound on his feet. I was waiting for the member for Beauharnois—Salaberry to conclude his remarks. I know the member will be left with a rather brief period of time to answer.

[Translation]

If the hon. member for Beauharnois—Salaberry could finish up quickly, the hon. member for Capilano—Howe Sound could then respond. Are you nearly finished?

Mr. Lavigne (Beauharnois—Salaberry): I want to give the hon. member time to respond, if he wishes, so that will be all, Mr. Speaker.

[English]

Mr. Grubel: Mr. Speaker, I deplore the idea that we discuss this important issue on how to save Canada from bankruptcy by hammering away at non–existent facts.

On the matter of our deficit the fact is that 60 per cent of all our spending is going to transfers to persons. We have to do something about it. This is where the money is. We cannot save this country with line by line spending examinations and cutting out the sorts of things the hon. member is talking about. Even if we abandoned all the government we could not get our house in order.

Sooner or later, and I believe as quickly as possible, we will have to get at the core of the cause of our financial problems: overspending through the mechanism of transfers to individuals, so-called social programs. Contrary to what the member has said I have identified that we must not attack benefits for the poor. It is because the Reform and I are concerned about maintaining benefits for the poor that I believe we must look at the shortcomings in our current system that I have identified.

Hon. Charles Caccia (Davenport): Mr. Speaker, in entering the debate today I would like to seek the permission of the House to be allowed to conclude in 20 minutes even if it oversteps the one o'clock limit.

The Speaker: The House has heard the member's request. Is there unanimous consent not to see the clock at one o'clock?

Some hon. members: Agreed.

Mr. Caccia: Mr. Speaker, this debate is about Canada, its economy and its future. As has been noted from the speeches given yesterday the Liberal view of the economic condition is quite clear. We need to create jobs and to put Canadians in the position to spend and to pay taxes to get the economy going. We need to stop the downward spiral of cuts.

I submit that lack of revenue is the problem. It is not a problem of spending as has been outlined in several interventions so far by representatives of the Reform Party. By contrast, I heard yesterday the leader of the Reform Party recommend to reduce here, to stop spending there: reduce and stop, reduce and stop, cut here, cut there, cut everywhere and inevitably create further unemployment, stagnate the economy and, as an added technique proposed yesterday by the member for Calgary South, put a cap here and there and as long as those who are employed are doing all right everybody else will be fine.

(1245)

Yesterday the leader of the Reform Party, the member for Calgary South, trotted out an old idea advanced some years ago by two American senators, Gramm and Rudman. He urged spending caps as his remedy for economic ills. Then, to give his imported policy a Canadian touch, he produced another old chestnut. He urged the elimination of old age pensions for Canadians who make more than a certain sum, thus advocating something we reject on this side of the House, two classes of citizens; thus introducing means tests; and thus weakening the cohesion of our social fabric.

I submit that the idea of eliminating old age pensions is actually not new in the ranks of the Reform Party. We will recall that during the election in early October, as reported in one of our national newspapers, a Reform Party candidate in British Columbia was quoted as saying that old age pensions were a form of welfare. That is what he said and that is what must be remembered. It is the agenda of the Reform Party. It is on record. Let us not be deluded today or enchanted by statements made on the part of its representatives as to what was in its program and in its campaign statements.

We cannot accuse the Reform Party of not being consistent. The member for Calgary South is well known for his admiration of the American health system which also divides society into the haves and the have nots: those who have access to social programs and those who do not. There is consistency there no doubt.

Let us go back to the economy. One is forced to conclude that the Reform vision of the economic ills of Canada and their remedies is a rather constipated vision. It badly needs to be put in touch with reality. I invite the leader of the Reform Party to enter, if not the 21st, at least the 20th century. I invite him to make that effort. In so doing he may discover that government is not an evil force, that unemployment is the disease that needs to be cured in order to get the economy going.

In other words, the leader of the Reform Party is off the mark in his diagnosis of Canada's ills. I submit the problem is not one of expenditures. Canada's problem is one of revenue. Instead of cuts the first recommendation on the road to recovery would be to stimulate and create jobs directly or indirectly. That cannot be achieved, as the member from Calgary who spoke the morning indicated, by balancing the budget. It cannot be done. He should read his economics 101 text to refresh his memory.

Second would be to reduce the underground economy by restoring the confidence of Canadians in our tax system.

(1250)

A third would be to eliminate as much as possible the tax privileges better known under the name of tax expenditures amounting to billions of dollars in lost revenue to the Canadian public purse.

A fourth would be to repeal the ill conceived legislation passed in 1991, a bill entitled Bill C-19, an act respecting banks and banking, which gave chartered banks a great incentive to invest in bonds at the expense of investing in business.

If there is one point that I would like to leave as being the main thrust of this intervention on my part today, it is that the last thing that Canada needs are cuts in social programs, unlike the theology put forward by Reform Party spokesmen and spokeswomen. A good social security network leads to a healthy and strong economy as the thriving economies outside North America have already proven.

Our illness is not expenditures. The finance department produced last week a most interesting report for November on the condition of Canada's deficit. It was even reproduced nonetheless in the business section of one of our national newspapers, the *Globe and Mail*, of all places. From that we learned that the deficit in November is down from a year earlier, revenue is down, expenditures are down, program spending is down and debt charges are down. Yes, that is what the Dow Jones article in the *Globe and Mail* on page B3 of last Saturday reports as a result of a report produced by the finance department.

We can see that the symptoms are that expenditures and revenues are down. One must conclude that the cure is not to reduce further expenditures even more but to increase revenues. That is what we need to do.

One way to increase revenues is to remove the privilege in our tax system which is costing large sums every year to Canadians as a whole. Let me give some examples.

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We have the non-taxation of lottery and gambling winnings. Do members know that cost in revenue to the Canadian people every year? For 1991, the latest year for which we have figures, it was a loss of revenue of \$860 million.

Then we have the \$100,000 exemption of capital gains which meant in the same year a loss in revenue of \$665 million. This is not a member of Parliament speaking, it is the finance department speaking in its report issued last week and reproduced partially in the business section of the *Globe and Mail* as I mentioned a moment ago.

Then we have the dividend, the gross up and credit which account for a loss in revenue of \$700 million. Then we have the partial inclusion of capital gains which is a loss in revenue of \$665 million. Then we have the investment tax credit of \$49 million.

Moving from personal to corporate income tax we find, again according to finance department figures just published last week, items like subsidies for business meals and entertainment. For instance, there is the box at the Skydome in Toronto if one takes it for \$100,000 or whatever the fee is, or escort services or no matter what. That total loss of revenue is \$357 million.

(1255)

Then there are subsidies for multinationals investing overseas, such as exemptions in foreign currency deposits. The amount is \$505 million a year. Then there is the partial inclusion of capital gains, some \$417 million in 1991.

There are more items: subsidies for business lobbying, business advertising, real estate developers and professionals. For all these items, strangely enough, the finance department is incapable of providing a figure despite the urging—note this—of the Auditor General over the last five or six years to do so, if my memory does not fail me. We still do not know the extent of these tax expenditures. I submit that these are tax privileges which in times of economic hardship are unacceptable.

Let me bring up another facet in the jungle of revenue losses. In Canada there is no minimum corporate tax at the present time. Some would think that we must be competitive with the giants south of the border and we cannot have a tax that they do not have. It turns out that in the United States there is a minimum corporate tax of 20 per cent.

We do not know the revenue loss in relation to this tax nor the losses incurred through a Canadian tax exemption called the 21-year trust rule. Has one ever heard about the 21-year trust rule which the Tories renewed in the dying days of the last Parliament? Yes, there is, Maryanna, a tax called the 21-year trust rule. The estimated loss is in the hundreds of millions of dollars. However the finance department is not capable of telling us the precise amount. It cannot. Is that not strange?

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All in all, to sum it up because my time is coming to an end, it would be fair to estimate that if the major tax concessions presently existing in the Canadian tax system were to be eliminated the federal public revenue would go up by several billions every year. It is a matter of political will.

If we are to reduce the deficit, I submit in conclusion, then eliminating tax expenditures is a good way of doing it. It could be done without penalizing ordinary Canadians who presently bear the brunt of a taxation system which has, over the last 10 years, been allowed to become regressive, unfair and a burden in order to help the privileged.

Our taxation system cries to heaven. It is in desperate, urgent need to be modernized, made fair and progressive and to be one in which Canadians can have faith. If we do that then the underground economy will gradually reduce and eventually disappear. In doing that also we will not see the need for cutting the social programs which are the product and the result of the architecture of successive Liberal governments over the past 50 years beginning with Mackenzie King in 1939 when unemployment insurance was introduced and moving on to St. Laurent, Pearson and Trudeau.

The Canadian social security system is the result of a Liberal ideology. It is a good one. It needs to be strengthened, not weakened. It is one which will make our economy better and stronger. I submit that we should be proud of it and reinforce it.

The Acting Speaker (Mr. Kilger): 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 recessed at 1.01 p.m.)

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS BY MEMBERS

[English]

AGRICULTURE

Mr. Allan Kerpan (Moose Jaw—Lake Centre): Mr. Speaker, we on this side of the House find it disturbing to note the lack of specifics in the throne speech on a number of vital national issues. However, we did not expect the government to neglect so completely a subject of utmost importance to rural Canada, and that is agriculture. In fact, its absence is conspicuous. We can only hope that this is not an indication of the government's intention to put agriculture on the back burner.

Farmers like myself are anxiously waiting on that back burner. We are the ones who stand to get burned. This while government chefs cook up higher deficits and more bureaucracy using a recipe they dug out of an old Keynesian cookbook.

The government of today cannot afford to ignore vast regions of our great country. Rural and urban Canadians all deserve equal treatment. All opposition members will require it of this government.

FORESTS

Hon. Charles Caccia (Davenport): Mr. Speaker, over time forests have been reduced from 34 per cent to 12 per cent of the world's land mass. In much of the world deforestation continues causing soil loss, land slides, shortages of water, damage to fish and wildlife. Forests provide habitat for biodiversity and absorb carbon dioxide. Life on the planet is threatened when forests are threatened.

However, the world community increasingly recognizes the value of forests. Forests must be given high priority on the international agenda, both politically and scientifically. The proposed royal commission on forests and sustainable development patterned on the Brundtland commission would be a good first step. Unfortunately, in Rio in 1992 the United Nations Conference on Environment and Development issued a weak statement.

Therefore I urge this government to lead like—minded nations toward the establishment of an international forest commission. Such a commission would report on how to sustain forest biodiversity, ensure environmentally sustainable forest management and protect social—ecological systems.

* * *

[Translation]

PIER AT GRONDINES

Mr. Pierre de Savoye (Portneuf): Mr. Speaker, the municipal pier of Grondines, in the riding of Portneuf, is deteriorating. The municipality proposed to the Department of Fisheries and Oceans to award a contract for the laying of rocks to protect the jetty, which would solve the problem for several decades to come. As well, Hydro–Québec has agreed to provide the rocks free of charge. Those rocks will be available following the dismantling of a structure used to cross over the waters. The municipality hopes to acquire the pier and use it for recreational purposes.

This project would allow the department to give a new life to the facility and save about one half of the amount it would otherwise have to spend, while at the same time freeing itself of recurrent costs.

Since Hydro-Québec intends to deliver the rocks no later than next summer, I want to co-operate with the Minister of Fisheries and Oceans so that his department and the municipality of Grondines can immediately benefit from this unique opportunity.

(1405)

[English]

SCHINDLER'S LIST

Mr. Dan McTeague (Ontario): Mr. Speaker, the film "Schindler's List" depicts what can occur when racism is permitted to go unchallenged or, even worse, ignored.

[Translation]

The increased incidence of racism and hate propaganda in Canada, as well as the tragic events in Eastern Europe, demonstrate that the atrocities of the Second World War related in the movie cannot be viewed as an isolated event or a historical aberration

The horrors of the past could be repeated—in fact they have already been repeated—if we do not fight racism. MCA Universal gave me the authorization to show, for the benefit of all parlementarians, the movie "Schindler's List" this evening. We, the legislators representing the various regions of our country, have the obligation, towards our voters and towards all Canadians, to support the efforts of those who fight against racism, both here and throughout the world.

[English]

I would like to thank MCA Universal for their support and I also wish to thank my colleagues in this House and in the other place.

LOS ANGELES EARTHQUAKE

Mr. Sarkis Assadourian (Don Valley North): Mr. Speaker, on January 17, 1994 at approximately 7.30 a.m. eastern standard time a severe earthquake measuring 6.6 on the Richter scale struck the city of Los Angeles.

Due to the severity of the earthquake over 25,000 people were left homeless, 45 are dead and over 2,000 are injured.

I wish to express my great sense of sorrow to these individuals and at the same time urge the Prime Minister on behalf of this House to convey our condolences to President Clinton and the victims of the disaster.

No doubt in the near future when we know the full extent of this earthquake we will know more about this tragedy.

* * *

INTER-CITY PRODUCTS CANADA LIMITED

Mrs. Jane Stewart (Brant): Mr. Speaker, it is with great concern and regret that I announce a plant closing in my riding of Brant.

Today Inter-City Products Canada Limited is closing its Elgin Street plant in the city of Brantford. Three hundred men and women will be looking for employment come tomorrow. Inter-

S. O. 31

City has been part of our community for 45 years. It has had to rationalize and downsize as a result of today's economic climate.

Our local Canada Employment Centre and the Industrial Adjustment Service are working with the company and with the union to support the employees. But I would encourage our ministers to continue to push hard with the infrastructure program in Ontario, with the initiatives that we have in support of small and medium—sized business and to develop new opportunities for our young people.

Brant needs this and so does Canada.

* * *

[Translation]

CANADIAN BLUE BERETS

Mr. Jean-Marc Jacob (Charlesbourg): Mr. Speaker, like my colleagues, I wish to take this first opportunity to congratulate you on your election as Speaker of this House.

I would like to draw your attention to a situation which, I am sure, is a matter of concern to all members of this House. I am referring to our Canadian Blue Berets who are doing an exceptional job of peacekeeping and promoting peace on the international scene.

I would like to express, on behalf of Quebecers and Canadians, some very serious concerns about their safety. I would therefore ask the government to provide guarantees that any NATO intervention would not have the effect of jeopardizing the safety or endangering the lives of 150 Blue Berets trapped at Srebrenica, most of whom are from CFB Valcartier, located in Charlesbourg, my riding.

* * *

WINTER GAMES

Mr. Raymond Lavigne (Verdun—Saint-Paul): Mr. Speaker, I would like to congratulate you on your election as Speaker of this House, and I would also like to take this opportunity to thank all the people in Verdun—Saint-Paul, including Pointe—Saint-Charles, for placing their trust in me for the next four years.

[English]

I want to thank all the people of the riding of Verdun—Saint—Paul including Pointe—Saint—Charles for the mandate they have given me for the next four years.

[Translation]

Today the Canadian Olympic Association announced simultaneously, in Montreal and Calgary, the membership of the Canadian team. I would like to salute these 105 athletes, the best in the country, 31 women and 74 men, with a large representation from Quebec, who will represent Canada at the Lillehammer Winter Games in Norway next February.

S. O. 31

(1410)

I want to take this opportunity to congratulate our athletes and their coaches, parents and families, and all those who helped train our Olympic team.

Let us celebrate and wish them the best of luck.

* * *

[English]

THRONE SPEECH DEBATE

Mr. Ed Harper (Simcoe Centre): Mr. Speaker, I wish to raise an issue of concern to millions of Canadians regarding the activities in this House yesterday.

Much to my disappointment the focus of the affairs of this place yesterday was on the constitutional future of Quebec. The three parties in this House each said during the recent election that the economy and getting Canada back to work would be the number one item on the agenda of this Parliament.

As a member from the province of Ontario, I would remind hon. members that the time will come when the Quebec-Canada issue will rise on the agenda. Until that time on behalf of Canadians in all provinces, the unemployed and those faced with uncertain futures, this House must concentrate on economic and social issues.

. . .

AGRICULTURE

Mrs. Rose-Marie Ur (Lambton—Middlesex): Mr. Speaker, the single largest industry in my riding of Lambton—Middlesex is agriculture, producing nearly three-quarters of a billion dollars worth of product in 1991.

Since the conclusion of the Uruguay round of GATT negotiations last December I have received numerous inquiries from concerned constituents who have expressed reservations about the continued state of health of Canada's supply management system. This system has benefited farmers and has provided consumers with a constant supply of high quality food.

Canada's tariff offers for agricultural products were tabled recently in Geneva. I am deeply concerned about reports that Canada's original tariff proposals for ice cream and yogurt may be lowered.

I would like to urge the Minister of Agriculture to ensure that the tariff levels and the mechanisms to enforce them provide effective controls for agricultural products.

..

VIOLENCE

Hon. Roger Simmons (Burin—St. George's): Mr. Speaker, we are told in the throne speech that steps are going to be taken

to deal with violence against women and children. It is about time. The figures are absolutely terrifying.

One out of every two Canadian women have known violence firsthand. In four out of five cases it first happened when they were children. Six out of ten women in Canada fear for their safety and their lives if they walk alone in their own neighbourhood after dark.

Freedom of movement is a marvellous democratic ideal. However for millions of Canadian women it is not yet a reality. We can do better than that. We must. In this Year of the Family let us see to it by starting to put an end to violence against women and children.

* *

[Translation]

ÎLE D'ORLÉANS POTATOES

Mr. Michel Guimond (Beauport—Montmorency—Orléans): Mr. Speaker, potato producers in the magnificent riding of Beauport—Montmorency—Orléans have suffered enormous losses in 1991 due to a virus. These losses amounted to about \$546,000 for potatoes stored on the farm and close to \$468,000 for potatoes stored at the wholesale level, which means more than a million dollars altogether.

Producers from Île d'Orléans have forwarded to the former Minister of Agriculture a complete file on the causes of these losses, on the amounts of money involved and on the compensation requested. The present Minister of Agriculture and Agri–Food has received a copy of this file.

In the past, compensation was paid to Maritime producers who suffered similar losses. The uneven way Maritime producers and Quebec producers are treated is unacceptable. We demand that this issue be given the attention it requires and that potato producers in the Île d'Orléans be properly and promptly compensated.

* * *

AUDITOR GENERAL'S REPORT

Mr. Jean–Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the Auditor General can table only one report a year. This report on the strategic and operational management of the federal government is of extreme importance.

(1415)

As do many Canadians, I believe that the time has come—to better understand what deficits and debt mean, to better manage department and agency budgets; to better inform Canadians on federal programs and their efficiency; to better amend our laws to make them more easily understandable—to seriously contemplate amending the Auditor General Act, to enable him to prepare not only one yearly report, but ad hoc reports which

would provide this House with the information required to manage the country in the best possible way.

ORAL QUESTION PERIOD

* * *

[Translation]

[English]

REGISTERED RETIREMENT SAVINGS PLAN

Mrs. Sharon Hayes (Port Moody—Coquitlam): Mr. Speaker, I wish to address an issue of great concern to millions and millions of Canadians who are sincerely worried about their financial well-being in their retirement years.

It is no secret that previous governments have underestimated the financial reserves that will be available to retiring Canadians after the year 2000. That is why so many Canadians, many of whom voted for members on the government side, have been diligent about paying into their private registered retirement savings plans.

Yesterday in response to a question from the member for Calgary Centre the Minister of Finance would not guarantee Canadians that there would be no tinkering with the amounts Canadians are permitted to pay into RRSPs.

Canadians and this House need an unequivocal guarantee from this government that there will be no tinkering and no tax grabs or—

The Speaker: I regret the hon, member's time has expired.

. . .

TOBACCO SMUGGLING

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, tobacco smuggling is not a victimless crime. When tobacco is smuggled taxes are lost, revenue is lost. Our country needs this revenue in order to fund social programs, lower the deficit and also of course to fund job creation initiatives.

There are even more important reasons yet why we want to curb tobacco smuggling. It is because the crime of selling and buying illegal cigarettes is associated with violence and disrespect for law. More sinister is the fact that the money from this activity ends up straight in the pockets of motorcycle gangs, the underworld and other undesirables. Those moneys are used to fund more crime, more violence, gun running and so on.

Let us all work together to put an end to tobacco smuggling in Canada.

HEALTH CARE

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, yesterday, in answer to one of my questions, the Prime Minister quite frankly admitted he was prepared to reduce health care expenditures, and I quote: "If we are able, working in co-operation with the provinces, to reduce the health care expenditures of all levels of government, then both the provinces and the federal government will save money."

We also know that the Minister of Finance is in Montreal, on the first day of a two-day federal-provincial conference with his provincial counterparts.

I would like to ask the Prime Minister if, considering his position on reducing health care expenditures, he has instructed his Minister of Finance to convince or indeed oblige his provincial colleagues to reduce health care levels in the provinces by agreeing to a reduction in provincial transfer payments.

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, as I have said before, it is in the interests of all levels of government to try to reduce spending in all sectors, including health care. If governments were able to reduce spending in this area, both the provincial governments and the federal government would improve their financial situation. If they do not succeed, expenditures will remain at the same level.

However, I want to try. In fact, this House wants the entire public sector in Canada to reduce spending levels, and all sectors should be examined, including health care.

[English]

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, how is it possible for anyone to take seriously the commitment made by the government in the speech from the throne to the sacred principles of the universality of the health care plan when we heard the Prime Minister say, as he said yesterday, that he had made a decision to reduce the level of resources devoted to health care?

 $(1420\;)$

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, there are some universal health care services existing, for example, in Europe where they spend less than Canada in relation to their GNP. In the United States they do not have universal medicare and they spend 14 per cent of their GNP. In Canada we spend 9 per cent.

I know of some countries in Europe that have universal medicare which applies to all their citizens and they spend 7 per cent to 8 per cent of GNP. If we could be as good as them everybody would be saving money.

[Translation]

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, I notice the Prime Minister is more interested in monetary matters than in the level of health care to be offered to Canadians.

Does the Prime Minister realize that the situation is already very disturbing for health care recipients—in Quebec, for instance, and I am sure it must be about the same anywhere else in Canada, there is a five—month wait for heart surgery and three months for radiation therapy—and that by using his proposed transfer payments to the provinces to improve spending cuts, he will further extend delays that are already unacceptable?

Right Hon. Jean Chrétien (Prime Minister): Canada's health care services are administered by the provincial governments, and we contribute to the financing of these programs. The provincial government's own administration may decide what its priorities in this area will be, and that is each government's responsibility. Federal transfer payments are for us a way to ensure that health care services are available and universal across Canada. However, each provincial administration is responsible for its own budget priorities. The Constitution, in fact, gives the provinces jurisdiction over this area.

* * *

FISHERIES MANAGEMENT

Mr. Yvan Bernier (Gaspé): Mr. Speaker, since this is the first time I speak in this House, I would like to congratulate you on your appointment.

My question is for the Minister of Fisheries and Oceans. Mr. Speaker, regardless of the successive federal governments, fisheries management has been short-term, short-sighted and chaotic—so much so that the Auditor General told us yesterday that Ottawa gave grants to fishermen who had died or did not qualify. Not only is the department unable to manage marine resources but it also seems to be unable to manage financial resources.

My question therefore is this: What specific short-term measures does the minister intend to take to put the management of his department's programs back in order, as the Auditor General asks, since, let me add, his 6,000 officials no longer have any cod to manage?

[English]

Hon. Brian Tobin (Minister of Fisheries and Oceans): Mr. Speaker, I thank the member for his question and I congratulate him on his new responsibilities.

Let me first of all make clear that the member asks what action this government will take to put order in POWA programs. The Auditor General's report is an assessment of the previous administration's program, and the Auditor General himself has noted that most of the concerns that have been raised have been dealt with.

Furthermore, the notion that funds were paid to people who were deceased in my reading of the Auditor General's report is nowhere to be found, although I understand an official said at some point perhaps that was possible.

Let me advise the member that notices have been sent to 1,300 individuals asking for complete and full repayment. That process is under way. This government, when it delivers its program post May 15, will do so in a professional, competent and first class manner that I know the member himself will be happy to applaud.

[Translation]

Mr. Yvan Bernier (Gaspé): Mr. Speaker, my second question is when? When can fishermen in Quebec and Canada, who are now living in total uncertainty, have an idea of what the minister will do after May 15, when the Fisheries Adjustment and Recovery Program ends? Will we have the traditional improvisation from the Department of Fisheries, that is, a presentation on May 14? Let me repeat: When will the minister lift the veil of uncertainty? When?

(1425)

[English]

Hon. Brian Tobin (Minister of Fisheries and Oceans): Mr. Speaker, I want to assure the member opposite that we will not have an improvised approach. We will have an approach that is very much the result of wide and complete consultation with all provincial governments affected, including the province of Ouebec.

I had a meeting with fisheries ministers from all the Atlantic region in Quebec City a few weeks ago. My colleague, the minister responsible for employment programming in Canada, human resources, met last week with representatives of all harvesters in Canada, including the province of Quebec.

The purpose of these meetings is consultation: to listen, to reflect upon the advice that is being given, and to ensure that when a program is delivered in this country it is the result of broad based public consultation at the community level.

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THE CONSTITUTION

Mr. Preston Manning (Calgary Southwest): Mr. Speaker, my question is for the Prime Minister.

The Prime Minister has repeatedly said that he does not want to reopen constitutional issues at this time and that the priority of his government is jobs and economic growth. Yet yesterday he and other Liberal members were repeatedly drawn into

heated exchanges with Bloc members on the constitutional future of Quebec.

There are millions of Canadians including Quebecers who want Parliament to focus on deficit reduction, jobs and preserving social services.

Is the Prime Minister abandoning his commitment to stay out of the constitutional swamp or is it still his resolve to stick to economic, fiscal and social priorities?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, my answer is yes to the second part of the member's statement.

Mr. Preston Manning (Calgary Southwest): Mr. Speaker, I have a supplementary question for the Prime Minister.

Does the Prime Minister have any strategies, mechanisms or suggestions for this House to enable the constitutional concerns of the Bloc members to be addressed without allowing them to consume a disproportionate amount of the time and attention of this House?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, the answer to that is very simple. I cannot stop them from talking about separation. They have the freedom to do that.

I know very well that if members of the official opposition keep talking about separation and constitutional problems they are not living up to why they are here. The people in every riding of Quebec want all members of this House to work together to make sure that we have economic growth and job creation.

Mr. Preston Manning (Calgary Southwest): Mr. Speaker, I have one further supplementary question for the Prime Minister.

Does the Prime Minister envision some special role for the Minister of Intergovernmental Affairs in this area? Is its focus going to be primarily on Canada–Quebec relations or on relations with all provincial governments?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, the minister is charged to deal with all the provinces and to work to try to eliminate a lot of the duplication that exists between the two levels of government. He will deal with all the provinces because it is a concern right across Canada. That type of problem is not only in relation to the province of Quebec. It is with all the provinces. We would like to eliminate a lot of duplication.

When I met with the first ministers in December we went through a list of possible elimination of duplication. The minister is working very actively to make some progress in that field. [Translation]

MANPOWER

Mr. Michel Gauthier (Roberval): Mr. Speaker, if the prime minister wants to speak on the economy, I remind him that yesterday the premier of Quebec, a true federalist as you well know, made an urgent call to his federal counterpart—

The Speaker: Order, please. The hon. member will ask his questions through the Speaker.

Mr. Gauthier: Yes, Mr. Speaker. You can blame it on my lack of experience.

So I ask my question through you to the prime minister. I remind him that yesterday the premier of Quebec, who is a true federalist and whom the prime minister knows well, made an urgent call to his federal counterpart to solve the issue of overlapping responsibilities in the manpower area. It was an urgent call.

Meanwhile, last Tuesday, his minister of Intergovernmental Affairs associated this agreement with the reform of all Canadian social programs.

(1430)

Mr. Speaker, my question is as follows: How does the Prime Minister reconcile the urgency to act and the Quebec Premier's request and the gradual strategy of his Minister of Intergovernmental Affairs?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, we already discussed this problem with the Premier of Quebec. We would like to find a solution to this problem but it is a very complicated issue. Equalization is also involved, in that it depends on the needs of each part of Canada. Unfortunately, since the Atlantic provinces and Quebec have proportionately more unemployment than the rest of the country, they receive more money.

A way must be found to use federal funds to help unemployed people whom they want to train and to allocate these funds on the basis of regional needs. For this regional distribution, federal authority must be maintained; otherwise, if we simply transfer jurisdiction, the transfers will be made per capita and the province of Quebec will lose a lot.

Mr. Michel Gauthier (Roberval): Mr. Speaker, I have a supplementary question for the Prime Minister. Is he willing to pledge right now that he will do his utmost to ensure that this issue is settled without delay, as the Quebec Premier has been requesting, in order to dispel the doubts cast by his Minister for Intergovernmental Affairs?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, what matters is not to respond quickly but to take proper action,

and we are going to take all the time necessary to find the solution that will ensure that Quebec is not penalized. If we go for per capita transfers, Quebec will pay a hefty price to opt out of this federal program.

* * *

[English]

NON-CONFIDENCE MOTIONS

Mrs. Daphne Jennings (Mission—Coquitlam): Mr. Speaker, I have a question for the Prime Minister.

Is today the day that the Prime Minister is to rise in his place and free the members of this Parliament to represent their constituents by declaring that the government will not consider the defeat of a government motion, including a spending measure, to constitute an expression of non-confidence in the government unless it is immediately followed by the passage of a formal non-confidence motion?

[Translation]

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, this House has had long standing rules of procedure which we follow. I think that it would be very easy, with the majority we have, to embark upon a process that would render the government not accountable for its decisions, but we also have to consider the consequences if, in a distant future, a minority government were to be elected to Parliament.

[English]

We have to keep in mind what would be the long term effect of such a proposition on this Parliament.

Some time ago we came a long way from that. I remember when we lost a vote in the House on the budget when Mitchell Sharp was the minister. Mr. Caouette who was a social creditist, the grandparents of the Reformers of today, made a proposition. He had managed to defeat a budgetary proposition and he said that it was not a defeat of the government. Through that good decision of Mr. Caouette's we remained in power and won the election a few months later.

Mrs. Daphne Jennings (Mission—Coquitlam): Mr. Speaker, I would like to thank the Prime Minister for his answer. I do bow to his expertise.

However I would wonder if the Prime Minister might explain to the Canadian people why he refuses to allow their MPs to represent them faithfully in Parliament.

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, this House is not a group of independents who have been elected on their own. We too are members of a party and we had a program.

(1435)

The government is getting the program before the House and the red book will be implemented. All the promises we have made will be implemented. We stick together because we have the right policies.

* * *

[Translation]

NATIONAL REVENUE

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, the Minister of National Revenue has announced that he has withdrawn the action he had brought against the government. Upon verification however, the Federal Court-Appeal Division docket seems to indicate that part of the case is still pending and will have to be heard on appeal.

Does the Minister agree that he is still in a conflict of interest position because of this action pending with regard to his travel expenses since his Cabinet colleague, the Minister of Justice, has to plead against him?

[English]

Mr. Anderson: Mr. Speaker—

The Speaker: It would seem that the question might be out of order. I would rule it out of order. It should be directed to the minister in charge of conflict of interest since it is a matter of law. Perhaps the member could rephrase it.

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, it is a question for the Prime Minister to answer. I have been informed by the Minister of National Revenue that the minister has withdrawn his action.

[Translation]

Those are the instructions he has given his lawyer. Now, did the lawyer follow these instructions? I do not know. We will look into this. The minister clearly stated that he had instructed his lawyer to withdraw the action. Was the lawyer remiss or did he do his job? What I was told is that the minister had specifically requested that the case be discontinued.

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, I have the discontinuance order right here and it applies only to the cross-appeal. This means that there is still an appeal pending before the Federal Court.

I would like the Prime Minister to tell me: under his new code of ethics, is it appropriate that his Minister of National Revenue be in a position of conflict of interest, based on the facts I have just stated, which were verified no later than this morning by the Federal Court, or should he not choose between resigning his Cabinet seat and withdrawing his appeal?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, I do not believe that the hon. minister was in a conflict of interest situation at any time. As a citizen, the minister had rights

against the crown like anybody else. It so happens he had brought an action against the government, exercising a right we all have.

Any of us who risked sustaining damage or injury on federal property due to the negligence of a government employee would be entitled to sue the crown. Anybody, including me, any minister and the leader of the Opposition. But, to avoid controversy, the minister has decided to withdraw his appeal. If his counsel did not carry out these instructions—and if he is watching today, he can see that the minister of revenue agrees—he should have carried out his instructions to the letter.

* * *

[English]

TRADE

Mrs. Diane Ablonczy (Calgary North): Mr. Speaker, my question is for the Minister for International Trade.

A woman by the name of Shelley Anne Clark, who is an employee of the federal government, has publicly made serious accusations concerning the free trade agreement, including a statement that the actual text of the agreement has never been disclosed. She says that the real agreement contains terms which limit Canada's sovereignty over our resources.

On behalf of Canadians who have called me and other MPs to find out whether this is true, would the minister lay the matter to rest today by stating conclusively that the text of the free trade agreement which has been made public is in fact the true and complete agreement?

Hon. Roy MacLaren (Minister for International Trade): Mr. Speaker, the allegations made by the Shelley Anne Clark were investigated by the previous government and found to be unwarranted. Our practices regarding privacy of information would preclude me from commenting any further on her allegations.

Mrs. Diane Ablonczy (Calgary North): Mr. Speaker, could the minister state conclusively that the text of the agreement which has been made public is in fact the true and complete text? That is what people want to know.

(1440)

Hon. Roy MacLaren (Minister for International Trade): Mr. Speaker, the text made available by the previous government is, in my understanding, the actual text.

* * *

[Translation]

TOBACCO TAXES

Mr. Pierre Brien (Témiscamingue): Mr. Speaker, my question is for the Minister of National Revenue. While the Liberal ministers have fun passing the buck on the cigarette smuggling

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issue, the Premier of Quebec has said once again that he intends to lower the tax to curb the problem.

Is the Minister prepared to acknowledge that one of the best ways of eliminating smuggling is by reducing the excessive tax? And how does the minister feel about the Quebec Premier's proposed course of action?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, I discussed this matter with the Premier of Quebec in December and discussions are under way with other governments at this time. We intend to take the necessary steps to curb smuggling as soon as possible.

Mr. Pierre Brien (Témiscamingue): My supplemental is for the Prime Minister as he appears to have taken over question period this afternoon.

Will the Prime Minister concede that as a result of high taxes, the federal treasury has lost nearly \$600 million, according to the Finance Department's 1992 estimates alone, and that as a result of this, smokers contribute considerably less to the health care system?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, there is no question that governments have lost a considerable amount of money. That is why we have decided to consult with the provinces and work together with them to address the smuggling problem. If both levels of government cannot co-operate, if one acts and the other does not, then we will not get the hoped-for results. We are working right now to achieve a consensus on an effective way of curbing smuggling.

* * *

[English]

ABORIGINAL AFFAIRS

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development.

The minister is quoted in yesterday's Toronto *Sun* as saying that the government will have plans for native self–government in place within six months.

Could the minister tell the members of the House and the people of Canada, indeed the aboriginal people themselves, precisely what is meant by self-government?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development): Mr. Speaker, yesterday I announced a process of six months of discussions with the provinces, the territories and the regional and provincial governments to assist in the implementation of the inherent right of self–government which this government is committed to.

In answer to my hon. friend's question, it is a three-in-one formula: self-determination, self-sufficiency and self-government within one Canada. We intend to proceed with fairness and in the healing process in the end we will have a better country.

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, we want a better country.

Last night on the CBC newscast, the minister seemed unclear as to whether this declaration of his meant that the government was creating a third level of government, a third level that many people at the municipal and provincial levels and indeed aboriginal people themselves are very uneasy with.

After a night of reflection will the minister tell the Canadian people whether his declaration yesterday will indeed create a third level of government in Canada?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development): Mr. Speaker, I was asked that question last night on CBC to which I responded that it was a tough question. It still is.

We do not look at this as creating a third level of government. We look at this as developing what exists from the Two Row Wampum treaties of hundreds of years ago through the Constitution, the Guerin case and the Sparrow case to what we have today: the policy of this government that the inherent right of self-government exists. It is something we are committed to and something we intend to implement fairly and justly within four years.

SALMON FISHERY

Mrs. Anna Terrana (Vancouver East): Mr. Speaker, this is my first intervention in the House. I would like to congratulate you for being elected Speaker of the House of Commons.

(1445)

The balance of salmon interceptions under the Pacific Salmon Treaty has tipped significantly in U.S. favour since the treaty was signed in 1985. The imbalance is worsening. U.S. fishermen enjoy the benefits of increasing stocks of Canadian sockeye while Canada's interception of U.S. coho and chinook continues to decline.

In 1993 Canada and the United States failed to reach an agreement concerning long term salmon fishery management plans. The one year management plan that was accepted expired this year. So far negotiations have been long and protracted.

What is the status of these negotiations?

Hon. Brian Tobin (Minister of Fisheries and Oceans): Mr. Speaker, I thank the member for Vancouver East for her excellent question and her interest in this matter.

Despite all the efforts of the Government of Canada to negotiate on these matters relating both to conservation and to the question of equity raised by my hon. friend, we have now arrived at an impasse in our negotiations with the American negotiators.

Consequently I have had discussions with my colleagues, the Minister of Foreign Affairs, the Minister for International Trade and with colleagues from the province of British Columbia.

Having received advice from our negotiator as well as from Canada's Pacific salmon commissioners, I have instructed our negotiator, Yves Fortier, to advise his American counterpart that we will not be participating in the next round of negotiations and that progress cannot be made until the Americans are ready to implement an equity agreement.

This government is committed to conservation and a sensible management plan, but it is committed as well to protecting the interests of Canadian fishermen in British Columbia.

* * *

[Translation]

CIGARETTE SMUGGLING

Mr. Michel Bellehumeur (Berthier-Montcalm): Mr. Speaker, my question is for the Solicitor General of Canada.

I was stunned to hear yesterday on the news that corner store owners in Saint-Eustache had their backs to the wall and were openly going to violate the law by selling contraband cigarettes. This clearly shows that Canadians are getting more and more frustrated by the government's lack of action regarding this contraband problem.

My question is: Does the minister intend to call on the RCMP to enforce the law in Saint-Eustache?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, I will inquire with the RCMP concerning the issue raised by the hon. member. I too believe that the law must be enforced and I will provide the hon. member with a more detailed answer as soon as possible.

Mr. Michel Bellehumeur (Berthier-Montcalm): Mr. Speaker, in that case, could the minister also tell me what he intends to do to enforce the law everywhere, including eight kilometres away from Saint-Eustache, where offenders sell cigarettes illegally and very openly?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, we intend to make sure that all Canadians respect the law.

[English]

INVESTMENT CANADA

Mr. Ian McClelland (Edmonton Southwest): Mr. Speaker, my question is for the Minister of Industry. I acknowledge the fact that this matter took place under the previous government.

It was reported in the Auditor General's report that the president of Investment Canada spent \$132,000 of taxpayers' money on renovations to a bathroom and kitchenette in his office. Last weekend the Ottawa *Citizen* had an ad for a whole house for \$105,900.

Would the minister assure the House and explain specifically what steps his department is taking to prevent the recurrence of this kind of lavish and extravagant waste of taxpayers' money.

Hon. John Manley (Minister of Industry): Mr. Speaker, I appreciate the question. It gives me the opportunity to underline for the hon. member that in my view every single dollar we receive from the taxpayers of Canada is vitally important and our judgment in how we spend it is always open to review.

I consider this expenditure to be lavish and unworthy of taxpayers.

(1450)

I would like to remind the hon. member that there are new cooks in the kitchen now and we are going to do a lot better.

Mr. Ian McClelland (Edmonton Southwest): Mr. Speaker, I have a supplementary question.

I appreciate the comments of the minister. I wonder if the minister would advise the House whether or not the president of Investment Canada has been called to account for this spending. How can a person in a position of authority and responsibility waste money in this regard and still have a parsimonious impact or effect in his daily job?

Hon. John Manley (Minister of Industry): Mr. Speaker, I am advised that the official who authorized this expenditure is no longer in my department. However, it has certainly been made clear within the department that these expenditures are not acceptable.

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[Translation]

HOCKEY TEAM CANADA

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): Mr. Speaker, my question is for the Minister of Canadian Heritage.

Yesterday, in his speech in reply to the Speech from the Throne, the Prime Minister stressed repeatedly the role that Quebecers and French-speaking Canadians play in Canadian institutions. Again this morning, the Minister for Foreign AfOral Questions

fairs was mentioning how well treated Quebecers were in Canada. Yet, Quebecers are conspicuous by their absence from Hockey Team Canada, the team which is setting out to represent Canada in the Olympics, in Lillehammer.

My question is the following: Can the Minister tell us why Hockey Team Canada has no room for a player from Quebec and what concrete steps he intends to take to put an end once and for all to this shameful discrimination?

Hon. Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, I thank our colleague for this opportunity to pay tribute to the Canadian athletes who will show us want they can do in the XVII Winter Olympic Games, in Lillehammer. Incidentally, I would say that they are going over there to win medals, not to play politics.

As the hon. member for Verdun—Saint-Paul pointed out earlier, the Canadian Olympic Association released earlier today the list of athletes who are going to Lillehammer. This list released just hours ago clearly indicates who the Canadians participants will be, and I am very proud to report that more that 30 per cent are from Ouebec.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): I have a supplementary question, Mr. Speaker. Minister, you may have had a different outlook from outside of the country as an ambassador, but hockey is our national sport—

The Speaker: The hon. members should always address the Chair. Thank you.

Mrs. Tremblay: Mr. Speaker, are we to understand that the Minister washes his hands of the matter and refuses to take concrete steps to correct a glaring injustice towards Quebecers, especially the likes of Mario Lemieux and Alexandre Daigle, who were apparently not good enough—

Mr. Ouellet: The teams are different.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): —to be selected to Team Canada.

Hon. Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, I put blame only where it is deserved. The rules of the game are that the Canadian olympic hockey team members are announced only hours before their first game. When recruiting is over, which it is not, then and only then will we be in a position to pass judgment.

* * *

[English]

ABORIGINAL AFFAIRS

Mr. Randy White (Fraser Valley West): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development.

Oral Questions

(1455)

Yesterday the Auditor General's report pointed out that the five year \$1 billion Canadian aboriginal economic development program aimed at addressing the economic disparities between aboriginal people and other Canadians had at least three major flaws. It lacked leadership and accountability, it was void of overall implementation plans and it showed examples of poor co-ordination. The throne speech also indicated that more new programs would be introduced by the Department of Indian Affairs and Northern Development.

Will the minister assure this House that he will investigate previous program failures and take steps to correct them before spending yet more of Canadian taxpayers' money with the same results?

Hon. John Manley (Minister of Industry): Mr. Speaker, the aboriginal economic development program falls under the jurisdiction of the Department of Industry. I would like to advise the hon. member that we do tend to very carefully observe the application of funds from that program.

The member should know that an independent study by the consulting firm of Goss Gilroy indicated that the aboriginal economic development program was a very successful program. With the views of the Auditor General now known to us it of course gives us the opportunity to review his comments and see to it that these programs are effective.

Mr. Randy White (Fraser Valley West): Mr. Speaker, I would like to go back to the question again. Will the minister assure the House that he will investigate previous program failures before implementing new programs that were announced in the throne speech?

Hon. John Manley (Minister of Industry): Mr. Speaker, yes we will.

PUBLIC SERVICE OF CANADA

Mr. Stan Dromisky (Thunder Bay—Atikokan): Mr. Speaker, I would like to ask the Prime Minister if he will reassure the Canadian people that the rationalization programs and policies of the former government which resulted in the loss of thousands of public service jobs will be re–examined. Wherever possible, will they be modified or eliminated entirely in order to diminish the deterioration of quality public service as well as the anguish and suffering by those directly affected?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal): Mr. Speaker, I am glad to be able to say that we have already moved on the question of reorganization.

We have changed some of the decisions that were reached by the previous government in order to improve relationships with the public service and in order to improve the quality of life of public servants. We are continuing to do that.

In particular, the abolition of chiefs of staff, the decrease in our ministerial offices and the argument of the Prime Minister that no ministers can succeed without having a proper relationship with their civil servants have all improved the relationship and are helping us at present to give better government.

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[Translation]

PAY EQUITY

Mrs. Christiane Gagnon (Québec): Mr. Speaker, my question is for the President of the Treasury Board.

The most recent statistics on average income in Canada were published by Statistics Canada this week. The difference between the average yearly income of men and that of women in 1992 is striking. Men earn \$39,468 on average, as compared to \$28,350 for women. The difference is \$11,000.

My question is this: Does the Minister have concrete proposals to put forward to correct this serious injustice affecting women in every sector of the economy that falls under his jurisdiction?

[English]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure): Mr. Speaker, I thank the hon. member for the question. One of the programs this government is most committed to is the matter of pay equity as indeed is employment equity to give the opportunity for all peoples of our country to be able to advance in the public service of the federal government.

The same statistics that the hon, member cites also show that progress in fact is being made. I must say that while we have gone some distance, we have some distance to go. We remain committed to carrying out those programs.

(1500)

[Translation]

Mrs. Christiane Gagnon (Québec): Mr. Speaker, am I mistaken or did the Minister say he was committed to implementing pay equity programs for his own Public Service employees to set a good example?

[English]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure): Mr. Speaker, yes.

CRUISE MISSILE TESTING

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my question is for the Prime Minister. The Prime Minister has spoken about the importance of keeping the promises made by the Liberals in opposition.

My question concerns a promise that was made particularly by the member for Winnipeg South Centre that the Liberal Party would recognize that the cold war is over and would oppose the testing of cruise missiles in Canada.

I want to ask the Prime Minister if he will keep that promise that was made to Canadians and cancel the testing of cruise missiles or at the very least, will he honour the request that was made by the member for Winnipeg South Centre on February 15 of last year when he called for full parliamentary hearings on this issue to allows northerners, natives and peace groups an opportunity to be heard fully, not just politicians in a parliamentary debate, on this issue of fundamental importance to all Canadians?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, we want to have a debate here in this House on this subject very soon. There will be an announcement made later today or tomorrow about it. We want to review that policy as we said, but we want to have the input of everyone.

We will have a debate in the House of Commons. We intend to put the question of policies on national defence for debate and we will have a short debate on the decision to be made. There was a commitment made last August or September, but we want to review that situation. There will be a full debate in this House of Commons. I am sure the members of the committees will want to receive the views of other groups which would like to make representations before the final decision is made.

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PEARSON INTERNATIONAL AIRPORT

Mr. John Nunziata (York South—Weston): Mr. Speaker, can you hear me okay?

The Speaker: We can hear you no matter where you are.

Mr. Nunziata: Mr. Speaker, it took me 10 years to get to the front brench. The only drawback is I am a step away from the door.

The Speaker: Perhaps the hon. member would like to put a question today.

Mr. Nunziata: Thank you. Actually I would like to put a lot of questions, and there is this bar in my way.

Oral Questions

Seriously, Mr. Speaker, my question is for the Minister of Transport. It relates to the compensation issue in the Pearson airport contract cancellation.

The minister will know that there was a finding that the contract was unconscionable in that the contract was signed in the middle of an election campaign after the leader of the opposition, now the Prime Minister, warned the proponents that the contract may in fact be cancelled.

Will the minister agree that in light of those findings that there ought to be no compensation paid to the other side and at the very least, will the minister ensure that they will not be compensated for lost profits and that there will be no compensation for lobbyist fees? Also, will he undertake to introduce a bill in this House to cancel the contract if it cannot be cancelled on terms in accordance with the public interest?

Hon. Douglas Young (Minister of Transport): Mr. Speaker, the cancellation of the Pearson airport deal was taken on the basis of advice from Mr. Nixon. I am sure the hon. member has read that report with great interest as many of us have.

The parameters set out in the report indicated clearly that compensation would be very limited and with the competent negotiator that has been appointed, I have every confidence that the interest of the taxpayers of Canada will be respected. In the event that a satisfactory arrangement cannot be arrived at legislation of course will be introduced.

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PRESENCE IN THE GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of the Hon. Chuck Furey, Minister for Industry, Trade, and Technology for the province of Newfoundland and Labrador.

Some hon. members: Hear, hear.

(1505)

[Translation]

The Speaker: I also wish to point out the presence in the gallery of the Hon. Gérald Tremblay, Minister of Industry, Commerce, Science and Technology in the province of Quebec.

Some hon. members: Hear, hear.

[English]

The Speaker: My colleagues, before we proceed with other business of the House, we have been asked to pay tribute to one of our former members of Parliament and one of the officers of the chair, Mr. Steve Paproski.

Tributes

THE LATE HON. STEVEN PAPROSKI

Hon. Anne McLellan (Minister of Natural Resources): Mr. Speaker, I know that many hon. members will want to take a few moments to remember a long serving and much loved representative of the city of Edmonton who passed away suddenly late last autumn.

The Hon. Steve Paproski came from Poland to Edmonton as a child. As a young man he was a popular hometown player for our champion football team, the Eskimos, while building a successful career in business.

He was elected to the House of Commons in 1968 and retired at the last election undefeated in seven elections. In a quarter century in this House he served as his party's chief whip, as Minister of Fitness and Amateur Sport and as one of the assistant Speakers of the House.

He had friends not just in his own party but in every corner of this House. Although he was as capable as anyone and better than many, in the cut and thrust of political debate he refrained from insult and personal attack. He truly believed that all members were entitled to express their points of view and that all were here to serve their country.

As proud as he was of his Polish birthright it is an illustration of his approach to life that he became famous here for his St. Patrick's Day receptions.

Steve Paproski was a big man in every sense of the word. In Edmonton and here in the House of Commons his generosity of spirit and of deed was unsurpassed. He was a proud family man, a pillar of the church and a committed servant of the people.

It is sad that he could not live to enjoy the retirement to which he had looked forward. We all join his wife Betty, his children and his grandchildren in missing his warm and happy personality and his very wise counsel.

[Translation]

Mr. Louis Plamondon (Richelieu): Mr. Speaker, I too, on behalf of the Bloc Quebecois, would like to pay tribute to our friend Steve. I had the honour of knowing him and of being with him and especially of appreciating him from 1984 to 1993.

In 1984, for the new Conservative members, he was a valuable advisor, an exceptional motivator, and he helped us a great deal in learning the rules of the House and the British parliamentary system.

As Deputy Chairman of Committees of the Whole House, he immediately gained the respect of all parliamentarians. Patient, impartial, a gentleman, knowledgeable of the rules of the House, he always found the words, the friendly approach and the right argument to have his decisions accepted.

In my first steps as House leader of the Bloc Quebecois—the party was not even recognized then—every time I asked him for a meeting to claim our rights, he always received me in a friendly, affable way. It was then that I learned to appreciate him. A sincere, democratic, humane, honest man, he always put the interests of the House and its members first.

I would like to conclude by saying a word to his family. We understand your sorrow and the great pain you feel. How many questions must have gone through your mind in trying to understand and accept the death of someone so close to you!

(1510)

Is there an acceptable answer when such a tragedy befalls us? I do not believe so. There is only the courage and determination to go on with one's life, with the assurance that the deceased person is still proud of us.

The great French author Alexandre Dumas said one day that those whom we have loved and lost are no longer where they were, but they are still everywhere we are.

I extend our sincerest condolences and a word of encouragement to Steve's whole family. Thank you, Steve, for your invaluable contribution to Canadian democracy.

[English]

Miss Deborah Grey (Beaver River): Mr. Speaker, it is with pleasure that I rise to pay tribute and also with sadness that I rise on behalf of my party to make mention of the Hon. Steve Paproski and the contribution that he made to this House.

Steve was born in September 1928. We lost him as a friend in this Chamber as well as to people right across Canada on December 3, 1993.

Mention has been made previously of his wife, Betty, and their five children, Patrick, Peter, Anna Marie, Alexandra and Elizabeth. Although many weeks have intervened since Steve's death we need to realize that that pain, although it does dull somewhat, is still very sharp in their memory after the incredible loss of their husband and father.

Looking at the professional career of Steve Paproski, those of us who are proud of our Edmonton Eskimos certainly know that he became a household word when he was a lineman for the Eskimos from 1949 until 1954. What a thrill it must have been for Steve.

I can hear him on the couch on Grey Cup day screaming as loudly as any one of us who were cheering for the Eskimos: "Go Esks, go". They did not let him down. What a wonderful way for him to witness his last Grey Cup.

He was the general sales manager for Alberta Concrete Products and elected to this House, as has been mentioned earlier, in 1968. He celebrated 25 years in this House of Commons. As everyone knows, he chose not to run in the last election. I am sure that it did his heart proud that he chose to go into retirement rather than going into retirement from this place without choosing it.

I have many memories of the Hon. Steve Paproski, all of them good. I say that unequivocally. His smile was what he was probably most known for. I appreciated that smile as I sat in my place during the last term. How good it was to see someone still with a twinkle in his eye being able to just smile so readily at all the things that go on in this place.

One memory that I have so strongly of Steve Paproski was when he sat in the chair and hollered for the yeas and nays. Then he said: "In my opinion the nays have it". That tone of voice and relaxation that he brought was so good that I will never forget those words ringing in my ear: "In my opinion the nays have it".

Last year Steve Paproski called me from my place to the chair. I thought: "He is going to recognize me". Of course it was a thrill in those days to be recognized by the Chair. He said: "Deborah, is such—and—such a place in your constituency". He named a little place. I said: "Yes, it is, Steve. It is so many miles from my house and has a small area of residences".

He said: "Guess what. I just bought a lot there and you are going to be my new MP. How am I ever going to explain this?" We had a good laugh together about that.

Most recently this fall I received a personal phone call out west from Steve just after the election and he congratulated me on my marriage and my re-election. It was wonderful just to have a few minutes with him. I had no idea it would be my last visit with Steve. Those memories are precious and I appreciate them.

My final memory of Steve was picking up the newspaper after church in Edmonton on Sunday, December 5. I picked it up and before I even grabbed it out of the machine I saw the headline stating that Steve Paproski had died of a heart attack.

It was almost as if my heart just gripped as well. Something had gone dreadfully wrong. Something was happening over which of course not I, his family nor anyone else had any control. He was dead. He is dead but his memory will continue to live on in this place.

(1515)

On behalf of my caucus and all members here, I would like to pay my respects to his wife Betty and their family and say once again, as any tribute I have given in this House, thank you so much to the Paproski family for sharing Steve with us.

Hon. Jean J. Charest (Sherbrooke): Mr. Speaker, I speak today on behalf of colleagues who have had an opportunity to sit with Steve Paproski in the same House. I also speak on behalf of a political party that quite frankly was privileged to have had the

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opportunity to have Steve Paproski as a candidate and as a member of Parliament representing us and also at one point in time a cabinet minister.

In the end, Mr. Speaker, as you will know, he reached the highest office of all. It is the one that in this place is recognized as a tribute to any of us. It is the privilege to sit in the chair you are sitting in today as one of the Deputy Speakers.

Steve Paproski, as a Canadian, had a great opportunity not only to sit here and make a contribution in the political field, but also, as was mentioned, as an athlete. There are few things that are not as well known about his career. One is that he studied at the University of Arizona on a scholarship.

I should also say something which I found out while listening to a eulogy delivered by His Excellency the Governor General. What he shared with us at the time is that during those days of his scholarship, given the fact that he had very little means, he supplemented his revenue by acting from time to time as an amateur wrestler. He was known because of his amateur status. He became known as the Masked Marvel. He would from time to time wrestle against a gentleman named Gene Kiniski. Of course Gene would win on one day and Steve, if you can believe the coincidence, would always win the next day and so on it would go. In some matches they in fact became a tag team. I should say that it sounds like quite an appropriate preparation for life in this place as I recognize my tag team member here today.

What was also remarkable about Steve Paproski was the love and understanding that he had for this place. I remember arriving here in 1984 and having the privilege of being one of the Deputy Speakers. Because we had other work to do and accomplish and because I was the youngest of the group I was often asked to sit on Fridays and often went to Steve to ask him whether he would or would not replace me. In his way he would sit in the chair and say: "What is it again, kid? What is it that you want?" to each and every one of us who had the privilege of knowing him. He would grumble but would always say yes. In that way I was more often than not one of the great beneficiaries of his great generosity.

I think we would all want to remember Steve for his joie de vivre and the fact that he always recognized that this country was a country of privilege. A small anecdote about Steve's life is that he would, as often as he could, bring people by the store that his father had opened in Edmonton. He had been born in Poland. I read the first speech he gave in the House of Commons and the references he made to his experience as a young Canadian born in another country where freedom was not what we experience here and what we take for granted. He had come to Canada, grew up here and took his place not only in this House but as a minister of the Crown. That says volumes about our country and about Steve Paproski.

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In concluding I also want to offer our condolences to Betty and to his children and also a word and a smile because Steve Paproski had a million dollar smile. He will leave with us great, great memories.

(1520)

Mr. Nelson Riis (Kamloops): Mr. Speaker, I want to join with the others to say how shocked and saddened we all were when we heard on the news in December of Steve's passing.

Steve was a very different member of Parliament. One thing I remember about Steve was that whenever he was in the chair there always seemed to be a group of people around him chatting, coming and going and passing little stories back and forth. As my hon. friend here has indicated he was always filled with innocent little tidbits about his life.

I remember him telling me after seven elections how he was so successful with his campaign strategy. He said: "You have to spend a lot of time at home, Nelson. You have to get to know people. As an example, when I campaign I simply put a sign up on the highway that says 'Steve's ahead'. I just stand on the road and everybody knows who Steve is". He just waved to his constituents as they went to work in the morning or returned at the end of the day.

That is the kind of person he was. Everybody knew who Steve Paproski was when he went into his constituency. In here we all felt very close to Steve Paproski. That was not a function of the fact that he was here for so many years. It was from the kind of person he was. It was his personality.

He loved his family. He loved his wife and his children and they loved him. He had a zest for life. Someone referred to his smile. He always seemed to be a very happy person. He always had a cheery comment to make and he was always willing to greet anyone in a very positive way. I think he was a great motivator for us even during those tense times in the House. When he was in the Chair he always had that comment that would calm everybody down with a little laugh.

We will miss Steve Paproski. Not only will those of us who knew him miss him, but Canada will miss him. He made a great contribution in so many ways. He was a new Canadian, elected seven times, served his country as we have heard in so many different capacities and he served this House and Canada so well.

Our hearts and our prayers go out today to his wife Betty and to his children.

Mr. David Berger (Saint–Henri—Westmount): Mr. Speaker, I too remember Steve Paproski very well. I remember his smile. I remember the twinkle in his eye that people have referred to here today. I remember his service in the chair and

the way he was very cordial and respectful of every single member in this House of Commons. He was always there to offer a word of encouragement.

I, as well as Steve, had some background in football. He was a player. I had some involvement in management. I often talked to Steve about football. In these days of turbulence in Canadian football I think perhaps it is worth mentioning that Steve dreamed of the day when Canadian football would return to Montreal.

He often said to me: "Why do we not put a team back in Montreal and we will go and manage it?" I think if there is anything he would rather have done than be in this place it would have been to manage a football team.

Reference has been made to his belief in this country. If I remember correctly, when he was a cabinet minister he was responsible for turning over Lotto Canada to the provinces and I believe he always regretted it. I think he understood that we needed national institutions to bind Canadians together and to provide a bit of cement to keep this country together.

I would like to join all other members in this House in expressing my condolences and in paying my respects to the members of his family

Mr. John Loney (Edmonton North): Mr. Speaker, I rise to join with the other members of this House to convey to the family of the late Hon. Steve Paproski not only my personal condolences but also those of the constituents of Edmonton North which is the riding he served faithfully during his long term of office.

I can think of no more fitting tribute to Steve Paproski than the number of friends who have paid their respects at his passing. They are not only those who were at the church service but also the people of Edmonton North who have mourned his loss.

(1525)

I would also add that Steve Paproski was respected and loved by the staff of the House of Commons. To his family and friends I would say that we are honoured to have known him.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, much has already been said about Steve and I am not here to repeat the things that have been said.

I believe it would be useful at a time when we are opening a new Parliament, we are just into the second or third day, to use this occasion of Steve's passing to remind new members and the Canadian public of the underlying collegiality that has existed in this place for a long time and does not just begin today with a new Parliament. There was an underlying collegiality of which Steve Paproski was one of the best symbols and incarnations thereof. This is a place where friendships across party lines are

formed, where much co-operation has gone on and where the kinds of relationships that have been spoken of here today between other members and Steve Paproski have existed. It was not just in that case but in many cases.

One of the unfortunate things about public life and parliamentary life in this country is that those kinds of things do not get reported and focused on. The best thing we can do to honour the memory of Steve Paproski would be to remind ourselves of this fact and try and build on that kind of spirit which he brought to Parliament.

Everyone talked about the twinkle in his eye. It was visible, but it was a mischievous twinkle. Many times we were the victims of that mischievous twinkle from the Chair. He had a way of doing things that left even those who felt they got the short end of the stick smiling.

I will certainly miss him. I will not have the opportunity to do to you, Mr. Speaker, what I used to do to Steve unless you also understand Ukrainian. Coming from Winnipeg I speak a little bit of Ukrainian and Steve knew a lot of Ukrainian and sometimes I could tell him things that *Hansard* never picked up. I am going to miss that ability to speak to the Speaker in this personal code we had. For this he often called me Rasputin, which was his favourite name for me. So from Rasputin and as the member for Winnipeg Transcona I say to his family that we will miss him. Parliament was a much better place for his having been here all those years.

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I simply want to agree with everything that has been said about Steve today. I knew him since the day he came into the House. He was a great friend, a jovial type, a very amiable character and, yes, a character. He was very proud of the fact that he came from Poland. He was very proud of his background.

If my memory serves me correctly he once came into my riding to the little hamlet of Wilno, which is the oldest Polish community in Canada and they thought the world of him.

He did far more behind the scenes around Parliament Hill than any of us realized to bring people together and he made good friendships all over the place.

To his wife Betty, five children and grandchildren I extend our sincere thanks for sharing him with us. On behalf of the Polish community throughout my riding that he talked to me so much about, I extend their sympathy to his wife and family.

We who knew Steve well can say today that we are thinking of him and of his wife and family. He might have been a linesman for the Edmonton Eskimos and a good one, but I will say that he was a great linesman around Parliament Hill too. He must have been a great linesman in his constituency. We all thought the world of him. I think anyone who can leave this place leaving

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that thought in the minds of the people with whom he or she worked, makes us indeed very fortunate.

(1530)

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification): Mr. Speaker, I want to take this opportunity to catch up on some correspondence. In the fall I was opening a series of letters and I came across a handwritten note from our friend Steve who said to me, as we had known each other going back to 1968: "Glad to see you back there. Give you all the help when I'm in town next. I'll come around to give you some pointers now that you're on the other side of the House".

I put it in my briefcase to take home that night to show my wife whom he knew well. Then I started to read through the newspapers and found at exactly the same time there was notice of Steve's passing. I never got a chance to write him a thank you.

I want to take this opportunity, because I know Steve is probably tuned into this debate somewhere, to say thank you very much for all the good years you gave this House and all the good advice you gave all members. The spirit of people like Steve Paproski will always live on in this House of Commons.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I wanted to add a couple of very brief comments. We as members of Parliament have the privilege of being able to express on the floor of the House our affection, our respect and our sense of loss of our friend Steve Paproski.

I know a number of members have spoken of the respect that Steve treated everyone with. I wanted to take a moment to remind the House of the fact that Steve Paproski as a deputy speaker and as a member of this House for many years had tremendous respect and love from the people who worked on the Hill: the messengers, the people in the cafeteria and all those people who cannot speak here today.

I was on the Hill shortly after Steve died. I was struck by the number of people working here who in a very emotional and very strong way talked about the sense of loss they felt for their friend Steve. I know that they would want us on the floor of this House to acknowledge and recognize the kind of respect that Steve showed everyone on the Hill as a person and as a deputy speaker.

He was a big man. He was a strong man. He was also a very gentle man. Reference has been made to his smile. I learned long ago that when Steve was smiling the widest you had to look out. He had a big smile but behind that smile was a very shrewd and calculating mind. You knew that if he was going to stick it to you, he was smiling just a little bit wider. He treated everyone with respect. He loved his family.

I might say personally that I deeply appreciated the support he gave to me. In the spring of 1988 I made a fairly difficult decision to come out publicly as a gay man. It was not easy.

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Some of my colleagues were a little uncomfortable with that. I will never forget in this House shortly thereafter Steve putting his arm around me and saying: "You know, Svend, I don't really understand this stuff but you're my friend and you're the same person to me today that you were yesterday".

I will miss Steve tremendously. I know he loved his family very much. To Betty and to the children I extend my sincere condolences. We loved him too and we will miss him very, very much.

Mr. Rey D. Pagtakhan (Winnipeg North): Mr. Speaker, I would like to add a few words of deep sympathy and condolence to the family of Steve Paproski.

I first met him before I entered politics, in fact away back in the early eighties when there was a travelling parliamentary committee on the participation of visible minorities in Canada. Somehow he struck me as a person of collegiality and a fatherly person.

When I first came here in 1988 I approached him and he said: "Son, how are you?" I thought, being a rookie, that was the proper word to use, but until the last moment before the 34th Parliament ended he called me son. That depicted for me the type of caring person he was to everybody in the House.

I also recall he would tell us that members on the opposite side were not enemies but only adversaries and that this Chamber was all about active debate on issues of national dimension.

I would like to convey to his family my deepest sympathy and my condolences in the realization that in the great beyond Steve Paproski has earned his rightful place.

(1535)

The Speaker: I would like to say a few words, if I might, on behalf of a dear friend and colleague of many years, Steve Paproski.

You will forgive an admission from your Speaker that from time to time I indulge in small wagers. Steve Paproski and I had a running bet. It was always a bet on the Grey Cup. It was not a big bet. It was something we could all well afford. He always took Edmonton and if Edmonton was not in the Grey Cup he always took the west. Of course I took the east. This small wager started in the fall of 1974 and it continued through all the years up until this past year.

Even when I was defeated in 1984 and I was not here from that time until 1988, the bet was still on. He would send me a cheque for \$5 if the east won and I would send him a cheque for \$5 if the west won. The funny part of it is that I cannot recall him ever cashing any of my cheques.

He was the kind of man who befriended all of us in this House. Yes, he was warm. Yes, he was an honest man. Yes, he did sit in this chair and preside over our debates. We are honourable members. This is an honourable House and Steve Paproski, it should be noted, among honourable members and in this honourable House was one of the most honourable and one of the most loved.

We in this House have much to learn from a man with his character. We have much to learn about serving our country from Steve Paproski. I do not use the words lightly when I say that he is one of our great Canadians because he loved this country. He loved it with all his heart.

To his wife and to his family, surely in your name and in the name of all hon. members we will remember Steve in our prayers, and we say God bless you and thank you for sharing him with us for so many years.

Mr. Charest: Mr. Speaker, I have not consulted with anyone but given the eulogies and the kind words for our friend, Steve Paproski, could I suggest to the Speaker that with unanimous consent of the House we include in our proceedings today the remarks made by His Excellency the Governor General at the funeral service for our friend Steve Paproski.

They were very close friends and I think it would be appropriate that Canadians have the opportunity of reading his words as he spoke of a person who was not only a friend but at one point in time a colleague.

The Speaker: Is there unanimous agreement to append the eulogy of the Governor General of Canada?

Some hon. members: Agreed.

* * *

PRESENCE IN GALLERY

The Speaker: My colleagues have been rather lenient with me for a little while. Today I made a mistake and I apologize for it. I am going to try to correct it.

We had in our gallery the hon. Minister of Tourism and Economic Development from Nova Scotia. I did not get the note in time; when I got it we were into other business.

I hope the hon. members from Nova Scotia who are here and the hon. minister will accept my apology for not recognizing him as was his due. I hope you will let me recover a little bit later on that point.

Some hon. members: Hear, hear.

[Translation]

GOVERNMENT ORDERS

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Michel Gauthier (Roberval): Mr. Speaker, as is the custom and tradition of this House, at this point in the proceedings, I would ask my colleague, the Leader of the Government in the House, to shed some light on what lies in store for us this week and next week.

(1540)

[English]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, we will continue with the address debate today, tomorrow and Monday, with a vote on the amendment to the amendment of the hon. member for Calgary Southwest this evening and a vote on the amendment of the hon. leader of the Official Opposition on Monday evening.

On Tuesday there will be a debate on peacekeeping and on Wednesday the House will debate the matter of cruise missile testing.

If there are changes in that order of business I will inform House leaders of the other parties as soon as possible.

Mr. Nelson Riis (Kamloops): Mr. Speaker, considering that next week we are going to be having these important debates on peacekeeping and cruise missile testing, I would like to ask the government House leader whether he would consult with his colleagues to see if there would be an opportunity to have a debate that would enable all members of Parliament to participate, which would mean not seeing the clock or extending the debate into the evening.

The Prime Minister said today that there would be a full debate where all members would have an opportunity to express their views if they so wish. I wonder if my hon. friend would discuss it with his colleagues.

Mr. Gray: Mr. Speaker, I have already informally mentioned to the House leaders of the Reform and Bloc that the government would be happy to give consent to continuing beyond the normal hour of adjournment on Tuesday and Wednesday.

I had originally suggested that we might agree on a later time of adjournment, say ten o'clock. I would be very happy to consider letting the debate continue until all members who wish to express their views on the subjects of both the special debates I have mentioned have had a chance to express them and place them on the record of the House.

[English]

SPEECH FROM THE THRONE

RESUMPTION OF DEBATE ON ADDRESS IN REPLY

The House resumed consideration of the motion for an address to His Excellency the Governor General in reply to his Speech at the opening of the session; and of the amendment; and the amendment to the amendment.

The Acting Speaker (Mr. Kilger): At the suspension of the House the hon, member for Davenport had concluded his intervention and a 10-minute question and comment period is now available.

[Translation]

Mr. Jean Leroux (Shefford): Mr. Speaker, I would like to start by congratulating the hon. member for Davenport on his re–election. I would also like to tell this House how much I appreciated his comments this morning.

The hon. member for Davenport stressed how important it was to preserve Canada's social safety net. What I appreciated the most was the answer he gave to a Reform Party member who claimed that seniors pensions were nothing more than social welfare. I appreciated the hon. member telling us that this was not the case.

Receiving a cheque does not mean that a person is wealthy. Given the serious crisis we are now experiencing, I believe—and it cannot be said often enough—that we must not cut social services and programs. Instead, the government must target tax shelters which benefit the wealthier members of society. The government must trim the fat in government and review its budget item by item. It must target unemployment, not the unemployed.

In conclusion, I have a question for my hon. colleague who worked in the field of education for more than 22 years. My question is this: What does the government intend to do to restore hope for our young people who are finishing school and have no job prospects?

(1545)

Mr. Caccia: Mr. Speaker, I want to thank the hon. member for his remarks and his question. I am confident that the answer to his question will be known when the minister of Finance tables his budget, and also that Canada's economic policy will give hope to young Canadians looking for work. As many of you are aware, we have launched a municipal infrastructure program which, I hope, will give young people as well as all unemployed workers, regardless of their age, an opportunity to find jobs.

As was mentioned in the Throne Speech, the Secretary of State responsible for Training and Youth is in the process of creating a Youth Service Corps, patterned on the former

program set up and supported by senator Hébert, which was well received by Canadians across the country. I am referring to the Katimavik program. I hope that this global initiative will give young Canadians an opportunity to find work.

Obviously, we hope that the policy of our government and our party will adequately meet the social and economic aspirations of all the members in this House.

Mrs. Christiane Gagnon (Québec): Mr. Speaker, in his speech, the hon. member for Davenport alluded to the unemployment crisis and the government's will to find a solution to that problem. May I say that I have my doubts regarding the will and the determination of the government to create long—term employment for the vast majority of Canadians.

The Throne Speech read on Tuesday is a good illustration of the government's lack of initiative regarding job creation. Indeed, except for the infrastructure program, no concrete measures were announced.

The hon. member for Davenport also mentioned the lack of revenue of Canadians. I fully agree with him on that but I want to go back to the issue of pay equity. This is a major obstacle to the financial independence of women. The President of the Treasury Board stated that he would enforce the Canadian Human Rights Act, especially the provisions dealing with pay equity.

Therefore, my question is: How does the President of the Treasury Board intend to implement the Canadian Human Rights Act and, more importantly, how quickly will he act? Does the present government intend to correct the abuses of the Conservative government regarding pay equity in the federal public service?

Mr. Caccia: Mr. Speaker, the question is very interesting but also very complex. It should be asked to the responsible minister during Oral Question Period. I urge the hon. member to do just that in order to get an answer which I cannot provide in the time allotted to me. Generally speaking, my answer is the same as the one I already gave to the member for Québec–Est. The Minister of Finance's budget will provide a more detailed answer to that question.

(1550)

[English]

Mr. Stephen Harper (Calgary West): Mr. Speaker, I would also like to congratulate the hon. member for Davenport on his re-election. He was an accomplished opposition member in the old Parliament. Now he obviously plays a different role on the government side. In that position I would like him to clarify his remarks on a couple of items.

He spoke about the need to preserve programs for seniors and also his opposition to tax breaks. Would he support his government's musings about possibly cutting seniors programs by cutting the RRSP? This is one seniors program that is well funded and secure in this country. Does he support that examination?

Also on the old age security, now that he is a government member does he support the previous Parliament's actions introducing a clawback to old age security? Does he expect his government to bring a repeal of that in the upcoming budget? If the government does not, would he be prepared to vote against that budget?

Mr. Caccia: Mr. Speaker, on the measure introduced by the Conservative Party in the latter part of the 34th Parliament, the RRSP program has been distorted to such an extent that it provides a considerable tax advantage to high income Canadians and provides no advantage at all to Canadians in the lower income brackets. I therefore urge that this distortion be removed and that the loss in tax revenue be restored to the advantage of the overall revenue of the federal exchequer.

As to old age security, I believe that society is best served by a system in which we all contribute and where on reaching retirement age we all share in receiving the pension we have contributed to. In the case of the old age security to which we do not contribute directly, it is my belief that it should be redistributed to all Canadians equally regardless of income.

[Translation]

Mrs. Francine Lalonde (Mercier): Mr. Speaker, first of all, I would like to talk to the people of the riding of Mercier who gave me and the Bloc Quebecois such a huge majority and such a clear mandate to defend their interests and those of the whole province of Quebec in this House. I want to thank them for the confidence they have shown in me and I will try at all times to be worthy of their trust.

The riding of Mercier is located in the easternmost part of Montreal and it has suffered a great deal as a result of all the changes in the world economy. This riding is currently undergoing major changes and is in desperate need of a good employment policy, and that is what I want to talk about this afternoon.

I cannot help expressing the emotion I feel as I begin my first speech in this House, thinking about the forced union of 1840 when the patriots, companions of Louis–Joseph Papineau, ceased to be Canadians to become French Canadians just as the English became English Canadians.

The patriots who became French Canadians—and we know that Lafontaine was one of them and so was Laurier—had no other choice but to accept colonial government and to try to make alliances with members representing Upper Canada. And that is exactly what they did.

(1555)

As a person with an active and abiding interest in history, I can testify that French Canadians have done everything to try to take their place in Canada. Individually they were successful, in some cases, although assimilation was sometimes the price they had to pay. As Quebecers they were not.

Mr. Speaker, let me explain, as others before me have done, why so many Quebecers see sovereignty as the only future for Quebec. I think the members of this House would find it worthwhile to listen to what I have to say and I think they should understand what is going on in a part of Canada's territory that has 25 per cent of its population.

The success of the Bloc Quebecois has made it abundantly clear that although placed in a minority positions, the *Canadiens*, later French Canadians and then Quebecers—in Quebec—were able to maintain their collective identity in the face of series of constitutional set–backs.

Today, members of the Bloc Quebecois form the Official Opposition because they represent a founding people that was never recognized as such. Members of the Bloc Quebecois can neither come to power nor govern Canada but they can testify to a truth that has long been denied and is nevertheless one that all Canadians must face: there are two countries in Canada. Quebec, like it or not, is that other country.

Mr. Speaker, it was not revenge for what happened in the past that led Quebecers, for the first time in their history, to elect as their representatives in the House of Commons a strong contingent of sovereignist members who campaigned as such. It was to prepare for the future in a Quebec with sufficient powers to use its resources to meet its own tremendous needs.

Today, standing before my peers and constituents, the people of Mercier and all of Canada, I want to start by discussing poverty and unemployment in Quebec. As I describe the extent of these conditions, I think you will understand why so many Quebecers became sovereignists in order to deal effectively and quickly with this catastrophe. This is an emergency, Mr. Speaker.

Quebec's pervasive unemployment, structurally higher than in Ontario, does not even give the whole picture of the devastating impact of federal policies. To really understand the difference between Ontario and Quebec, we should talk about the employment rate, the number of people in the labour force and the number of people who have jobs, and then we see the difference in wealth and development that separates the two so–called central provinces which have been indiscriminately attacked by the other Canadian provinces.

Mr. Speaker, high unemployment, a low job rate and an unusually high percentage of Canada's poor: that is the picture, and it shows us how economic conditions have affected social development. Without the economic picture, Quebec's partici-

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pation in the federation might be seen only in terms of social expenditures. We must conclude that preventing economic development in Quebec has created a condition of apparent under-development which has had a profound impact on society itself.

And now for some history. You will recall that poverty levels in Quebec were measured and compared, probably for the first time, and in any case it was the first time they were compared with the rest of Canada, by the Boucher Commission. Some of you may remember this. In 1963, the commission concluded that Quebec, with, at the time, 28 per cent of the population of Canada, received a little over 36 per cent of the benefits paid in Canada under the new Unemployment Insurance Act.

This week, Mr. Speaker, the Montreal Island School Board published a report containing figures that are absolutely devastating for Quebec. I read the whole report last night.

(1600)

For the first time since Statistics Canada has been gathering data, Quebec has the dubious privilege of being the poorest in Canada. Quebec has the largest number and the largest proportion of families living below the poverty line. In fact, the situation is worse than Newfoundland and New Brunswick which used to compete for this dreadful ranking. There is, in Quebec, a little over 25 per cent of the Canadian population, but almost a third of low income families.

The data from the 1991 census show that the Montreal area, among 25 areas considered, has the largest proportion of low income families. I might add that when we talk about the Montreal area, we include not only the island, but also the surrounding suburbs which have been remarkably richer for a long time. This gives you an idea of the standard of living in the city of Montreal and especially in some or its neighbourhoods. The situation is untenable. We can conclude that the years of the quiet revolution, which we are so proud of, although they did produce development, did not alter the distribution of wealth between Quebec and the rest of Canada. Poverty and relative under–development have a great deal of impact on social development.

The Minister of Human Resources will understand the social significance of the Canadian Assistance Plan, which pays 50 per cent of all welfare payments, and other cost—sharing programs of which Canada is so proud. We should add that this program has also contributed to maintain poverty rather than reduce it. Generally speaking it has increased Quebec's dependency on the rest of Canada and the dependency of individuals on society.

The Boucher report highlighted three main reasons why Quebec is poorer: its economic development, its share of the GDP, a poor state of health and mentalities in general. In its conclusion, it called mainly for what we would describe today as a full employment policy. To recognize as fundamental the right

to last recourse assistance could, in no way, contribute to the fight against unacceptable poverty levels.

It remains true; last recourse assistance can only be that. Having stated this truism, I feel compelled to state that the Canada Assistance Plan is partly to be blamed for this dependency. For example, because of the CAP, in the 1980's, Quebec was unable to claim 50 per cent of the assistance it wanted to give low income workers to help them stay in the work force. Under this plan, assistance could not be given to people who did not pass the needs test. In other words, Canada only supports helping the poor as long as they do not try to escape the poverty cycle, lose hope and give up their minimum wage job, and make the smart decision, moneywise, to go on welfare.

The way the federal government has managed unemployment insurance has led to the misuse of social programs, with the blessing of the federal government, since the 1970's; it has set up and financed short–term employment programs with no other way out than unemployment insurance. Lise Poulin–Simon and Diane Bellemare, two writers well known in Quebec for their work on full employment, stated in their first book entitled *Le plein emploi, pourquoi?* that neither government has any interest financially in investing in job creation since the other level stands to reap more benefits from the spin–off. Quite an important finding!

Beyond the totally negative impact of federal policies on the Quebec economy, redistribution policies have had perverse effects which, far from rectifying disparities, have had a tendency to maintain them and to keep people in a state of dependency and poverty.

(1605)

I hope the House now has a better understanding of why Quebec has always wanted to repatriate all powers in the area of income security, including management of the unemployment insurance program. Using accountability as an excuse, the federal government has always insisted on keeping complete control over the funds it received and redistributed for social programs; in doing so, it maintained and even increased the gaps instead of decreasing them.

As critic for human resources, as a human being interested in the fate of ordinary people and the poor, wherever they are, I will not fight only against poverty and unemployment in Quebec. To be effective, though, we must first determine how to proceed. The fight against unemployment and poverty is a matter of collective will. Whether we like it or not, we must rely on the authorities in place and count on community participation. The solutions recommended for Quebec will not necessarily be valid

for the rest of Canada, but already some broad lines are emerging.

In a recent proposal the Economic Recovery Commission of Newfoundland said, and the premier of that province concurred, that the unemployment insurance program and the various social programs should be managed jointly. In spite of the interest on the part of the Minister for Human Resources Development, I am not sure this reform will be possible without modifying the Constitution and renegotiating the plan in depth.

Even now we can imagine that the Newfoundland proposal would require a joint management headed by regional authorities who would take into account the specifics of each area. Premier Clyde Wells, the gravedigger of the Meech Lake Accord, could find himself asking for more than what he thought then could not be given to Quebec.

A secondary issue, which is nevertheless at the heart of the debate on social policies, concerns the accountability of the federal government for the amounts redistributed under their spending power. I take this occasion to mention that Premier Jean Lesage's negotiation for tax point repatriation in 1964 ultimately led to the establishment of the famous national standards, which caused the aberrations mentioned earlier.

In fact, if the federal government cannot redistribute the wealth without monitoring the application of national standards, it appears that Canada will be forced to choose between two equally serious evils, namely inefficiency which would be costly in economic, fiscal and social terms, or a basic inequality between regions and people in Canada. All the rest is simply talk.

Let us take, for instance, what we call the full employment policy in Quebec, and which could be called a labour–market active policy, a policy supported and promoted by many groups in Quebec and by the Parti Quebecois. Such a policy could not be applied in Quebec within the Canadian framework because the inherent overlapping, duplication and the consequent incapacity to take the right decision at the right moment are an obstacle to the maximization of social and economic efforts focused on employment. Could the other provinces that accept centralization hope for a Canadian policy of full employment that would be efficient? Of course, that is our hope.

It must be said that the prosperity enjoyed by Ontario and, at times, by Alberta, on which the Canadian redistribution system is based, is due only to the fact that all government policies converged to create this industrial complex and the many jobs associated with it that make Ontario by far the richest province, in spite of the tough recession it went through.

For cultural and linguistic reasons, this Canadian strategy does not work in Quebec. These last few years, Quebec has based its development on the creation of many consultation mechanisms. Unions, businesses, regional organizations and governments have learned to consult with each other. These mechanisms, however, have not yet yielded their full results, far from it, because they are deprived of the decision—making powers which are in Ottawa, whose policies even sometimes work at cross—purposes.

(1610)

Remember the sad story of occupational training? Many people in Quebec are becoming sick and tired of waiting for projects to materialize, of the waste of time and effort caused by duplication, the incredibly slow decision—making process and this federal—provincial morass that stifles every initiative. Quebec has one project that must be implemented soon.

As the Premier of Quebec said only yesterday, it is absolutely essential for the federal government to transfer quickly to Quebec responsibility for manpower development, including responsibility for unemployment insurance.

The Bloc intends to put up a strong defence of social programs, but bearing in mind that if there are no jobs at the end of the tunnel, all these people who want to stand on their own two feet at last will never be able to do so. We believe our social programs can be improved, but when the Department of Finance discusses social programs in terms of what can be cut and how to reduce the deficit, improvement is hardly the word.

Let us get this straight: if we want to get rid of the disincentive aspect of certain programs without exposing people in need to greater insecurity, we are not saving money, but increasing costs, at least temporarily. When we want to help people get training and create their own jobs and become employable, we have to invest the required money. If we want them to be productive during the time they are unemployed, we have to invest in counselling and training and financial support. And above all, if we want to boost employment, our regulatory framework and our monetary, economic and trade and regulatory policies should be such that they do not undermine the process.

The Minister of Human Resources Development will also have to take a clear stand. Either the reforms he has in mind are aimed at reducing costs, as the Department of Finance says quite firmly in its document, or he really wants to help the unemployed find jobs, and in that case, he will not be able to save money on social programs.

There is a dramatic gap, emphasized by a harsh recession, between those who want to cut social programs and, being rich, have never experienced insecurity or lacked money, and those who want to improve the effectiveness of these programs and who may, at any time, be obliged to use them for a certain period of time. The first group only thinks about the deficit. The second group considers the need to survive in a country going through

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tremendous economic changes, where there are no guarantees that the loss of many lucrative jobs would be compensated by promises of fantastic jobs in various technology sectors.

Canada must decide whether it wants to be like countries in Western Europe or like the United States, where wealthy neighbourhoods are surrounded by high walls and protected by armed guards, or like European countries where capitalism has realized it is in its interests to have an effective security net.

Mr. Speaker, you can tell the Minister of Human Resources and Development that he can count on my unqualified support whenever he wants to help people in need, but I will make every effort to be as fierce a parliamentarian as he was in the Opposition, whenever he deviates from this path. The people of the riding of Mercier, Quebecers and Canadians can count on my support in this respect.

Our party will vote against the sub-amendment moved by the hon. member for Calgary South West, because we cannot accept conditional limits on government spending, and in any case these spending proposals would first have to be submitted for scrutiny by a parliamentary committee.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, first of all, I would like to congratulate the hon. member of the Bloc Quebec for her rather interesting speech. I was intrigued by a number of points she raised, in particular the question of the administration of different provincial programs as compared to federal programs. In point of fact, several of these programs come under joint federal—provincial jurisdiction. Manpower training programs are just one example. The hon. member said that everywhere in the world, people are talking about the need for free trade and worker mobility.

(1615)

Would it not be important to have a national manpower training standard which would allow federal and provincial governments to work together, instead of at cross-purposes?

As far as economic development is concerned, I would simply like to mention to my hon. colleague that study after study has shown that in every country of the world, economic development is truly a function of the education system. For instance, Japan's economic development is a function of its education system. The same holds true for Germany. As far as Canada is concerned, I say that in order to have strong, confident and sufficient economic development, we have to make education our number one priority.

I would like to point out to my hon. colleague that under the Canadian Constitution, education is the responsibility of the provinces. There is nothing to stop any province or territory in Canada from making education its top priority and from in-

itiating a dialogue on this subject to ensure that its education system meet the needs of the private sector and of the public.

I can assure my hon. colleague that if this kind of action is taken, one of the troublesome economic issues in the province of Quebec will be addressed. The same thing is true for all of the other provinces. Therefore, we must start by focusing our attention and our energies on the education system.

While we are on the subject of manpower training, I would like to congratulate the Prime Minister and the Minister responsible. I believe this government will initiate an extraordinary, and even historic, dialogue on, among other things, training and unemployment insurance administration.

I believe that all members of this House have an extraordinary opportunity to work together to draft an action plan for the next ten, twenty and even fifty years. Canada will continue to be not only the best country in the world, but also the strongest from an economic standpoint.

Could my hon. colleague tell me how she sees the issue of worker mobility in relation to her proposal for administering unemployment insurance and manpower training?

Mrs. Lalonde: Mr. Speaker, first of all I have to say that we have given a lot of thought to the questions you have raised. If Mr. Bouchard was able to speak so forcibly yesterday, it was because it seems to us that the economic situation is evolving in such a way—with culture being more and more closely associated with the major issues—that the solution we are proposing is increasingly called for.

You said yourself about education that the OECD keeps saying that what is important now above all is education and that performance—oriented countries invest in education. That is right, education is under the jurisdiction of Quebec. The federal government however is the only level of government to have the spending power, even if it has been using it to put us all deeper and deeper into debt, to force provinces into arrangements.

It is therefore obvious that the federal government will want to have its say in the area of education, while we, in Quebec, we will want them to interfere as little as possible because our very survival depends on it. In fact, we want to get away from survival and start to live. That is what we want. We have had it with survival. We have had it with overlapping responsibilities and the fights surrounding the issue. We cannot wait to get projects under way.

(1620)

We are in a real mess right now. I am only expressing a widespread opinion. There are people literally fidgeting with impatience. We are frustrated because things are not moving. The SQDM is getting nowhere these days for lack of funds and agreements. The Deputy Minister assured me last week that all was well—read nothing is happening. Education is indeed a major issue. What do they do about it? They cut.

Of course, the issue of mobility is important too. But you have to understand that what we want in Quebec is development. Francophones account for 2 per cent of the population in North America, most of them concentrated in one area. So, to be able to live as francophones, we need to develop the labour pool to its fullest. We have developed plenty of means, projects I would call them. What we need now to implement them are funds. It is not that funds are not available, but they are often earmarked for other things, and we want to be able to spend them as we see fit.

I just want to say that this debate is useful to promote understanding between Canadian political parties.

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, I will perhaps have an opportunity to participate in this debate in the coming weeks.

I listened with interest to the member's speech, but I think that in it she ignored globalization. Her economic analysis is quite simplistic; of course, she blames poverty on our federal system without considering the economic changes throughout the world which Quebec and Canada as a whole cannot help but feel

I must say that I also find it rather funny to see how she as a federal member of Parliament wants to pass off responsibilities given to her by her constituents. Why not make recommendations to improve the unemployment insurance program instead? The minister is here and he would probably listen with interest to her suggestions or those of her colleagues. But no, her solution as a newly elected federal member is to transfer all responsibilities to the Government of Quebec.

Does she not recognize that the federal government has an important role to play in economic interdependence and mobility, as my colleague said a few minutes ago, and the distribution of wealth? Does she not recognize, as the Prime Minister said today, that giving Quebec full power to manage unemployment insurance would deprive Quebecers of important resources that could come from the total wealth of Canada?

Those are some questions that come to mind, Mr. Speaker. I will have a chance to ask some more in the coming days.

Mrs. Lalonde: I would say that on the contrary, globalization shows that we need to go ahead with this plan in Quebec. Wherever we look, the way to react to these new requirements is to decide locally, on the basis of the local advantages which we

must put to good use. As History has shown, this globalization of the economy will be matched by regional specialization.

We are not at all going against the current. I would say that on the contrary, look at what is happening now where they are organizing to compete. European countries are still sovereign. They have kept their sovereignty but are working together. As a sovereign power, we would be delighted to agree with you on standards that we would consider necessary.

(1625)

I would like to say a word if I may about the management of the unemployment insurance program. Mr. Speaker, you know that there is a consensus in Quebec to get this jurisdiction, although not all of it in the present context. We know Quebec needs to go on developing its economy and make the necessary investments to that end. It is certainly going to do it.

There is one point I would like to respond to. I will not abdicate my prerogatives and I will not back down one single inch in the defence of the rights of my fellow citizens in Quebec and of the Canadian citizens for whom I have accepted to be the official critic, but, in my maiden speech, it is important to explain to members of this House why things change the way they do in Quebec. Just pretending they do not change does not mean they do not.

Some hon. members: Hear, hear.

Mrs. Lalonde: Mr. Speaker, let the Minister of Human Resources Development know that we will keep a watchful eye on him and demand the reforms that are needed.

[English]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification): Mr. Speaker, first my congratulations to you on your new and most honourable and difficult task. We welcome your presence in the chair today.

[Translation]

Also, I would like to congratulate the hon. member for Mercier. In her first speech in the House, I appreciated the strength of her convictions, but I am also prepared to co-operate with her in a spirit of collaboration in the process of reforming social security programs. I look forward to that, in fact.

[English]

Mr. Speaker, you will recognize that this is not my first speech in the House nor my first throne speech. I still treat each opportunity with a certain frisson. There is an element of excitement.

I want to begin by expressing my thanks to my family who are the great source of my ability to participate in public life. They are a source of great encouragement when I most need it.

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This is the International Year of the Family. I hope somewhere along the way the United Nations will reserve a special little spot in its declaration for the political family that provides a service that only those who are involved can fully understand and acknowledge.

Once again I want to thank my electors from the city of Winnipeg who have supported me going into my third decade of public service. It is a great honour to represent them and to speak for them.

As we have talked about in this House, many members are discovering for the first time that they have a telephone with which they can respond to constituents' wishes. For those of us who have been doing it for well over 20 years we recognize that that still is a fundamental task.

I would also like to express a great deal of appreciation for the chance once again of being a member of a government under the present Prime Minister. I have gratitude for the opportunity that he has given me to serve in this post.

I came into politics 22 years ago because I was disturbed by what I saw around me in my neighbourhood, the condition of the children and of the city itself, the poverty that existed.

It is a great tribute to the way our democracy works that eventually one is given the responsibility and mandate for however short a time to fulfil those great hopes that one had many years ago to do something for the people one represents.

[Translation]

In accepting the position of Minister of Human Resources Development, I accepted the mandate of helping all Canadians, Mr. Speaker, be they Atlantic fishermen, poor children in eastern Ontario, unemployed Ontarians, native people on the Prairies or school dropouts in British Columbia.

(1630)

At that time, all Canadians, not only Quebecers and Westerners, stressed the need for a new social security system that would provide employment and hope.

[English]

I speak today not just for those who elected me, not just for the region of Canada which I welcome to represent, but I have the rare opportunity to speak for all Canadians. I ask every member of this House to remember that obligation which brought them here.

I was interested in the comments of the hon. member for Mercier who spoke with great feeling about the problems she sees in her home city and her home province. I say to the hon. member that those problems are shared by Canadians from coast to coast. They are not unique to Quebec. They are not unique to any one region of the country.

Unfortunately, in this time and in this place the problems of unemployment, the lack of security, the feeling of disillusionment, the lack of economic opportunity, are too common. If there is one thing that unifies this country it is that in the last 10 years Canadians have not been given much opportunity to feel they had a place in society. That is why we have an obligation in representing all Canadians to restore that sense of hope and opportunity that still exists.

We talk about the issue of social security. It is interesting that one of the great changes which has taken place in this generation is how people do have a feeling that what used to be a firm base of their existence no longer is there—their jobs. For better or for worse that has been the touchstone of much of what has given people the sense of belonging, of having a sense of dignity.

A survey I read recently showed that close to 50 per cent of Canadians no longer have that sense of security. They do not have it because, in a sense, the future no longer appears to them as one where choices can be made. It appears to them also that the rules of the game in Canada are no longer fair.

My philosophy as a Liberal is that fairness is the principle and justice is at the centre of our society. Each one of us must be given the chance to shape our own life and those of our families in our own way as long as we allow other individuals in society the right to do the same. To make that happen we have to have rules that make sure there is equal opportunity, a sense of fair play and a sense of fairness for everybody.

In the last 10 years that sense of fairness has been lost. Too often there are high paying, stable, good jobs for a minority of Canadians, and insecure, part–time, no jobs for a large portion of Canadians.

We have had growing gaps in income. We have had a shrinking middle class. We have had over a million children facing the situation of poverty. I recall with sadness reading a column in the *Globe and Mail* which I thought was a very good piece of journalism. It spoke of 40 per cent of Canadian children who go to school today without proper nourishment or nurturing. There is a lot of love being lost in this world because there is nobody there to give it.

When I hear people say to me that we must defend what exists, I ask them to talk to those children who do not have enough to eat, who do not get enough parental care. Talk to the young men and women of this country, a lost generation, who have done everything we have asked them to do. They have gone to school, got a good certificate, a good degree, and have come out into the working world and there is no work for them.

I ask them to talk to the displaced workers in our fishery industries who have seen an entire industry disappear before them. They say: "We do not want to simply collect a cheque every week. We want to put our shoes on every morning and go somewhere where we can make a contribution to society, to our families and to our community, but we are not given the chance". Simply collecting a UI cheque is not good enough. They must be given the hope that UI cheque will lead to decent, hard, serious work in this society. That is why we must make a change.

(1635)

We hear a great deal of talk about fiscal deficits in Canada. There is a human deficit as well.

[Translation]

There is a lack of resources to invest in Canadians. There is a lack of effective programs that are essential for training, for the unemployed and for welfare.

[English]

It would be a serious mistake to wipe the whole slate clean. I do not have a lot of patience for those in the three piece suits who say: "Cut the social programs" when they themselves are not prepared to make any sacrifices. It is not a matter of cutting social programs; it is a matter of going to the root causes of what is wrong in our society and redesigning the programs to meet those causes. That is what the effort of our government will be.

I invite all members to participate. As our friends from the Reform Party say, forget for a moment the ideology or the platform that brought us here. What we are saying is that all of us, every single one of us, have a job to do in this Parliament to help reform the system for Canadians, to once again restore their sense of security, their sense of fairness and their sense of hope. We understand as a government that we have a special responsibility because that was the mandate we were given.

The red book struck a chord when we said that we want a country whose people live in hope, not fear. We want a country where all see themselves as contributors and participants, not liabilities and dependants. We want a country whose adults can find good jobs and whose children can realize their potential. When our Prime Minister speaks about the red book that is the core, that is the spirit. Everyone has a fair chance.

I ask members to refrain from raising alarms of fear. We must go on a basis of trust and confidence. I ask members, in particular because there are many eyes upon this House these days, to treat this subject with the seriousness it deserves. I believe strongly that this is a time when there is a willingness to make serious changes.

I spoke about the red book. We want to clearly signal our intentions to Canadians right at the start. We have proposed a youth service corps. The Secretary of State for Youth and Training has now completed a round of consultations with a variety of users. We will be making announcements within the

next month about a series of projects based upon existing organizations that are prepared to collaborate and help—

[Translation]

-throughout the country-

[English]

-in every single part and region.

Our red book also put forward a very clear proposal for a program of apprenticeship. We believe one of the real failures of our present system is that it does not address people during the most vulnerable periods: children before they go to school, young people when they leave school and go into the workplace. That is why the internship program, as I prefer to call it, is designed to make that possible.

Again we have been meeting constantly with a wide variety of private sector groups throughout this country to see if we can bring them in as part of a broad-based program for young people to acquire on the job skills with the co-operation of the employers, government and the educational systems.

[Translation]

I said that to my colleagues on the other side of this House. That is why we must have a national program, because we are sharing the responsibility among all groups, regions and sectors in Canada.

(1640)

That is not a problem only for them, but for all Canadians, and we need the co-operation of all sectors, all regions, and everyone.

[English]

I simply want to signal that in these efforts to target our young people particularly it is the beginning of a much broader approach. That is because we see that we must provide our young people with a virtual guarantee of work, training or education. The world of work has changed so dramatically and so radically that we can no longer expect that a formal education for the first 16 years is enough. We must become a learning society that enables young people and adults alike to constantly recycle their skills and recycle their aptitudes so they can meet the new world of work with competence and vigour.

When we talk about reform of the social security net that is why it also must include serious discussions of training and education as supplied at the federal level. It must be linked with unemployment insurance and it must be linked up with social assistance plans. These are not separate programs. These are not stove pipes that spew smoke into the air. They are all linked together so that we can provide a total fabric of opportunity, of basic standards at which people exist.

That is why one of the first principles of our reform is that it must be comprehensive. We cannot cherry pick any more. We

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cannot tinker away at one little program after another. That was the problem during the last 10 years. The government was constantly bringing in amendments and changes to unemployment insurance or the Canada Assistance Plan.

Who knows this better than the leader of the opposition who was a member of the government that was always changing social programs when he was a member of that government. He would recognize now that it was a mistake to do it that way. We must do it in a broad comprehensive way.

We must also do it in a way that is transparent and public. The time has come that we can no longer have private agendas. That is why it is the commitment of this government to ensure that in the reform of our social security system, our programs on training and employment, social assistance and the unemployment insurance and student aid, the place for decision and discussion will be here in Parliament.

This will be the place where the decisions and dialogue take place. This will be the place where Canadians have the opportunity to express their views and be heard. I hear members opposite say that we must make Parliament important and that they have all kinds of mechanical solutions. The real way to make Parliament important is to discuss important things in Parliament and make sure that Canadians see that this is the place where the vital interests of their lives will be discussed, debated and decided. That is why the fundamental right of social security will be a primary issue of this House over the next year. You have our commitment on that.

We also must make sure that the proposals, solutions and ideas that we have are Canadian-made. We have taken great pride in this country over the years. We have made real progress.

[Translation]

Contrary to the comments made by the hon. member for Mercier, we have made much progress for the elderly. We have increased old age security and the progress made in our country results from the efforts made by the federal government and the provinces.

[English]

That is a real accomplishment.

We have also been able to say to our young people in large part that we provided good opportunities for education. We have provided a real fundamental security foundation during times of recession.

Now the times have changed and we must change with them. We must change our programs. We must begin to look at Canadian—made solutions. One constant irritation I had sitting on the opposite side over the last nine or ten years was when ministers of the crown at that time would bring in solutions to economic problems that they had borrowed from somebody else. They were always using somebody else's model, somebody else's idea and somebody else's ideology. It is time once again that Canadians were responsible for designing a social security

system that gives them a sense of their own identity and their own importance.

(1645)

I see your signal, Mr. Speaker, and I respect that, but I want to make this final case. I believe that if we do our work well, bring the different voices of Canada together to sing in a single chorus and if we give and restore a sense of hope to a lot of Canadians then nothing will be a stronger unifier. Nothing will bring us together more and nothing will give Canadians a greater sense of hope and opportunity than if their members of Parliament from all regions and everywhere in Canada are working together to build a system that will be distinctly Canadian. That will give Canadians a sense of who we are and what we can do and bring that special touch that we have brought to the world so often: compassion, understanding and humanity.

That will say to all Canadians that this is why we are different. We are not different because we take different stands from other countries but because we are able to design for Canadians the way we want to live and give people once again, in this great tumult that we face around the world, a feeling that this is a place that belongs to them and that everybody has a fair chance.

[Translation]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Mr. Speaker, my question is for the minister. I heard the speech of the Minister of Human Resources Development and, listening to him, you would think that everything is just fine in our country. Workers' productivity seems adequate as well as the competitive edge of our businesses; in fact, the need to fundamentally improve our competitiveness in light of the globalization of markets and, consequently, the productivity of Canadian workers, seems to have been overlooked by the minister.

Does the minister not agree that it is time to fundamentally change the Canadian approach regarding the training and development of human resources? Indeed, with two levels of government, the Canadian system is one of duplication and overlapping in the field of human resources, occupational training, business training and revenue security, which includes unemployment insurance where there are two employment offices and some 40 standards for 12 or 14 programs.

I ask the minister if he would be prepared, given that action is required urgently regarding job creation and the development of the productivity of workers in Quebec as well as everywhere in Canada, to consider offering to each province that the federal level withdraw from every field dealing directly or indirectly with the implementation of a genuine labour—market policy by the provinces? In so doing, the federal government would satisfy Quebec's claim for a single window which would be

managed by the Quebec government, offering at the same time a new opportunity to all Canadian provinces. Quebec would thus be satisfied but would also be in a position to respond to the emergency in unemployment and could hope to develop its labour market, at least in the short term, until its sovereignty becomes a fait accompli through the democratic process.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, first of all, when I spoke earlier, I did not say that everything was fine. Quite the contrary. I expressed my concern about poverty in Canada and about the lack of job training for young people. Perhaps the hon. member was otherwise occupied, but I did indeed stress in my speech that this was a serious problem for Canada.

(1650)

The solution to this problem, however, is not to divide, but to unite Canada and to work together to find a solution. Of course there should be good discussions with the provinces as they are after all our partners in this great process of reform. At the same time, the problem of duplication is a good point to consider within the broad framework of social reform. Training initiatives cannot be considered separately from unemployment insurance or social assistance measures.

As the Prime Minister stated during question period, if funds for training were transferred right away, Quebec would lose considerably in terms of *per capita* allocations. I do not think Quebecers want to receive less support from the Canadian government.

I would like to have a productive meeting with the new Quebec ministers of Labour and Manpower, just as I would like to have the same discussion with the other ministers. In fact, I am thinking about meeting with all of the ministers some time in February and this would be the time for discussions between the two levels of government. Then we would have a good idea of the duplication problems that exist.

[English]

Mr. Stephen Harper (Calgary West): Mr. Speaker, I would like to thank the minister for his speech and congratulate him on his perennial re–election in his constituency of Winnipeg South Centre along with his appointment to cabinet in an important post which reflects a great deal of confidence in him on the part of his party and leader.

We welcome the attempts that the government will be making to create a comprehensive social security system and to encourage open discussion of this in Parliament.

Recently the Ministry of Finance released a document that showed our unemployment insurance program to be one of the most generous in the world. This can create serious disincentives to upgrade skills, to work and to move to find work.

I would like the minister to comment on whether he agrees with that assessment of the unemployment insurance system. Assuming he does, would he share with Parliament his view on what features a new comprehensive social security program would have to combat those problems in the unemployment insurance system?

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I appreciate very much the hon. member's good wishes. We will certainly be in need of those as time progresses.

I look forward to the full co-operation of his caucus in this period of very substantial reform we wish to undertake.

There is the question of unemployment insurance. Over the years the evolution of that program has gone from one that provided temporary assistance to workers who were in between jobs to one that has provided a great deal of income security. This is especially so in industries where there are a lot of seasonal variations and where we have had to deal with very serious disruptions.

We are facing this now in the fishing industry. There have been times in his own province in the resource industry, in forestry and in the oil and gas industry where the unemployment insurance system has been an extraordinarily important base of support. It has also been a very important element in making the labour market work.

If I may be allowed one small digression. One of the false divisions we have in our country is that there is a thing called social policy and a thing called economic policy. That is not so. Good social policy leads to good economic policy and vice versa. If there are workers who feel that they have some security and some ability to move and change jobs then that helps the labour market work.

(1655)

Therefore, I would say to the hon. member that there are some problems with unemployment insurance. There is no question that over time the program no longer meets many of the requirements. One of the things our Prime Minister has talked about and we feel strongly about is how to begin to make some transformations to have a system of employment insurance where the form of income security is designed to allow people to move back into the labour market, to create new work and to get new employment opportunities.

However, that must be linked up with the social assistance programs and the training programs. One cannot divorce them. That is really why I ask members opposite once again to agree with us. If we are going to make these reforms we must do them

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together. There are linkages in all the programs. Stop thinking for a moment about unemployment insurance or the Canada assistance plan or student aid. Think for a moment about the problems I outlined of displaced workers, changes in industry, new demographics and the problems of young people. If we start identifying the real root causes of those problems then we can begin to design the programs to meet them. That will be the intent of this Parliament.

I can say to the hon. member that he should get his shoes on because he is going to be running fast very soon.

Mr. Dale Johnston (Wetaskiwin): Mr. Speaker, it is a great honour for me to participate in this debate on the speech from the throne.

I would like to take this opportunity to congratulate the Speaker on his being elected as Speaker of the 35th Parliament. Indeed, I would like to pass on my congratulations to the Deputy Speaker. I want to assure the Speaker that we will endeavour to make your job easier and you can always count on us.

Mr. Speaker, with your permission since this is my maiden speech in this Chamber, I would like to dedicate my remarks today to the memory of my late father, Glen Johnston, who served from 1952 until 1967 in the Alberta legislature, in fact in the party that the Prime Minister this morning referred to as the grandfather of the Reform Party. In those years he served as the member of the legislature for Ponoka—Rimby.

It is my pleasure to carry on the legacy of hard work and caring support of his constituents, many of whom I represent today. To those people of the federal constituency of Wetaskiwin I thank them for their overwhelming support and their vote of confidence in me. I would like to assure them that I am dedicated to serving them and their interests in this House.

Let me say a little bit about the constituency of Wetaskiwin. It is located in central Alberta just north of the constituency of Red Deer and south of the Edmonton ridings. We are bounded on the north and northwest by the North Saskatchewan River and the terrain varies from heavily treed areas to the west to the prairie—like grain fields on the east. I am proud to say that we are a resource rich area. Agriculture, gas and oil are the engines that drive our economy. Our rich farmland is ideal for raising prime Alberta beef.

The Ponoka Stampede is an annual event. It is the second largest stampede in the west. I would like to invite the Speaker of the House and all members to join us on the Canada Day weekend for an exceptional stampede and rodeo.

Over the last year I have travelled extensively throughout the constituency speaking with many people and the message was loud and clear. People are concerned about the economic future of Canada and what kind of Canada their children and grandchildren are going to inherit.

Two days ago His Excellency the Governor General delivered the government's plan for the next four years to anxiously waiting Canadians. The election results from across Canada indicated a desire to depart from the status quo and it would appear the government MPs received the same message. I would like to congratulate this government for embarking on a path of dialogue and consensus.

We commend the initiative to cut \$5 million from the House of Commons budget. I am pleased that the government acted on a few of the suggestions contained in the Reform Party's paper on pensions and perks. We encourage the Minister of Finance to incorporate our other recommendations in his budget.

(1700)

The Canadian public have lost faith in their politicians. It is time for the elected people to win back that trust. Being elected does not mean that we are automatically respected. We have to earn back that trust.

Canadians have the right to expect their representatives to act with dignity and decorum of office. An end to double dipping and a limit of age 55 before MPs can collect their pensions would be steps in the right direction.

The whole issue of MPs' pensions, however, must be addressed. The voters told us that they would no longer settle for a plan that gives members of Parliament substantially more than average Canadians. The Members of Parliament Retiring Allowances Act must be overhauled, not just tinkered with. It must be brought into line with the private sector.

The MPs' pension plan is not self-supporting. How can we in good conscience ask the overburdened Canadian taxpayer to pay for this generous retirement plan? I cannot, Mr. Speaker, and I am sure you feel the same way.

Canadians are looking to this government to restore their hope and to restore their jobs. The widely acclaimed \$6 billion infrastructure program must be recognized for what it really is, a joint project equally funded by the federal government, the provinces and the municipalities. This short term project will cost the taxpayer threefold. There may be three levels of government participating in this scheme but there is still only one taxpayer.

The talk of creating jobs and restoring confidence are only small steps in encouraging economic growth. We can no longer tell small business people that they can be the impetus to get the economy moving while they remain overburdened with heavy taxes.

The government plans to replace the goods and services tax, but what with? The GST, the most despised tax in Canadian history, does provide almost \$15 billion in net revenue. This is

an issue that the Reform members on the finance committee are looking forward to tackling. Earlier today my colleague from Calgary Centre suggested that this caucus supports and proposes to replace the goods and services tax with a flat tax system.

Mr. Mills (Broadview-Greenwood): A single tax.

Mr. Johnston: Sounds good to me.

My concept of Canada is a Canada economically strong and self-reliant. If we are ever to achieve self-reliance we must eliminate the federal deficit. This year alone the deficit could reach \$46 billion. The national debt has topped the \$500 billion mark and it increases by \$85,600 a minute. The time has come to take serious steps to control spending. Federal departments are still spending on frivolous, unnecessary schemes.

Here is an example. Just the other day there was a news report stating that federal government departments had commissioned videos that had cost the taxpayers of Canada \$18 million. Couple this and other examples of irresponsible spending highlighted in the Auditor General's report and one comes up with a soap opera that stumps the average Canadian. This has to stop.

The government must put a halt to this type of luxury spending. The Canadian taxpayer cannot afford it, Mr. Speaker, and your constituents and mine deserve better.

I want to ask this government how it plans to control departmental spending. The new initiatives announced in the throne speech are commendable and worthwhile, but can we afford them? Who is going to pay for them? Will we have to borrow more money and increase the debt load in order to pay for these programs?

All parties in this House acknowledge that we must reduce the deficit but we differ in the method. In my view, we will never accomplish this task unless we face up to the reality that we simply cannot continue to live beyond our means. Canadians do not want to rely on the government for their retirement so it worries me when I hear that this government is considering the elimination of the capital gains tax exemptions. Does this also mean that the \$500,000 capital gains tax exemption for farmers and small businesses will be axed?

People who work for large corporations and governments often have access to a pension plan, but the farmer and the small business person does not. Most often, he or she counts on the sale of assets accumulated over a lifetime to finance retirement and maintain their financial independence.

We must undertake a joint effort to deliver the best possible representation to the people of Canada. It is important to ensure that we are productive and co-operative in order not only to make this Parliament function better but also appear to function better, in a less offensive manner.

(1705)

The constituents of Wetaskiwin can expect availability, accountability and austerity from me. What I plan to deliver is the same kind of representation they may have received from my dad.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I would like to congratulate the member for Wetaskiwin on his introductory speech to the House.

Because we are only an hour away from having to make a decision on his party's amendment to the speech from the throne I wonder if he would be so kind as to respond to some questions I have concerning the proposal to put a cap on expenditures.

In spite of the fact that this House in the last Parliament passed such a law introduced by the then Minister of Finance, Don Mazankowski, member for Vegreville, we had the largest deficit overrun that has ever occurred in this country. I am wondering why he or his party think that a repeat of that absolutely useless kind of legal requirement from this House, that absolutely ineffective law and direction, is going to work this time.

Mr. Johnston: Certainly there is no chance of it ever working unless we place a spending cap on the budget, live by it and plan to honour it.

To ignore the problem certainly is not going to be the answer either so let us all recognize that this is a problem, but not a revenue problem. My party believes very strongly that we do not have a revenue problem. We have a spending problem. That is the way you would run your business. That is the way I would run my business. If I find that the income does not balance the expenditures the first thing I have to do is look at my expenditure side of the ledger.

[Translation]

The Deputy Speaker: The hon. member for Laurentides has two and a half minutes. Does the hon. member wish to ask a question or make a comment?

Mrs. Monique Guay (Laurentides): Mr. Speaker, I would like to make a comment. This being the first time I have the floor, I would like to congratulate you on your election.

As for expenditures—

The Deputy Speaker: It seems that you are not interested in asking the member for Wetaskiwin a question, but rather that you would like to resume debate. Is that right?

Mrs. Guay: I have no question but rather a comment.

The Deputy Speaker: Then I think that according to the understanding between the parties, the member for Fraser Valley West has the floor now.

Mrs. Guav: Fine.

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The Deputy Speaker: If there is no question, then, I will give the floor to the hon. member for Fraser Valley West.

[English]

Mr. Randy White (Fraser Valley West): Mr. Speaker, may I take this opportunity to offer my sincere congratulations to you and to all members of the House of Commons on their election to this 35th Parliament.

I would also like to express my sincere appreciation to all the people in Langley, Aldergrove and Matsqui, British Columbia for expressing their confidence in me by sending me here to represent them.

This is the time when the eyes of Canada are on the new government so I think it only fitting that I speak today about vision.

Historians I am sure will look back on October 25, 1993 as a landmark in Canadian elections. Canadians as never before spoke out in a loud clear voice for the need to change. The old way of doing things is just not good enough any more.

Some would diminish the importance of the result by labelling it merely a protest vote. What, I ask, is insignificant about a protest vote. The people of this country were protesting the way government conducts business and it is up to us to show there is a better way.

We have for two decades witnessed federal governments living beyond their means and it is time to stop and hold all politicians accountable. But rather than look back in anger we prefer to look forward with hope.

(1710)

The throne speech yesterday provided a glimpse of optimism, something rare in these uncertain economic times. We have heard talk of a new spirit of openness and co-operation between political parties, an idea I would like to applaud. However we heard the same message in the speech from the throne in 1984. It lasted about two weeks. Let us hope it lasts longer this time.

What I wish to emphasize in the strongest possible terms is that if there is no true commitment to open the books of government to the intense scrutiny they need, then all of this talk of co-operation and a new way of running government will be just another echo bouncing down these historic halls.

All MPs should be involved in the detailed, critical analysis of government spending. If the government makes good on the pledge to give more power to MPs in its committees this could be a positive change.

I am also encouraged to see the government has adopted some, though not enough, of our recommendations with respect to perks for members of Parliament. However, since the government has already made its decision I am at a loss as to why a

\$200,000 study is currently underway to assess parliamentary compensation and perks.

I am pleased to see the government's commitment to reform the MPs' pension plan. Ending double-dipping however does not go nearly far enough.

Our party has made significant recommendations to reform the pension plan. We would be glad to share the results with the House, certainly at no charge.

Other ideas, like the appointment of an ethics counsellor, sound good on the surface, though I cannot help but wonder at the necessity of adding yet another patronage position. If all MPs simply act as Canadians expect them to, with the integrity the throne speech referred to, there would be no need for a watch dog.

True reform comes from the individual. We cannot legislate integrity. We also cannot hope to create real lasting jobs by throwing billions of dollars at a program called infrastructure. Infrastructure means roads, bridges and sewers. Yet one of the first examples of this spending has gone toward the construction of a civic centre. The government has admitted the announcement was politically motivated. Will this infrastructure program create good, long term jobs? We will see. Be assured we will be watching.

We cannot solve joblessness in this country with more government spending. Anyone who thinks we can is living in a dream world, a dream world we can no longer afford.

As I look around, as one of the more than 200 first-time parliamentarians, I cannot help but be awe-struck not only by the sense of history in these halls but by the responsibility that comes with this chair. I see all around me representatives with many different perspectives on the future of Canada. Though there may be distinct ways of looking at things, no matter how you alter your angle of sight one thing never changes, the bottom line still looks like the bottom line.

If we continue on the path we are on we will no longer be discussing whether the glass is half empty or half full. It will simply be empty. All of the money this government spends will be accounted for and the members of Parliament must be accountable to their constituents.

The Reform Party's constitution states: "The duty of elected representatives to their constituents must supersede obligations to their political parties". To ensure I make good on this pledge we have initiated advisory groups in Fraser Valley West made up of constituents from a variety of backgrounds and political persuasions. Although these groups are just in the formative stage, early indications are that I will be taken to task if I stray from the course they chose.

If we are willing to give members of Parliament more power in the House of Commons let us take it a step further and get the Canadian people involved in the process.

(1715)

The people I represent from British Columbia are no longer satisfied with the status quo. The federal government has consistently failed to live within its means and my constituents want a direct say in how their tax dollars are spent. These people want guarantees that budgets will be balanced, long term debt will be substantially reduced and expenditures will be necessary and legitimate. It is no longer good enough simply to spend money. We must know where it is coming from, where it is going, why it is going there and why we are not paying our bills first.

Most social programs have merit but that is not enough. In our critical financial state merit is no longer the overriding criterion. Federal spending must be cut to the point where we can once again live within our means. By capping expenditures we will take that first step.

The emphasis on controlling spending is not just for the sake of getting Canadian business going again. On the contrary, every young Canadian should get involved in these decisions. For the first time in our history young people are being told to accept a lower standard of living than that of their parents. This system is unacceptable.

A high standard includes more than financial considerations. It includes our social programs that have come to set us apart as a caring nation. The only way we can preserve the things that make us proud to be Canadian is by ensuring that we can afford them today and will be able to afford them in the future.

Canadian businesses have to live within their means. Canadian families have to live within their means. We must insist that the government live within its means as well. What is prudent for every family in Canada is also prudent for the Government of Canada. There simply is no choice.

In closing I would like to mention an attitude I have observed lately with respect to how Canadians view themselves. Talking to people who have just returned from a trip abroad seems to be one of the few times we hear about what a fantastic country this is. Why is it that Canada looks like such a land of opportunity when viewed from afar but at home we seem to lose sight of the fact?

The Liberals' red book is called *Creating Opportunity*. I hope the creation of opportunity includes a planned program of deficit and debt reduction as the number one priority.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry): Mr. Speaker, I would like to begin by congratulating you on your new appointment. I would also like to congratulate the member for Fraser Valley West on his maiden speech.

I want to suggest something to the member with which we in the House will have to concern ourselves. The hon. member mentioned in his speech on a couple of occasions that the bottom line was the same bottom line. Having come from a business background I realize the bottom line in business is earnings per share. It is how much money we made and how much we have to invest or reinvest. However in this boardroom the bottom line is different. The bottom line for us as members of Parliament is people. It is a totally different bottom line.

When we talk about the concerns of our constituents—and I have to concern myself with my constituents—we think of the number of people who are unemployed and the number of people who are on welfare. They are looking to us to try to create some confidence and try to stimulate the economy which has lacked confidence for the last four or five years.

(1720)

The member talked about the convention centre in Quebec City being a forum for bringing business together, creating markets and opportunities for business exchange and exports. It will create not only short term construction jobs. It will create a convention environment where things can happen, where sales, marketing and everything else can take place that will put people back to work so that we can ultimately reduce the \$30 billion disbursement on unemployment insurance and welfare last year.

Can he not see that as a possible way of reducing and meeting the objective?

The Deputy Speaker: The member for Fraser Valley West has about a minute and a half.

Mr. White (Fraser Valley West): Mr. Speaker, I thank you for leaving me enough time to answer the question. I appreciate that we only have ten minutes and that he has five.

There is no question that people are a great resource. One has to wonder why people lack confidence today in our government and in our system. The overriding feature of losing confidence in my riding—and I am sure it is so in many other ridings—is the fact that the government continually overspends and lives far beyond its means.

My speech addressed a major concern of the people I represent. Unless we get this under control there will be many more people out of work. Just creating and spending more money in government does not provide the impetus to get confidence back in the country.

I thank the hon. member for his question. I would like to send him back a message that unless we get this funding under control, this debt, this deficit, the government will have a more

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serious problem with more people out of work, not less people out of work.

Mr. Andy Mitchell (Parry Sound—Muskoka): Mr. Speaker, on this my first opportunity to address the House let me congratulate you on your appointment and your colleagues on theirs as well.

It is an honour to be here today in the House representing the great riding of Parry South—Muskoka and the thousands of people who call the communities in my riding home. I would also like to thank all those constituents for the trust they have shown in me by electing me their member of Parliament.

My area includes the Muskoka Lakes, Georgian Bay, and is the gateway to Algonquin Park. It is where north meets south in Ontario and where people from all over come to enjoy nature at and life at their very best.

It is also the riding which, until October 25 of this past year, was represented by the grand old man of the House, Stan Darling. Although we are from different parties I wish to thank Stan publicly and on behalf of the constituents of Parry Sound—Muskoka for his 21 years of service to the House and 50 years of public life. Stan was the true constituency member, home every weekend attending every event and always willing to help a constituent no matter how small or how large the problem was.

Those who sat in the House prior to 1993 know of Stan's tireless work on the acid rain treaty which will allow my generation and my children's generation the opportunity to continue to enjoy the beauty Parry Sound—Muskoka. Between Stan and his predecessor, Gordon Aiken, the Conservatives represented my riding since Bucko MacDonald, a former Toronto Maple Leaf and a good Liberal, who won it 40 years ago in 1953.

If Bucko, who unfortunately passed away three years ago, was able to intervene from above to end the 40-year drought for the Liberal team in Parry Sound—Muskoka, he will use his influence to end the slightly shorter drought for his other team and 1994 will be the year that the Toronto Maple Leafs win the Stanley Cup.

(1725)

I cannot let this moment pass without taking the opportunity to thank my wife, Danielle, and my children, Christopher, Peter and Lisa, for the support they have shown me during the past campaign and the personal sacrifices they are making to allow me to serve my constituents as a member of Parliament. In this vein it is appropriate to recognize the sacrifices being made by the families of all members of the House. I salute each of them.

We are here today to debate the government's throne speech, to review and analyse the path my government intends to pursue during the first session of the 35th Parliament. Our program can

be best summed up by one very simple phrase: a belief in the individual Canadian.

Our government intends to invest in young people through an apprenticeship program and the Canadian Youth Services Corps.

Our government intends to invest in small business people by providing them with the capital they need to grow and by lifting the burden of unnecessary regulations and unfair taxation.

Our government intends to invest in the unemployed by giving them an opportunity to work today through the infrastructure program and by creating an environment that will ensure job creation for the long term.

Our government intends to invest in the less fortunate in our society by reforming our social safety net so that it gives people a hand up instead of a hand out and provides for them the training necessary to become productive members of our society.

The government intends to invest in women and young children by passing new legislation that will strengthen the ban on pornography and stop violence against women and children and by reforming the Young Offenders Act to establish a connection between inappropriate behaviour and inevitable consequences.

More than just an investment in people, the Liberal government intends to pursue a balanced approach to government. We are not the slaves of any particular ideology. We are not wed to the doctrine of social control by the left or unfettered capitalism by the right.

We do not seek to end this country by tearing from it the province of Quebec. We will not push that province and its people form this country through indifference or misunderstanding of the legitimate aspirations of the French Canadian culture. We intend as a government to pursue this balanced approach as we deal with the economic challenges facing Canada.

We understand as does every business person in this country that any income statement has two sides: expenses and revenue. If we were to concentrate on simply cutting expenses without attempting to enhance revenue through job creation, we would surely fail in our attempt to balance the budget.

We will cut costs and start to relieve the Canadian middle class of its enormous tax burden with a clear understanding the more taxpayers that exist and the more people who are working the less burden each one of us will have to bear.

I am particularly pleased that our throne speech has promised to bring integrity back to government. We have committed ourselves to several measures that will see this happen. We will proceed quickly with rule changes that allow individual members of Parliament a greater role in the drafting of legislation. We will provide more power to House of Commons committees and actively and continuously debate important issues of the day in the House. We will appoint an ethics counsellor to control the lobbyists and others who seek to wield unjust and undue power.

The program that my government has detailed is not only of national concern. It is of great importance in my riding of Parry Sound—Muskoka. I represent an area in which unemployment exceeds 15 per cent, and that does not account for the people working part time who would prefer full—time work or simply the people who have given up altogether.

In some communities in my riding we face upwards of one in four people who want to work but who are unable to work. It was the demand to have this situation reversed, to put the people of Parry Sound—Muskoka back to work, that led my electors to choose a Liberal to represent them in the 35th Parliament.

The backbone of the local economy of Parry Sound—Muskoka is tourism. One in every two existing jobs relates either directly or indirectly to that industry. Every 1 per cent increase in tourism translates into \$1.9 million of direct economic benefit and 39 person years of employment. The thousands of people who travel every year to enjoy our lakes and waterways, to be dazzled by the fall colours, or to try the snowmobile trails in winter are the mainstay and economic lifeblood of my riding.

(1730)

Our government pledge to put Canadians back to work and to reform our tax system will add new vigour to tourism. I am committed to work with all people within my riding to formulate appropriate initiatives which will concentrate on creating a four season tourism economy.

We will work toward the development of an appropriate marketing strategy which not only will reach out to attract visitors from across Canada, but which will work within initiatives of the federal government to bring back to our area the American tourists and to reach out to new markets in Europe and the Far East. I will work hard to provide financial assistance to our tourist operators and to supplement our natural attractions with new tourism infrastructure.

If tourism is the engine that drives our economy, it is the small business person who is the backbone of it. Over 90 per cent of all jobs in Parry Sound—Muskoka are provided by the small business sector. Men and women every day risk their family fortune, their financial security and in many cases all they have are the foundations upon which our economic renewal will be built.

I have spent my professional career working with and helping the small business sector. I have seen the person who has played by the rules, worked hard every day, pushed themselves to the limit and has lost it all through no fault of their own. I have seen the pain and the devastation that record business bankruptcies have caused. Our government's policies and programs will ensure that this is no longer the case and that that terrible trend will be reversed.

The small business sector of Canada needs and deserves our support. This government is committed to finding new ways to provide capital to our beleaguered business people. As a former banker I am doubly determined to work hard to find ways for government and the banking industry to work together and ensure that loans are available to small business people, to ensure that deserving Canadians are not denied credit solely because they operate in a rural area and are not denied credit because they work in an industry not looked upon favourably by the gnomes of Bay Street.

I will work with my constituents and with my government to reduce the bureaucracy which surrounds and strangles the small business person. I do not want to see good job creation projects die on the altar of bureaucratic red tape.

As part of a Liberal government I will work for the reform of our tax structure and work to stop the practice of using the small business sector as little more than tax collectors. We need to collect revenue in a manner which does not discourage consumption and drive to the United States the tourism dollars which are desperately needed in Parry Sound—Muskoka.

As important as tourism is to my area, as important as the retail trade which supports it is, and as important as the private service sector which maintains it is, we need more. We will always depend on tourism as our major industry. However we must work in Parry Sound—Muskoka for an economically balanced economy.

I have worked for many years actively pursuing economic development both as a business representative in my role with the chamber of commerce and as a member and active participant in the municipal economic development process.

I have pledged to work with the small business sector and individuals to bring them together with government to build a diversified economic base. We will create a climate within which new small business will be created in this country and, most important for me, in Parry Sound—Muskoka.

We will use our quality of life, our proximity to major markets, our superior transportation infrastructure and the innovativeness and hard-working nature of our people to attract new industry and new manufacturers on which economic renewal can be based.

The Minister of Human Resources Development has just pledged in this House to introduce and pursue innovative labour adjustment activities. We will work to create an environment within which those who have been excluded from the work force

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can learn new skills and be prepared to fill the jobs that economic development and diversification will create.

(1735)

The residents of my riding and indeed the people of Canada find themselves at a crossroads. We have great challenges ahead of us which will demand our collective energy, knowledge and determination if we are to overcome them.

As Canadians we have a choice. On the one hand, we can take the easy road. We can believe that the problems we face are beyond our abilities to solve. We can look for simple solutions and feel disappointed when they do not work. We can ask for sacrifices from others and reject that we too must make sacrifices. We can blame our difficulties on the actions of others and accept no responsibility for what we may have done to contribute to our condition. On the other hand, we can take the other route, one which recognizes that we can do better, that we can have an effect on problems, that we are responsible for our actions and that sacrifices will come from each of us, not simply from some other group.

Our government has clearly demonstrated by its speech from the throne that it chooses the second option. We will not shirk our responsibilities. We will provide leadership to Canadians. We will be innovative, learning from the past but not fearing the future. We will be generous and most of all, we will care about the individual Canadian first and foremost.

Canada is a great country. Canadians are great people. We can and will do better than we have in the past. With the help of all Canadians and all of the members of this House, we will build a future of hope and prosperity for ourselves and for our children.

Mr. Ian McClelland (Edmonton Southwest): Mr. Speaker, I wish to congratulate the member for Parry Sound—Muskoka. It is indeed one of the most beautiful and picturesque areas of the country. I appreciate his comments, as do other members of the House I am sure, concerning the sacrifice that all of our families endure with our being here. It was very kind of him to mention that and make that consideration.

As a small businessman it was interesting to hear the extent of his concern with small business. From his background as a banker he would certainly have an interesting perspective, one that would be quite different to many people who were actual doers. It is similar to the person who knows how to drive but cannot get a driver's licence.

My question to the hon. member from Parry Sound is the following. In the Liberal red book there is a statement to the effect that the Liberal government would adjust personal guarantees to 25 per cent. I believe it reads that it would guarantee the first 25 per cent.

Has the member considered, particularly with his experience as a banker, if the government were to assume the guarantee on the first 25 per cent, what impact would that have on the operation of that business? Would it not be advisable, if the government were going to guarantee anything, which of course is debatable, to guarantee the last 25 per cent and not the first 25 per cent? If it is my money and my constituents' money that is being used as a guarantee I would like to have the small businessman laying awake at nights trying to figure out how to pay back that money.

Mr. Mitchell: Mr. Speaker, the Small Businesses Loans Act which is presently in force does mandate that the banks are only going to take a 20 per cent guarantee. However, it does not work quite in the way the member has pointed out.

If there should be a default on the loan, the way the act works is that the bank will attempt to collect all security in advance of the government guarantee. In other words, all security must be exhausted before the government will honour its portion of the guarantee. Therefore, in reality the government comes to the table last and the small businessman loses first.

(1740)

[Translation]

Mr. Jean Landry (Lotbinière): Mr. Speaker, this is the first time that I address this House. I am new, but I too will learn during my mandate, my four years. I wish to congratulate you on your new position.

My question for the member is what exactly will you do to restore permanent jobs and not part—time jobs such as those that come from your program and to restore the confidence of Quebecers and Canadians? Look at aid for small business. They need money, and funds are being cut, so I would like to have an answer, Mr. Speaker.

[English]

Mr. Mitchell: Mr. Speaker, it is important when looking at the government's job creation program that we remember there are two components to it. I always hear from members opposite in this House the complaint that it is an infrastructure program, it is short term and that it will be gone in a year or in two years, but that is not the reality of it.

When one invests in infrastructure one creates an environment where long term jobs can be created. In my riding if we put infrastructure into an industrial park and we put sewers there and we bring water to that park and as a result of that we are able to attract new industry to my riding then the infrastructure program has not just created short term jobs during the construction but it has created long term jobs as new business is able to move in.

Mr. John Williams (St. Albert): Mr. Speaker, I would first like to take this opportunity, both as a friend and as a colleague, to congratulate you on your election as the Deputy Speaker. As you know, we go back many years. My wife and I had the privilege of working on your first campaign when we were both members of another party, but that is another story.

I would also like to congratulate the hon. member for Parry Sound—Muskoka for his first speech in the House. I had the privilege of doing that this morning.

As I said this morning, the Liberal red book was rather long on rhetoric and rather short on specifics. While we have heard him speak about the needs of his particular riding, the needs of this country are even greater.

That is why I think that in the throne speech the question to the honourable member is this: What is he, as a member of the government, and his government going to do to ensure that not only his riding but this whole country comes to terms with job creation from coast to coast? We all know that the \$6 billion infrastructures will not do the job.

Mr. Mitchell: Mr. Speaker, concerning the last question, as I mentioned, it is inappropriate to look at our job creation program and just take one aspect of it, the infrastructure program. That is the stimulus, that is the start, but it contains many more things.

If we are able to, and we will as a government, get more capital into the hands of small business people, we will in fact create long term jobs. When we reform the tax system in this country we will be creating long term jobs. When we are able to cut through the red tape that small businessmen and women have to face every day then we will be creating long term jobs. When we work with leading edge technological companies we will create long term jobs. The red book is filled from one end to the other with specific details on how we will create long term jobs.

The Deputy Speaker: We are going to try to use up the clock till a quarter to six. The two of you will have roughly three minutes left. The member for Fraser Valley East.

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, I was interested to hear the member's description of his riding. I think everyone in the House so far has described their riding as the most beautiful riding in all of Canada. Maybe I will do that next week.

Congratulations to the member on his maiden speech. I was also interested in his comments about 90 per cent of businesses being created by small business, which of course is not a government intervention but a small business initiative.

I am also interested in his comments about the sacrifices that he is calling on all facets of the economy to make. I was just wondering what sacrifices exactly he is expecting from small businesses to finance this program. Mr. Mitchell: Mr. Speaker, the small business person in my riding does in fact create 90 per cent of the new jobs. They had to make many sacrifices as they worked to create those jobs. Each one of us in this House, each Canadian in this country, each constituents' group, each special interest group is going to have to come together. They are going to have to realize that if we are going to be successful in reinvigorating the Canadian economy, if we are going to create jobs in this country, if we are going to fix the major problems that we face in this country, we are going to have to do it together.

(1745)

Each one of us, as each issue comes up in this House, and each person out there in the country, as each issue comes out, is going to ask themselves not just what will it do to hurt them but ask themselves: "What can I do to help the country deal with these problems". When we can have that kind of attitude in this House and in the country, we will be successful with the economic renewal that we need. We will be successful in creating new jobs and Canadians will go back to the prosperity that they rightfully deserve.

The Deputy Speaker: It being 5.45 p.m., it is my duty pursuant to Standing Order 55 to interrupt the proceedings and put forthwith every question necessary to dispose of the amendment to the amendment.

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

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the amendment to the amendment will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

(1810)

And the bells having rung.

Mr. Riis: Mr. Speaker, I rise on a point of order. I know we are going to vote now on a motion to put a cap on government spending. I recall that on June 18, 1992 we gave royal assent to Bill C–56 which placed a cap on government spending to the tune of \$107 billion for this upcoming year.

My question is, having a statute that already limits government spending to \$107 billion, why are we now—

The Speaker: Order. I think the hon. member is making a very good point of debate but I am not sure it is a point of order.

The Address

Of course I would invite the hon. member to include statements such as he was just making in his speech when he gets a chance.

The question is on the amendment to the amendment.

(The House divided on the amendment to the amendment, which was negatived on the following division:)

(Division No. 1)

YEAS

Members

Ablonczy

Breitkreuz (Yellowhead) Breitkreuz (Yorkton-Melville) Bridgman Brown (Calgary Southeast) Chatters Cummins Forseth Gilmour Grey (Beaver River) Gouk Grubel Harper (Calgary West) Hanger Hanrahan Harper (Simcoe Centre) Haves Hill (Macleod) Hill (Prince George-Peace River) Hoeppner Johnston Kerpan Manning Martin (Esquimalt—Juan de Fuca) Mayfield McClelland (Edmonton Southwest) Meredith Mills (Red Deer) Morrison Penson Ramsav Ringma Scott (Skeena) Schmidt Silve Solberg Speaker Strahl Stinson

NAYS

Williams-52

White (Fraser Valley West)

Members

Alcock

Allmand Althouse Anawak Anderson Arseneault Assadourian Axworthy (Winnipeg South Centre) Augustine Bachand Bakopanos Barnes Reaumier Rellehumeur Bellemare Berger Bergeron Bernier (Mégantic—Compton—Stanstead) Bernier (Gaspé) Bertrand Bevilacqua Blondin-Andrew Rethel Bhaduria Bodnar Bonin Bouchard Brien Brown (Oakville-Milton) Brushett Bryden Bélair Bélisle Calder Caccia Campbell Cannis Caron Catterall Chamberlain Chrétien (Frontenac) Clancy Collenette Chrétien (Saint-Maurice) Collins Comuzzi Copps Crawford Cowling Culbert Dalphond-Guiral Daviault de Jong

Thompson White (North Vancouver)

Adams

DeVillers Dhaliwal Discepola Dromisky Dubé Duceppe Duhamel Dumas Easter Dupuy Eggleton English Fewchuk Fillion Finestone Finlay Fry Gagliano Gallaway Fontana Gaffney Gagnon (Québec) Gauthier (Roberval) Godfrey Gerrard Godin Goodale Graham Gray (Windsor West) Grose

 Gray (Windsor West)
 Grose

 Guarnieri
 Guay

 Harb
 Harper (Churchill)

 Harvard
 Hickey

 Hopkins
 Hubbard

 Ianno
 Iftody

 Irwin
 Jackson

Jacob Jordan Keves Kilger (Stormont—Dundas)

 Kirkby
 Knutson

 Kraft Sloan
 Lalonde

 Landry
 Langlois

 Lastewka
 Laurin

 Lavigne (Verdun—Saint–Paul)
 Lee

Leroux (Richmond—Wolfe)
Leroux (Shefford)
Lincoln
Loney

Loubier MacAulay MacDonald MacLaren (Etobicoke North/Nord)

 MacDonald
 MacLellan (Cape Breton—The Sydneys)
 Maheu

 Mallali
 Maloney

 Malloney
 Marchand

 Marchi
 Marleau

 Massé
 McCormick

 McGuire
 McKinnon

 McLellan (Edmonton Northwest)
 McTeague

 McWhinney
 Mercier

 Mifflin
 Milliken

McLellan (Edmonton Northwest) McWhinney Mifflin Milliken Mills (Broadview-Greenwood) Minna Mitchell Murphy Ménard Murray Nault Nunez Nunziata O'Brien O'Reilly Pagtakhan Paré Parrish Payne Peters Patry Peterson Phinney Picard (Drummond) Pillitteri Plamondon Pomerleau
 Proud
 Péloquin

 Reed
 Regan

 Richardson
 Rideout

 Riis
 Ringuette-Maltais

 Robichaud
 Rocheleau

 Rock
 Rompkey

 Sauvageau
 Scott (Fredericton—York Sudbury)

 Sauvageau
 Scott (Fredericte

 Serré
 Shepherd

 Sheridan
 Simmons

 Skoke
 Solomon

 Speller
 St. Denis

 Steckle
 Stewart (Brant)

 Stewart (Northumberland)
 Szabo

 Telegdi
 Terrana

Totalleimer Tobin
Torsney Tremblay (Rimouski—Témiscouata)

PAIRED MEMBERS

Assad Asselin Cauchon Crête Gagnon (Bonaventure—Îles-de-la-Madeleine) Guimond

Karygiannis Lavigne (Beauharnois—Salaberry)

Rusyalmin Lefebvre
Martin (LaSalle—Émard) Ouellet
St–Laurent Wappel

The Speaker: I declare the amendment to the amendment negatived.

Mr. Hermanson: Mr. Speaker, I rise on a point of order. On behalf of the members present I would like to thank Mr. Bill Corbett and his son for recognizing each member flawlessly during this first recorded vote.

Some hon. members: Hear, hear. **The Speaker:** I taught him well.

It being 6.24 o'clock p.m., this House stands adjourned to the

call of the Chair.

(The House adjourned at 6.24 p.m.)

His Excellency The Right Honourable Ramon John Hnatyshyn Governor General of Canada



Eulogy for the Funeral of The Honourable Steve Paproski

Ottawa, Ontario Tuesday, December 7, 1993 We are here to bid farewell to the Honourable Steven Eugene Paproski. A loving and loved husband to Betty. A proud and cherished father to Patrick, Peter, Anna, Alexandra and Elizabeth. Adored Grandfather to Steven, Colin, and Kathleen.

Let me begin by paying tribute to Steve as a distinguished parliamentarian, whose devotion to that institution made him admired and, yes, loved on all sides of the House.

For it was in the House of Commons that Steve and I became close friends, literally, as seat mates. At that time, he was the Chief Whip and I was involved in the House Leader's business. Our responsibilities meant that we were sitting together in the Commons from morning until night. We got to know each other very well.

One of the stories he and I enjoyed was about the new Member of Parliament, thrilled to be elected, who took his seat in the House for the first time. He exclaimed, "What an honour it is to be able to sit just two swords—lengths across the aisle from my political enemies and to deal with them face to face". A veteran parliamentarian was quick to set him straight. "Son", he said, "those M.P.s sitting across from you aren't your enemies. They are your political adversaries. Your enemies are sitting all around you".

But while Steve used to enjoy that story, it was a story that did not apply to him. He was one of the few parliamentarians, one of the few people I know, devoid of enemies. His infectious enthusiasm, his innate kindness, the total lack of envy in his character, were all irresistible.

Steve was what I like to think of as a true millionaire. He had a million dollar smile, a million dollar voice. Who here cannot picture in their mind's eye, and hear, Steve singing Hello Dolly? He also had a million friends and certainly performed a million good deeds.

There are very few people who knew Steve who weren't the beneficiaries of his kindness and generosity. I know I have witnessed countless examples, towards his family, friends, and even total strangers.

I remember a trip Gerda and I shared with Steve and Betty, to Bulgaria, during the dark days of communism. The giving on that trip began with the sharing of food with the hotel staff and kept on until Steve had given away his shirts and clothes, everything except the clothes he needed to travel home in.

I do not have enough time to tell you of the countless personal examples of his generosity and kindness to me. What I especially remember is the coldest day of February 1989. I was lying in bed in St. Paul's Hospital in Saskatoon. In walked Steve, with two of his pals, Jim Hole and Justice Howard Irving. He had talked them into flying a small private plane from Edmonton in icy cold minus 40 degree freezing temperatures. Steve thought I might need cheering up. That's the kind of guy Steve was.

And that's the kind of guy Steve has always been. He has always contributed, enormously, throughout his life. He was proud of his father and used to show visitors his father's

shoemaker's shop on Jasper Avenue in Edmonton. Steve's dad died when he was sixteen. Steve helped enormously with the raising of his three younger brothers, and their schooling.

Steve's famed football career took off when he won an athletic scholarship to the University of Arizona. Many Canadians remember the five years he played with the Edmonton Eskimos. What they might not know about is his wrestling career. Steve needed to augment his meagre university income but he couldn't jeopardize his amateur athletic status and his scholarship. Picture, if you will, Steve donning a mask to wrestle professionally, incognito or so he believed. His opponent was his pal Killer Gene Kiniski. One day Steve would win and, if you can believe the coincidence, the next day Gene Kiniski would win. Together, for tag team matches, they were the Masked Marvels. What a great start for a political career!

Steve often measured, with pride, the distance he had travelled from his birth in Poland to his role as a member of Parliament, a Minister of the Crown and as Deputy Speaker of the House of Commons.

As a Member of Parliament, he was unswerving in his commitment to the concerns of his constituents. Not surprisingly, the people of his Edmonton riding were as unswerving in their support of him, a support that lasted a remarkable twenty-five years.

In Cabinet he served all Canadians. His deep love of and pride in his country came from his appreciation of the opportunities it had held out to him, and to the family he and Betty created.

And, of course, it was his family which sustained him. He adored Betty, his five children, and his grandchildren and gained energy from their shared love. As much as he was the bright light in Betty's life, she was the star in his. Together, they were warm, generous, loving and giving people, and it was clear from the moment you saw them why they had chosen to spend their lives together.

Gerda and I remember well a trip we shared with Steve and Betty to Mexico. That year Betty was celebrating her 50th birthday. That trip became Betty's birthday party, the whole ten days. Steve had arranged a birthday party, with gifts, every day of that trip for her.

Many of you may know that Steve was a deeply religious man. He and Betty have been faithful church—goers and faithful believers. His faith was part of his life, and sometimes became part of mine. I am sure that Steve knew, on a first name basis, every bishop and cardinal in the church.

I remember one occasion during an annual meeting of the Canadian Conference of Catholic Bishops in Ottawa. A hot, humid summer day sitting around Steve's pool, Lincoln Alexander, a Baptist, and me, a Greek Orthodox, seated between Emmett Cardinal Carter and Cardinal Flahiff, and in the company of about twenty other bishops in shirtsleeves, debating moral and political issues over martinis. Steve, of course, was at the bar-b-que broiling up steaks.

If connections in the Church have any influence on where Steve is right now, there's no question he's right at the top.

Steve died in the midst of life. We all assumed that he would have been with us for many years to come. But now, even as we mourn his passing, we give thanks for him, and for the happiness he brought into all our lives.

The Address

To Betty, and to all of you: His children. His grandchildren. His brothers and in-laws. And to his many friends—among whom Gerda and I have always been proud to count ourselves—I speak from the heart, and on behalf of all Canadians, when I extend our deepest sympathies to you.

May this holy season, with its message of renewed hope and love, prove a comfort to you in this time of loss.

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