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Wednesday, October 5, 1994

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Wednesday, October 5, 1994

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

SPACE PROGRAM

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, 10 years ago today Canadians watched with pride and awe as Dr. Marc Garneau blasted into space and into history, becoming the first Canadian to orbit the earth.

[*Translation*]

This was quite a step forward for Canada. Until then, Canadians had had to content themselves with the role of spectators where space exploration was concerned.

But everything changed when Marc Garneau, a Quebecer and a true Canadian went up in the space shuttle *Challenger*.

[*English*]

Just recently, following the successful flights of Dr. Roberta Bondar and Dr. Steve MacLean in 1992, another Canadian, Dr. Chris Hadfield, has been selected to participate in a mission which will see the American shuttle using the Canadian robotic arm dock with the Russian space station. This is an example of true collaboration among the nations of the earth and beyond.

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[*Translation*]

SOUTH AFRICA

Mrs. Maud Debiens (Laval East): Mr. Speaker, yesterday the new President of South Africa visited Washington, where he was not only greeted with all the honours due to him as a head of state but also as a champion of racial equality. President Mandela is living proof that justice, law and democracy can and must triumph over tyranny and oppression.

The Bloc Québécois is delighted at the progress made by the citizens of South Africa since the first free elections and the end

of apartheid. But the struggle is not over and we must now work with them to build a new South Africa.

Canada must make available its assistance and its support for economic development and for President Mandela's fight against the poverty and destitution afflicting the people of his country.

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[*English*]

HEALTH CARE

Mr. Jay Hill (Prince George—Peace River): Mr. Speaker, I would like to draw the attention of the House to the health care crisis we are currently experiencing in northern and rural Canada.

The government is proud to talk about the sanctity of our universal health care system. However, when one of the towns in my riding advertised to replace a retiring surgeon for over a year it met with no success.

By and large Canadian doctors seem unwilling to settle and work in the north. Consequently northern communities have had to increasingly rely on foreign physicians who must weigh the opportunity of working in Canada against an uncertain future caused by short term work visas.

Our patient to doctor ratio is around 1,700 to 1, compared to about 160 to 1 in Vancouver.

Northern natural resources contribute billions to government coffers, yet our hospitals are being shut down or their services drastically cut back, resulting in northerners travelling hundreds of miles to receive adequate health care.

Is this an example of the accessibility promised by the Canada Health Act?

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POVERTY

Mr. Pat O'Brien (London—Middlesex): Mr. Speaker, children are this nation's most valuable resource and it is our responsibility to eliminate the poverty that creates barriers for 1.25 million Canadian children. Lack of food is affecting their growth, health and ability to learn and has led to an increasing number of young people resorting to crime and suicide to escape poor living conditions.

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In London—Middlesex the three levels of government, the school boards, businesses and community organizations have come together to form the kids count program, an innovative project aimed at breaking the cycle of poverty that hinders a child's development. I commend this community-wide co-operation that seeks to give every child the opportunity to do his or her best.

The government is committed to the elimination of child poverty through job creation and the reformation of our social security system.

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[Translation]

VERDUN OPTIMIST CLUB

Mr. Raymond Lavigne (Verdun—Saint-Paul): Mr. Speaker, I would like to congratulate and thank Mr. and Mrs. Bérubé, presidents of the Verdun optimist club, as well as all of the club's past presidents, for the excellent work they have done.

The Verdun optimist club provides assistance to many young people in need of help in the riding of Verdun—Saint Paul.

I would also like to congratulate Mr. Pierre Lamarre on his recent appointment as president. I wish him much success in his new functions and look forward to working with him to help our young people.

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CANADA POST CORPORATION

Mrs. Pierrette Ringuette-Maltais (Madawaska—Victoria): Mr. Speaker, a few months ago, I commended minister Dingwall warmly for imposing a moratorium on post office closures in our small communities.

It is not enough to keep post offices open. Our small communities must also be provided with modern written communication transmission services; our rural post offices must have faxes and electronic mail.

Again the status quo is not good enough for our small communities. Time has come to modernize their communications network.

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SOCIAL PROGRAM REFORM

Mr. André Caron (Jonquière): Mr. Speaker, these past few days, the media have been outlining social program reform proposals the Minister of Human Resource Development had not yet tabled. Before parliamentarians even had a chance to review these proposals officially, the public was informed of the highlights of the minister's reform.

In fact, everyone but parliamentarians was informed.

So, why all the secrecy today, seeing that the minister's reform is making the front page of all newspapers?

I do not know if this is a new way of launching trial balloons that the minister is experimenting with, but one thing is sure: he will certainly not win any award for discretion and respect for Parliament.

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(1405)

[English]

GOVERNMENT EXPENDITURES

Mrs. Jan Brown (Calgary Southeast): Mr. Speaker, last Friday the Prime Minister answered a question from my colleague from Calgary West regarding the reimbursement of \$34.5 million to the Government of Quebec for its 1992 provincial referendum.

In his answer the Prime Minister stated he was committed to pay the Quebec government \$34.5 million because of a promise made by the previous Tory government.

It is interesting that the present Liberal government arbitrarily chooses the contracts, whether verbal or written, it will respect. It chose to permit the sale of Ginn Publishing to Paramount on the basis of a verbal agreement but cancelled the Pearson International Airport contract and the EH-101 deal which were both written legal agreements.

The carryover process for contracts negotiated by the Tory government remains very unclear. The government has an obligation to Canadians to explain what criteria are taken into consideration when respecting or abrogating a contract. This action will haunt it. The Canadian taxpayer has a right to know on what basis the government makes its decisions.

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VIOLENCE ON TELEVISION

Mrs. Brenda Chamberlain (Guelph—Wellington): Mr. Speaker, Canadians recognize that television has a powerful impact on their lives. Despite efforts to raise awareness and decrease levels of violence on television some studies have indicated an actual increase of incidents of violence over the past few years.

Television plays a central role in our society. It can deeply influence those who watch it, especially our children. Our young people watch television in order to understand the world around them. Parents must be mindful of the responsibility and be aware of what is being watched. Advertisers should be encouraged to be selective and we as members of Parliament should encourage non-violent programming through funding and education.

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By working together we can all ensure that television, which is a guest in our home, can be a positive influence on our young people.

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[Translation]

BLOC QUEBECOIS FUNDRAISING

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle): Mr. Speaker, last week, the hon. member for Richelieu presented a motion to change the party fundraising process at the federal level. In fact, this was nothing but window dressing to conceal the Bloc's own fundraising habits and lack of transparency.

While all federal political parties comply with the Canada Elections Act and make their list of donors public, the Official Opposition hides behind a special provision of the act to avoid disclosing information that the public is entitled to.

This guilty silence on contributions received by the Bloc Quebecois and its list of donors lets an uncomfortable element of doubt hang over its funding sources.

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SWEARING IN OF LISE BACON IN THE SENATE

Mrs. Eleni Bakopanos (Saint-Denis): Mr. Speaker, I am very pleased to speak on behalf of all Liberal members from Quebec and point out that Lise Bacon is now a senator.

Mrs. Bacon is one of the most respected and credible politicians in Quebec. She was elected in 1973 to the Quebec National Assembly, where she did a brilliant and effective job in the most senior positions.

For a long time, the former Deputy Premier of Quebec has recognized the benefits for Quebec of belonging to the Canadian federation and she never hesitated to promote federalism.

Mrs. Bacon's presence in the Canadian Senate will mean one more voice for all those who do not identify with the Bloc Quebecois's separatist stance.

[English]

Welcome, Lise, and thank you for joining us in promoting a united and prosperous Canada that is the envy of all the world.

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[Translation]

CRIMINAL CODE

Mrs. Christiane Gagnon (Québec): Mr. Speaker, members of the Bloc Quebecois reacted with amazement to the Supreme Court decision, based on the Charter of Rights, which admits extreme drunkenness as a legitimate defence for sexual assault.

From now on, someone accused of sexual assault who can prove that he was so drunk as to be almost insane or acting on impulse will be able to evade his responsibilities.

Nevertheless, common sense tells us that someone who commits a crime as serious as sexual assault after he has voluntarily consumed too much alcohol or drugs cannot use his state of mind as an excuse or to seek lenient treatment from the court.

(1410)

On behalf of the thousands of women who have been raped, will the federal government amend the Criminal Code? That is the question which the Minister of Justice must answer as soon as possible!

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[English]

REFORM PARTY

Mr. Ken Epp (Elk Island): Mr. Speaker, next week the Reform Party will be holding its democratic assembly here in Ottawa. In sharp contrast with this place, voting will be fast and easy. The expected 1,500 delegates will vote electronically and the results will be known in about 30 seconds.

Although I cannot invite all members of the House to come to observe, I extend the invitation to you, Mr. Speaker. Please come and see how a modern, efficient organization operates. Come and see for yourself that in policy and in process we are ready to form the government and to bring a new measure of efficiency, competency and accountability to the governance of this great country.

With the national debt now at \$533,082,058,000 and the dollars and cents growing more rapidly than I can speak, Reform has become the only hope for the country.

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CANADIAN HUMAN RIGHTS ACT

Mr. Barry Campbell (St. Paul's): Mr. Speaker, the government made a commitment to add sexual orientation as a prohibited ground of discrimination to the Canadian human rights code. It has already introduced Bill C-41 which would address the issue of sentencing in crimes where hate is a motivating factor.

We have done these things because they are right and decent things to do. Amending the code is a matter of fundamental justice and equality. The goal of the Canadian Human Rights Act is not to confer special rights on anyone but rather to ensure equal rights for everyone. These measures are consistent with our commitment to attack hatred and discrimination and promote tolerance in our society.

In this House where our currency is words, we must never forget their power. They can be used to empower and embrace or

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to attack and incite. Words have an impact. Free speech is not free of consequences. I will never use the holocaust as a metaphor but there are lessons to be learned. As Eli Wiesel said of that time: "It began with words".

When we add sexual orientation to the Canadian Human Rights Act and when we pass Bill C-41 we will be using words to embrace and all Canadians can feel proud of that.

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NATIONAL FAMILY WEEK

Ms. Judy Bethel (Edmonton East): Mr. Speaker, this week is National Family Week. In fact, it is the 10th anniversary of this very special week. Thousands of Canadian families and over 25,000 organizations and agencies are celebrating it across the country. Special events are being organized under the theme of the International Year of the Family.

As part of National Family Week, the federal secretariat of the International Year of the Family will spearhead a national awareness campaign to encourage federal government employees to spend time with their families and if possible to donate time to community organizations of their choice.

I am sure all my colleagues join me in celebrating the importance of family life for people across Canada and around the world.

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MINISTER OF JUSTICE

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, Yukoners were treated to the sight of what Liberal consultation really means when the Minister of Justice visited Whitehorse, Yukon, and refused to have public meetings but only closed door-sessions with certain selected individuals.

In fact, when independent and NDP members of the legislature in the Yukon asked to be privy to these meetings, they were told they were not allowed by the president of the Liberal Party. The Minister of Justice said that the meetings in Yukon were unique because Yukon does not have a Liberal member of Parliament.

Consultation on gun control or any other area that affects all Canadian citizens should be done with every member of this House, not just Liberal members, not just run by the Liberal Party. Shame on the Minister of Justice for not having enough gumption to—

Some hon. members: Hear, hear.

CRIMINAL CODE

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, I am receiving letters from concerned constituents about section 43 of the Criminal Code, the section that allows parents to administer reasonable corporal punishment to their children. The Minister of Justice indicated that he is considering the matter.

Two studies his department has paid for advocate abolition of this basic parental right. One of these studies says: "It is almost impossible to isolate corporal punishment as a causative factor" of increased aggression, yet this study still advocated the repeal of section 43. Why, I wonder, when there is no proof that reasonable correction is harmful?

Interest groups with a leftist social agenda have the ear of the government. Together they would replace the authority of the parent with the authority of the government. Parents have a right to be concerned about this disturbing trend.

(1415)

The government should be looking at ways to enhance the authority and responsibility of the family, not trying to bring it under submission to the state.

Loving parents know better than bureaucrats or judges how they should raise their own children.

* * *

TOURISM

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, tourism plays a very important role in the Canadian economy. Every year tourists from all over the world visit our country and discover its diversity and beauty.

More than half a million Canadians representing 5 per cent of our workforce are involved in the tourism sector. Tourism also represents about 4 per cent of Canada's gross domestic product.

[*Translation*]

I support the work done by our government and the Department of Industry to maximize the benefits derived from the tourism industry in Canada. In New Brunswick, for example, the tourism industry had a great summer, thus helping to improve and revive our provincial economy.

[*English*]

A healthy tourism industry will certainly help revitalize our economy.

*Oral Questions***ORAL QUESTION PERIOD***[Translation]***FAMILY TRUSTS**

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, at a time when the *Toronto Star* announces that social programs may be cut by up to \$7.5 billion and when the poor are justifiably worried, the government makes a point of reassuring the rich who have family trusts and do business in countries seen as tax havens. The chairman of the finance committee said yesterday that he did not see anything unfair in maintaining these tax shelters.

My question is for the Minister of Finance. Are we to understand that the chairman of the finance committee acted yesterday as the minister's scout and that the minister, despite what he said back when he was in opposition, has decided to overlook the continuation of the privileges granted to these trusts?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, the government's attitude toward family trusts is very clear. That is why we asked the finance committee to hold public hearings on this issue. We eagerly await the committee members' findings.

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, the government's complacent attitude goes against what they promised to do when they sat on the opposition side. The finance committee did not prove anything. It simply showed that the Minister of Finance does not want to review the issue, does not want to know how much money is kept in these family trusts or what our tax losses amount to. Obviously, lobbying efforts by the rich have paid off, Mr. Speaker.

Is the minister suggesting that the possibility of using these family trusts, this powerful, outrageous tax planning instrument, to defer paying capital gains taxes for 40, 50, 60 or even more years is not an undue privilege?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, what raised the issue at the outset are certain amendments to the existing legislation that were made by the previous government, the Tory government.

If pressure has been exerted by lobbyists for the rich, it is very clear that this was done while the Leader of the Opposition was a member of Brian Mulroney's Cabinet. If there was such lobbying, if figures are available, it is his government and the person

who took his place following his resignation that really changed the law.

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, I think I will have to send my c.v. to the Minister of Finance so he will know that I left the government in 1990, while the privileges granted to the rich by the Liberal government in 1971 were extended in 1992.

Mr. Loubier: The Minister of Finance does not know how to count.

Mr. Bouchard: The Minister of Finance cannot keep track of dates, so it is not surprising that he cannot keep track of deficits.

Does the Minister of Finance not admit that he is flouting the most basic principles of fairness by maintaining this tax privilege for the rich, when he is thinking of increasing the tax burden on the middle class by taxing RRSPs while getting ready to reduce the level of social protection for the poor?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, there were a record number of deficits while the Leader of the Opposition was a member or friend of the Conservative Party.

(1420)

It is very clear that we, in our last budget, eliminated loopholes such as the \$100,000 capital gains exemption. We understand full well that there may have been some inequities in Canada's tax system. That is why we are launching the most open prebudget consultation process ever seen and I hope that the opposition leader's colleagues will, for the first time, offer constructive suggestions.

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UNEMPLOYMENT INSURANCE REFORM

Mr. Yvan Bernier (Gaspé): Mr. Speaker, my question is for the Minister of Human Resources Development. His colleague, the Minister of Fisheries and Oceans, decided on a ten-week lobster fishing season to protect that resource. Consequently, fishermen have no choice but to comply with the limit imposed by the federal government. However, following changes made to the UI program, lobster fishermen are no longer eligible to benefits and they cannot fish other types of resources, because of the conservation measures imposed by Ottawa.

Indeed, while the Minister of Fisheries and Oceans limits lobster season to 10 weeks, his colleague, the Minister of Human Resources Development, imposes a minimum of 12 weeks of work for lobster fishermen to be eligible to UI benefits. Does the minister admit that his unemployment insurance reform forces lobster fishermen to rely on social assistance?

*Oral Questions**[English]*

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification): Mr. Speaker, I am very pleased to be able to assist the hon. member in giving him information that he clearly does not possess.

Last Monday I announced a major employment enhancement program that will affect the Atlantic region, Quebec and other provinces. In Quebec alone we will be adding an additional \$28 million which will be used for people who are facing difficulty getting employment, those who are having trouble getting full weeks, offering a number of options and choices in training and new employment.

It demonstrates once again for the hon. member and his colleagues that this is a government that is very sensitive to the concerns of all working people, particularly those in the resource industries. That is why we made the announcement we did.

[Translation]

Mr. Yvan Bernier (Gaspé): Mr. Speaker, I think the Minister of Human Resources Development did not understand the question. Does the minister admit that he acted without taking into account the constraints imposed by his colleague, the Minister of Fisheries and Oceans, and will he recognize that the plight of lobster fishermen reflects the spirit of his reform, which is to eliminate the unemployed instead of eliminating unemployment?

[English]

Hon. Brian Tobin (Minister of Fisheries and Oceans): Mr. Speaker, I am afraid that we on this side are trying to understand the proposition of the member opposite.

Is the member saying that if a section of the fishery lasts 24 weeks, the qualifying period for unemployment insurance ought to be 24 weeks; if another section lasts 12 weeks, the qualifying period ought to be 12 weeks; however, if another section lasts only two or three weeks, the qualifying period should be two or three weeks; in the case of 40,000 people displaced because of resource loss, the qualifying period ought to be zero weeks?

If that is the position of the Bloc Québécois, it should come forward and say it cleanly and clearly. Let me tell those members, it is foolish.

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JOSÉ MENDOZA

Mr. Preston Manning (Calgary Southwest): Mr. Speaker, last year a government official advised Tasha Peirson to stay a sexual assault charge against José Mendoza in exchange for his deportation.

It was the government's policies that then allowed Mendoza back into the country and reapply for refugee status. It is the government that is paying for the process that Mr. Mendoza is using to stay in Canada. Yesterday it was a government official who admitted that the immigration department was responsible for his escape.

I ask the Prime Minister, since it is the federal government that has been responsible for the mishandling of this case from start to finish, what responsibility will the government now assume for the safety and shattered lives of Mr. Mendoza's victims?

(1425)

Mr. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, on behalf of the Minister of Citizenship and Immigration who is out of the country on official business, I would like to tell the leader of the Reform Party that the minister gave a detailed answer to the question yesterday.

Let me repeat for the benefit of the Reform Party and the House that the Federal Court made a decision in this case and the minister concurred with that decision. As the hon. member knows, the minister did everything possible under the law to protect the public in this case. Furthermore—

Some hon. members: Oh, oh.

Mr. Gagliano: Mr. Speaker, the Reform Party is not interested in trying to find out the truth and the answer.

We cannot discredit the whole immigration system for one case like the Reform Party is doing. There is a Canada-wide arrest warrant for the individual in question. Once he is apprehended, we will be proceeding in due course.

The Speaker: Colleagues, I would appeal to you for short questions and short answers.

Mr. Preston Manning (Calgary Southwest): Mr. Speaker, this is not just one case. It is typical of many cases and the issue deserves an answer from the Prime Minister.

The federal government has spent over a quarter of a million dollars supporting the so-called right of Mr. Mendoza to drag out his stay in Canada. Now the privacy commissioner has launched a taxpayer funded inquiry to determine whether Mr. Mendoza's right to privacy has been infringed upon by immigration officials, the media and the member for Fraser Valley West.

I ask the Prime Minister, compared with the hundreds of thousands of dollars being spent on Mr. Mendoza's behalf, how much is being spent to repair the lives of Mr. Mendoza's victims.

Mr. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, I can only repeat the answer the minister gave yesterday and the answer I just gave. There is a

Oral Questions

Canada-wide arrest warrant for the individual in question. Once he is apprehended we will proceed under the due process of the law.

Mr. Preston Manning (Calgary Southwest): Mr. Speaker, the answer to my question was not on the paper, and so it was not necessary to read the paper. My last question is still to the Prime Minister.

The immigration minister and the Prime Minister cannot dog responsibility for Mendoza and similar cases. They cannot continually shift the blame for these cases to the police, the courts or the refugee board.

As the head of the government, when is the Prime Minister going to hold the minister of immigration directly and personally responsible for the multiple failures of his department?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, we have laws in this land and we have a Charter of Rights and Freedoms that protects the citizens of Canada and the people who are legally in Canada. We respect the law.

This man is not legally in Canada at this moment. He will be found. We have asked the police to find him. We have issued a warrant for his arrest across the country. When he is arrested due process of law will follow.

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[Translation]

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. François Langlois (Bellechasse): Mr. Speaker, my question is for the Solicitor General. Last night, while watching the *Fifth Estate*, Canadians were stunned to discover that the committee monitoring CSIS was aware of the activities of informant Grant Bristow long before what was recently revealed. Back in 1992, the department of the Solicitor General already knew about the illegal activities.

Will the Solicitor General explain why Mr. Jacques Courtois, chairman of the Security Intelligence Review Committee, said in his last public statement that he did not know that Mr. Bristow was working for CSIS?

[English]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, we are dealing with allegations about matters that took place years before this government took office and before I became minister, but I will try to be helpful to my hon. friend.

I did not see the program. I am informed there is a reference in it to a matter reported on in the public report of the Security Intelligence Review Committee in its 1991-92 report. That was tabled in Parliament. It is a matter of public record and it speaks for itself.

(1430)

Furthermore, Mr. Courtois is the head of a committee operating at arm's length from the department and the government. I think he is in a better position to explain his answers.

Mr. François Langlois (Bellechasse): Mr. Speaker, what is going on at CSIS? How can Canadians have confidence in CSIS when the president of the Security Intelligence Review Committee refuses systematically to answer legitimate questions from members of Parliament?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, the chairman of the committee is bound by the law passed by Parliament. He is in no position to ignore it unless and until Parliament amends the law.

The Security Intelligence Review Committee informs me that it is looking into all the allegations contained in the CBC report of yesterday evening. I do not think it is fair or reasonable to pass judgment on the work of SIRC in this matter until we have the report. At that time we will be in a better position to pass judgment on its work.

So far I think we should let the committee finish its work. It wants to make a report this month. I look forward to receiving it so that, if any corrective action is necessary in the light of factual findings showing definite problems, I will be able to take that action.

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IMMIGRATION

Mr. Art Hanger (Calgary Northeast): Mr. Speaker, the minister of immigration said in his speech to police chiefs that the buck stops here. He has promised to get tough on those who abuse Canada's immigration and refugee systems.

I ask the Prime Minister: When will he hold his minister of immigration to that self-imposed standard of accountability?

Mr. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, the great majority of the House and I believe that the Minister of Citizenship and Immigration has done a very good job.

Some hon. members: Hear, hear.

Mr. Gagliano: The minister consulted with Canadians and right now before the House is a bill that would definitely help the minister to take action, but the member and the Reform Party are not supporting the bill. Maybe they should support the bill and move fast.

Mr. Art Hanger (Calgary Northeast): Mr. Speaker, yesterday the minister of immigration was asked about the release of José Mendoza. The minister responded: "I think once he will be found he will pay the price".

Oral Questions

There is a young woman in Abbotsford who is in fear of her life. Police are now watching over a member of Parliament.

I ask the Prime Minister: What will it take? Will it take the death of an MP like occurred in Australia or the death of another innocent Canadian? What is he going to do to clean up the immigration department?

Mr. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, the minister repeated yesterday and I am repeating twice today that the Prime Minister said we have a law in Canada and we have to respect the law.

There is an arrest warrant for the individual in question. As soon as he is arrested we will follow the due course of the law.

* * *

[Translation]

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Michel Bellehumeur (Berthier—Montcalm): Mr. Speaker, it is increasingly obvious, as more information becomes available on the activities of the Canadian Security Intelligence Service, that only a public inquiry would be able to shed light on an agency that is clearly beyond the control of this House.

My question is directed to the Solicitor General of Canada. Could the Solicitor General tell us whether he was aware of Mr. Bristow's activities and his involvement in the Canadian Security Intelligence Service?

[English]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, I have already pointed out that the allegations, and so far they are simply allegations, refer to matters that took place years before I became minister and years before this government took office. That is why I am very pleased that the arm's length independent Security Intelligence Review Committee, using the wide powers it has under the law, is looking into the matter.

I do not think it is fair or reasonable to pass judgment on the quality of that work before it is available. Once it is available, as I have said, I am ready to take any corrective action that is found necessary in the light of definite findings of problems that need to be dealt with.

(1435)

[Translation]

Mr. Michel Bellehumeur (Berthier—Montcalm): Mr. Speaker, my question was quite clear, but I will repeat it to give the minister a chance to reply in kind.

Did he know that Mr. Bristow was involved in unlawful activities within the Canadian Security Intelligence Service? Yes or no?

[English]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, I think it is well known that the law prevents anybody from talking about whether somebody is connected with or working with CSIS.

It has not been confirmed that Mr. Bristow is in fact linked with CSIS. I think this is a matter we should leave to the Security Intelligence Review Committee, especially since it deals with matters well before this government took office and I became minister.

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TAXATION

Mr. Ray Speaker (Lethbridge): Mr. Speaker, due to the higher than expected interest rates the budget projections of the government are off by as much as \$10 billion. To make up this shortfall the government has only two choices: cut spending or raise taxes.

Last weekend the Deputy Prime Minister said that social programs spending cuts would not go to reduce the deficit. I ask the Minister of Finance: Should Canadians take this as a sign that the government is preparing to break its deficit reduction pledge, or is the government planning to raise taxes as much as \$10 billion?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, the answer to the second part of the first question is no, and the answer to the first part of the first question is, as we have said, we are going to hit our targets.

Mr. Ray Speaker (Lethbridge): Mr. Speaker, one of the areas the government seems particularly determined to tax is the retirement savings of individual Canadians. This will force Canadians to rely on the government's dangerously underfunded Canada pension plan and old age security program.

Has the Minister of Finance even considered the impact of reduced RRSP contributions on the government CPP and OAS programs when the baby boom generation of this nation retires?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, I have answered this question in the House on numerous occasions. I have said I am not going to vitiate the consultation process by commenting on individual suggestions because we want to hear Canadians.

It must be the fifth or sixth time from that side of the House and the eighth or ninth time from that side of the House that they ask the same question. I really hope between now and the consultation process that both parties learn to sing another note.

Oral Questions

[Translation]

REGIONAL DEVELOPMENT

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, my question is directed to the Minister of Finance and the Minister responsible for the Federal Office of Regional Development—Quebec.

In reply to a question I put to the minister yesterday to find out why Quebec did not have an economic diversification assistance program to compensate for jobs lost as result of the closure of the military base of the Collège militaire de Saint-Jean, the Minister responsible for the Federal office of Regional Development—Quebec said there was a program.

Could the minister give us some details about this program and its budget?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, as you know, the college plays a crucial role in the community of Saint-Jean, and through the Minister of Defence and the Minister responsible for Public Service Renewal, we will provide \$5 million annually, money that is vital to development. The minister also announced that an advisory committee consisting of local authorities has been established, which is crucial, if we really want to diversify the region's economy.

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, the minister's answer surprises me.

Would the minister agree that the amount he mentioned for Saint-Jean was \$5 million for building maintenance and organizing French courses, which has no connection with an economic diversification assistance program like the one the government set up at Cornwallis and elsewhere in Canada? I repeat, why is it yes to Canada and no to Quebec?

(1440)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, first of all, the hon. member seems to dismiss the importance of the college for the region, but I can assure you, it is very important.

Second, an advisory committee has been set up and is now working on regional diversification, which will provide a firm basis for the region's economy, and that is why it is yes to Quebec.

[English]

NATIONAL PARKS

Mr. Glen McKinnon (Brandon—Souris): Mr. Speaker, my question is for the Minister of Canadian Heritage.

Since the turn of the century entrance fees have been charged in Canada's national parks. Many park users are willing to continue to pay their fair share, provided they know that their money is being well spent.

After two months of consultations with national parks stakeholders, can the minister tell us what he plans to do to modify the economics of national parks and when these changes may begin?

Hon. Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, I would like to thank our colleague for his ongoing interest in parks.

Some hon. members: Oh, oh.

Mr. Dupuy: Obviously there are others who are not interested in parks. They should be. There are parks in their region.

I am expecting to receive recommendations regarding user fees in national parks and historic sites by the end of October. However the discussions and consultations will continue regarding town sites. Final decisions are expected around next April.

In both cases the views of members of Parliament will be listened to when we come to make decisions.

* * *

CANADIAN SECURITY INTELLIGENCE SERVICE

Ms. Val Meredith (Surrey—White Rock—South Langley): Mr. Speaker, the Solicitor General did not see the report on television last night. I hope he takes a look at a replay of it. It stated that Grant Bristow had apparently committed illegal activities and that his CSIS handler had obstructed the police investigation.

Will the minister confirm whether illegal activities were committed and advise the House of the actions that were taken by CSIS and the previous Solicitor General in response to this report?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, I cannot make any such confirmation. These allegations are being looked into by the Security Intelligence Review Committee. Like the hon. member I await with interest and desire for a quick report of that committee.

Ms. Val Meredith (Surrey—White Rock—South Langley): Mr. Speaker, this report was given by SIRC to the former Solicitor General in 1992. The report should be available to the present Solicitor General.

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The minister has frequently commented on his willingness to pursue disciplinary action. Will he assure the House that once the SIRC report is released he will be taking legal or disciplinary action against any wrongdoing that was committed?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Yes, Mr. Speaker.

* * *

[Translation]

THE ENVIRONMENT

Mrs. Monique Guay (Laurentides): Mr. Speaker, my question is for the Minister of the Environment. People in the Magdalen Islands and in the surrounding mainland are very concerned about the *Irving Whale*. This barge is leaking tens of litres of oil every day, thereby harming the flora and fauna of the St. Lawrence.

Would the minister assure us today that she will have the wreck's leaks sealed in order to stop this continuous pollution of our water, thereby reassuring the people affected by it?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, I would like to congratulate the hon. member for her question. She should know that the people from the Magdalen Islands and their elected member contacted me at the very beginning of my new mandate to ask me to do what had not been done by the Leader of the Opposition when he was environment minister.

The *Irving Whale* was already there. The Leader of the Opposition was the minister responsible for three years, but he never had the wreck refloated. I will do it in less than a thousand days.

(1445)

Mrs. Monique Guay (Laurentides): Mr. Speaker, instead of attacking the Leader of the Opposition, the hon. minister should look after her responsibilities.

Am I to understand that the Minister of the Environment, aware of these leaks, will allow thousands of litres more of the oil still trapped in the barge to flow into the gulf until the summer of 1995? Is this what she wants to do?

[English]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, the former Minister of the Environment received petitions from the people of the Magdalen Islands. He did not even bother to respond. Within three months of assuming the position of Minister of the Environment I got the process in motion to lift the *Irving Whale*.

At the request of the hon. member who was the previous critic, we had public hearings. Those public hearings he requested have been completed. We have endorsed the proposal for lifting the *Irving Whale*. The tenders have been let and the project will begin as soon as it is humanly possible. I think that is action as compared to what my predecessor did.

* * *

AGRICULTURE

Mr. Allan Kerpan (Moose Jaw—Lake Centre): Mr. Speaker, the Minister of Agriculture and Agri-food and his Saskatchewan counterpart agreed this past July to a new farm safety net program that would be developed to replace the GRIP.

The premier of Saskatchewan has written twice to the Prime Minister and has also telephoned him about this. When will the minister from Saskatchewan who is supposed to represent the interests of his province at the cabinet table announce the changes to this new program?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food): Mr. Speaker, I recognize the importance of this issue to the province of Saskatchewan. It is also an important issue generally because of course the principle of equity with respect to action taken in Saskatchewan must fit with the overall programming of safety nets across the country.

I would hasten to point out to the hon. gentleman, who I think already knows, that I did not cause the problem with the GRIP in Saskatchewan. This government did not cause the problem with the GRIP in Saskatchewan. That dubious responsibility rests with previous federal and provincial governments. We are trying to solve the problem with respect to Saskatchewan and we intend to do it as rapidly as possible.

Mr. Allan Kerpan (Moose Jaw—Lake Centre): Mr. Speaker, regardless of who caused the problem or whose problem it addressed, the details of this program were promised by the end of July. It is now October.

Why will the minister not stand up for farmers in his home province? Will the minister give this House today a real date for the release of this program?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food): Mr. Speaker, the hon. gentleman will know that in the past with respect to safety net programs in agriculture part of the problem has been a failure in the preparation and thought process that has gone into these programs to make sure that we get them right in the first place.

In this program that we are responsible for, we are making sure that we do it right in the first instance so it does not have to be fixed time and time again after the fact.

*Oral Questions***UNITED NATIONS**

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, my question is for the Minister of Foreign Affairs.

I thought the minister's idea of a permanent United Nations army for rapid deployment to trouble spots around the world had a great deal of merit. Other member nations at the UN apparently did not agree with Canada's proposal.

Does the minister have any plans to modify or amend his proposal to try again to get it accepted or have we heard the last of this good idea from Canada?

(1450)

Hon. André Ouellet (Minister of Foreign Affairs): Mr. Speaker, there is no doubt that we do not intend to capitulate at this moment. Obviously this is an idea that would give the United Nations a very effective instrument which could be used to enhance substantially its efficiencies.

There are a number of countries that are supporting this idea. Some superpowers have some hesitation in supporting it because it is quite clear their influence would be diminished through this initiative. Nevertheless we will carry on the study and invite as many members of the United Nations as possible to participate in the study and come forward with a resolution that will enhance immensely the efficiency of the United Nations.

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[Translation]

COMMUNITY ACTION PROGRAM FOR CHILDREN

Mrs. Pauline Picard (Drummond): Mr. Speaker, my question is for the Minister of Health. On May 13, 1993, the Government of Canada and the province of Quebec signed a memorandum of understanding regarding the implementation of the Community Action Program for Children. Under the terms of the MOU, grants were supposed to be paid no later than the end of August or the beginning of September. Unfortunately, for the most part, this has not been the case.

My question is this: Could the minister, who belongs to a government which seems to be suddenly very concerned about child poverty, explain why she waited until yesterday, Tuesday, October 4, to approve grant applications presented by community agencies working among these client groups?

Hon. Diane Marleau (Minister of Health): Mr. Speaker, I am happy to see that the Bloc member is concerned about the welfare of Canadian children. However, I wonder where her party, which has a good research service, gets its information.

Yesterday, I was in Quebec and every day, across Canada, I sign projects of this kind. As a matter of fact, we approved quite a few recently, including one in the member's riding.

Mrs. Pauline Picard (Drummond): Mr. Speaker, as she is very much aware, the delays caused by the minister are unwarranted and unacceptable.

Could the minister explain why her office refuses to give the Official Opposition the list of projects which were submitted and of those which were approved? What is she trying to hide?

[English]

Hon. Diane Marleau (Minister of Health): Mr. Speaker, it is wonderful to see the separatists so interested in federal programs. I applaud them. Of course I will give them all the information they wish to have. All they have to do is contact me and I will give them the information they request.

The Speaker: My colleagues, perhaps when we address each other we could address each other as parties. It might facilitate things.

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke): Mr. Speaker, yesterday the Minister of Transport made light of my statement that without a public inquiry we will not know if the Pearson deal really was good or not. Obviously he believes it to be a bad deal.

Will the minister advise this House what proof of wrongdoing by the Pearson group led him to this position? What proof does he have?

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I find it incredible that the critic for the Reform Party and the Reform Party, the so-called defender of the public purse, would stand here today and support paying the developers \$445 million for the Pearson deal.

Before the election this Prime Minister gave notice that we were going to review the bill and if it was not in the public interest, we would cancel the bill. Everyone involved in that deal decided to sign it. We and all Canadians believe that the deal was bad. We cancelled it. The Reform Party is wrong.

(1455)

Mr. Jim Gouk (Kootenay West—Revelstoke): Mr. Speaker, the minister offers no proof because there is no proof to offer. Yet he continues to refuse to hold a public inquiry to determine what, if any proof exists. Will the minister admit to this House

Oral Questions

that his position is nothing more than a cover-up of a Liberal election strategy gone bad?

The Speaker: My colleagues, the use of the word cover-up sometimes is a little bit strong. I would hope that other terms might be considered when posing questions or answering questions.

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I even find it more incredible that the Reform Party would be supporting the position of a previous government of Brian Mulroney with respect to the Pearson deal.

The Reform Party seems to forget that there have been public hearings on the bill. The public has been heard, the facts have come out and we have reports that indicated the deal was not in the public interest.

We believe we are on the right side of this. The people of Canada believe that we need to cancel the deal. We have and we intend to get on with building Pearson the way it should be, in the public interest.

* * *

[Translation]

DOUBLED-HULLED SHIPS

Mr. Benoît Sauvageau (Terrebonne): Mr. Speaker, in response to questions put to her in this House as to whether Canada had passed legislation on double hulling, the Minister of the Environment asserted in a sarcastic tone of voice that such legislation existed and had in fact been passed in 1993, did she not? How can the minister reconcile this statement made in this House on four separate occasions and the one made in Vancouver yesterday, when she said that there was no act on double-hulled ships and that, if such an act did exist, it would have the effect of shutting down the port of Vancouver?

[English]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, I was hoping that would have been the last question on double hulls. As I pointed out to the member, I not only sent him a copy of the bill but the bill in question which was passed in 1993 deemed that all newly constructed oil tankers must have a double hull. That was the law of the land adopted in 1993 and I sent the member a copy.

What was suggested in Vancouver and to which I objected was that unilaterally Canada should prevent any ship coming from any other country that was built before 1993 that did not have a double hull for oil tankers.

What I suggested very clearly in the port of Vancouver is that when we move on double hulling, and my colleague the Minister of Transport is very interested in this issue and understands that we need to have an international agreement, we have to make sure that the port of Vancouver has the same chance to compete as the port of Seattle. That is why I made the point.

PATRICK KELLY

Mr. Bill Gilmour (Comox—Alberni): Mr. Speaker, last week I asked the justice minister to review the Patrick Kelly case and in particular to release the Ontario police file to Mr. Kelly's lawyer, but more fundamentally to order an independent review into the Kelly case.

Will the justice minister commit to this House that he is going to order an independent inquiry and if so, when and what form of inquiry?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the hon. member is a little late. There has already been a press release issued. The Minister of Justice has appointed a special counsel to look into the Kelly case, both what has transpired and what will transpire. The investigation will continue through the department.

* * *

(1500)

LAW OF THE SEA CONVENTION

Mr. Ted McWhinney (Vancouver Quadra): Mr. Speaker, my question is for the Minister of Foreign Affairs and concerns the Canadian government's initiatives over the last year for modernizing the law of the sea and for fisheries conservation.

Will the minister assure the House of continuing Canadian support for the establishment of the new international tribunal on the law of the sea authorized under the 1982 United Nations Law of the Sea Convention?

Hon. André Ouellet (Minister of Foreign Affairs): Mr. Speaker, I want to thank the hon. member for his question. I know he is well versed in the subject and has long experience in this regard. I want to assure him that the Government of Canada is very much committed to a convention on the law of the sea.

* * *

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I have a question for the Solicitor General.

It is now clear that the CSIS spy, Grant Bristow, was not only the key player in the creation of the Heritage Front, training its members in the art of intimidation, but he also acted for CSIS spying on legitimate organizations such as the Canadian Jewish Congress and even the Reform Party.

When the Canadian public is demanding to know how all of this could happen, CSIS is hiding Bristow in a safe house at a secret location at taxpayers' expense.

Routine Proceedings

I want to ask the Solicitor General if he supports CSIS in these types of activities. If not, will he use his power to ensure that Bristow appears before the Security Intelligence Review Committee to blow the whistle on these outrageous activities of CSIS?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, I have already said publicly that I have indicated to the director of CSIS I expect the agency to act squarely within the law as passed by Parliament.

Furthermore, the Security Intelligence Review Committee has very extensive powers and I am sure it knows how to use them.

* * *

[Translation]

PRESENCE IN GALLERY

The Speaker: I wish to draw the attention of members to the presence in our gallery of His Excellency Mr. Faustin Twagiramungu, Prime Minister of the Republic of Rwanda.

Some hon. members: Hear, hear.

The Speaker: I also wish to draw your attention to the presence in our gallery of His Excellency Mr. Somsavat Lengsavad, Minister of Foreign Affairs of the Lao People's Democratic Republic.

Some hon. members: Hear, hear.

* * *

POINT OF ORDER

ORAL QUESTION PERIOD

Mr. Gilles Duceppe (Laurier—Sainte-Marie): On a point of order, Mr. Speaker.

Since the House reconvened on September 19, you have, on a number of occasions, admonished certain members about their choice of words. Today for example, you asked a member not to use the term cover-up, but did not find fault with the Minister of Fisheries and Oceans for using the word bullshit.

Does the fact that you did not comment mean that the word is accepted in parliamentary language, Mr. Speaker?

[English]

The Speaker: I am not sure where this is going to lead us.

I did not hear the remarks in question but I will be happy to review the blues and see in what context they were used, if indeed they were used.

Mr. Tobin: Point of order, Mr. Speaker. That word has never, ever, crossed my mind, let alone escaped my lips.

(1505)

[Translation]

Mr. Duceppe: Mr. Speaker, I am not asking you to make assumptions as to what the Minister of Fisheries and Oceans is thinking. We are only concerned with what he said and, in that respect, I think that whatever the context in which this particular word is used, it can—

[English]

The Speaker: At best we are getting into uncharted waters and with that I will take my leave.

ROUTINE PROCEEDINGS

[English]

SOCIAL SECURITY

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification): Mr. Speaker, I take some pleasure and interest in tabling a document in both official languages entitled "Improving Social Security in Canada" recommended to the interest and debate of members of the House.

* * *

MOTION TO EXTEND HOURS OF SITTING

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I think you will find unanimous consent for the following motion. I move:

That, on Thursday, October 6, 1994, the House shall continue to sit from 6.30 p.m. to 9 p.m. for the sole purpose of continuing its consideration of the motion of the Minister of Human Resources Development with regard to the social security review, (government business No. 15);

That, during the aforementioned period of time, the Chair shall not receive any dilatory motion or quorum call;

That, during the aforementioned period of time, if no member rises to speak, the Speaker shall declare the debate adjourned; and

That proceedings pursuant to Standing Order 38 shall be taken up on that day at 9 p.m.

(Motion agreed to.)

Mr. Anawak: Mr. Speaker, a point of order. I would like to seek unanimous consent to go back to tabling of documents to table a document that I was going to table earlier.

The Deputy Speaker: Does the parliamentary secretary have the unanimous consent of the House to return to tabling of documents?

Some hon. members: Agreed.

*Routine Proceedings***WESTERN ARCTIC INUVIALUIT CLAIM
IMPLEMENTATION**

**Mr. Jack Iyerak Anawak (Parliamentary Secretary to
Minister of Indian Affairs and Northern Development):**

[*Editor's Note: Member spoke in Inuktitut.*]

[*English*]

Under the provisions of Standing Order 32(2), I have the honour to table, in both official languages, copies of the 1992-93 annual review of the Western Arctic Inuvialuit Claim Implementation.

* * *

PETITIONS

ASSISTED SUICIDE

Mr. Jim Abbott (Kootenay East): Mr. Speaker, I have two petitions to present today. The first one has four pages with 105 signatures.

The petitioners are concerned that Parliament not repeal or amend section 241 of the Criminal Code in any way and uphold the Supreme Court of Canada decision of December 30, 1993 to disallow assisted suicide, euthanasia.

HUMAN RIGHTS

Mr. Jim Abbott (Kootenay East): Mr. Speaker, the second petition has two pages with 57 signatures. The petitioners request that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

(1510)

I present these and I concur with my petitioners.

Mr. Ian McClelland (Edmonton Southwest): Mr. Speaker, I have the privilege to present two petitions today, the first from 135 constituents who pray that the government will not give societal approval, including the extension of societal privileges to same sex relationships if any amendment to the Canadian Human Rights Act were to include the undefined phrase sexual orientation as a grounds for discrimination.

ASSISTED SUICIDE

Mr. Ian McClelland (Edmonton Southwest): Mr. Speaker, the second petition signed by 57 constituents states that the majority of Canadians believe that physicians should be working to save lives, not to end them.

Therefore these petitioners pray that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously.

It is my pleasure to submit these petitions and to inform my constituents that I concur with both.

GRANDPARENTS' RIGHTS

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, today my colleagues and I are presenting 3,000 signatures to the House.

These petitioners are asking that grandparents', and grandchildren's rights in this country be respected. Too many times children are being denied access to their grandparents and these petitioners request an amendment to the Divorce Act.

Amendments could state that in no case may a father or a mother without serious cause place obstacles between the child and the grandparents.

Mr. Rey D. Pagtakhan (Winnipeg North): Mr. Speaker, I too would like to present a petition on behalf of my constituents and beyond who pray that Parliament effect appropriate amendments to relevant Canadian law which would guarantee access by grandparents to their grandchildren unless otherwise ordered by a court judgment.

The relationship between grandparents and grandchildren is healthy for the psychological health and well-being of both parties.

ASSISTED SUICIDE

Mr. Jay Hill (Prince George—Peace River): Mr. Speaker, pursuant to Standing Order 36, I have two petitions to present today on behalf of my constituents.

The first petition requests that current laws regarding assisted suicide be enforced and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

ABORTION

Mr. Jay Hill (Prince George—Peace River): Mr. Speaker, the second petition asks Parliament to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

ASSISTED SUICIDE

Mr. Ted White (North Vancouver): Mr. Speaker, pursuant to Standing Order 36, I have three petitions to present today on behalf of Maureen Morrison and other signatories.

The first petition signed by 52 people prays that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes to the law which would

sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

ABORTION

Mr. Ted White (North Vancouver): Mr. Speaker, the two other petitions which I would like to present to the House today contain 111 signatures. Both petitions pray that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

* * *

[Translation]

DIVORCE ACT

Mr. Nick Discepola (Vaudreuil): Mr. Speaker, I too have the honour to present to this House a petition requesting that the Parliament of Canada amend the Divorce Act so that it is more in line with the Quebec legislation, that is to say Section 611 of the Quebec Civil Code, which effectively grants thousands of grandparents the privilege and right to have access to their grandchildren as well as the right to make and get an answer to inquiries regarding their health, well-being and education. I have the honour of presenting and tabling this petition on behalf of my constituents.

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, I have the honour and the pleasure of presenting a petition signed by many taxpayers of my riding of Carleton—Gloucester and other ridings across Canada. These petitioners are asking Parliament to look into the issue of the Divorce Act and that amendments be made to this act so that obstacles can no longer be placed between grandchildren and grandparents where there should be none.

(1515)

After all, it is only natural that grandparents have access to their grandchildren and vice versa, except in very rare cases.

[English]

CHILD ABUSE

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, I have a petition signed by 200 people from across eastern Ontario with concerns about the way our law is applied very often to child abusers. They mention here that babies and young children lack the ability to defend themselves. Therefore, they are calling upon Parliament to amend the Criminal Code to ensure that stiffer sentences and mandatory treatment are handed out to all child abusers.

GRANDPARENTS' RIGHTS

Mr. Stan Dromisky (Thunder Bay—Atikokan): Mr. Speaker, I have a petition from my constituents that recognizes there is a unique relationship between grandchildren and grandparents

Routine Proceedings

and that no parent should have the right or the privilege of providing an obstacle and preventing that relationship.

Therefore, the petitioners request that Parliament amend the Divorce Act to include a provision similar to article 611 of the Quebec Civil Code which states that in no case may a father or mother without serious cause place obstacles between the child and the grandparents.

ABORTION

Mr. Peter Adams (Peterborough): Mr. Speaker, pursuant to Standing Order 36 I submit a petition to Parliament from Canadians who wish to amend the Criminal Code to protect unborn children.

HUMAN RIGHTS

Mr. Peter Adams (Peterborough): Mr. Speaker, pursuant to Standing Order 36 I present a petition urging the government not to amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would indicate approval of same sex relationships.

ASSISTED SUICIDE

Mr. Peter Adams (Peterborough): Mr. Speaker, pursuant to Standing Order 36 I present a petition from citizens who oppose physician assisted suicide. They petition that Parliament ensure the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes to the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

GRANDPARENTS' RIGHTS

Ms. Bonnie Brown (Oakville—Milton): Mr. Speaker, it is my privilege to bring forward a petition organized by a nationwide network of Canadian grandparents and to add my voice to those of my colleagues.

These grandparents seek amendments to the Divorce Act to ensure their own access to their own grandchildren. As a grandmother I agree with these petitioners and support their cause.

Mrs. Marlene Cowling (Dauphin—Swan River): Mr. Speaker, pursuant to Standing Order 36 I too am pleased to present a petition on behalf of residents of Canada requesting changes to the Divorce Act which would extend the rights of children and grandparents.

It is my pleasure to present this petition.

VIA RAIL

Mr. Roger Gallaway (Sarnia—Lambton): Mr. Speaker, pursuant to Standing Order 36 I have a number of petitions containing 8,500 signatures, primarily from the residents of my riding of Sarnia—Lambton, calling upon the government to

Government Orders

place a moratorium on any changes or cuts in VIA Rail service between the cities of Sarnia and Toronto.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I ask that all questions be allowed to stand.

The Deputy Speaker: Shall all questions stand?

Some hon. members: Agreed.

* * *

[Translation]

MOTION FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I ask that the notice of motions for the production of papers be allowed to stand.

The Deputy Speaker: Shall the notice of motions be allowed to stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

(1520)

[Translation]

DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES ACT

The House resumed from October 4, consideration of the motion that Bill C-52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts, be read the second time and referred to a committee; and of the amendment.

Mr. Nick Discepola (Vaudreuil): Mr. Speaker, as I was saying yesterday in my presentation, the minister has already invited all members, be they from the other side of the House or from this side, to get on the open bidding service.

[English]

The minister has also introduced in this bill clauses in the contracts effectively eliminating the practice of contingency fees and securing government contracts. This will go a long way in curbing the influence of lobbyists in this area. He has also introduced sound guidelines with respect to purchase of adver-

tising and public opinion research which brings the procurement of these services in line with general purchasing practices.

These and other initiatives taken by the department have already had a very positive effect on the partnership between the government and the business community. They have gone a long way toward reassuring the general public that the government is conducting its business in a fair, open and efficient manner.

Public Works and Government Service Canada is committed to seeking out more opportunities to co-operate with the private sector and to establish strategic partnerships wherever possible.

[Translation]

Mr. Speaker, in the past year, the Minister of Public Works and Government Services has achieved convincing results in support of government goals and priorities by increasing operational efficiency, eliminating duplication, establishing partnerships and restoring trust in our government. This shows among other things that integrating the most important common services into a single organization makes sense.

Bill C-52 will give the department the legal foundation it needs to pursue government objectives in order to better serve all Canadians.

Mr. Jean-Paul Marchand (Québec-Est): Mr. Speaker, I do not want to let the member mislead this House. It is completely false to say that improvements were made in the Department of Public Works to make it more transparent and to reduce the influence of lobbyists.

Furthermore, for members of the Bloc, for example, it has become nearly impossible to obtain information on how Public Works awards contracts. As members of Parliament, we would like to have access to this information and we are prevented from having it. We get the feeling that there is not only lobbying and patronage but that there may also be a lot of inefficiency and waste.

So when the member says that the Department of Public Works is open and efficient, that is far from true.

Mr. Discepola: Mr. Speaker, first of all, the purpose of this bill is to bring together four organizations in order to reduce costs for the government and to provide taxpayers with better service at lower cost, so this bill is worth presenting.

I hear that there is no openness, but the open bidding service exists and all members of this House have been invited to use it. This computer system provides access to the information at any hour of the day or night. It does not cost much and even your constituents and business men and women can subscribe to it. It gives you information on the kinds of contracts available, their value, who bid in the past, how many contracts have been awarded in the past few years and also the value of the contracts that were awarded. If that is not open, I do not know what it is.

Government Orders

Mr. Marchand: Mr. Speaker, as far as openness is concerned, again, of course this computer system provides information on contracts, on some but not all contracts. Many contracts are submitted by other departments or by public tender; maybe in some cases, maybe not in others, we do not know. Many contracts are not on that information system. Of course, an electronic listing of government contracts is not a bad thing. Of course not. But how do you go from there and say that merging four organizations in one department, Public Works and Government Services, will improve the efficiency of awarding contracts or even the openness of the process, when we have to know if there is really waste or inefficiency?

(1525)

I even hear from some people who worked in the department that the regulations and their application are so confusing that they are afraid to disclose what goes on inside the Department of Public Works. There are all kinds of regulations in the government, but actually implementing them is another matter and that is where waste and inefficiency and patronage come into the Department of Public Works. And we know it. We said many, many times before that if there is one department where patronage and waste are a problem, it is the Department of Public Works and Government Services.

[English]

Mr. Discepola: Mr. Speaker, first of all, in the registration of contingency fees, since May of this year Public Works and Government Services Canada has put in place that every single person who bids for contracts in the public service sector, of which there are almost 175,000 to the tune of \$10 billion, must state clearly that they have not hired lobbyists to influence any contract.

[Translation]

Sometimes I am also shocked because since the Bloc Quebecois came on the scene, it has been criticizing us federalists on this side of the House and saying that we waste money and that there is so much duplication throughout the federal system. This bill is intended to eliminate duplication and make the service more productive, that is make it provide service to the Canadian public. We will save money with this system.

[English]

I find it appalling at times that they criticize. When we do take the initiative in this government to group together three or four levels of service under one roof to provide that service so vitally needed, not only for the business community but for our taxpayers who ultimately pay the final bill, the hon. member on that side of the House has the audacity to criticize us for doing it.

[Translation]

Mr. Maurice Godin (Châteauguay): Mr. Speaker, I am pleased to participate in the debate on the bill to establish the Department of Public Works and Government Services. As you know, this is an incorporating act which, by tradition, is not considered to be very controversial legislation. Not so with this

bill. The Bloc Quebecois does not have to follow any such tradition: We are here to question everything, even what appears to be a mere formality.

In fact, the seemingly neutral character of this legislation conceals very important considerations. This tool to restructure the Department of Public Works and Government Services should have been used to develop procedures ensuring true transparency regarding the management of public money. Such transparency is conditional on extending the role of MPs. Let us not forget that this department is among the top solicitors of goods and services.

In the 1994–95 budget, expenditures for this department were expected to reach \$2.3 billion, under the program for real property services, supplies and Crown corporations. In 1992–93, through the Quebec procurement directorate alone, a total of 17,400 contracts representing an estimated value of \$269.9 million were awarded. Cheques totalling over \$34 million were also sent out in the form of benefits, payments and tax refunds.

(1530)

Stocked items representing \$3 billion were sold, as well as \$4 million worth of surplus assets, through the Crown Assets Distribution Centre. But are there any monitoring measures involving elected representatives?

In other words, this bill should be based on the fundamentals of government transparency, follow-up and monitoring, in the riding, by the member concerned. Unfortunately, this is not the case. Early last summer, I asked the Minister of Public Works to provide me with information on his department's activities in my riding of Châteauguay. Like my colleagues from the Bloc Quebecois, I thought this was a very reasonable request, since one of the major roles of a member of Parliament is to ensure proper management of the taxpayers' money spent on federal government operations.

After a long wait, I was really surprised to get from the minister a rather terse and disappointing answer. He told us, and I quote: "Unfortunately, the information you are requesting cannot be found in a single document only— In short, your request would represent an excessive workload for our department—" This goes to show what the government thinks of follow-ups by members on expenditures made in their ridings. How can a member of Parliament carry out his or her duties and functions when he is unable to get follow-up reports or information on the operations of this department in his or her riding?

This lack of transparency is what people concerned by the integrity of the public system have been decrying for some time now. This lack of transparency can be noticed even in our ridings as it affects civil servants and contractors. Let me give you two examples from my riding of Châteauguay. Early this year, the director of the Canada Employment Centre in Châteauguay called me to ask if I had any objection to the Centre being moved. The offices were getting crowded it seems. Of course, I said I saw no drawbacks, but I would have liked to know the

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criteria that were used and be informed before the decision was made.

Some time later, the manager of the building told me that he could have provided more space to the Centre, making the move unnecessary. How much did this move cost? How could I check and interfere in this matter without the proper documentation? At a time when it is no longer possible to waste taxpayers' money, why is the member constantly fighting to obtain information?

I have another example. I have learned recently that the Canada Employment Centre in Châteauguay had asked a non-profit organization, namely the Société de développement économique de Roussillon or SODER, to manage the independent workers assistance program. It did not take long for some people to come to my office complaining about decisions made under the program. When I asked the director of SODER for information regarding the budget, the number of applications turned down, the reason they were turned down, the name of the applicants, etc., he told me that all this information was confidential.

According to him, he was the one who made the decisions. Is it possible that an employee working under contract for a federal government agency can decide what an elected member of Parliament has the right to know? I talked to the director of the Employment Centre. He was supposed to know whether this situation was normal. I have been waiting for his answer for several weeks. I am now convinced that I should go to the minister and ask him again to be more open and to have more respect for the role of the member of Parliament.

Similar examples speak for themselves. It is not surprising, in these circumstances, that about 87 per cent of Canadians no longer believe in politicians. What do we do? What can we do? The bill before us today gives us a golden opportunity to change direction. With this merger which, according to the government, will lead to savings, it would be possible to put in place control mechanisms accessible to members of Parliament in order to make the system more transparent.

(1535)

The minister was worried about the cost of transparency. He even used this as an excuse to turn down my request. I suggest that transparency, and to me there are no ifs and buts, is a real way to save money. Today, how can we be sure that budget limits are observed? This is not about challenging the way public servants implement policies and regulations. It is about exercising our vigilance as elected representatives.

The government should use this bill to set up the appropriate mechanism for exercising that vigilance. The Auditor General of Canada has already pointed out the department's shortcom-

ings in this respect. In 1991, leased office space represented over 40 per cent of the total and required annual rental expenditures of \$379 million. The Government of Canada procured goods and services for a total of \$8 billion annually and participated in the administration of major projects valued at \$23 billion.

According to the Auditor General, the department awarded \$3 billion worth of non-competitive contracts annually—three billion dollars that were not subject to the rules for competitive bidding. Furthermore, there was no corporate system to record and report on supplier and product performance. What action was taken on the comments and recommendations made by the Auditor General?

Whether the project is in its initial stages, during the bidding process, or in its final stages, when the books are closed, access to information is not available as a matter of course. Much depends on the good will of public servants, whose workload was not planned to accommodate this much needed transparency. However, whether we are talking about agencies or individuals, when funds are allocated from the public purse, public funds and the public interest are involved, so we must be able to account for the ways such funds are spent.

This lack of transparency casts some doubts on the integrity of the entire system for awarding contracts. Transparency is essential to prevent any possibility of patronage, conflict of interest or undue privilege. Look at the Pearson Airport case. Look at the bill to control lobbyists, a bill was watered down as a result of very effective representations made by those same lobbyists. Look at the proposal concerning grassroots funding of political parties which was dismissed out of hand by the Liberals.

The management and control of government contracts must be a priority for us, for the sake of both fiscal responsibility and openness. Recently, a Canadian Press dispatch indicated that in 1993, that Coopers & Lybrand, a very prestigious firm, contributed to the then leading federal parties: \$107,000 to the Liberal Party of Canada, and \$150,000 to the Progressive Conservative Party. During the 1992-93 fiscal year, that same firm was awarded government contracts for a total value of \$3,771,917. If you are good with arithmetics, you can figure out that Coopers & Lybrand's total contribution of \$257,000 is approximately 6.8 per cent of all the contracts awarded. A pretty good return!

I have another similar example. Again according to the Canadian Press, Ernst & Young also participated in the funding of the two major federal political parties in 1993. It gave \$64,000 to the Progressive Conservative Party and \$44,000 to the Liberal Party of Canada. During the 1992-93 fiscal year, that firm was awarded government contracts worth \$272,132. The ratio is much higher in this case since the total of \$108,000

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contributed is 39.6 per cent of the contracts awarded. I leave it up to you to draw your own conclusions.

(1540)

These two examples stress the need for openness in the government contracting business. As things stand right now, all government contracts over \$25,000 for goods purchased or over \$60,000 for capital projects are handled through the Open Bidding Service, the OBS, which is an electronic service available only through subscription. If contracts are less than \$25,000 or \$60,000, invitations to bid are sent to the chosen few who are listed on the suppliers file.

Of course, there are transfer payments published in the Public Accounts, but that is not readily available and is out-of-date when you want answers on what is happening right now, today. I must admit that the Minister of Public Works and Government Services is right when he says that these tools are meant to ensure the efficient management of the tendering process, they were not designed to give members of Parliament or the general public access to information on that process.

This is precisely for that reason that the parliamentary wing of the Bloc Quebecois is asking for a monitoring mechanism which would scrutinize the contracts and implement what we are asking for in our amendment: openness. A contracting-out code must be included in the bill. In particular we demand that all members of Parliament, irrespective of their political affiliation, be consulted or at the very least informed, when government contracts are awarded through this process in their ridings. Finally, the Department of Public Works and Government Services must establish a system whereby periodic summaries would be made widely available.

I would like to mention another particularly damning fact about the way the federal government manages public spending, and consequently the questionable administrative practises used in the Department of Public Works and Government Services.

One of these practices, unfortunately not publicized enough, is to accept advance payments by government agencies to allow them to keep their annual budget allocation. In order to do so, they pay in advance for services to be provided in subsequent years and, as a result, they can maintain the integrity of their resource envelope for the fiscal year.

Last month, the President of the Treasury Board wrote a letter to the Minister of Public Works and Government Services indicating that questionable practices, namely advance payments, were going on in his department. In so doing, the President of the Treasury Board was forcing the Minister of Public Works and Government Services to look into this practice involving among others the Canada Communication Group.

In a press release dated September 19, he said the following: "In mid-August, officials from Public Works and Government Services Canada (PWGSC) contacted Treasury Board officials with information indicating that an internal audit showed that the Canada Communication Group (CCG) might have accepted irregular advance payments. They asked for advice and direction on this issue. Treasury Board officials responded by explaining that this practice was indeed contrary to government policies, and gave direction on the actions required to rectify the situation".

By emphasizing the seriousness of the situation, the President of the Treasury Board drew attention to a problem inherent to the administrative practices of this government. In a letter to the Minister of Public Works and Government Services accompanying the press release, he even made the following comments: "This situation is, of course, very serious. Of particular concern to me is the question of apparent disregard for existing principles of financial management and control within government and Treasury Board policy. Therefore, I am asking you to look into this matter personally; have an independent review of the matter undertaken by your internal audit organization and report back to me within a month on your findings".

(1545)

In summary, we have here a convincing and damning example of shameful waste of public finances. It is really regrettable that the ongoing inquiry was limited to the internal level. I doubt that this inquiry is being done correctly; it is obvious that the procedure used to examine this serious problem of fraud is deficient because it is limited to the internal level. How many such cases never get discussed in public?

A conclusion must be drawn immediately about this major incident. The administrative practices of the government, as they appear in the present case, are in no way transparent. This is why the Bloc Quebecois asks in its amendment that all the expenses of the Department of Public Works and Governmental Services be made known to the public. I find deplorable and charged with consequences the fact that the government has not considered amending Bill C-52 in this way. The same thing could be said of the transparency, so often promised by the Liberal Party of Canada during the last election campaign, but which has gone unheeded since the Liberals took office.

The control of public finances necessitates such mechanisms. Without them, members of Parliament cannot have free access to government contracts that are in effect in their own ridings. Without transparency mechanisms, how can we make officials accountable for their spending?

The amendment of the Bloc Quebecois is therefore the expression of that new philosophy which should inhabit us all: to find a new way of administering public affairs in order to put

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aside the old traditional practices that are responsible for our \$508 billion deficit.

Mr. Ronald J. Duhamel (Parliamentary Secretary to Minister of Public Works and Government Services): Mr. Speaker, the Bloc has repeatedly talked about “transparency” and “openness”. I find very interesting that, since last Friday, not one Bloc member has accepted two proposals from the minister which would allow them to obtain the information they want. Not one member of the Bloc. Perhaps the Bloc could tell me why? This would cost them only \$37 a year.

On the same subject of transparency, committees such as the Standing Committee on Government Operations on which sit two members of their party can ask for any information they want. This is another mechanism which helps ensure transparency.

As for the advance payments, what happened? The minister himself called for an investigation. The minister himself accepted the recommendations. The minister himself has already begun to make adjustments. The minister himself, with the President of the Treasury Board, is conducting an investigation in order to make further corrections. We have listened, we have heard and we know that there is a problem. We have taken steps to correct it.

I find interesting that, when my colleague talks about transparency, he seems to want to use as an example the donations we have received from some companies. They know who our financial supporters are. That is why they put the question. We do not know who theirs are.

Therefore, when talking about transparency, it would be interesting to know their reaction to that.

In closing, I would like to make a last comment. When they talk about the data they want, riding by riding, they refuse to understand that we are in the process of amalgamating a number of departments where there were different systems. They are not yet all integrated, but progress is being made.

I would like to hear what my good friend thinks about the questions I just raised and about the points I just made. Does he not think that he and his colleagues are going a bit overboard? This department is transparent, this minister has listened and has taken steps to make necessary adjustments.

(1550)

Mr. Godin: Mr. Speaker, I wish to thank my colleague for his questions. I agree that his government is trying to be transparent, but we cannot see any results. It is the results that we would like to see much more quickly.

The hon. member said that there were ways we could use to get the information, but this is not exactly what I want. In fact, what I would like to know is exactly what is happening in my riding, and how to go about finding that information.

The computer system is often mentioned as a possibility. This is a good way to get information while the process is going on,

but once it is finished, we cannot confirm anything with this system. It does not work anymore.

On the second question, I would say that yes, the minister is changing these things, but the point of our amendment is to avoid the need to provide for a mechanism that would force us to pay millions when it is not necessary, each time the minister notices—or fails to notice—that something is going wrong. We simply want to ask him to establish a framework that would allow the minister to do his job without having to check to see if there are any problems.

As for the contributions we get, that makes me laugh. Since we raise money two or three dollars or even 25 cents at a time, you can be sure that we would much prefer to get \$140,000 or \$150,000 all at once. I would like that a lot. It would make me very happy to present you with a list. But unfortunately, such is not the case. For our part, we raise 25 cents or one dollar at a time; and I can tell that, at this rate, the list on your desk would be rather long.

I think that this sums up what the member was saying. I would simply like to point out that on July 5, I wrote the following letter to the Minister of Public Works trying to get some information concerning my riding: “am writing you with a view to obtaining information on the activities of your department in my riding. I would like to have the list of service, procurement and rental contracts issued since October 25. I would also like to have the list of federal properties located in my riding”. I did not ask for much. It was not complicated. This was the minister’s answer: “I thank you for your letter dated July 5, 1994 requesting information on the activities of my department in your riding from October 25, 1993, to this date. Unfortunately, the information you are seeking cannot be found in one single document. In order to be able to answer your questions, we would have to conduct extensive research in many areas of my department and in the numerous data bases which we have inherited following the amalgamation of the four different agencies which now make up the new Department of Public Works and Government Services.

Moreover, the costs involved in collecting data and preparing reports for MPs could run as high as \$168,000. For the most part, this data is not computerized. In short, it would unduly increase the workload of our department. I am sorry to inform you that the department simply does not have the human and financial resources to collect the data you are seeking”.

In other words, what the minister is telling me in his letter is that it is not possible for the time being. This is precisely why we would have liked to see the bill amended, so that we could be able to get the information we need, whenever we need it.

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(1555)

Mr. Jean-Paul Marchand (Québec-Est): Mr. Speaker, I simply wished to congratulate the member for Châteauguay. His speech was excellent and his reply to the member for St. Boniface most effective. He quite rightly pointed out that in refusing members of the Bloc access to information about contracts awarded in our own ridings, the Department of Public Works merely confirms its complete lack of interest in transparency. It is as though the department wished to conceal information.

So I wanted to congratulate the member for Châteauguay on his speech.

Mr. Godin: Mr. Speaker, I would like to thank the member and tell him not to take it too much to heart. When, in a speech, a member points out a flagrant lack of control, however tactfully, it is never well received. I, too, wish to congratulate you on your speech.

The Deputy Speaker: Order, please. Resuming debate. The hon. member for Outremont has the floor.

Mr. Martin Cauchon (Outremont): Mr. Speaker, in the light of the hon. member's remarks, I must say that I note a pattern in the Bloc Québécois policy, which is essentially a double standard policy. Take the list of people who make donations to political parties for example. What is good enough for us—I want to emphasize this point, but I did not intervene when the issue was raised earlier—may not be for them, as we could read in the papers this morning.

Coming back to the bill before the House today, I should point out that during the election campaign we promised to rekindle the spirit of co-operation between the federal government and the Canadian provinces.

As a matter of fact, we made a commitment in the red book, and I quote: "work closely with provincial governments to reduce duplication and improve service delivery".

This motto from the red book was quoted repeatedly by the Right Hon. Jean Chrétien, Prime Minister of Canada. We went even further—

The Deputy Speaker: Order. I would ask the hon. members not to refer by name to a member currently sitting in the House of Commons. Ministers and the Prime Minister must always be referred to by their title. I would request the co-operation of all the hon. members in this matter. I give the floor back to the hon. member for Outremont.

Mr. Cauchon: Mr. Speaker, the Right Hon. Prime Minister of Canada then. We went even further in the famous red book, and I quote: "This means identifying which level of government can best deliver what services".

No matter what the opposition claims, I can say that since October 25, that is exactly what we have been doing, as a truly responsible government. Day in and day out, we are wrongly accused by the opposition parties of wanting to centralize powers in Ottawa. They keep wrongly accusing us, day after day, of not taking appropriate steps to cut costs. Day after day, they wrongly accuse us of encroaching upon provincial jurisdictions. Today however, they have a golden opportunity to tell us we are on the right track. Today, they have the opportunity to show that their constituents are well represented by supporting Bill C-52.

Canadian taxpayers—as well as ourselves for that matter—have had enough of confused and slow services. They do not have the patience any more to tolerate overlapping and duplication. In fact, they demand that their government serve them better, faster and more efficiently.

That is why, since the House reconvened, we have been looking at restructuring the public administration with a view to reducing costs and improving services.

(1600)

The government is confident that it can meet these goals by working essentially on four fronts: first, streamline the delivery of many services and programs; second, tackle overlap and duplication; third, define each sector's responsibilities; finally, transfer some activities to other levels of government, when necessary.

Changing systems, work procedures and people's mentality is no easy task. You need energy, patience and a great deal of willpower. But, with good will, it can be done. The fact that, at their very first meeting last December, the ministers agreed that their priority would be to improve the Canadian federation's efficiency is a case in point. We have achieved very interesting results so far and the signing last June of bilateral agreements including an action plan to eliminate overlap is the best proof of that. This plan contains a detailed list of elements and objectives as well as a schedule in some cases.

This intergovernmental agreement is a very important step toward a more rational and effective approach to public administration in this country. It is also a very significant step forward which, at the end of the day, will benefit all Canadians. It will also benefit all Quebecers, which is why the members opposite should, in my opinion, clearly support the government's initiative.

What will be the precise impact of the bill before the House? What are its objectives? The answers are simple and obvious. The bill before us today meets the following goals: first, make policies and programs more effective, affordable and accessible to our clients; then, determine with the provincial governments who is in the best position to deliver a specific program or service; and finally, make adjustments to respect priorities and account for changing circumstances specific to each province.

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These goals are precise, realistic and totally focused on improving service to clients. There is no doubt that, with the provinces' co-operation, we can make rapid progress in this area. There is no doubt either that reviewing all our programs and services in order to reduce duplication and overlap is very important for all Canadians. In general, Bill C-52 will simplify administrative procedures so that we can conclude agreements with all provincial governments.

Further to the agreements reached in July, the Department of Public Works and Government Services will soon begin negotiations with the provinces to determine just how government services will be shared. Among the priorities already identified are data processing, supply and real estate. The outlook for this co-operative shared approach is great. We are convinced that it is important to harmonize computer and information systems. We believe that we can save large amounts by sharing premises and services with other levels of government.

Also consider related services like security, storage and reception, which, when combined, can save us millions of dollars a year and give everyone better service as well. All governments at all levels have budget problems. All governments must find solutions to the growing deficit. Of course, in the past, each one wanted to have its own structure, its own window and its own service outlets.

(1605)

We cannot afford all this infrastructure any more. Even before the recently announced agreements, provincial and municipal governments as well as public agencies asked us to help them get goods and services at a lower price. Indeed, the public sector increasingly realizes that we must be careful with our taxpayers' money.

In fact, we are receiving more and more financial assistance applications from organizations, because the system is working fine in many areas. At present, we have co-operation agreements concerning the purchase of police cars with some municipalities, for example, and similar agreements for the purchase of pharmaceutical products and shared standing offers for goods and services.

This is why this bill before the House allows the department to purchase equipment and services on behalf of other federal government agencies.

Given the high level of international competitiveness, we continually urge Canadian businesses to improve their efficiency and become more competitive on both the national and international markets. These principles must also apply to the government and all the machinery of government. More importantly, it is crucial to put to good use each and every dollar the Canadian taxpayers entrust to us and make some wise investments.

This is why I am particularly proud, as the member for Outremont, to support Bill C-52.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup): Mr. Speaker, I was rather surprised by the comments of the member for Outremont on the department's transparency. I want to remind him of the situation of a member elected to represent his constituents who asks a minister for information on his department's activities in that riding. This is not an extravagant request. We are elected to represent our constituents in this Parliament and we simply want to have an overview of the situation.

The minister does not tell us he will ensure we get the necessary, and appropriate, information under the circumstances, so as to have an idea of the whole situation. He tells us: I am sorry, but the department simply does not have the human and financial resources required to gather the requested information. I find such behaviour to be unacceptable on the part of a minister. The minister is answering, in this House, to an elected representative asking for information concerning his own riding. If we start challenging the right to information of elected MPs, we will undermine the foundations of our system. Such an answer is tantamount to saying that we will not sue someone because it would cost too much, considering the amount of the fine that will have to be paid. This is totally unacceptable.

I can easily make a connection with the comments made by the member for Outremont at the beginning of his speech when he talked about transparency and the funding of political parties. We do not have contributions of over \$100,000 from the Royal Bank or RBC Dominion Security. However, we are not prepared to listen to these contributors more than to our constituents.

Our constituents want to know about federal investments in their riding. How much is the federal government investing? What buildings does it occupy? What are the activities of a given department in our riding? The minister is not answering because he has to do some research. He was elected a year ago, but he still has not managed to put the pieces together. He will not even give us that answer. Rather, he says: No, I cannot provide that information because it is not available in a document. Goodness gracious, let him hire some researchers to do the job!

The minister's position is an attack against the role of a member, who has the legitimate right to ask a minister for information on what his department is doing in the member's riding.

In the past, similar questions were asked concerning other departments and answers were provided. In the case of Supply and Services, which involves the whole issue of procurement, that information is not available. Instead of admonishing us, the hon. member for Outremont should go to his minister and request the same information to see if he can get it.

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Mr. Cauchon: Mr. Speaker, I am always amazed at how members of the Bloc Québécois seem to miss the point.

(1610)

The purpose of my speech was to explain to the public that this bill is in the best interests of all Canadians. What we are seeking to do is to eliminate duplication and to make government more efficient so that the taxpayers get better value for each dollar they invest.

It is obvious that members of the Bloc Québécois are unhappy about this and that is why they are trying to attack us today on the issue of transparency when there is actually no such problem in this department. There is a policy regarding access to information and it applies to all departments.

Members of the Bloc are missing the boat today. It hurts them to see a government which advocates a cost-effective federalism, a co-operative federalism, a progressive federalism. It hurts them to see a government which is willing to work in partnership with other levels of government, as we did, for example, with the infrastructure program, as we did last June when we signed a domestic trade agreement with an exception for culture in Quebec. It hurts you because you are not here to work for all Canadians. You are here for one reason, and one reason only, that is to try and reach your very partisan goal: the separation of Quebec.

If, instead of thinking about the separation of Quebec, you began right now to think about improving how things are done in Canada and moving towards a viable progressive federalism, I am sure that taxpayers throughout the province of Quebec would be a lot prouder of your work.

I am a bit disappointed to see that the only members who truly represent the interests of Quebecers are the ones on this side of the House, and I mean the government side.

Mr. Jean-Paul Marchand (Québec-Est): Mr. Speaker, I am also very surprised to see the hon. member for Outremont praise Bill C-52. He might think we are progressing, but it seems to me we are not moving very fast. If this is a sign of federalism being profitable, I feel it is being sort of a slowcoach.

It is more than obvious that the public works department is a total failure in terms of openness. It is very difficult to obtain information from the minister. We asked over and over again for information on contracts awarded in our ridings, which is something quite basic I think.

Given all the waste, the patronage and the enormous deficit of this country, which everyone knows about, we must take all possible measures to deal with these problems and with inefficiency. The minister of public works did not see fit to include any provision in this bill which would make his department

more efficient. This bill contains minor changes and nothing that would make a real difference.

The decision to amalgamate four services will not make federalism more profitable and will not convince Quebecers to remain in Canada. For heaven's sake, this bill does not even touch on the main problem. That is why we propose that a committee be set up to monitor and supervise operations within the department. We all know that. It is obvious.

When you ask questions to the Minister and hope for answers, you only get systematic rejection. Is that what the federal government calls transparency?

Mr. Duhamel: That is not the question.

Mr. Marchand: It most certainly is, because that is the problem. The problem now with Canada and the federal government is the \$533 billion debt and the \$40 billion or so deficit. We must control expenses and reduce waste. This is the basic thing to do. This is another example showing that the minister of public works do not wish to do anything in order to get his department in order and curb all the waste and patronage. We would be willing to cooperate, if only we had the proper information. We could work with this department to identify the areas where there is patronage and waste. While government clearly stated it was in favour of transparency, there is none in this bill.

Mr. Cauchon: Mr. Speaker, I will be brief, because I have already answered. I want to say, as I did several times, that I have a great respect for my colleagues on the other side of the House. I also respect what they represent and why they were elected. However, I feel compelled, at this point, to point out once again that the only problem with the Bloc Québécois at the present time is that, unfortunately, it is not working in the best interests of the public as a whole.

(1615)

As my colleague underlined earlier, they have had the opportunity for the last four or five days to go and sit down with the department and discuss the bill that is before us, to discuss some of the problems that they saw in that bill. They refused to do that. So, it is an unwillingness to co-operate. In fact, there was no question.

I simply want to say that it is a shame that those people cannot decide to do their share and work in a co-operative and constructive way with the federal government.

Mr. Yvan Bernier (Gaspé): Mr. Speaker, I appreciate the comment by the hon. member for St. Boniface, who said that the hon. member for Gaspé was always very frank and forthright. I certainly intend to live up to that reputation.

Before I start my speech in this debate on Bill C-52, I would like to remind hon. members opposite that Quebecers follow the debates in the House very closely, and there are even children

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among our listeners. I imagine that occasionally they must find what is said here in this House rather hard to take.

Speaking of children, if I may be allowed to digress and take advantage of modern technology, today is my son's birthday, and since I have to work here in Ottawa, I would like to take this opportunity, offered by the cameras and with your permission, Mr. Speaker, to wish him a very happy fourteenth birthday.

Some hon. members: Hear, hear.

[*English*]

Mr. Dhaliwal: I hope he is a federalist.

[*Translation*]

Mr. Bernier (Gaspé): The purpose of the bill before the House today is to amalgamate the former departments—that has happened before— of Public Works and Supply and Services. Public Works Canada was in charge of two other branches, while services were something else, and government services is something else again.

This is just to say that when we amalgamate entities that are criticized for their lack of transparency, that does not automatically make them transparent. To me, this is basically a house-keeping bill. However, it is not at all what we expected. In fact, the party in power, the Liberals, missed out on this one. We are sorry but we cannot support this bill for the reasons I will mention.

The government has missed an opportunity to make the process of awarding contracts more transparent. The government has also missed an opportunity to limit the influence of lobbyists. And again, to do some thorough house-cleaning in its contracting out procedures. That is why the Bloc Québécois presented the following amendment, moved by the hon. member for Québec-Est. I would like to repeat it, since we have a different audience at this time of the day. The motion reads that: "this House declines to give second reading to Bill C-52, an Act to establish the Department of Public Works and Government Services, and to amend and repeal certain acts, because the principle of the bill does not provide for a specific code of ethics to be put in place aimed at making transparent the contracting process and the acquisition of all goods and services by the Department of Public Works and Government Services Canada".

When I say there is a lack of transparency and when they tell me that they intend to provide that transparency and make it all nice and consistent, we should remember the principle that one cannot be judge and jury. Bill C-52, as it is now, at page 3 in clause 7, assigns all powers to the minister.

(1620)

Allow me to read it. Clause 7(1) says:

In exercising the powers or performing the duties or functions assigned to the Minister under this or any other Act of Parliament, the Minister shall a) investigate and develop services for increasing the efficiency and economy of the public service of Canada;

How can he, in his own bill, creating this department by merging various agencies, be both judge and judged?

What we are asking for, should he intend to do something, is that he does it now, so we can judge what he will be coming up with. I think it is basic. Even my 14-year old son, who has not gone through law school yet, could understand that.

We reject this bill for several reasons. Basically, we want openness. I said it, but I will repeat it again and again. In Quebec, for example, the legislation on political party financing and the very strict rules regarding the awarding of contracts have made us accustomed to a much greater openness than what we can see in the federal government. Even Liberals recognize the shortcomings of the system. I would like to quote from the red book, that I cannot show, page 95, where it says: "We will follow the basic principle that government decisions must be made on the merits of a case rather than according to the political influence of those making the case. We will take an approach of openness in decision-making".

I think they just missed the first opportunity they had to put this into practice. They missed it. If openness had really been their intention, they could have included it in this bill. We play fair, so we will give them another chance, we tell them: "Scene one, take two. Take back your bill, add to it something which will ensure openness and then, we will work with you". That is what we call co-operation, at least in the riding of Gaspé.

Unfortunately, this is not what we hear from members opposite. The government might mean well, but it missed a golden opportunity. It is conceivable that my friends opposite, the Liberal members, are pleased with the system as it is. Maybe the friends of the Liberal Party like it that way. Maybe—

There is another point I would like to make again, even if it was already mentioned by some of my colleagues. I, too, have written to the minister—I worked hard last summer—to try to make him understand that we wanted changes. I tried to understand what was going on within Public Works Canada. I too wrote to the minister to try to find out what were the assets of the federal government in the riding of Gaspé. I also wanted to know about its activities but, just as my colleague from Châteauguay who spoke earlier, I received a letter informing me that it was impossible.

What angered me most was that the letter mentioned the cost of retrieving this information. It was said to be \$168,000. However, I was told that this is what it would cost to inform MPs. Am I to understand that informing 295 MPs would cost \$168,000? I want to bring to the attention of the members that contracting-out in the federal government is a \$5.2 billion industry. And yet, this government refuses to spend \$168,000. What percentage is that? I do not have my calculator, but I am

sure that it represents a minute fraction of what it costs to manage a \$5.2 billion industry.

And while we are asked to make an act of faith, to write a blank cheque, to give our support, we are denied the very tools we need to do our job.

(1625)

Is this what you call being transparent? All I can say is that in the riding of Gaspé, this is definitely not transparent.

I would also like to comment on standards governing the awarding of these contracts. As far as I can see, there are no uniform standards. It seems that the only existing rules are internal to each department, but they are easy to get around and, most of all, they are far from being clear. Since there are no uniform rules, no limit on the use of outside resources, contracting-out is taking place in an unhealthy and vague environment.

A modern government should do business the modern way. So far, so good. Contracting-out is one such modern methods. I am not questioning the use of contracting-out, but the fact remains that one has to know how to use this tool and that any new idea can lead to abuse. Hence the need to use contracting-out cautiously so that it will not become an instrument of corruption. I think we should give ourselves the means to oversee contracting-out.

This means that the government must clearly state its policies in that regard and explain how it plans to implement them. To set rules is one thing, but to ensure they are implemented and complied with is another. I see nothing to that effect in here.

This bill clearly missed the point in our view.

There are other inequities. I noted two, the juiciest ones in my opinion, as you can imagine.

For example, I am informed that only 15 per cent of all federal contracts were awarded in Quebec. Fifteen per cent, Mr. Speaker. But there is another figure to which I would like to draw your attention because for us, in Quebec, the Outaouais is a region dear to our hearts. It is an integral part of Quebec but, sadly, according to two thirds of the Quebec electorate, at the federal level, this region is an orphan. I want to tell the people of the Outaouais that only one per cent of all federal contracts awarded in the National Capital Region go to the Quebec side of the Ottawa Valley. Unfortunately for them, they do not have a Bloc Québécois member to stand up for them. Maybe someday!

These two examples speak volumes, but I could go on, There is a long list, but I can see that time is running out. I will therefore move on and make a few constructive suggestions which, I hope, will help the other side improve on their bill. I have not talked about any clauses because we are asking that the bill be totally reworked.

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I have three constructive proposals: first, a political review committee on contracting out; second, a contracting-out code; and third, a consultation process for members, who are, after all, accountable to the people for the budget and for management activities. In this regard, it is very important.

You now ask me: What would be the powers and especially the characteristics of this political committee? It could, for instance, be made up of people who can get involved. What does this mean? It could include experts in government administration processes and members from all political parties.

(1630)

It would have the power to inform and especially to protect the public interest, since we are all working for the people. It would also have the power to issue regular public reports to ensure government openness, without having to wait for someone to go look somewhere for this report, assuming he can find the right subject. There is no openness, at the present time. The report could be indexed by riding. As far as I know, Gaspé people do not live in Ottawa-Carleton. These things should be straightened out. As my grandmother used to say, "The white socks with the white socks, the black socks with the black socks". Things must be straightened out; we should show respect for the people by putting everything in the right place.

Cases for contracting out should be clear and clearly defined in the bill, which could be used as a working tool by the review committee. Members should be consulted because they are the ones who pass the laws and who must face the people. Since they represent different political parties, they should also be consulted on this kind of thing.

In conclusion, we want a little more openness here in Ottawa. Earlier, some members said that, as sovereignists, we play the bad guys from time to time. But we hope that Canada, which will still be our neighbour when Quebec becomes sovereign, as I firmly believe, will be well run, because in business, what is better than dealing with someone who runs a clean business.

I would like to say something else about the credibility of parliamentarians. As MPs, we stand to gain from this exercise of openness. The red book said that, but it is starting to fade. Very few of its promises seem to be kept.

I want to quote what the red book says, on page 91, about the credibility of parliamentarians: "If government is to play a positive role in society, as it must, honesty and integrity in our political institutions must be restored. The most important asset of government is the confidence it enjoys of the citizens to whom it is accountable." Mr. Speaker, let me say that the French version of the Liberal Party's red book contains a mistake when it says: "—tout en étant comptable de ses actions—" I understand that they meant the English word "accountable", which in

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French should be “responsible” or “imputable” instead of “comptable”.

So we have to restore the integrity of our political institutions. Before October 26, 1993, the people opposite cared and boasted about their red book. Today, I put it back under their nose and I ask them to use this bill to carry out their promises. It will not cost a lot. I am not asking for \$1 billion. I am not asking for \$5 billion. I am asking for honesty. Where I come from, honesty is not expensive and, what is more, it is rewarded. Those who are not honest will have to pay for it one day.

To continue, some of our fellow members just mentioned the names of some members who are still here. I would just like to say that perhaps we had five minutes of political fantasy just now, when the member for Outremont mentioned the name of a member in the House. Perhaps he was referring to a time after this mandate. If the member for Outremont is back then, perhaps he can say the name of the person he just mentioned but whom you do not want us to name now.

(1635)

With that—my voice is giving up, but not my interest—I hope that we will have a chance to talk about this bill here again, but that it will contain what it should then.

[English]

Mr. Harold Culbert (Carleton—Charlotte): Mr. Speaker, first of all I should ask the hon. member to carry our best wishes to his son on his birthday. I understand he is 14 years old. I have a 13-year old son at home so I know exactly what that is all about. It is about aspirations. It is about his future. It is about where he is going to be when he finishes his educational process.

My son looks ahead with great anticipation and has all the confidence in the world that he can do whatever he sets his mind to do. So far whatever he has set as his goal, he has been able to achieve it.

I can tell you, Mr. Speaker, that he has great admiration for this country of ours, this Canada of ours. He knows and loves the great province of Quebec, as he does his home province of New Brunswick, as well as every other portion of the country, whether it be east, west, north or south. He considers it all very important and significant.

I have heard the hon. member and his colleagues in the Bloc mention time after time after time, let us do something about duplication of effort. Let us take some action to eliminate some of the duplication. The very bill we are talking about today is to do exactly that. The creation of Public Works and Government Services Canada brings together those four entities formerly

known as the Government Telecommunications Agency, Public Works Canada, Supply and Services Canada, and the Translation Bureau.

It is not just a coincidence that they are brought together. Once this full integration is completed and all four entities are brought together under the one Department of Public Works and Government Services, we can look at savings of approximately \$180 million a year.

My question to the member across the way concerns the fact that in my riding of Carleton—Charlotte \$180 million a year is a lot of money to my constituents. Any savings in that area which can be made in the department we are talking about today, or any other department, is certainly worth while.

While the hon. member talked about a number of other steps in relation and subsequent to this point, does he not feel that the opportunity to save \$180 million a year on a regular basis is something that would be supported by the taxpayers of the province of Quebec as well as the taxpayers in every other province?

[Translation]

Mr. Bernier (Gaspé): Mr. Speaker, I thank the hon. member for his question and his kind wishes regarding my son.

I think that the presence of Bloc Quebecois members, sovereignists and Quebecers is very healthy for the parties opposite. We are the ones who raised the very costly issue of overlap.

(1640)

We, the sovereignists, have pointed to that problem for so long that members opposite are now beginning to think that we may be right. They are saying: Let us see what it means for us here in our own little world, in our federal departments. I used the word “little” not to refer to the department itself, which is a large one managing large amounts of money, but to say that it is a small step, considering our objective. To eliminate overlap is a monetary measure, but it also involves respect for a nation, a community and a province.

Canada did not listen when Quebec said: Let us manage the way we want what falls within our jurisdiction. We are now in the third period—as the hon. member for Lac-Saint-Jean and the premier of Quebec say in reference to sovereignty. They used to say “the Bloc in Ottawa and the Parti Quebecois in Quebec City”. Indeed, we are now in the third period and I am moving along the boards.

We figured out the problem a long time ago, but this government is only beginning to get a grasp of it. But this is not enough. On the top of the savings which it can make in Canada and in Ottawa, how about a little more transparency? When we first

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told them to be careful and to eliminate overlap, they said that no such thing existed.

Today, I am giving the government a second piece of advice. I say: Add transparency and it will begin to make more sense. We will continue to give you good ideas and ask you to accept the decision of Quebecers gracefully when they say they are ready to be on their own. I do hope that you will be able to listen to them.

As a Quebecer, I will be happy to visit other provinces and, perhaps, act as a consultant representing Quebec and inform people from other provinces. I see that an hon. member would like to ask me a question. I will be pleased to listen to him.

[*English*]

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, I listened closely to the hon. member for Gaspé. I have the honour of serving with him on the fisheries and oceans committee.

I spent most of my life before I became involved in politics working on contracting and specifically providing services in government. This is a good step toward consolidating some of the many government departments, as I am sure members of the Reform know.

If we consolidate, billions of dollars worth of contracts will be accessible to every Canadian under the open bidding system. Right from the computer we will be able to access the number of contracts that are being bid on right across the country, whether it is in Halifax, Vancouver or any other part of the country.

Is the hon. member going to tell the small business people in his riding, the people who are now bidding for contracts, very good companies from Quebec who bid on contracts in Quebec City, Vancouver, Edmonton or Halifax, that he wants to take that opportunity away from them?

What is he going to tell them in his march to become independent? Now they have access to billions of dollars worth of contracts, as this open bidding system consolidates to include other government organizations such as crown corporations. Even contracts and opportunities that exist in other parts of the world like the U.S. or Asia-Pacific are put on its bulletin board.

(1645)

It creates tremendous opportunities for business people in Quebec, for new people, perhaps his own son who would like to get into business providing services for government, whether it is in construction, whether it is consulting or any other type of service.

What is he going to tell them? That he wants to take that opportunity away from them, the billions of dollars of government contracts they get to bid on competitively on which if they are the low bid and can be shown to qualify they will be awarded the contract? That instead of looking at an expanding market and

giving them more opportunities even beyond the borders, limiting them to a smaller market, limiting them to fewer opportunities? What response would the hon. member give to all those small business people in Quebec and those people who do work for government and are involved in government contracting?

They understand the tremendous opportunity which exists and the changes that will come about in the new infrastructure in terms of the information technology and the instantaneous access to that information. As we build that infrastructure these departments can be very important to consolidate the services that people have access to and the contracts and the business opportunities that exist.

I would like to ask the member what his response to them would be.

[*Translation*]

Mr. Bernier (Gaspé): Mr. Speaker, I must admit that it will be very difficult to be brief, but I will try to respect the wishes of the Chair.

Two questions were raised by the Parliamentary Secretary for Fisheries and Oceans. First, what about the future of my son and the future of Quebec? The answer is that my son will be delighted to work as an international consultant, if Quebec is a sovereign, different nation.

Second, before we talk about the future, about what will happen in the months and years to come, what about what is happening today? They tell us: If you agree to stay, you will have access to a huge market worth \$5.2 billion in contracts.

I said earlier that Quebec only gets 15 per cent. How much more will we have in the future? The rules of transparency do not seem to apply. What explanation does the parliamentary secretary have for the Outaouais region, which gets only 1 per cent, while 99 per cent goes across the river? This does not bode well for the future.

Perhaps if members opposite and the minister agreed with our suggestions to include transparency in the bill, and if they also agreed that the procedure should be more standardized, then we would have some basis for discussion. Meanwhile, Quebec pays more than \$28 billion in taxes, and that is a fact. When those \$28 billion stay in Quebec instead of going to Ottawa, it will be easier on the gas to go to Quebec City and find out how we can get contracts. In Quebec, the process is open and transparent. It is administered by a public commission. With the \$28 billion in taxes we will keep down there and a well-oiled machine to manage the money, it will be marvellous.

[*English*]

Ms. Shaughnessy Cohen (Windsor—St. Clair): Mr. Speaker, when our government took office a year ago we made a number of very specific commitments to the Canadian people.

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Among them was a commitment to deal with questions of the efficiency of government—

The Deputy Speaker: Order, please. My profound apologies to the member for Windsor—St. Clair. I neglected to read something I have to read before five o'clock.

(1650)

[*Translation*]

It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Frontenac—Party Fundraising.

[*English*]

Ms. Cohen: Mr. Speaker, among the commitments we made when we came to power was a commitment to deal with the question of the efficiency of government operations, some of which over the past few years and particularly with the last government had become sluggish, fat and really not very efficient at all.

Our government was and remains determined to reassure Canadians that tax dollars are being spent in a manner which is efficient and cost effective and designed to produce the best results for our citizens. More specifically, our government pledged to work for a country whose governments are efficient, innovative and co-operative; a government which will meet the challenge of doing more with less in the new reality; a government which would provide improved service delivery in all areas where we were involved. At the same time we want to reduce the cost of government operations as a way of contributing to deficit reduction.

When we think about it this is a very liberal approach to a very difficult problem. Innovation is clearly necessary in order to uphold liberal principles in tough economic times. Those principles will be upheld because those Liberal campaign promises will be kept.

This government has worked vigorously and successfully over the past year to make good on these commitments. It has done so in a number of ways such as eliminating duplication in government services and building stronger intergovernmental co-operation.

One of the most fruitful areas for improving government efficiency lies in broadening the use of up to date technologies to communicate information and to deliver our services. This government has made continued progress in developing and implementing a number of these money and time saving applications of information technology.

One of the key players in furthering this process, one of the key players in developing new ideas and new applications is the recently formed Department of Public Works and Government Services.

As the government's main common service agency, Public Works and Government Services Canada currently supplies about 70 per cent of federal telecommunication services. An important element of the new department, the government telecommunications and informatics service is a major centre of expertise for these services and a key supplier to the entire federal government.

This department will operate in partnership with the private sector to manage infrastructure services for other government departments. These services can be enhanced and expanded with a view to establishing an integrated government-wide infrastructure. Clearly, Public Works and Government Services Canada has the key leadership role to play in re-engineering and streamlining the government's communications and service delivery system.

I would like to briefly outline a few of the specific applications of advanced technology that have been introduced by Public Works and Government Services Canada and that are already saving the taxpayers of Canada millions of dollars every year.

One of these is the direct deposit method of payment. In his role as Receiver General for Canada, the hon. Minister of Public Works and Government Services must issue approximately 193 million payments every year. In the past these were issued by cheque. These would cover salary payments to government employees and a variety of payments to recipients of government programs such as old age assistance.

Needless to say, this has been traditionally an expensive, although necessary process. In a move to reduce costs and improve these services the department has introduced direct deposit through which funds are deposited directly and electronically to the recipient's bank account.

Direct deposit has proved to be very popular and today more than 30 per cent of payments made by the Receiver General use this method. About three quarters of federal public servants and more than half of our pension recipients are now on direct deposit.

(1655)

The system saves money for the Canadian taxpayer and is convenient for the recipients of these payments as well. The department estimates that over the past three fiscal years it has achieved savings of \$45 million through reduced postage, production and financial costs. Cost savings are only a part of this story. Cost savings in and of themselves while important do not provide the whole picture here.

Direct deposit also eliminates the problem of lost, stolen, destroyed or forged payments. It further eliminates problems attendant to any disruption of postal service for instance. It is convenient, reliable, safe and is environmentally friendly. Direct deposit is an excellent example of an application of

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electronic technology that both reduces costs and improves service to the public.

Another example of communications technology introduced by Public Works and Government Services and which has growing application in the federal service is the use of electronic or E-mail. It now links more than 120,000 public servants across the country.

E-mail provides a system for exchanging information that is fast and efficient and that significantly reduces the paper burden within the government. It facilitates quicker decision making and faster service and it saves money, an estimated \$55 million per year in time saving and improved efficiency.

Public Works and Government Services has also introduced during the past year a national video conferencing service. This service is now offered to all government departments and agencies at seven Public Works and Government Services sites across the country. Based on the enthusiastic demand for this new service, the department plans to expand to as many as 20 sites in the near future.

A major client of this new service will be Radian, the public service learning and communications network. This network's mandate is to save the public service time and money by encouraging long distance learning and video conferencing throughout the federal government which would then save on the costs associated with travel.

Although still in its early stages of development, this new service shows great potential for improving communications between various government departments across Canada at greatly reduced cost. It responds to the government's goal of cutting costs through the creative application of new technologies.

Members present may recall that in the autumn of last year and the spring of this year, the human resources development committee spent a great deal of time communicating with people across the country in an effort to establish a baseline of concern over the new social service review.

Part of that discussion and consultation employed this innovative new use of technology. I am pleased to say that the first witnesses to testify came from Windsor, Ontario. Instead of spending in excess of \$8,000 to bring those witnesses to Ottawa, we were able through the use of this technology to spend substantially less and not to disturb them or have them travel.

The human resources committee will commence travelling on November 14 to all parts of the country in an effort to speak to people in their own locale and to see the situation across the country. While we are there we will continue to use video conferencing reaching even further into the country in order to give everyone an opportunity to be heard on this very important subject.

Through this technology the public works department has allowed us to communicate directly with Canadians and Canadians to communicate back directly with us in a very real form of direct democracy.

This department has also been active in expanding the application of new technologies in its business dealings with thousands of Canadian companies and individuals. As the prime procurement agency of the government, Public Works and Government Services purchases an average of \$10 billion of goods and services each year on behalf of as many as 150 federal departments and agencies.

The department has instituted a number of automated systems to make this process more efficient and less costly to the government and to its suppliers. One of these is the recently established open bidding system or OBS.

(1700)

This system provides an electronic bulletin board as well as a tri-weekly publication called "Government Business Opportunities" which is designed to give Canadian businesses fast and equal access to information about government contracting opportunities.

The adoption of OBS represents a major step toward fulfilling the government commitment to provide a contracting system that is fair, open and transparent. However by reducing the paper burden involved it also saves taxpayers an estimated \$3.5 million annually.

This is one further example of how the application of electronic technology cannot only improve services but cut costs as well. Another application of technology in the business field is the department's electronic procurement and settlement system known as EPS. EPS links client departments within government to the suppliers and to a central control system allowing them to do business electronically, including ordering without requisitions, supplier payment without invoices and electronic journal vouchers without paper forms.

When this system is fully in place within the very near future, it will result in massive savings to the government and the taxpayer, estimated in the range of \$176 million. It will create even greater savings for private sector suppliers, most of which will be passed along in the form of lower prices for government purchases.

These examples of the steps being taken to improve efficiency and service through new technologies indicate clearly that our government is living up to its commitment in this area. They also indicate the key role that the Department of Public Works and Government Services is playing in the process.

Initiatives such as the one I just described mean even more efficiency in government operations, better services to the

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public, better access to the government by the public and less cost to the taxpayer.

Here are even more good reasons why we should pass Bill C-52 so as to give the department a clear, legislative mandate to continue its work in this area.

Mr. Randy White (Fraser Valley West): Mr. Speaker, it always astonishes me when I listen to speeches like the one my colleague has just given about how to save money in government.

We spend so much time in speech in this country talking about a \$3.5 million saving from reducing the paper burden. I am sure it could be a lot more than that, and a possible \$176 million saving in other efficiencies.

I guess the Liberal government does not get the idea here. We overspend the revenue we take in by \$40 billion a year. That is 40,000 million dollars. We have a half a trillion dollar debt load. Our interest payments are well over \$40 billion a year.

What really gets me is that the Liberals come up with this much money to actually handle a problem that is this big. I guess my question really is this. Will the \$3.5 million saving—I hate to talk about such a small amount here—or \$176 million ever be reflected as a reduction in any budget in the government? Past experience shows that none of these budgets has ever been reduced in 20 years.

Where are the efficiencies? Do not come into the House and talk about saving money. You have done nothing but blow money since the day you got here. Would you mind answering the question?

The Deputy Speaker: Before recognizing the hon. member for Windsor—St. Clair, would members please, when saying “you”, refer to the Chair and not to the member opposite.

Ms. Cohen: Mr. Speaker, I only have eyes for you, sir, I can tell you that. I am happy to speak to my hon. friend through you and to remind my hon. friend that \$3.5 million plus \$3.5 million plus \$3.5 million adds up.

It is one saving on top of another on top of another. We could do what the Reform Party suggested in its campaign and just knock billions off the top indiscriminately, thereby destroying the economy and putting people out on the street. We could do what the governor of Michigan did, for instance, and lob money off the top.

(1705)

I would like to invite my hon. friend to come to Windsor sometime and we will take him over to Detroit. He can watch people who have suffered under the kind of regime that the Reform Party suggests. He can watch people living in the streets when it is cold and when the weather is inclement. He can watch those things. Or he can watch us save \$3.5 million here and \$4.5

million there. He can watch us reorganize the government and he can watch us deliver.

This is not the last nine years. This is the beginning of a very long period of time for the Liberal government and a very long period of time of Liberal efficiency. This is the beginning of a new life for Canada.

Mr. John Williams (St. Albert): Mr. Speaker, the hon. member talks about the beginning. Let me remind the member that it is almost a year since the election. The beginning was a year go. If the Liberals had been serious about real cuts they could have cut the budget by, let us say, \$10 billion.

The Reform Party laid out a \$15 billion program to cut the deficit. If it had been implemented, the interest costs on the debt alone, assuming an interest rate of 7 to 10 per cent, could have been \$1 billion ahead in the bank just by reducing interests costs by really aggressively attacking the deficit.

We are talking about \$3.5 million here, \$100 million there. Just by getting the job done the hon. member could save \$1 billion.

The Minister of Human Resources Development tabled a discussion paper. He has been working for a whole year and all he can produce is a discussion paper.

When can we expect that we will move beyond these minuscule paper saving propositions that make a minuscule cut? When can we expect the real stuff that is going to prevent the economy from collapsing under the weight of debt and interest that we have to pay?

Ms. Cohen: Mr. Speaker, it is true it has been almost a year. October 25 will be our first anniversary. During that period we have had an opportunity to assess and to see the precise situation in which the government has found itself.

The full integration of this department will result in savings of \$180 million and 4,000 full time equivalent jobs between the 1993-94 fiscal year and 1997-98 representing a reduction of about 25 per cent of the current complement.

The emphasis is on reducing overhead through streamlining and eliminating duplication. These targets will not affect the delivery of services but will result in savings of \$1 billion over the next few years. This is not chicken feed. It is a lot of money. I am very sorry if we did not do it as quickly as the other side of the House would like.

Everything is simple over there. Somehow you give people guns and they will not shoot each other any more. We will have law and order. Knock 20 per cent off the budget and people starve in the streets and I guess we do not have as many people to feed. That is a very simple view.

Over here where the responsible people live, we can say that we have studied it, we have looked at it and it has only just begun.

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[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm): Mr. Speaker, it gives me pleasure today to speak to Bill C-52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts. My colleagues and I in the Bloc Québécois think that the Liberal government has missed yet another golden opportunity to honour its pontifical promise to make our political institutions transparent.

After the Pearson affair—I think you would do well to listen—and Bill C-43 on registration of lobbyists, now the Liberal government confirms its lack of transparency with Bill C-52.

I have a problem with the bill not because I am against the principle of integrating two departments, but because the bill does not go far enough. Although I have been sitting in this House less than a year, I have enough parliamentary experience to see that such a bill should really go further. Allow me to explain.

(1710)

It is important that our legislation in this area be stringent. About two weeks ago, I received from the Minister of Public Works a reply to a letter I had written, asking him for information on his department's activities in Berthier—Montcalm. Having been elected in this riding, I wanted to know what was going on there, who was being awarded contracts, whether there was waste, news on buildings and so on.

This request for information from a member of Parliament was entirely legitimate. I will simply read you a short paragraph from the minister's reply. He wrote: "Unfortunately, the information you are looking for is not contained in any one document". To provide you with an answer would require intensive research in the many and varied branches of my department as well as in multiple data banks, the number of which has increased considerably since four separate entities have been merged to form the new Department of Publics Works and Government Services Canada. Moreover, the costs associated with information retrieval and the preparation of reports for members of Parliament could exceed \$168,000, and a large part of the work is not computerized. All in all, this task would put an excessive load on the operation of our department".

I wonder, and would it not be ironic if it were the case, if the minister based his calculations on his own hourly rate and add on computer time to get this \$168,000 figure. The acme of this department's inconsistency was reached on April 18, when my hon. colleague the member for Laval East received her response to a letter she had sent to the same department asking for a list of names, addresses and phone numbers of businesses located in

her riding. In response to that letter, the minister made no reference to the fact that her inquiry would cost \$168,000 or some other amount to the taxpayers. He did not say that answering her inquiry would prove impossible because of the number of documents that would need to be analyzed before an answer could be provided to the hon. member.

Nothing of the sort. The minister wrote back stating that the information she had requested was attached. I asked myself whether his department had double standards. Information considered as not overly compromising and of no consequence is released, while the rest is not. I sure hope this is not the case. At any rate, the hon. members opposite who sit on the industry sub-committee on Bill C-43, the lobbyists registration bill, tell me that members of Parliament make the best lobbyists when it comes to obtaining this kind of information.

I note however that this statement does not apply to ministers. I wonder if Government Policy Consultants would not charge less than \$168,000 to provide me with an answer to my question. Moreover, I think that an in-depth analysis of certain aspects of the answer received from the department on September 21 is essential. The minister responsible for Supply and Services Canada says that the information I am requesting does not appear in a document per se. Where can the information be found then?

I will give you a few hints. These answers may be in the data bank of some lobby groups very familiar with Parliament Hill. These lobbyists make thousands of dollars a day—up to \$10,000 a day in some cases—to advise companies hoping for government contracts. As my colleague from Québec—Est proposed a few days ago, if Public Works and Government Services Canada were to issue monthly reports guaranteeing the federal government's openness in awarding contracts, we could probably, in the long term, save a lot of money and eliminate patronage in that department.

If lobby groups make so much money giving advice and explaining how the system and its institutions work, it is because the system is very complex and not open enough. The members opposite and the minister himself will tell me that merging the Department of Public Works with Supply and Services will simplify things, but I say that Bill C-52 does not provide for any mechanism that would open up that department. Furthermore, this bill will not encourage public servants to denounce cases of shameless waste at the future Department of Public Works and Government Services.

(1715)

It is not normal that, in 1994, people and the members who represent them are not informed of that department's contracting-out activities in their own ridings. Openness in that de-

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partment appears to be a fine source of patronage. In any case, that is what my grandmother would say in such a situation.

In the red book, the word "openness" appears almost as often as the word "employment"; it is surprising that it is nowhere to be found in Bill C-52, and it is not in Bill C-43 either.

Legislators must look at the goal of openness as a whole. The government's right hand must know what the left hand is doing. Yet, in the red book, they talk about the citizens' confidence in the system, the undue influence of lobbyists; they talk about openness, the sacrosanct integrity, involvement, etc. The red book should not be quoted just for wishful thinking. We need an appropriate legislative policy. Now is the time to take action while we have a bill before us.

Why make laws amounting to half-measures? Bills C-52 and C-43 as they now stand are cases in point and deal with two closely related subjects. There should be a legislative link between the two. Government contracts, procurement and buildings automatically remind us of lobbyists. The Bloc is probably the only party in this House to see that link. But it is there!

The Pearson affair, which this House is very familiar with, shows what happens when you mix government contracts with lobbyists' pressure. Will we prevent similar situations with Bill C-52 before us today or Bill C-43? No, Mr. Speaker, not the way these two bills are now written.

Laws are supposed to mean something and not be just rhetoric, so a law should be passed to change things and not just to put up a smoke screen to hide shameless patronage, like what has been going on in those departments for decades.

Something else that would contribute to the much-desired openness, which is just wishful thinking on the part of the government, could be a reality or well on the way to becoming reality if the financing of political parties was reformed as suggested by the Bloc Quebecois member for Richelieu. But no, we saw the government's true face. It refused the hand that we extended to it on this issue.

Although we could say more about the pretense of openness desired by the government, I will return to Bill C-52 and probably we will have a chance later to talk about this famous openness that the government would like to have. However, it never acts openly when it has the chance.

What we refuse to do is to give second reading to Bill C-52 because the principle of the bill does not provide for a precise code of ethics to make the contracting process transparent and to show how the Department of Public Works and Government Services acquires all the goods and services.

For this purpose, we propose five things that would provide a basis for obtaining this desired transparency. The Bloc's five proposals are as follows: one, create a public supervisory commission; two, a code for contracting out; three, consult all

federal MPs; four, make public servants accountable; and five, control advance payments by the government.

Sometimes I hear ministers say that the opposition never makes any proposals. Well, here I am making proposals. Besides, we often make proposals but you do not listen to them. I am giving you some very clear proposals and I will explain them.

Let us take a closer look at these proposals. The first one is to create a public supervisory commission. Among other things, this commission would submit monthly reports on all government contracts that go through the department. With such a system, the frustrating delays currently experienced with requests submitted to the minister under the Access to Information Act would be avoided. These periodic reports would help streamline government operations. This would be a simple, accessible and understandable process.

Finally, this public supervisory commission would have the power to question any vague or obscure contract violating the applicable rules of procedure. This judicial power could also be used in cases of influence-peddling or patronage.

(1720)

Also, the proposed code for contracting out takes into account the fact that this activity represented a \$5.2 billion market for the year 1992-93 alone. Such an important economic sector must be subjected to some government guidelines.

This issue is too important for civil servants, trade contracting firms, as well as Canadians and Quebecers to be taken lightly. In that regard, the Bloc would have liked the bill to set rules, or at least a legal framework compelling the federal government to adhere to specific standards regarding contracting out activities. If the government is prepared to do it for the lobbying industry, which is not a \$5.2 billion market, it can also do it for the contracting out sector.

Canadians, unions and management could only win if there were specific rules in that sector. And do not try to tell me that contracting out is a cyclical thing. When such a practice has been in use for ten years, it is there to stay.

I would like it if someone could tell me why parliamentary committees use private printing companies to publish their reports when that service is provided here in the House of Commons.

Then there is the consultation of federal MPs. I believe we are here to represent our constituents. We could be asked to do more, and that would be a good thing. As a third element for transparency, the Bloc Quebecois suggests that all federal members of Parliament should be consulted. This proposal is based on the Liberal commitment to enhance the role of members of Parliament. Hence, it is important to give more responsibilities to members of Parliament and to inform them of the contracts placed by the new department in their ridings. Such consultation outside the House of Commons will provide

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members of Parliament the opportunity to monitor and confirm the impact of the bills on which they voted.

Consequently, members of Parliament will not be consulted only in the House of Commons or in parliamentary committees. I was democratically elected to represent the people of my riding of Berthier—Montcalm and I must have all the necessary tools to fulfil my mandate. Information on public spending is one of these tools. How can members of Parliament play their roles adequately if they are not even aware of all government expenditures in their own ridings? Cleanliness starts at home, as we say, but when you do not know what to clean, it is hard to look clean to the public.

I reject the argument used by the minister who claimed that it would cost too much, because I think if members of Parliament were to closely monitor what is going on in their ridings, they could surely find some waste to eliminate. We could quickly come up with the money required to provide this information to members.

Fourth, accountability for public servants. This would be important. Public servants must be responsible and feel accountable to Parliament. We must clearly give more responsibilities to civil servants. No one is in a better position to expose all the awful waste occurring in federal departments. We have to find ways to encourage public servants to denounce such extravagant spending by the government. The right to expose public waste must be addressed by this House and very soon at that.

Since most contracts will be executed by the Department of Public Works and Government Services, it seems to me that Bill C-52 should have covered this issue.

Federal public servants must realize that, as taxpayers, they also pay for unnecessary spending they are aware of.

Here is a good example to justify the cleaning up, which, as I said earlier, should start at home.

I invite the Minister of Public Works and Government Services to visit the back entrance to the Confederation Building to see for himself what is an immoral spending.

Public Works rebuilt the access ramp for handicapped people. Although I completely agree with the principle, I am outraged with the end result. Instead of a simple efficient and functional slope, the contractors have created a huge labyrinth not accessible by wheelchair. Moreover, I am told this non-functional labyrinth cost \$170,000.

That shows how some expenses are fit for a transcendental world.

(1725)

Finally, I would like to say a few words about advance payments by the government. The purpose of this practice by senior officials is to make maximum use of the resources available to a function within a department in order to ensure that the same level of resources will be allocated to that function in the next budget year. Government officials do this because they are afraid of having their annual budget cut if they do not use all the resources available to them in the current year.

The whole issue of advance payments concerns all departments. Moreover, it becomes clear that the Department of Public Works must take the bull by the horns and exert strict control over government expenditures.

While Public Works and Supply and Services have historically been considered the ideal departments for patronage, the new department must now do everything it can to become the department of transparency, and it has to have all the necessary tools to be able to do that.

Again, the Liberal government is watering down this objective and, in this particular case, it is drowning it. Instead of being a watchdog as it should, the Department of Public Works and Government Services is playing an unhealthy game that prevents it from being as transparent as we would like it to be.

Another example that I find appalling concerns some electricians from Public Works Canada. I was outraged when this information was made known to me. It would appear that some electricians keep the copper from the electric wires that they dispose of, melt it and then sell it to pay for the big party they throw at the end of the year. I think this kind of practice is unacceptable in 1994.

Another quick example, Mr. Speaker, because I see that time is running out—

Mr. Duhamel: I want to ask a question.

Mr. Bellehumeur: I will be glad to answer your questions, if I have the time.

The other point I would like to mention concerns something I noticed when I moved into my new office in Ottawa. My 286 and 386 computers were replaced by more efficient and modern systems. In my riding, I have a number of community organizations, women's groups, youth organizations and other groups. They had asked me how to go about buying those old computers from the Canadian government. It is quite difficult, as I found out. It seems that those computers are auctioned off, but that they end up being bought by employees in some departments or their relatives and friends. As a result, taxpayers and community agencies across Canada who would need those computers and

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could pay a good price, much to the benefit of the government, never even get a chance.

The reasoned amendment moved by the Bloc Québécois truly reflects the need for that greater openness all taxpayers in Quebec and the rest of Canada would like to see in that department, which has always been considered the mainstay of patronage under Liberal, Conservative, and other governments alike.

The time has come to put an end to such practices. We should pass appropriate legislation so that openness, and not patronage, prevails in that department. Since past deeds speak to the future, it is sure to remain the patronage department, if this bill is passed. This has to stop. I ask my colleagues on the government side to urge the minister to pay attention to the Official Opposition's point of view.

I will now take my seat so that my colleague from Saint-Boniface can put the question he so badly wants to ask.

PRIVATE MEMBERS' BUSINESS

(1730)

[English]

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South) moved that Bill C-256, an act to amend the Income Tax Act (transfer of income to spouse), be read the second time and referred to a committee.

He said: Mr. Speaker, I am pleased to rise in the House of Commons to present for debate at second reading my private member's bill, C-256.

Every member of Parliament looks forward to an opportunity to bring before the House matters of importance not only to themselves but to all Canadians. Bill C-256 is a proposal which is foremost about the family and which also has implications for jobs, child care, tax equity and the cost of health, social services and criminal justice.

The United Nations General Assembly has proclaimed 1994 as the International Year of the Family. However, in my view this is not as much a celebration as it is a warning.

In the last 30 years changes in our social and economic environment have been dramatic. Family and social values have clearly eroded. We no longer feel safe in our communities. Demand for social services has expanded beyond our means and family breakdown has become the norm. Everyone knows a lone parent, but did you know that 60 per cent of them are living in poverty?

In 1961, 65 per cent of families with children under six years old had one stay at home parent. In 1991, 30 years later, this type of family structure accounted for only 12 per cent of families. In addition, today more than 70 per cent of preschool children are now in non-parental care arrangements on a regular basis while parents work.

Much of this movement has been caused by economic circumstances. Growth in incomes has been stagnating in real terms since the mid 1970s and younger families have been hit the hardest. Their incomes are in dramatic decline and the incidence of poverty is increasing. For example, among families with a head under age 25 the incidence of poverty nearly doubled from 21 per cent to 37 per cent between 1981 and 1991.

I am therefore extremely pleased that today the Minister for Human Resources Development reaffirmed our commitment to the elimination of child poverty. He has clearly stated that this is our top priority in the restructuring of our social programs.

It should be noted however that as personal home parenting becomes increasingly uneconomic, it is being portrayed as decreasingly desirable. Instead of recognizing that there may be problems with our priorities, we somehow rationalize that the choice is best for the children.

In addition, there are a number of other contributing factors to the family and social ills we are experiencing today. We appear to have designed most of our services to kick in after problems become apparent. By then the need to respond is urgent but the remedial efforts are often unsuccessful.

According to the May 1994 report of the Ontario premier's council on health, well-being and social justice, critical development outcomes are rooted in early experiences and influences. These outcomes include good physical health, the ability to learn, the ability to cope with stress, being able to relate well with others and to have a positive self-esteem.

Where, how and with whom children spend their time in the early years has a major impact on their healthy development. A secure attachment to a nurturing adult is essential and who is better than one of the parents to provide that care.

Dr. Fraser Mustard, chair of the Canadian Institute for Advanced Research, has long advocated focusing some of our limited resources to children in the first three years of life. Their extensive research shows dramatic links between future problems and poor child care during infancy.

Dr. Mustard cites a 19 year study of early childhood enrichment in the United States. As a result, the group of children had a higher proportion who graduated from high school and went on to college. There was a 50 per cent lower incidence of mental health problems, 40 per cent fewer on welfare, and there were 50 per cent fewer teenage pregnancies.

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(1735)

Dr. Penelope Leach, renowned author on child care, masterfully stated the case when she said: "The real issue is not motherhood or career, but something closer to parenthood and paid work". Today, children are more a part of paid work than of home life. As such, they are currently of secondary importance in our society. Those priorities will have to shift.

The critical importance of quality child care is particularly dramatized by the facts related to young unmarried mothers. Each year over 20,000 unmarried women aged 12 to 19 give birth with the majority choosing to raise the children themselves. As a result, most do not finish their education and are likely to become dependent on subsidized housing and welfare. Their offspring are at a higher risk of being premature or low birth weight, more likely to experience difficulty in school, and more likely to become single parents themselves.

These facts raise serious questions. What has become of the traditional family? Are we fully aware of the potential consequences to our children's future development by having both parents work? Is it really up to governments to take the responsibility for the future development of our children? Has society decided that managing the family home and caring for preschool children is no longer important?

Who would dare say that a stay at home parent does not work? A parent working in the home has chosen a very honourable profession which contributes more to the quality of our society than most jobs. Yet it is a profession which is not specifically compensated in recognition of the value of the work done. That is the reason why I have tabled this bill. It is an attempt to provide a modest financial benefit to families who choose to have one parent work in the home and care for preschool children.

As a consequence of the bill, jobs in the external work force would be freed up for those who urgently need them. In addition, child care spaces would be freed up to partially address the critical shortage we are now experiencing.

Take the example of two working parents with two children in day care with the lower income earning spouse earning \$25,000. After income tax, child care expenses and the cost of employment, the net take home pay is less than \$100 per week.

Parents in this situation often question why they are sacrificing so much for so little. Their lives are driven by a child care schedule. They rush in the morning to get their child ready, they rush to deliver the children to day care, they rush to work to put in a full day and they cannot delay leaving work because the children must be picked up and taken home to be fed dinner. By the time they settle in the home, it is time to get the children

ready for bed. Parents may want to spend family time with children but often it is the case that the children are too tired or not in the mood to play when the parents have the time.

What do parents do when their children are sick? That much stress cannot be helping the family unit. The amount of time that parents and children spend together has dropped by 40 per cent in a single generation. As a rationalization we dreamed up the notion of quality time. However, that implies that to spend a small amount of time with a child is satisfactory if it is quality time whereas if you are around the child all of the time only some of that time is quality time. That kind of thinking is simply flawed.

Economic considerations are important, but in certain circumstances parents are struggling to decide whether the modest take home pay of the lower income earning spouse is worth all the family sacrifices they are making. Although the vast majority of parents do work, a 1991 Decima poll found that 70 per cent of women would choose to provide direct parental care if they could. This bill would provide a financial bridge to assist those parents, and I stress, who would like the option to make that choice.

(1740)

It should also be noted that our present income tax system in fact discriminates against one income families. The child care expense deduction permits two income families to claim up to \$5,000 of child care costs per child under the age of seven regardless of how much income they have. No such deduction is available to one income families due to the false assumption that they have no child care costs.

Child care costs exist not because both spouses work but rather because children exist. The child care expense deduction has an inverse relationship to need. That means that the higher the family income, the higher the savings to the two income family.

Consider also the case where two neighbours each have children. One neighbour can be paid to take care of the children of the other neighbour and vice versa. Each family then gets to claim the child care expense deduction because they care for each other's children. Ironically, however, you do not get any deduction when you care for your own children. This favoured tax treatment may produce financial savings for those who care for the children of others but it does nothing for those who care for their own children.

The child care expense deduction should be means tested and extended to all families to address the profound inequities in our Income Tax Act. This initiative would provide equitable benefits to all families based on financial need. Accordingly, I will

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shortly be tabling in the House a motion to effect this change and I hope it will have the support of all hon. members.

Bill C-256 specifically seeks to amend the Income Tax Act to permit one spouse to split up to \$25,000 of their income with the spouse working in the home and caring for at least one dependent child who has not commenced full time attendance at school.

As a result of the graduated tax brackets presently in our income tax laws, this would result in a lower tax burden on family income. Depending on the level of incomes and deductions the benefit could be as much as \$3,500 per year or about \$65 per week.

In the example I cited if instead of forgoing \$100 per week of net take home pay it were reduced to only \$35 per week the option to have one parent work in the home would be much more attractive to the family. The income split with the spouse working in the home would be treated as self-employed income and as such would not be eligible for unemployment insurance. The income would however qualify for the purchase of RRSPs.

Under the Canada Pension Plan Act this income would not qualify for CPP benefits. I have however tabled in the House Bill C-269 which would change the CPP act to make such earnings pensionable. That change will require approval of two-thirds of the provinces representing 50 per cent of the population, plus Quebec which operates its own Quebec pension plan.

If we truly believe that working in the home and caring for preschool children is an important job, should we also not acknowledge the fairness of providing pension benefits?

The benefits of this bill do not stop there however. This is not just a bill which would give a tax break to some Canadians. If a lower income earner withdraws from the external workforce to work in the home, a job would be freed up or created depending on how we looked at it. With 10.7 per cent of our workforce unemployed the importance of job creation cannot be overstated.

Furthermore the person filling the vacated job will likely have been on UI which can be up to \$429 a week, or on welfare which can be up to \$663 per week. Under these circumstances the government will in fact be saving on the cost of these social benefits. As well the new taxpayer would not likely have the same level of child care expenses, which means that more tax would be paid by the person on the same job than by the person who formerly held that job.

(1745)

A further consequence of the bill is the freeing up of child care spaces. In its red book the government has committed to create 50,000 child care spaces per year for three years following the achievement of 3 per cent growth in GDP. Since that growth will

be reached this year these 150,000 spaces will be created at a cost of \$1.4 billion split between the federal and provincial governments. That represents \$9,600 per space per year.

It is also expected that the users will pay \$2,400 per year for the space. Therefore, in total each of these spaces will cost \$12,000. That is a fair indicator of just how much value should be attributed to caring for a child in the home.

While it is certainly true that more day care provision would increase the number of mothers in the external workforce, it is also true that more financial help with the costs of being a parent would reduce that number no matter how much affordable day care was available. In the long term it is crucial for us to realize that direct parental care will also contribute to savings in the areas of health, social programs and criminal justice.

Each year it costs literally billions of dollars to respond to the problems rooted in poor child development. Today we face serious challenges related to the family which are complex. We must however remember that there are no simple solutions. We need a range of initiatives spanning both preventive and remedial approaches. Bill C-256 represents an important preventive approach which recognizes the value of work in the home, creates jobs and provides child care spaces.

Since introduction of the bill over 160 members of Parliament have indicated their support for having the bill referred to committee. In addition, thousands of Canadians across the country have told us through letters and petitions that they want to see the subject matter of the bill pursued.

In the year of the family I believe the House of Commons should embrace every possible opportunity to examine initiatives which may help Canadian families to raise our children who are of course our future.

Private members' bills require unanimous consent of the House at second reading in order to proceed to the next stage. Such consent is very rarely achieved but the value of the process is the extensive dialogue generated not only in the House but also among Canadians interested in the subject matter.

This morning I had the opportunity to speak with the Minister of Human Resources Development about the issue of benefits for those who give care. I have his assurance that the subject matter of Bill C-256 can be addressed as part of the review of the social programs outlined in his discussion paper tabled today in the House of Commons. This will allow a broader consideration of the issues and the options to Bill C-256.

One such option to spousal income splitting is the creation of a caregiver tax credit which would be available to those Canadians who provide care directly rather than relying on extensive social services. Caregivers would include those who care for preschool children in the home or who care for the disabled, the chronically ill, or seniors requiring continuous care. These

Canadians have put their family members first, ahead of their own interests, and they should be recognized.

I am grateful for the opportunity to continue the fight on behalf of parents and all caregivers who provide care in the home. The dialogue has just begun. I thank all hon. members for their interest and their support.

(1750)

[*Translation*]

Mrs. Christiane Gagnon (Québec): Mr. Speaker, I am happy to take part in this debate concerning families and particularly the twin roles played by many mothers as both educator and provider. I will thus limit my speech to families with children of school and pre-school age.

The figures on working women are constantly changing. For example, in 1969, only 30 per cent of both parents had a job, whereas in 1990, that figure had soared to 71 per cent. Thus we see that a large majority of mothers in two-parent families are now on the job market. In my opinion, this is due mainly to the financial requirements of the family. Canada wide, in 1991, 4.1 per cent of double income families had an income under the low income level.

If it were not for the spouse's wages, the rate of low income families would have been close to 15 per cent. The situation was more serious for two-parent families with children under 13. Indeed, in 1987, 12.6 per cent of them had an income under the low income level, whereas if the parent mainly responsible for child care, usually the mother, had not had a job, that figure would have been as high as 25 per cent.

So we see how vitally important it is for a large number of families that mothers work outside the home. However, this presence on the job market is threatened by some factors, including poor child care services. A background document produced by the Canadian Advisory Council on the Status of Women in 1994 revealed that, according to data from 1988, child care problems can have an effect on parents participation in the workforce and on their productivity.

It also said that those problems could affect the productivity of mothers or their participation in the workforce three times more than fathers. So, we see that families need the work of mothers and that it must be supported by adequate child care services. A second explanation of the increased participation of women in the workforce is their desire of fulfilment through a career. Women now represent the majority of B.A. holders. So, they naturally feel the need to apply the knowledge that they received during their studies.

This CACSW document provided the very conclusive results of a poll conducted on female teenagers from across Canada. Almost 90 per cent of girls in the 8th, 9th and 10th grades expected to work full time ten years down the road. Also, more

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than half firmly believed that they would work for pay long after completing their studies. So, women work to address the financial needs of their families and because they want to and can contribute to the development of society.

Having done this very brief overview of the participation of mothers in the workforce, let us examine the bill before us. This bill provides for the distribution of income among spouses, from the bread-winner to the spouse staying at home to take care of a child who does not go to school full time. The real purposes of this legislation are to create employment and free up daycare spaces, to give credit to homemakers and to enhance the quality of life for families.

Before I comment on these, allow me to review briefly the monetary situation of women living as part of a couple. In 1991, in 75 per cent of all two-income families, the men were earning much more than their spouses. Therefore, in most cases, the recipient of part of the spousal income would be the woman. I will analyze the bill with this in mind.

We do not agree with some of the intent of this bill when it comes to lowering the high unemployment level and dealing with the problems resulting from the shortage of spaces in daycare centres. Of course, these problems are real and we have denounced them repeatedly. However, they must not be used as the basis of an argument against women. Quite the opposite. We should acknowledge the problems of mothers who stay home and take the necessary action to make sure they are economically and socially equal. Women who stay home feel isolated and lack social support. They are affected by the lack of contacts with other adults.

(1755)

They are also strangers to the influence networks that are so vital to job search. We know that 75 per cent of all women who find jobs have access to a network. That is just as true in politics as it is in other areas.

We also know that the immediate result of years devoted to housekeeping and children is a considerable loss of income and various problems with re-entry into the labour force: the women need updating of skills and retraining; they have no relevant experience.

Finally, when children leave, mothers have to face the empty nest syndrome. It is true for those who are still married, but much more so for women who also face a divorce or a separation. Their emotional problems will greatly increase their ordeal before they can get back on their feet.

This bill seeks to increase the number of women staying at home. Who would benefit from such a measure? Neither women nor society in general, which would be deprived of their positive contributions. On the other hand, when we consider that families need the mother's salary, we must conclude that the proposal of the member for Mississauga-South is intended only for families

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where the father's salary is the highest of the two. The male bourgeois dream lives on.

What about the situation of women who are victims of conjugal violence? We know how determining is the control exercised over the victims in this kind of relationship. The bill provides for the spouse who works to share his income. How and when would this be accomplished? There are reasons to fear that this situation would tighten even more the financial and emotional control exerted by an abusive man over the woman who shares his life. We must be careful not to make matters worse for women with this legislation.

I tried to briefly explain the reasons why I oppose Bill C-256. I am sure the author of the bill had good intentions and was committed to improving the situation of these families. However, I think the considered changes will not do so. The evolution of society is closely linked to the improvement of the condition of women and what women want is greater financial independence. They want their specificity to be recognized, as well as their contribution to the life of their community. They want to be equal, and equality is achieved through independence, not subjugation, whether financial or otherwise.

[English]

Ms. Marlene Catterall (Ottawa West): Mr. Speaker, I want to speak briefly to the bill and express my views on the importance of the initiative of my colleague.

Those in the House who know me will know how very strongly I feel that the work I do in Parliament and on behalf of my constituents is extremely important. The work all of us do as members of Parliament is important and valuable to the country. We should never downgrade that work.

I have had a previous career in my life to which I give even more importance. That has been raising three children fortunately with, so far it seems, very good success. I will never stop saying that has been the most important thing I have done in my life. I was fortunate enough to be raising my children at a time when economically we had the choice, or I certainly had the choice without feeling I was depriving my family by staying home and raising them.

That is a choice many women do not have these days. As the member for Québec has said, the majority of women with young children are now in the workforce. Whether women raise their children on a full time basis at home or before and after completing a full day's work, it does not change the significant economic value of the work they do in raising their children and keeping their home, which receives absolutely no recognition in society.

That is the fundamental issue my colleague's bill is attempting to address. I suspect my colleague has motivations for the bill that I would not necessarily share, including encouraging more women to stay home and look after their children.

(1800)

What I do want to encourage, however, is choice for women. I want to ensure that whatever choice they make is valued by society and its economic worth recognized.

What happens now is that through family law across this country we have recognized family income and family assets accumulated during a marriage as joint and divisible assets. Unfortunately we only recognize that in reality when the marriage breaks up.

We have all followed the Thibaudeau case very carefully, the taxability of child support payments. We all know very well that there are large numbers of parents raising children after a divorce who do not receive the support payments to which they are entitled.

The fact is we do virtually nothing while a marriage is intact, when a couple are raising children together to acknowledge that the stay at home parent is contributing as fully to the economic well-being of the family as the parent in the workforce earning an income.

This is one way of trying to recognize that. I think it is important that we have this discussion because in the last few years I have increasingly heard resentment from women who are fully occupied and working full time raising three or more children. They resent that they are forgoing income to make that important contribution to the lives of their children and I believe to society. Yet because they made that choice, from their reduced income they are required to contribute to support children of other parents who choose otherwise.

That kind of resentment between women in society is not helpful to the equality of women, but it is a fact. It is a fact that will only be changed when we really address how to recognize the economic value of the contribution women make as mothers and homemakers.

This bill before us may not be a perfect solution to that but it is at least the start of discussions. The result of not recognizing the economic value of that work is far reaching and lasts a lifetime. It is a major contributor to the poverty of women that they interrupt a career, interrupt the opportunity to build a career either for a short or long period of time and they never recoup. Even if they go back into their career they never recoup economically.

As a society we want the next generation to be born, yet we penalize women who are the only half of our race capable of producing that next generation.

As I said, some of these are not the arguments of my colleagues presenting this bill. However, they are certainly mine. The result is that poverty is a women's issue and this is a cause of it. That very important work they do in child bearing and child rearing has no economic value in our society and that has repercussions throughout the workplace. It means that when women do go into paid work they tend to be slotted into the kind of work that most closely resembles mothering, looking after the needs of somebody else. Therefore, we underpay that kind

of work in the paid workforce that most resembles whatever comes closest to the mothering and supportive role. Therefore, we create pink collar ghettos in the workforce as well.

I honestly think that is only going to change when we do start addressing and valuing economically the work of women in raising children and creating a home.

(1805)

I said it lasts throughout a lifetime. One of the things I find extremely attractive about this bill is that it gives women the opportunity to provide for their own financial security in retirement. It gives them the opportunity to contribute to their own pension plan. One of the major causes of poverty among women and particularly of elderly women is that they have never had or have had limited opportunities to contribute to pension plans.

For a number of reasons the motivation behind this bill is a positive one. We also have to address in our economic accounting how we value the work of women. There is a move afoot to have the census include valuing as employment the work that women do as volunteers or at home. I support that and I hope we will do that.

There will be all kinds of economic arguments as to why we cannot do what this bill proposes. We have to start fundamentally questioning how we can perpetuate a tax system that requires depriving some women of economic recognition for the important work they do. I do not suspect we will resolve that today or in the next few months but I hope this bill has made a lot of members of the House start to think about it. I see the hon. Parliamentary Secretary to the Minister of Finance sitting close by. I hope he is listening because he is in a position to start having a positive influence in that direction.

Mrs. Sharon Hayes (Port Moody—Coquitlam): Mr. Speaker, I am pleased to rise in the House today to speak on Bill C-256 presented by the hon. member for Mississauga South.

This bill would allow one spouse to split their earned income with a spouse who is working in the home and caring for a dependent child who is not yet enrolled in full time school.

This bill responds to the growing demands of Canadians that recognition be given to those who care for their children at home.

I am pleased to speak to this bill as an MP who has chosen to be recognized as a homemaker in my previous occupation. I have not felt isolated or deprived in that role. I am pleased to speak to this bill during national family week and in this, the International Year of the Family.

The initiatives presented in this bill would meet three important criteria. It provides parents with the option of keeping one

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parent at home during the early formative years of a child's life with a tax benefit recognizing the contribution as being significant. Income splitting is an important first step forward in recognizing the financial needs of families with young children. It would allow the spouse at home to be eligible for certain pension benefits such as RRSPs.

The most important objective of this bill is that it would reintroduce choice in the realm of child care so parents can have the freedom to make decisions that are in their best interest and in the best interest of their child.

Currently the system favours those who use day care by the tax incentives provided to the spouse earning the lower income. Consequently those who have one spouse stay at home do not have the equivalent tax deductions for providing the service themselves. Coincidentally, with the high taxes they pay single income families with one spouse at home are technically subsidizing those who have two incomes and use day care along with the tax deductions.

The Reform Party considers the family to be the fundamental social and economic building block of Canadian society. We also believe that parents are the number one choice when it comes to providing the best possible care for their children. This view is also supported by the majority of Canadians.

An Angus Reid poll published in *Maclean's* magazine in June of this year stated that according to all respondents 68 per cent agree that the best type of family in which to raise children has two heterosexual parents with one at work and one at home.

Unfortunately, the majority of Canadians cannot realize this desired ideal because of the limited choice in the area of taxation given to those who stay at home.

(1810)

As a matter of fact, there is an unfair bias within the current federal tax system against two parent single income families in Canada. Currently, the lower income earner in a dual income family can claim under the child care expense deduction a maximum tax deduction of \$5,000 for a child under seven years of age, while \$3,000 per child is permitted as a deductible expense for children aged seven to fourteen.

Reform supports many Canadian parents' belief that by allowing a child care taxable benefit to working parents the federal government in essence is advocating dual income families in Canada and in so doing creating an unfair financial situation for stay at home parents.

This government has further aggravated this situation by advocating a commitment to increase the number of day care spaces every time the economy grows by 3 per cent or more. This is a commitment it will have to honour despite the fact that it will only further increase the inequities toward those who

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elect to have one parent stay at home to provide personal care for their child.

No move has been made by this government to address this serious inequality which currently exists. Therefore, the bill introduced by my hon. colleague is a very positive step in the right direction.

Until such a time as a system of flat tax can be implemented the Reform Party supports the concept of income splitting between legally married couples. No other measure of tax relief would affect the family so greatly under our current system as the ability to split income and lower the resultant tax burden. The tax savings would be particularly meaningful when one spouse is working as a full time care giver to their children.

Regardless of the employment situation of the husband and wife, the marriage union will be recognized in tax law as an equal economic partnership. Should the flat rate income tax proposal presently being considered by the Reform Party be implemented, income splitting would become largely irrelevant because individually or collectively a couple would pay the same tax.

It is also important to counter some of the criticism launched against reformers by those who claim that supporting such policies is simply a means of trying to turn back the clock and keep women at home. Quite the contrary. We are simply responding to the desires of a large number of Canadian families that would like to stay at home to care for their children if they so chose without being unfairly disadvantaged financially by federal tax laws.

We believe that if implemented correctly, measures such as income splitting will allow those parents who are forced to work because of finances the option to stay at home and care for their children.

In a recent survey conducted by Angus Reid 57 per cent of respondents thought it would be good news if the government would provide some type of financial assistance to help one parent in a two parent family stay home to care for their children.

Income splitting would have several strong advantages to those involved and some spinoff benefits for others. First, it would help alleviate the excess tax burden experienced by those single income families with one spouse at home to care for their children. Even with a maximum of \$25,000 of split income it would allow the spouse at home to receive proper benefit in terms of income and participate in simple pension benefits such as RRSPs. The tax burden on the family would be lessened, allowing for more disposable income to be spent on the very real needs of raising a family today.

Second, it would also have spinoff benefits in the area of employment and day care space availability. There is a very real need among single parents for both day care spaces and potential employment. If the spouse of a two income family leaves their job to care for their child at home this opens up a job for someone else and also creates a day care space. A single parent who wants to get off any sort of social assistance needs both of these possibilities to do so. These are very real needs for the single parent and simply creating day care spaces is only half the solution. Income splitting could provide for all components necessary in the equation.

The bill does have one apparent weakness in that it limits the deduction to those with preschool children at home. I would advocate that the bill be considered for amendment in that the eligibility criteria be extended to include those spouses who stay home to manage the affairs of the home with children who are in school. This is also an important area of parental care.

As critic of family issues I have heard from numerous Canadians across Canada regarding the issue of recognition of those who stay at home to provide care for their own children. It is also an issue in my own riding.

(1815)

Let me read from two letters I received from two of my constituents. Mrs. Andrea Jones in Coquitlam wrote to me after I was first elected, sharing her concerns on the present status of the Canadian family.

She is a stay at home mother with a toddler to care for. Her husband is employed but they are finding it very tough to make ends meet. Andrea asked for equality to be implemented within the present tax system that does not discriminate against single income families. I quote from her letter:

I understand the terrible financial mess this country is in, but I strongly feel that the subsidies enjoyed by two-income families discredits the hard work homemakers do in support of their children, husbands and community.

Andrea Jones and her husband are not asking for special treatment, just fair and equal treatment.

Sandra Boleak from Port Coquitlam also wrote to me this past spring about the need for the government to recognize the important work of those who stay at home in support of the family.

Sandra and Len have four children at home under the age of six. Sandra left her full time, good paying job in 1989 to look after her family. Since then, it has been difficult financially and the sacrifice they are making to keep one parent at home is real. She states in her letter:

When will stay at home parents' jobs be recognized and respected? Why can my husband not write me off as a caregiver as well as claim the spousal amount?

The dilemma facing parents who have exercised this choice is that they are disadvantaged taxwise for doing so. They have

chosen the preferred child raising option of Canadians and yet pay higher taxes on their earnings because of it.

There is a real need to entrench within government policy and give full recognition to the importance of family in our society. The issue of child poverty is rooted not in the issue of women's rights or even of children's rights but in the issue of the strength of families.

Government policies can actually detract from the importance of family role. It is refreshing to see a slight reversal of this trend from the government side. Perhaps this will send a loud message with a purpose to give the family back its prominence and priority within our society, and give them back the freedom to choose.

[*Translation*]

Mrs. Pierrette Ringuette-Maltais (Madawaska—Victoria): Mr. Speaker, I welcome this opportunity to support the hon. member's bill. I may add I am not so naive as to expect the Canadian tax system and the general public to support this kind of bill. However, before we have legislation supported by the majority of the people and the members in this House, we must first have some time for discussion.

In fact, this bill gives us an opportunity to look at our tax policies and consider how the Act could be amended. It may well be that at Finance or National Revenue, this kind of legislation is seen as a considerable loss of revenue. I must point out that this would only be in the short term. If we look at pension funds in Canada and the Canada Pension Plan, all the supplements paid to the spouse who was unable to take advantage of a private pension plan are so many expenditures for the Canadian government.

I think we should take a much broader view of this bill. We can take the short term view but we can also take the longer view, and I am thinking of the economic spin-offs.

As the hon. member mentioned earlier, I also think this bill raises the whole issue of recognizing the value of work done in the home, work that has a social value in Canada.

(1820)

At some point we can put a price tag on these social values. Our tax system should be able to recognize that cost, although personally, I think that women or men who decide to stay home do so as a matter of choice or personal emancipation. There are people who function extremely well in the home, although unfortunately, I am not one of them. I notice my colleagues are smiling, but I think we must recognize the value of work done in the home.

I would even say that in this initial bill, perhaps we should have considered all children, not only children of pre-school age who are still at home. In the current context, all levels of

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government and Canadian society as a whole urge children to take some responsibility for caring for their parents and grandparents.

When care is given to a child, a teenager, an adult or an elderly person, there is an intrinsic social value that should be recognized. I think it is the right time to start this debate on the value of the Canadian family and the individual. I think it is the right time and also the right week, since this is National Family Week. My family includes my parents, grandparents, children, spouse and in-laws. They will be glad to hear that!

I think it is high time, when we are talking about updating all our social programs in this country as well as a review of our tax system in the short, medium and long term, I think it is high time to get this debate going. I may be naive, but I believe that Canadians across the country will be very pleased to have an opportunity to discuss this value and to ensure perhaps that we can create a very just society, one that will be even more just and progressive than it is now.

[*English*]

Mr. David Walker (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I welcome the opportunity to participate in the debate. I would like to thank the hon. member for Mississauga South for raising these issues through Bill C-256.

While I appreciate the intent of the bill I have some serious concerns with the proposal. I would like to bring to the attention of the House and the very many members who are interested in this three concerns.

First, I believe it would reduce tax revenues at a time when our fiscal position precludes any erosion of the tax base. Second, I do not think the proposed amendments to the Income Tax Act will deliver the anticipated benefits. Third, this bill could have negative consequences that may not have been anticipated by its sponsor.

Parents among us will know that raising young children entails unique expense. I personally fit into one of those families where one parent works and we have two young children at home. Expenses can put significant pressure on a family's income. Fortunately these expenses are recognized by the Income Tax Act. For example the child tax benefit provides financial assistance for low and middle income families with children. A supplement of \$213 is provided for each dependent child under seven.

This measure is directed particularly to those families where one spouse stays at home to care for preschool children. Tax relief is also provided to working families through the child care expense deduction which helps to offset day care costs. Recognizing that the cost of child care is higher for preschool children the limits on the deduction are higher for children below age seven.

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(1825)

This bill proposes additional measures to assist families with preschool children. Under the proposed bill families could reduce their tax burdens by transferring \$25,000 from a working spouse to a spouse who is managing the family home and is caring for at least one preschool child.

The bill is intended to provide several benefits for families with young children. As I understand it the intent of the bill is that many spouses with low incomes could then afford to quit their jobs, stay at home and care for their children. This would reduce the family's child care expenses, free up day care spaces, and create additional employment. The hon. member suggests that all this would happen at no material cost to the government.

Let me suggest some revenue losses. The revenue losses associated with this proposed measure would actually be substantial for both levels of government. In fact the Department of Finance estimates that the revenue losses for federal and provincial government could approach \$1 billion annually.

Here let me remind all members of Canada's fiscal challenge. On a per capita basis we are one of the most indebted nations in the industrial world. That national debt built up by governments spending more than they earned limits our ability to create new jobs and sustain economic growth. It pushes up interest rates, hampering investment, and hindering our ability to succeed and grow in a world that grows more competitive with every passing day.

In short, any measure before us must be evaluated in terms of whether it adds to our deficit and the tax burden it imposes on all Canadians. Unfortunately the proposal would likely do just that. To implement Bill C-256 without affecting our financial position, we would either have to increase other taxes or find corresponding expenditure reductions elsewhere. Ironically, these revenue losses would occur because the proposed measures would not solely benefit those families to which they are directed.

In particular tax benefits would flow to families not currently saddled with day care costs. Instead thousands of families where one spouse already stays at home to provide care for young children would automatically receive the tax savings. In these cases no additional day care spaces and no additional jobs would be freed up.

In addition, revenue losses could occur if Bill C-256 increases the tax benefits to working couples without actually changing their working status. For example, consider what would happen if proposed tax savings were greater than the value of the child care expense deduction they currently claim. Some two-earner families might then forgo claiming the child

care expense deduction to remain eligible for the measure proposed in Bill C-256.

There are other unintended consequences that passing this bill could impose. Among them is the fact that eventually families which benefited from the proposed measure would suffer a significant drop in disposable income.

The income drop would occur when their children began full time attendance at school. At that point these families would no longer be eligible to split the income of the higher earning spouse. The resulting tax increase would reduce their disposable income.

Significantly, the income drop would arrive when the family could least afford it. Again, as parents among us will know the costs of raising children increases as the children grow older.

Of course one could argue that to cover these increased expenses the stay at home spouse could merely go out and find a job. Unfortunately as the 1.5 million-plus unemployed will tell you it is not all that easy to rejoin the labour force, particularly for someone re-entering the workforce after a protracted absence during which skills have either been diminished or become obsolete.

In conclusion, the issue of support for families and especially for children is one that the Minister of Human Resource Development is considering as part of his wide-ranging proposals for renewal of our social safety net. We should not undertake this process with legislation that could well miss the mark.

While the intent of Bill C-256 is admirable, I believe its flaws severely outweigh its benefits.

The Deputy Speaker: Colleagues, it is almost 6.30. The hon. member for Mississauga South will close the debate.

Mr. Paul Szabo (Mississauga South): Thank you, Mr. Speaker. I want to thank all hon. members who took part in the debate. It is obviously very important that we have this exchange of ideas.

The one area that I have to comment on is the intervention of the parliamentary secretary. The parliamentary secretary unfortunately took an early memo that was prepared by staff and signed by the minister and sent to me using a billion dollar figure. Subsequent to that we have had numerous meetings to discuss the real finances.

If we compare what the real finances are to what the parliamentary secretary has said we find a substantial difference.

In fact the billion dollar figure assumes that every stay at home parent who is presently there would take advantage of this bill but nobody else would, in which case it is a full drain. It also does not eliminate all those parents that either make too little

and are in the lower tax brackets or too much to even qualify. That reduced the figure to about \$500 million.

They gave no credit for the creation of child care spaces. I wonder whether or not the parliamentary secretary would agree that if the government is prepared to spend \$12,000 per space to create child care spaces, some credit ought to be generated by those who free up those spaces.

The government used figures when it discussed with me in the worst possible case. This is the fiscally responsible thing to do. I hoped there would be some movement, some understanding that in fact there is real value for work in the home to be recognized. It is an honourable profession. Some tax reform is going to be necessary sooner or later. I want to assure the House that I for one am not going to stop fighting on behalf of all caregivers, whether they be parents working in the home, the seniors, the chronically ill or the disabled.

The Deputy Speaker: The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1) the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

PARTY FUNDRAISING

Mr. Jean-Guy Chrétien (Frontenac): Mr. Speaker, last March, when I supported the motion of the hon. member for Richelieu on the financing of political parties by individual contributions only, I said then that attitudes had changed and that people were now willing to accept major changes in the way political parties were funded.

This is still my opinion and, even though the motion from my colleague was defeated, many among the hon. members of this House are willing to democratize our electoral system.

The vote was significant, since 85 members from all political parties sided with the hon. member for Richelieu and asked for a modernization and cleaning up of our political practices. They, too, wanted an end to an influence peddling which is always unsound in a democracy. They no longer accept that conflicts of interest interfere in Canadian political life. Like the hon. member for Richelieu, they asked this House to legislate, once and for all, on the financing of federal political parties to limit contributions to private individuals.

That was their reason for supporting the motion. They will not be able to do what some Liberal members from Quebec did the last time, that is reject the motion offhand or abstain, like the hon. member for Bonaventure—Îles-de-la-Madeleine, refus-

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ing to take side. This is a disgraceful and unforgivable behaviour, especially coming from Quebecers familiar with the provincial legislation and in a good position to judge its effectiveness as a basic means of political democratization—

The Deputy Speaker: Order. Does the hon. parliamentary secretary wish to raise a point of order? I am sorry, points of order are not allowed during adjournment proceedings. The hon. member can go on.

(1835)

Mr. Chrétien (Frontenac): Mr. Speaker, I recognize in you an upright and honest man who assumes the responsibilities of his position. That is to say that if those members have voted against the motion, it is because they still support the slush funds, rewards for services rendered and permanent conflicts of interest.

Those members see nothing wrong in the fact that T'Ang Management Limited, a company on which we have no information, gives generously—and I would ask the hon. member for Kingston and the Islands to listen carefully to this—\$216 000 to a political party present in this House. They see nothing wrong in the fact that the Royal Bank of Canada and the Toronto Dominion Bank gave this year \$192,300 to the Conservative Party and \$166,300 to the Liberal Party. Those members approve the contributions made by Dominion Securities, Wood Gundy and Richardson Greenshields, who gave three quarters of a million dollars to the two old political parties, that is \$447,700 to the Conservatives and \$304,500 to the Liberals opposite.

And this is only the tip of the iceberg. Mr. Speaker, if you will give me just a few seconds, because you have sort of cut my time earlier. Canadians are not taken in. They know full well that a political party who receives thousands and thousands of dollars from those financiers will have to give them thousands and thousands of services at the expense of the collective wellbeing.

In conclusion, we often hear that members of Parliament have no credibility left. It is aberrations like these that kill our credibility. As a member whose hands are free, I resent these malversations by members who collect hundreds and hundreds of thousands of dollars from one source.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, as I told the member for Frontenac, I have great trust in your ability in the Chair, but the problem is that in the course of his remarks he commented on the way one hon. member voted and this is contrary to the Standing Orders of the House. I am quite sure that it is not allowed.

In any event, I have the pleasure to answer a question he raised in this House a few days ago. I respect the vote of the members who supported the setting of a \$5000 ceiling on private contributions to federal political parties as well as the limitation of financing by corporations. However, the motion presented by his colleague and put to the vote on September 20, 1994 was

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rejected by the majority of members in this House and I believe that he too respects the decision of the House.

The motion raises two important questions. The first one is whether private individuals should be the only ones allowed to make contributions to federal parties. The Canada Elections Act sets no restriction as to the kind of person allowed to contribute to a registered political party, but prohibits contributions from foreign sources.

Therefore, except for foreign sources, any individual, corporation or union may contribute to a registered party. He wants to change this because in Quebec the law is different. I believe that this is not a good enough reason to change the federal legislation, especially since we are having no problem whatsoever with it.

This question has already been looked into in the past. The Royal Commission on Electoral Reform and Party Financing, in short the Lortie Commission, recommended against prohibiting contributions from corporations, unions and other organizations, except if they came from foreign sources. The commission's conclusion was based, first, on the role that historically organizations such as unions and corporations have played in the Canadian political process, and, second, the danger to divert to third parties funds which otherwise would have gone to political parties; and finally, the possibility that restrictions might be challenged under the Charter.

The second question was whether the contributions to political parties should be limited to \$5000. The hon. members will

have noticed that the Canada Elections Act sets no such limit. However, the Lortie Commission recommended against setting a limit on contributions to registered political parties because, as it said: "There is no compelling evidence that the number and value of important contributions may lead to influence peddling". Moreover, it would be extremely difficult to enforce such a limit.

While considering the two questions raised by the motion, the hon. members should bear in mind that the Canada Elections Act already contains numerous safeguards protecting our electoral system.

I am sorry that time does not allow me to explain what they are, but I am certain that if the hon. member attends the proceedings of the Standing Committee on procedure and House affairs when we review the Canada Elections Act in the near future, he will be able to hear a lot of explanations on this subject.

The Deputy Speaker: I will look into the question raised by the hon. parliamentary secretary and, if necessary, I will get back to the House on this point.

Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.42 p.m.)

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