

# House of Commons Debates

VOLUME 133 NUMBER 128 1st SESSION 35th PARLIAMENT

OFFICIAL REPORT (HANSARD)

Tuesday, November 22, 1994

**Speaker: The Honourable Gilbert Parent** 

# **HOUSE OF COMMONS**

Tuesday, November 22, 1994

The House me	t at 10 a.m.	
	Prayers	
[English]		
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#### POINTS OF ORDER

OFFICIAL OPPOSITION

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Madam Speaker, I know one does not normally comment on the presence or absence of someone in the House, but we have just convened Parliament without any presence of the official opposition. I am not referring to a member. This may have happened before but I wonder if it is appropriate.

The Acting Speaker (Mrs. Maheu): I am sure the hon. member recalls that we do not refer to the presence or the absence of anyone in the House.

**Mr. Lee:** Madam Speaker, if I might on the point of order, I want to state clearly that I am not referring to the presence or absence of a member. I am referring to the apparent complete absence of the official opposition from the proceedings of the House today.

The Acting Speaker (Mrs. Maheu): Any 20 members compose a quorum in the House and we have that. I would like to proceed with tabling of documents.

# **ROUTINE PROCEEDINGS**

[Translation]

## GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36(8), I am pleased to table, in both official languages, the government's response to petitions.

[English]

## **PETITIONS**

RIGHTS OF GRANDPARENTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Madam Speaker, pursuant to Standing Order 36, I have the honour this morning of presenting petitions on behalf of my constituents for the right of grandparents to gain access to their grandchildren through an amendment to the Divorce Act.

**GUN CONTROL** 

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, pursuant to Standing Order 36, constituents of my riding of Okanagan—Similkameen—Merritt are adding to the growing number of people who are concerned about the intrusion of government into the rights of ordinary, law–abiding citizens.

This intrusion is in the form of adding to the already stringent gun control legislation in Canada. Canadians are clearly saying that we have a crime problem, not a gun problem.

The petitioners are calling on Parliament to oppose further legislation for firearms acquisition and possession, and to provide strict guidelines and mandatory sentencing for the use or possession of a firearm in the commission of a violent crime.

I agree with and support the petitioners and urge the government to reconsider its position.

## QUESTIONS ON THE ORDER PAPER

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

Mr. Scott (Skeena): Madam Speaker, I rise on a point of order.

On May 3 of this year I put Question No. 47 on the Order Paper. It asked for information relating to the travel and entertainment expenses of deputy ministers in the years 1991, 1992 and 1993. A part of the question was tabled sometime last week by the Parliamentary Secretary to the Government House Leader. Since an Order for Return was issued, I am asking when we can expect to have the report for 1991 and 1992?

(1010)

**Mr. Milliken:** Madam Speaker, I know the hon. member is apparently dissatisfied with the very lengthy response he received to his important question.

It was tabled as an Order for Return of the House and it applied only to the third year of the three for which he asked. Naturally the government is anxious to provide all the information it can to the hon. member. I express my concern that the answer was apparently incomplete when we received only the one year.

I was informed that the cost of rooting out the other years is very substantial and that unless the hon. member is quite insistent on getting the answer that it would not be forthcoming because it would cost so much to get it.

Might I suggest that if the hon. member is serious in wanting this additional information, I have no objection to getting it for him at some cost. I am quite prepared to request that it be provided.

I would suggest that since the question has been made an Order for Return and the return has been tabled, it would be appropriate for him to put the question on the Order Paper again, at least in relation to the two years for which he has not received an adequate response. I would then instruct officials to get the necessary information to the hon. member.

The Acting Speaker (Mrs. Maheu): Is this on the same point of order? This is not debate.

Mr. Scott (Skeena): Madam Speaker, yes it is. It is not on debate.

I appreciate there may be some cost associated with the government tabling the information in the House. However it is important for the Canadian people and for accountability that we do see the information. I would ask the government to pursue the information with the appropriate officials in the government.

The Acting Speaker (Mrs. Maheu): Shall the remaining questions stand?

Some hon. members: Agreed.

# **GOVERNMENT ORDERS**

[English]

# **SUPPLY**

ALLOTTED DAY—MEMBERS OF PARLIAMENT RETIREMENT ALLOWANCE

Miss Deborah Grey (Beaver River, Ref.) moved:

That this House urge the government to replace the current members of Parliament retirement allowance plan with a pension plan that reflects the current norms for private sector pensions, with a maximum contribution in accordance with the Income Tax Act.

She said: Madam Speaker, I am very pleased that we finally get a chance to debate this matter in the House. Yesterday trough day arrived and we see the important need for changes to the members of Parliament pension plan.

It is unfortunate that the government did not live up to its red book promise and make the changes before trough day yesterday. That certainly would have sent the signal loudly and clearly to the Canadian public.

The Members of Parliament Retiring Allowances Act is a very modest statute introduced in 1952. In the last dozen years or so it has become really divisive. It is destructive. It is an unfair and detested piece of legislation in the eyes of most Canadians.

I draw the attention of the House to a report that was just brought in by a commission to review allowances of members of Parliament. This plan was started in 1952, which is interesting because that is the year I arrived on the scene as well. We might take notice that the prime minister of the day, Louis St. Laurent, said they wanted to make sure what was happening in those days in terms of the public service made it impossible for somebody who was serving as a member of Parliament to provide adequately for his later years.

I appreciate that pensions are good things. A pension scheme is not wrong at all. But this particular MP pension is a "scheme a dream" when you think about what has gone on in the last several years to make sure MPs look after themselves. We need to come up with a plan that is fair and is going to sell itself to the Canadian taxpayers who are funding the pension plan.

(1015)

I do not consider myself nor do I consider my friends across the aisle, who have just qualified for trough day yesterday to get an MP pension, later years. March 13 is my date coming up, and I make full awareness to the people of that. I mentioned it in Question Period the other day. If the government does choose to put in MP pension reform I find it very strange that it would do it to its own members to make sure that they were in safe as of November 21. I have a feeling that it is going to make changes before March 13 so that I may be set up as the fall guy. I do not mind being set up as the fall guy if there are going to be substantive changes to the pension plan. We want to see that.

I am being assured by my friend across the aisle that they will look after that or they will look after me. Nothing makes me more nervous than having Liberals say that they are going to look after me. I will look forward to any remarks in the future from the member for Kingston and the Islands when he discusses this plan I am sure later.

I might also mention that my friend from Kingston and the Islands will qualify if he lives to age 75 and all goes well for him and he will stand to gain \$1,061,976. That is not a bad pay out at all.

You can see that this is a rather touchy subject across the aisle, Madam Speaker, and you are on the list as well of benefiting.

Yesterday the class of '88 qualified for "Lotto for Life", reveals editorial comments across the country. We saw yesterday such descriptions as outrageous, gold plated, golden parachute, inflation proof, pension paradise and probably the most descriptive and graphic of all, hog heaven.

I know there are many members across the aisle right now who are just dreaming of the day when they qualify for hog heaven. They need to be re-elected one more time.

Is this divisive, is it destructive and is it detested? Yes to all of the above. This does more to divide parliamentarians and taxpayers who pay the bills for these parliamentarians probably than anything else. We see that this is a system in which members of Parliament are totally exempt from everyone else in the country. As my friends know, many of them have been in other professions before. They will know clearly that this pension plan is more, bigger, better, higher, everything else, overbloated, than any pension plan they could have ever bought into when they were working in the private sector. They know it, we know it and the people who pay our bills know it.

My friend across the aisle says that is not true. There is not a pension plan in this country that pays dividends of employer—employee ratios of approximately six to one. I would like to bet on that and I am looking forward to the members bringing that to our attention in debate as well as proof.

We are demanded in this country as parliamentarians to put in 11 per cent of our earnings. We have no options on that. We must put in 11 per cent of our salary toward the MP pension plan.

I am a member of the Alberta Teachers Association and we put in \$92 a month to our pension plan. That was in the regular private sector. I am forced by the Members of Parliament Retiring Allowances Act to put in just under \$600 a month out of my salary. Somehow that means that we are putting in a lot but the government kicks back far more than it puts in. For instance in Canada we are demanded, as I just said, to put in 11 per cent of our earnings. It is mandatory, there are no options about that. We qualify then for a minimum pension after six years of service. Madam Speaker, you know that, I know that and the Canadian taxpayers who pay the bills know that. As of age 60 it is fully indexed to the cost of living allowance—very expensive.

Let us look at the United Kingdom. Its members put in a 6 per cent contribution level and are eligible after age 55 or age 60 plus years of service equalling 80. That looks very fair. Most of

## Supply

them are full time. I suspect anyone in public life serves full time regardless of the number of hours they put in a week.

Let us look at the United States. People who serve in Congress in the United States have to put in a 1.3 per cent contribution level. They qualify at minimum age and serve age 62 or age 50 plus 20 years of service. This looks like something that is a little fairer, a little more level than the pension plan that we have now.

(1020)

I suspect from the amount of noise across the aisle perhaps we have touched a raw nerve here. That is fine. Touch nerves we will.

The plan that the premier of Alberta has just brought in has in effect blitzed members of the legislative assemblies. My friend across asked me to talk about double dipping. We are against double dipping. When you are in one level of government, you may not collect a pension for another level of government.

We are asking this government to make sure that it follows its red book promises. I suspect these will turn out to be red face book promises very soon.

The members of Parliament retiring allowances plan simply must be replaced. There are two aspects to this, the first is the retiring allowances act which lets members contribute up to 2 per cent years of service on earnings on the limit up to 75 per cent. This first account under the whole retirement allowance plan qualifies as a registered retirement allowance plan under the Income Tax Act. That is fine, nobody has any problems with that, I suspect even new MPs in the House.

If the MP pension plan were restricted to this first account, the taxpayer would not complain because our plan would then conform to normal public service plans. The problem is the second part of this, the retiring compensation arrangement account, the RCA. I am reminded of the old ad, they really are now RCA victors as of yesterday. That is the account that leads one to question the judgment and fiscal integrity of those who put it in place and subsequently defended it.

This account draws contributions from members in the government that exceed the 6 per cent limits prescribed by the Income Tax Act. I have one word for that, shame. Shame on a government that would continue to do that and bring it in. It pays benefits prior to the age and length of service required by the Income Tax Act to allay accusations of one set of tax laws for ordinary Canadians and a different set of tax laws for parliamentarians.

The pretence is that these payments are as is said in the study, a retirement compensation allowance to compensate members for the volatile tenure of their jobs. There is not a job in this country that does not have volatile tenure. This is one of them

but this is certainly not the only job in the country that has volatile tenure for sure.

I am splitting my time with the member for Calgary West, and therefore I would like to just finish up by saying that this program is wrong. It needs to be changed. The government promised it would change it. It did not do it by November 21, trough day. Come on, colleagues, this is the time to take action on this. Let us do the honourable thing. Let us make sure that we get this thing changed. It is unfortunate it has lost so much credibility with the Canadian public and taxpayers. Now is the time to get our trotters out of the trough. It has to be very soon.

Mr. Silye: Madam Speaker, on a point of order, we intended to announce prior to the first speech of the member for Beaver River that we would be splitting our time on this debate, 10 minutes each. We would like to put that request in now.

**Mr. Stephen Harper (Calgary West, Ref.):** Madam Speaker, I am rather surprised that there are so few questions while there were so many while the hon. member was speaking.

In any case, I am rising to discuss the MP pension plan and just to summarize the obscenity of this plan as the hon. member for Beaver River pointed out. There is a benefit rate of 5 per cent, two and a half times the average in the private sector. There is virtual full indexation, 78 per cent of private plans have no automatic indexation whatsoever. Age of retirement based on years of service, could be at any age, could be as young as 24. Ninety—one per cent of all private sector pensions have a retirement age of 65. Contributions are well in excess of anything allowed under the Income Tax Act and there is the ability to have another federal job while collecting the pension.

All of these things are opposed by the Reform Party and have been opposed for some years now. Our blue book makes clear that we would change virtually all aspects of this plan including the fact that present beneficiaries of the plan should share in part of the costs of those changes.

Let us recognize that under the present plan we have accumulated a liability of \$220 million that is growing rapidly and this liability can barely be touched unless some of these changes are applied to present beneficiaries and to those who are presently qualified. Some will reply that this is unfair on a number of grounds and I want to address those changes to really understand the nature of that kind of argument.

(1025)

First of all, the statement that this would be retroactive is not true. Retroactive changes are changes to law at a prior time and no one is suggesting that. We are suggesting that there would be retrospective changes which legally speaking are changes that would only affect the future consequences or only affect the future expectations of law from a prior time which is common to virtually all legislation.

It has also been suggested that these are contractual obligations that are somehow sacrosanct. There is no contractual obligation here. Let us be absolutely clear about that. The MP pension plan is a legislative privilege. Section 42 of the Federal Interpretation Act makes it clear that Parliament has the authority to revoke, restrict or modify any privilege or advantage by repealing or amending the statute that granted that privilege.

The MP pensions were not entered into on a voluntary or commercial basis. There were not even two parties in this case. This is a case of politicians voting something for themselves, something that there was absolutely no reasonable expectation that their contributions would give them.

It has been suggested that it would somehow be inherently unfair to make MPs change their pension plan. In response to that I believe fully and our party believes fully that contributions should be protected. To the extent that MPs have contributed the value of those contributions should be protected. Let us also be clear that contributions to the plan account for less than 20 per cent of the benefit. There is absolutely no fairness in providing such a windfall benefit at the expense of taxpayers.

In terms of charter arguments there would be absolutely no evidence, notwithstanding the pleadings of the Deputy Prime Minister, that members of Parliament or politicians in general constitute a disadvantaged group in our society.

There is no fairness also in suggesting that all of the reduction in pension benefits should fall upon those who are serving now or who may serve in the future. There is no fairness in my view in suggesting that future or present MPs, once the rules are changed, should be treated differently than past MPs. That kind of objection goes more broadly to a philosophy that states that only younger people should pay the costs of the present financial situation in the country, an implication that I reject entirely.

What are the implications of the kind of argument against these changes and these retrospective changes? What these people are really saying is that we can change virtually any plan in this country but not the MP pension plan. The previous government changed old age security to provide a clawback. This Liberal government has not seen fit to change that. Previous governments changed their obligations on equalization payments to the provinces. They changed their obligations and payments in health, in post–secondary education, none of which this government has reversed. This government has also made it clear that it is contemplating changes to RSPs, so far as to even

contemplate confiscation in some cases of certain portions of private savings.

Yet the argument would go that MP pension plans are somehow sacrosanct. This is a completely untenable position. It is another example of the House of Commons suggesting that it should protect itself above all else. Just as we see today where the procedure and House affairs committee is suggesting that we should protect the size of the House of Commons from reduction, we should not share in the general downsizing of government here, we are seeing a similar argument with the MP pension plan.

The Prime Minister early in this Parliament promised or said that MPs should be able to opt out of the plan. As the member for Beaver River pointed out, we are now paying 11 per cent of our gross salary which only covers less than 20 per cent of the plan to pay for the extravagant pensions of those who are already receiving it. This is something we as Reformers object to. Of course we would like to see a fair plan but we are prepared to arrange for our own private savings.

(1030)

The question is: Why is the Prime Minister delaying? I believe it was August 3, 1993 that the present Prime Minister called on Kim Campbell to recall the House of Commons and make changes to the MP pension plan and he wanted it done in one day. He said it could be done in one day. Now 400 days later nothing has been done and nothing in particular has been done on his promise to allow MPs to opt out of the plan.

Why is he so reluctant? The reason is very simple. The Prime Minister knows he made a mistake in suggesting that MPs could opt out of the plan. He knows full well that if any MP in this House opted out of such an obscene and indefensible arrangement the political pressure on other MPs would virtually force every other member of Parliament within one term to drop out of the plan if they were considering seeking re–election. The Prime Minister knows that.

I urge government members not to be so critical and to read the motion. The motion is quite reasonable. In principle it is not unlike what the government itself suggested during the election. I would suggest that government members consider this very carefully. Forget the fact that some of them have big dollar signs in their eyes now and in their dreams. Just remember that the motion is quite reasonable, vote for it and indicate to the Canadian people that all parties are prepared to make a change to this unjustifiable arrangement.

**Mr. Ted McWhinney (Vancouver Quadra, Lib.):** Madam Speaker, I have a question for either the hon. member for Beaver River or the hon. member for Calgary West.

Supply

Accept for argument's sake that in juridical terms what we are dealing with is not a constitutional right, because unlike the United States constitution the Canadian Constitution has no contract clause. We are dealing with a constitutional privilege.

Is it the thrust and intent of the motion not merely to cover presently operating privileges as to pensions but those that might be said to be in a private law sense to have already vested, that is to say, contracts already entered into? The argument as presented would seem to suggest that this should apply both retrospectively and prospectively in the full sense. I wonder if that is in fact the intent and purpose of the amendment.

Mr. Harper (Calgary West): Madam Speaker, I appreciate the question.

The member for Vancouver Quadra will understand that today we are not discussing a formal amendment or legislation but merely a motion that we bring the MP pension arrangement into line with private sector standards.

In terms of my own address I was talking specifically about broader Reform Party policy which has suggested that changes to the MP pension plan should apply retrospectively as well as prospectively. Once again I would defend that very clearly on a number of grounds. The most important is that this was not a voluntary transaction and not a transaction with any defensible commercial basis. Any privileges that have been gained through this legislation well above and beyond what could be expected from MPs' own contributions should not be protected in law, not for past members nor for future members.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, I note my colleague said in his address that over 400 days ago the Prime Minister had said he was going to make a change to the MPs pension plan. By way of comment I draw to the attention of the House that he cancelled a multibillion contract on helicopters just like that. He cancelled the Pearson airport deal which was in the hundreds of millions of dollars just like that.

I wonder if the member has any idea why in the world the Prime Minister would not have done something about the MPs pension plan when it is the number one item on the hit parade. The people in my constituency tell me and other members in my party tell me that when they get to their constituencies it is the number one issue that stands between them and their constituents in spite of the fact that our party is attempting to do something about it.

(1035)

I find it absolutely amazing that there are only 52 members in this House of Commons who find that to be true. I wonder if that is possible.

**Mr. Harper (Calgary West):** Madam Speaker, I cannot read the Prime Minister's mind but it is evidently clear that within

the government caucus there is more support for preservation of the MP pension plan than for respective certain private and voluntary contracts.

In the case of the cancellation of the helicopters the government has fulfilled its contractual obligations. Of course in the case of the cancellation of the Pearson airport, the government is actually trying to block the right of those people involved in that contract to even seek some kind of compensation through a court process. That seems particularly ridiculous when in the case of the MP pensions it is fairly clear from my office's study that if retrospective changes were to be taken to court there would be very little likelihood that MPs would be successful in achieving these gross privileges they had voted themselves in the past.

I cannot entirely explain the government's motivation, but I would repeat once again for the hon. member and for other members across the way that it would be in the interests of all parliamentarians if the government would vote for the motion and proceed on a plan that gave realistic and defensible benefits to members of Parliament.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, it is my pleasure this morning to address the House on this opposition motion presented by the member for Beaver River.

The motion says that this House urges the government to replace the current members of Parliament retirement allowance plan with a pension plan that reflects the current norms for private sector pensions with a maximum contribution in accordance with the Income Tax Act.

Perhaps before discussing the content of the motion itself we could spend a moment talking about what brought us to this discussion today. I have a theory and members across are free to disagree with it. I believe it is reasonably easy still, although somewhat less than it was a year ago, to bash anyone in public office. Perhaps that is fair game. We certainly should not be immune to criticism, all of us who have chosen to seek public office or to serve in this very honourable House.

Miss Grey: We are not bashing; we are bashees as well.

**Mr. White (Fraser Valley West):** Now we are going to justify it.

**Mr. Boudria:** Madam Speaker, I see I have already provoked a few cat calls from across the way. I also am of the opinion that the mistakes of previous governments, particularly one regime that was turfed out, should not be equated with criticism against the institution itself or those who now serve in it.

I believe firmly in what I call the John Diefenbaker way of looking at it. There is no greater honour for a Canadian than to serve his or her fellow citizens in the highest court in the land,

the Parliament of Canada. I have said this in previous Parliaments and I will say it again in this one.

I came to Parliament Hill on October 25, 1966 as a busboy. I am very proud of the fact that I managed to climb more rungs in the ladder than those who started in the middle of it. I am very fond of that and I am not ashamed of that background. On the contrary, I use it to illustrate what a great country this is when someone can start with such humble beginnings and end up a member of Parliament. In my case I am presently the chief government whip, thanks to the decision of the Prime Minister on September 15.

**Miss Grey:** We are talking about pensions here.

(1040)

**Mr. Boudria:** The member across the way says she is talking about pensions. I know exactly what she is talking about. She is talking about the compensation offered to MPs, those things that bring us to Parliament and those benefits that are accorded after one leaves. That is exactly what I am talking about as well.

There is a one man band in this country, the David Somerville band. The one man band calls itself the National Citizens' Coalition. It is not national and it is not a citizens' coalition. It has nothing to do with anything of the sort. It is a business operated by one person who puts ads in the newspapers inviting Canadians to give him money. He says he is going to use that money to buy some more newspaper ads to fight the causes he says he is fighting. How much money is that person paid? No one knows. How much money do Canadians give him to fight these causes which he says are legitimate? No one knows that either.

## [Translation]

Members opposite are saying this is not someone who holds public office. I never said he was. In fact, I made it clear at the beginning of my speech that he had his own business. I did not say he held public office; hon. members opposite should have listened more carefully.

This individual takes advantage of the Canadian people, who are often taken in by his malicious attacks against those who serve in this House, and he puts ads with little pigs in the newspaper, urging people to send them money. That is his way of getting rich, not his way of defending the interests of Canadians. Let us be clear about his agenda.

[English]

Miss Grey: We are talking about MPs pensions from the inside.

**Mr. Boudria:** The hon. member across is heckling that we are talking about MPs pensions. I am talking about the guy who put the ad in the paper about the MPs pensions, if the member was listening.

The Reform Act of 1830 in Britain was passed to do essentially three things and it is part of our Constitution in Canada. It was passed to widen the franchise to enable more people in Britain to participate in the democratic process. It was also passed to do away in large measure with what were called rotten boroughs and to enable different constituencies to have equivalent representation or close to it in the British House of Commons. Also it was to give salaries to members of Parliament in Britain so that not only the rich could be MPs. Not only the rich. That is an important issue.

The member across keeps heckling that is salaries. A salary is part of what an MP gets to do his or her job in this place.

Some years ago when the same Mr. Somerville put one of his ads in the newspaper I challenged him. I appeared in a television debate with him. I demonstrated to him that I had served as a civil servant for many years and when I had withdrawn from the civil service pension plan I was forced, and I say forced, to withdraw my contributions to the plan.

Miss Grey: You cannot do that with this.

**Mr. Boudria:** Yes, as a matter of fact one has to withdraw their contribution if one has not reached the amount required to obtain a benefit. The member is completely wrong.

I was forced to withdraw my contributions to the plan without interest, or I think I received 2 per cent. That was in 1981 when the interest rate was something like 18 per cent but I received 2 per cent on the money I had invested. I put that in a registered retirement account.

I debated with Mr. Somerville and said: "Mr. Somerville, I will make a deal with you. If you think my MP pension plan is so great, you can run against me in my riding and if you think your plan is so great maybe the people will vote for you. Alternatively, I challenge you to do the following. Let us calculate it and see, Mr. Somerville, if a registered retirement savings plan given to MPs"—which is what he was advocating at the time with employer–employee contributions—"would be richer or poorer than what we have now". I challenged him. I said: "Do it for me. If your plan ends up being better than what I would get out of a retirement plan of the kind we now have for MPs, I will resign". It was the opposite. In fact I could easily demonstrate that in my case I lost quite a bit.

(1045)

Miss Grey: Is the challenge still on?

**Mr. Boudria:** The member across used figures selectively a while ago. When referring to the member for Kingston and the Islands she said that he was eligible for a given amount of pension, therefore this was an unfunded liability of some millions of dollars, which she demonstrated.

# Supply

That is hopelessly wrong for a number of reasons and members across know it. First of all, the unfunded liability is based on two premises. One, that the person would retire immediately and live until age 75, which may be the case. Of course, not too many members have resigned yet today even though it so-called trough day for 52 of them.

Miss Grey: They qualify now. It is kick-in day.

**Mr. Boudria:** If the member across will stop interrupting just for a minute or so, she will know that the second proposition is even more important. That is the fact that the whole unfunded liability business is based on the assumption that no new member would ever be re–elected to make contributions toward the plan.

**Mr. White (Fraser Valley West):** It is so different now that we are Liberal, eh? Now that we are government.

Mr. Boudria: I do not know what the people across are advocating, but I personally am not proposing to end parliamentary democracy in Canada today. I would imagine that whatever plan there is, there will be new people to contribute to it and that the unfunded liability is just a bunch of nonsense perpetrated by Mr. Somerville and now—

Miss Grey: Do you challenge Mr. Somerville again today?

**Mr. Boudria:** I have challenged Somerville many times. I have debated him on television. Members across have seen this.

Mr. Ramsay: Unsuccessfully.

**Mr. White (Fraser Valley West):** Now that we are government things have changed.

**Mr. Boudria:** That is not to say that we should not amend the member of Parliament retirement plan. As a matter of fact, in the book "Creating Opportunity", we have said the following:

[Translation]

The pension regime of members of Parliament has been the focus of considerable controversy. It is now the subject of an independent review.

Members opposite asked what the government is waiting for. Two studies were ordered: one, under the previous government, was the statutory review conducted after each election, and the other one was done by the former Prime Minister. We were waiting for the results of these two studies. We have received them, and the Prime Minister said he would table amendments in the House.

I will read some more from the red book:

It is now the subject of an independent review, which Liberals support. We believe that reform is necessary.

Whatever the results of the independent review, a Liberal government will reform the pension plan of members of Parliament to end "double dipping". Members of Parliament should not be able to leave office and receive a pension from the federal government if they accept a new full-time paying job from the federal government.

[English]

That is an important point. How many of the members who are making these remarks today have said that some members of Parliament are receiving pensions from the federal government and are here as MPs. That is double dipping.

Mr. White (Fraser Valley West): No, it is not.

**Miss Grey:** No. You are an MP first. It is when you are an MP first. That it is double dipping.

**Mr. Boudria:** How about those who used to work, not to name them, for Transport Canada?

**Mr. White (Fraser Valley West):** Can you redefine double dipping?

**Mr. Boudria:** That is an interesting proposition. I just heard the member across say that someone who is an MP first cannot double dip to be a civil servant later, but that someone who got a public service pension first can double dip and be an MP later. That is what I just heard the member for Beaver River say.

Mr. Harris: You have to get elected first.

Mr. Boudria: If that argument works for you, Madam Speaker, it does not work for me. It is illogical. A double dipper is a double dipper as far as I am concerned. If we are to end double dipping, it applies whether someone is a general, a colonel, an employee of Transport Canada, a retired MLA or anyone else.

Miss Grey: Or a busboy.

**Mr. Boudria:** Double dipping is double dipping. If that displeases the hon. member for Beaver River—

Mr. Harper (Calgary West): That is not what the red book says.

**Mr. Boudria:** The red book says clearly that there should be no double dipping from the federal administration.

Mr. Ramsay: Give it up, Don. You are losing, Don.

**Mr. Boudria:** We will see a little later how some MPs in this House react when the government's initiative is announced.

[Translation]

Finally, I want to talk about the salaries of those who serve in this House and compare them with salaries in other professions. We already know that according to a study by the OECD, Canadian parliamentarians are paid the lowest salaries of any G-7 country.

(1050)

We also know that, in Ontario, mayors of large or mediumsized municipalities earn anything from \$63,000 to \$155,000, police chiefs make \$90,000 a year, school principals in Toronto, \$88,000, company officers \$90,000 in small companies, \$98,000 in slightly larger ones and \$118,000 in large companies.

[English]

In terms of professionals here are some salaries: journalists, \$60,000; accountants, self-employed, \$76,000; lawyers, \$98,600—

Miss Grey: What do they get for pension?

**Mr. Boudria:** —dentists, \$108,400; judges, \$112,100; and doctors, self-employed, \$121,100. That is the cash compensation. If we include other benefits such as pension contributions they vary and bring some of these salaries I have just listed as high as \$139,000 and \$144,000 in some of the executive positions.

I thank the member for Beaver River for heckling that particular one. I would not have thought of bringing the total compensation to public attention.

## [Translation]

I would like to read from two editorials, Madam Speaker. The member opposite said that every editorial writer was against the members of Parliament retirement plan. I submit to you that it is not the case. Let me share the following with you.

[English]

This editorial from the February 27, 1992 *Hill Times* says: "The Canadian legislator has long since given way to the professional politician. Without an adequate salary and pension plan the only people who would apply for the job today would be the wealthy, the well networked corporate union types, the weak-willed who would use the position to line their own pockets". That is what one editorial said.

## [Translation]

I would like to read this other commentary, which is dated November 21, 1994. It was signed by Dr. Clinton Archibald, political scientist and professor at the University of Ottawa. In a piece entitled "Nos riches politiciens" (Our Rich Politicians), he states that the problem with the charges made by the coalition is that they rest on the premise that it would be to the advantage of the public not to pay its elected representatives well; if that were the case, we would have only one class of members in Parliament: already well–off individuals representing money interests only or aspiring to do so to compensate for their slender income.

Not all editorial writers, not all Canadians are against paying a decent salary to their elected representatives. Yes to pension reform. The Prime Minister announced that it was forthcoming. Yes to all of that, but no to holding the position that all parliamentarians should be entitled to is a paltry salary, paltry compensation, thereby allowing only the rich to be represented in Parliament.

[English]

Are amendments necessary? Yes. Are we going to make changes? Yes. Should MPs be paid less? No. MPs should be paid a decent salary to do the work that is necessary to be done. I do not apologize for working hard for my constituents. They pay me well for it. I work hard for them.

We announced in the book "Creating Opportunity" that we were going to change the plan and we will. Therefore, I move:

That the motion be amended by deleting all the words after the word "reflects" and by substituting therefor the words:

"the commitment made in the document entitled "Creating Opportunity, the Liberal plan for Canada"".

The Acting Speaker (Mrs. Maheu): I would advise the hon. government whip that I will reserve my decision on the acceptability of his amendment and I will come back to him in a very few minutes.

(1055)

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Madam Speaker, I listened in great agony to the member for Glengarry—Prescott—Russell. While I was listening it reminded me of the days when I was a young lad working on a farm in central interior B.C. My job that summer was to clean out the stables. Listening to the hon. member speak, what he was saying bore a huge resemblance to what I was throwing out of the stables that summer.

I want to touch on a couple of points. The hon. member for Glengarry—Prescott—Russell made a statement that there is no greater honour than to serve the people. He referred to the right hon. prime minister of the past, Mr. Diefenbaker. I would say that there is no greater disgrace in the House of Commons than the MPs' pension plan as it currently stands.

We may serve this House as MPs with the honour of serving the people, but that is counteracted. Any pride we may feel in this House is counteracted by this obscene MPs' pension plan. But this government refuses to change it. It says it is going to do it. When the Prime Minister was in opposition he said he could do it in a day. Now 400 days later we are wondering how long his and his government's days are.

The hon. member who just spoke, and I would like to just put this on record, has been in the House 10 years. If my arithmetic is right, and we will give him the benefit of the doubt, he has probably contributed about \$75,000 to the pension plan, averaging \$7,500 a year. If he retired tomorrow, and let this go on the record for all the people of Canada to see, for a \$75,000 investment he would collect \$2,152,672. Such a deal, such a deal. It is no wonder the Liberals do not want to change the pension plan.

Supply

The hon. member also referred to the NCC. He said the Canadian people were vulnerable to malicious, hugely disparaging ads by the NCC that exposed this pension plan. What the Canadian people are most vulnerable to is the constant cash grabs by the government to pay for these things. That is what they are most vulnerable to.

Let us clarify this double dipping phrase once and for all. Obviously the member opposite is very confused about what the Canadian people think about double dipping. That is not surprising. This government has a habit of not listening to the Canadian people. The Canadian people hate double dipping which specifically refers to someone who serves in the House of Commons for six, ten or fifteen years, is paid reasonably well as an MP and then is eligible to collect this gold–plated pension.

They collect the pension. As a matter of fact, the hon. member has been here 10 years and he could collect a pension of \$33,540 a year starting next month. The member retires and of course his Liberal pals are still in government. What happens is he gets appointed to a key government position. Now he gets a salary from the same government he just retired from. He is getting \$33,540 a year in pension and now he is eligible to get whatever in his new job.

That is double dipping. Let us be clear about what Canadians think of double dipping.

(1100)

I am sure that today is going to be a fun day on this subject. I encourage more comments from the Liberals although they have an indefensible case. I am sure there will be some more rhetoric and more stable waste coming from the other side of the House today before we are through.

**Mr. Boudria:** Madam Speaker, I will try to be polite with the member in spite of what he has just said. I do not think his questions are horse manure. He has a right to ask whatever he wants no matter how objectionable I privately think his questions are.

I was asked if I contributed approximately \$75,000 in capital to the MPs pension plan. That is probably true. I have no idea. I never counted it. We can phone some place in the comptroller's office and someone can tell us. It could be true.

He would however not take into account interest accumulated on capital. If one added that based on the basic five-year GIC rate, I would suspect that the \$75,000, if it is the proper amount, is probably worth somewhere between \$150,000 to \$200,000 right now. Even invested in a GIC, that amount would generate probably \$15,000 or \$12,000 a year. I do not know what it would generate. That is not the point.

The point is that I am not retiring. I know it saddens members across the way, but I will not quit. I am not retiring. I was not elected to retire. I was elected to serve. Maybe that is a concept that shocks members.

I can understand why Reformers are just a little defensive concerning double dipping. They say it is okay for someone to receive a federal government pension and to serve in the House at full salary later but not the other way around. Could the reason why the argument is presented in that way by them is because they have dissension in their caucus with at least three double dippers at the federal level that I know of, two of whom are sitting in the Chamber right now as I make this speech. Duplicity, thy name is Reform.

**Mr. Jim Abbott (Kootenay East, Ref.):** Madam Speaker, I will try to bring a civil tone to this debate. I absolutely agree with the hon. member that it is an honourable calling to serve the people of Canada.

Yesterday I was in a high school in my constituency. As I was in a junior high school telling people about the honourable calling that I had undertaken and trying to get these young people involved in the democratic process, this subject was raised by the students.

I suggest to the hon. member that he should be proud of working his way up the ladder. I suggest to the hon. member that all members work hard for the people of Canada. Why is it then that the government side refuses to make these changes within a responsible, reasonable time when the Prime Minister, then the opposition leader, said in August 1993 that he was going to be making the changes. However he does not do it but he does wipe out contracts worth billions of dollars, making all sorts of changes.

When the member says the NCC is simply conducting malicious attacks against members, I suggest that the NCC is drawing to Canadians' attention the fact that the members have a gold–plated plan that is unacceptable.

I wonder if the member would agree that perhaps his way of handling the problem would be for the legislature to outlaw criticism of the pension plan? Therefore we could get on with life. Is that the way we should do things?

The Acting Speaker (Mrs. Maheu): Time has almost expired.

Mr. Boudria: Madam Speaker, I will be very brief. I know that this hon. member knows much better than what he has just said. I have the highest respect for that member. He knows that no one is advocating that Mr. Somerville does not have the right to state the nonsense he is stating. He has absolutely that right. This is a democracy. But I also have the right to say what I think of him just as he has the right to say what he thinks of all of us. I will continue to do that because that is my right. We have not refused to deal with this issue.

(1105)

Members will know of the two reports presented in the last Parliament and they will know of the Prime Minister's commitments, some of which were made as late as yesterday in the House of Commons. The member knows deep down what the Prime Minister said.

Mr. Abbott: Four hundred days.

**Mr. Boudria:** The member will know that approximately half of that time was taken up with the two reports, one ordered by the previous government and the other one which is statutory. In any event it is going to be done.

I do not know whether it will please the people across the way. It will perhaps please that member.

Miss Grey: It will please the people.

**Mr. Boudria:** Not all of them. Certainly I will make one guess. It is going to make a few double dippers angry.

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker, don't we have an interesting debate going today? It is funny how the affairs of men have changed when they become government, isn't it?

We listen to the hon. member justify how hard he works, which is important, and how he justifies living off the Canadian taxpayer through the pension plan. I am going to address double dipping, among other things.

Perhaps Liberal Party members could ask themselves what is the difference between the MP pension plan and Lotto 649. The difference is risk. There is risk in getting Lotto 649, a payment for life, but there is none in the MP pension plan. Are there not all kinds of taxpayers out there ready and willing to pay now?

I want to address the red book and the blue book for a moment. We have heard so much about this red book. Canadians should think back to how long they have been hearing about this red book. They have been hearing about it since the election. It was written during the election to sell taxpayers on what they wanted to hear.

The blue book is the Reform policy document. Canadians have been hearing about it for years. That is the difference between a party of commitment and a party that wants to come to Ottawa and sell the folks on an election every five years. That is the difference.

Now that they are the government, here we go. We are going to hear more speeches from these folks. We are going to hear all about how we can justify through hard work a pension plan.

There were a number of major issues during the last election. I would suggest the finances of the country was the number one issue. Other issues were the criminal justice system, the problems with immigration and the fact that Parliament needed an overhaul through things like recall and free votes and so on.

There were two issues that the people put before the politicians. One of them was the Senate. The people were saying: "Either toss that group out or elect them". The other issue was: "What about MP pensions?"

We have elected the Liberals. We have a majority government. What are the Liberals going to do? They have put three, count them, of their party hacks in the Senate. I congratulate the Liberals. They have done exactly what the Canadian people did not want. Now we hear today about the Governor General's appointment. I believe he has some affiliation with the Liberal Party.

The second issue was the MP pension plan. Virtually every Canadian told politicians to do away with it. What happened? The Liberals said they were going to study it for a year. What do the Liberals over there have to study? We already know what is wrong with it.

There was reference to the study. By the way, that study was supposed to cost around \$150,000. I could have provided the service for very little. It finally ended up costing, if you can believe it, a little over \$200,000. One can check the firm who did it to see if they have any affiliation or made any contributions to the Liberal Party. I know what the relationship is.

(1110)

Here we are at trough day yesterday with 52 who are already jumping into the trough. What have they told the taxpayers? Where are they over there?

**Miss Grey:** The one that supports MP pensions.

**Mr. White (Fraser Valley West):** The one who supports MP pensions.

The Acting Speaker (Mrs. Maheu): I am quite sure the hon. member is well aware that we do not refer to the presence or the absence of members in the House.

Mr. White (Fraser Valley West): Madam Speaker, I love a crowd, that is all.

We have told the people in Canada that we are going to ignore the Senate. We will do what we want on that, although they wanted some changes in it during the election. We are going to ignore the MP pension plan. We are going to make some very small changes to it. Just watch, when the changes come out to the pension plan and see what we get. We have got 52 already qualified, so they will do all right.

I have actually had some personal experience in developing pension plans. I have developed a pension plan. It is a money purchase plan. It is significantly different than a defined benefit plan. I do not want to get into the details because I do not want to

#### Supply

take the time. I am having too much fun having a little discussion on some of the other things.

I want to talk about the defined benefit plan for a minute. I will read for clarification. They calculate pension benefit payments according to a defined formula. That is what is basically and inherently wrong with this MPs pension plan:

These kinds of plans become more difficult for employers to administer. Uncertainty in financial markets, changing rules and regulations and problems in dealing with actuarial surpluses and liabilities have made defined benefit plans consistently more risky.

Indexing, cost of living increases and so on lead to a deficit in the MP pension plan. We have to make up a deficit, of course, at some time or another. That is another whole lesson these folks have to learn. They are not doing well at that.

We had an actuarial adjustment to the MP pension plan of \$158 million. That is okay. Just throw the \$158 million into the pot for them, because it came from the taxpayer.

Let me give a little lesson to the folks next door. I will say it like this. "If you continue to think the things you thought, you will continue to get the things you got". That is saying they had better focus on the future, because they are continuing to go the same way as the Conservatives and the Liberals before them. Nothing has changed. They had better learn.

Personally, when I came into the House as a member of Parliament I asked to be relieved of the pension plan so that I would not have to pay into it. I wrote the comptroller a letter and asked him: "Is it possible to get out of this ridiculous plan?" Here is the letter I received:

I am writing with regard to your letter of December 7, 1993, in which you indicate that you do not wish to contribute to the retiring allowances accounts under the Members of Parliament Retiring Allowances Act. However, pursuant to the Members of Parliament Retiring Allowances Act, members are required to make pension contributions based on the amounts payable by way of sessional allowance.

Therefore, we are unable to accede to your request and will continue to deduct your pension contribution until such time as the existing act is amended.

Here is the part I like:

I trust the above will be to your satisfaction.

(1115)

It is not to my satisfaction. It will never be to my satisfaction and it will not be to the Reform Party's satisfaction. It will change. It must change. It has to change. I replaced a fellow in my riding 52 years of age with 18 years of service. He is now picking up \$46,803 a year from the taxpayer. That is only about \$2 million if he gets a little older. What the heck, we are only taxpayers out here, folks.

I just cannot understand. I guess it is because when the Liberal Party is in opposition it says: "Ah gee, all these things are wrong. They have to change. The pension plan is exorbitant. We

do not deserve it". However, when it gets over there: munch, munch, crunch a munch at the trough.

[Translation]

Mr. Ghislain Lebel (Chambly, BQ): Madam Speaker, Bloc Quebecois members find this morning's debate a little funny because we do not intend to stay here very long and will not need the pension plan. Quebec's representatives will certainly leave this chamber before long; we predict that it will happen in 1995.

However, what I find really funny this morning is what I could call Reform's self-flogging exercise over salaries. These people, who engage in grandstanding at the drop of a hat, regularly come here to talk about cutting the salaries of overpaid members, despite last year's Price Waterhouse study stating that members of the House of Commons are underpaid.

Strangely enough, we do not hear much about the members of that party who collect both their salaries as members of Parliament and their pensions as former army generals or members of provincial legislatures.

What is the point of this? I wonder how sincere they are when they make such comments. Could it be that they found a cheaper way to engage in grandstanding? The day when a member of the Reform Party can prove publicly that he has decided not to collect the various pensions accumulated in the armed forces or elsewhere, he may earn the respect of the other members here today.

Furthermore, I wonder if the money they will save on voluntarily uncollected pensions will be spent on enlarging prisons, since they are so keen on incarcerating people for longer periods. Their right—wing policies are not very consistent with what they said this morning.

So until Reform members can prove that they are acting in good faith and that those eligible have voluntarily forgone the benefits accumulated in other pension funds, allow me to question their good faith and their honesty in this House.

[English]

Mr. White (Fraser Valley West): Madam Speaker, there is one thing I agree with, the statement by the hon. member from the separatist party that he does not plan to be here too long. I can agree with that. We hope he is not here very long either.

I really think the question was about the savings that we get from this pension plan. I do not know if the hon. member heard but we are actually borrowing about \$40 billion a year to run this country. We are spending \$40 billion more than we take in. I kind of think it would be a good idea, although it is hard to convince the Liberals about this, to try to pay that down. What do you think of that? Maybe we could just try to balance the budget for a change.

It is not just a matter of taking the money from some of these ridiculous accounts and trying to find out what to do with it. This is a very principled issue. The question is whether or not people after six years of service anywhere deserve a pension as exorbitant as this one. The answer according to the taxpayer is no, so why do we spend all of this time trying to coax this government into change? We should not be here doing this. Everybody in this room knows that these changes have to be made and there should not be debates.

(1120)

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Madam Speaker, when I was getting ready to come to the House today to speak I turned on the parliamentary channel and I listened to the member for Glengarry—Prescott—Russell. As a result of listening to what I think was fairly accurately described by my colleague from Prince George, I found it necessary to change a lot of what I was going to say.

The hon. member suggested that this is an honourable profession and that it is great of us to be here, him included. In the same breath he went on to talk about the remuneration of an MP and the benefits, referring to it as "those things that bring us here". Perhaps that is what brings members of the Liberal Party here but I can assure you, Madam Speaker, that it is not what brings members of the Reform Party here.

He also discussed at length the concept of the RRSP as an alternative to the MPs pension. He talked about the suggestion that this is what should be done with our pensions. Then he put out a challenge to the gentleman who raised this, suggesting that if he can show how he could make more through RRSPs and this type of thing that he would in fact resign. It would be wonderful if we could bring that about.

That being what it will, he is suggesting he wants the maximum dollar he can get, the maximum benefits. The only way he is interested in change is if we can prove to him that he is actually going to get more. There is no intent of sacrifice there, no intent of recognizing the financial situation Canada is in, only will he make more if we make some change in that direction.

He then went on to suggest that it was a red herring, that the Reform was cooking up false numbers because there really is no deficit in the pension plan, that although people retire and get these huge gold–plated pensions there are more people coming into the House and as a result they will pay in and this will make it all right.

The member obviously does not know anything about the concept of cumulative effect. In fact that may well explain why we are five hundred and thirty-some odd billion in debt and going up at the rate of almost \$1,500 a second because of the cumulative effect not only of the overspending by the Tories in the last nine years but the Liberal Party before that.

The cumulative effect is if a member retires and starts collecting this money and is relying on those people now in the House to make that payment, which I might add is what is destroying the Canada pension plan, then the problem is that that first member who retires is still collecting while the second member retires and joins him at the trough. This is the problem with the type of system we have now.

The hon. member suggested that this is part of the remuneration package. It is an unreasonable, unrealistic way of trying to compensate people for coming to the House of Commons. A realistic way would be if a member simply got a responsible proper amount in terms of annual compensation. The difference between that and what we are getting right now is the fact that no matter what you pay a person, it stops when that person stops making his contribution. If it becomes a matter of a difference in salary or a matter of a shared contribution to an RRSP, the government's obligation ends when that person ceases to be a member of Parliament but the member then benefits from whatever resources were built up during that period of time.

I heard about double dipping from the same member. There are two things I would like to say with regard to double dipping. I am glad to see they are talking about the concept of looking at double dipping for those people who come here, leave, collect a gold–plated pension, and then get appointed to a government board. He referred to three people on this side of the House who in his opinion are double dipping. I am not one to hide behind anything. I believe I am one of those people he referred to.

(1125)

In looking at double dipping let us first look at the type of concept by which he suggests I am double dipping and the actual benefit that I receive.

First, I am getting a pension as a result of having worked as an air traffic controller for twenty—two and a half years. In addition to the normal amount that people pay for their superannuation contribution, I paid an additional 2 per cent of my gross salary for what is referred to as an early retirement benefit. That is something that I paid over and above the normal superannuation deductions for the benefit of being able to retire early from a profession in which very, very few ever make it to full retirement.

In addition to that 2 per cent I paid, I took a reduction of 20 per cent of my calculated pension because I retired early, over and above the extra 2 per cent that I paid. I have paid well and good for the benefits that I receive.

Let us look at those benefits. I worked 22.5 years as an air traffic controller. After 22.5 years I have a pension of approximately \$17,000 a year.

#### Supply

As did other members, I replaced a member in order to come to this House. The member for Kootenay West—Revelstoke that I replaced after two terms of office collects a pension of \$27,000 a year, 70 per cent more than I get for 22.5 years of service as an air traffic controller. I think the hon. member might take this into consideration both in terms of pointing the finger over here at people like myself with regard to double dipping and, second, in regard to trying to defend the justification and reasonableness of a pension plan that pays someone after two terms of office \$27,000 when someone who worked 22.5 years paying 9.5 per cent of their salary receives \$17,000. There is something far apart.

Everyone who works in this House, except for MPs, the clerks at the table, the Sergeant-at-Arms, all the people who work in the House who make the machinery work, who work behind the scenes, what do they have? They pay 7.5 per cent, two thirds of what an MP pays. What benefit do they get for that? They get 2 per cent per year based on their best six year average. What does an MP get? He gets 5 per cent. If we were trying to do it in proportion it would reduce the MP's pay to 3 per cent. They cannot retire until they are 55 years of age. They cannot get any pension whatsoever if they retire before age 50. If they retire after age 50 they lose 5 per cent of their calculated pension for each year they are short of age 55.

When you start drawing the comparison to what everybody associated with the government, every single person with the exception of the MPs and of course those in the other place gets, the pension they get is wholly out of line. It is out of line with industry and it is out of line with every other single person in government.

I would suggest that the government look very closely at changing the whole concept of the program of pensions for MPs. It has to change it to a system that is based on the benefit due a person for the work they do while they are here that allows them to put away for their retirement. God knows, the way the government is going there will not be any other kind of pension available through the government.

We are telling people that they are going to have to reduce and we have to start doing it ourselves. Adjust it so that whatever payment MPs receive from the pension plan stops when those MPs stop serving the Canadian public. They will then make do with the resources they have developed as a result of putting money aside, as most people in the public have to do.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, the difficulty the Liberals are having with this whole concept is the fact that at this moment our nation is under a tremendous amount of stress in terms of how we are going to fund the social programs, how we are going to be able to fund health care and how we are going to be able to fund the entitlements that people in Canada have become used to.

(1130)

We are not here to necessarily defend all of those entitlements as they presently stand but the point is people in Canada are being told by the Liberals that there are going to be cutbacks.

The members will know that daily the members of this House receive the publication called *Quorum*. I was just flipping through it and I noticed a headline saying "New Brunswick welfare changes foretell the human resources minister's thinking on social program reform".

I wonder if they cannot understand or why they cannot understand that when the finance minister is one of the 52 who was named yesterday, when members of these committees sitting on the Liberal side going around the country saying that there are going to be cutbacks in entitlements, there are going to be increases in university tuitions, but not me. That is the ultimate NIMBY and I do not think the people of Canada are prepared to accept the ultimate NIMBY. I wonder if the member has experienced the same kind of frustration that I have in my constituency of people saying this not in my back yard philosophy is not good enough when members of Parliament are not prepared to stand up and be counted.

**Mr. Gouk:** Madam Speaker, I have had a great deal of dialogue with people on a variety of subjects in my riding, as many of us have done. It is very frustrating that we are placed in this position in which we have to go out to the public and say we are cutting back on these services and we want you to identify to us what you are prepared to give up.

We are looking at cutbacks in some types of pensions, various types of services that we are going to not only be willing to but are able to offer to the Canadian public. It is very hard to stand there with a straight face and tell the public this when we are faced with the kind of gold plated benefits that are currently available to people in this House.

These are the types of things that we have to address. I am one of those people who take a 10 per cent reduction in my pay. I do it through donations to charities within my riding. I do not do this because I think MPs are overpaid, far from it. Those MPs who do their job, truth be known, are probably underpaid in general terms. Most of us do not come here for money, we come here to serve. We can serve the Canadian public best by leading by example and that is what our motion is all about.

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Madam Speaker, it gives me great pleasure to address this House on the issue of MP pensions. This is an issue that is of great concern to me.

**Mr. Harper (Calgary West):** On a point of order, Madam Speaker, I wonder if you could verify your rotation list. We just

had two speakers split their time on this side and I did see the parliamentary secretary who wanted to speak.

The Acting Speaker (Mrs. Maheu): There has been an agreement with the Reform Party and the Bloc to allow four Reformers or two slots to go to the Reform Party. This had apparently been worked out prior.

**Mr. Hanrahan:** As I was saying, this is an issue that is of great concern to me, to the Reform Party and to all Canadians.

This pension plan is indefensible even in good times when Ottawa vaults were overflowing and the public was feeling wonderfully generous toward its politicians. In bad times such as we experiencing now when many Canadians are suffering and the government is hard pressed to fund basic programs the MP pension plan amounts to little more than highway robbery.

When I say I know that Canadians truly do want the MP pension plan reformed, I am speaking from results of my constituency survey which I conducted in my riding of Edmonton—Strathcona in the spring of '94. The responses were overwhelmingly in favour of pension reform. When the constituents were asked the question at what age should an outgoing MP be able to collect a pension, 97 per cent of all respondents said that an outgoing or retiring MP should not be able to collect their pension until age 55.

(1135)

Even more convincing is the fact that 75 per cent of my constituents think that an outgoing MP should not be able to collect his or her pension until after his or her 60th birthday.

A second question that was asked regarding MP pensions was after how many years should an MP serve before being eligible for a pension. The results again were staggering in favour of pension reform. A hundred per cent of respondents said that a minimum number of years should be no less than eight. Eightyone per cent felt that the minimum number of years of service should be no less than 16. The answers to these questions are a far cry from the present situation which is in place today.

It is important to illustrate a few facts about MP pension plans, as it will clearly illustrate why pension reform is needed. First, pensions are payable immediately upon retirement after only six years of service no matter at what age an MP retires or is not re-elected.

Second, payments continue even if the ex-MP holds another government job which we refer to as double dipping. Third, pensions begin at \$23,390 per year and increase 5 per cent per year of service to a maximum of 75 per cent of average salary. Fourth, inflation indexing kicks in after age 60 and finally, MPs pay 11 per cent of their base salary into the pension fund, the government matches this amount and covers shortfalls, an unfunded liability which cost the Canadian taxpayer nearly \$160 million in 1992.

By no means is this list inclusive. These are, however, the few items that are of grave concern to me. I have stated in this House repeatedly that Reformers have come to Ottawa to make a difference and I think we have.

We also feel that one way to do this is to ensure constructive criticism and offer an alternative to the status quo of the government. I can honestly say that I am offering the Liberals an alternative to the status quo simply because they are doing absolutely nothing in terms of legislation reform regarding the issue of MP pensions or for that matter any issue.

This Liberal government seems stuck in the perennial rut of talk, talk, talk and discussion paper after discussion paper. The Liberals state in their red ink book: "A Liberal government will reform the pension plans of members of Parliament and put an end to double dipping". After 392 days in government I can see that this was truly an important commitment of the Liberals as we have seen absolutely no legislation and little or no talk about MP pension reform.

Obviously the current Prime Minister has forgotten about his challenge to the former Prime Minister in which he challenged her to recall Parliament if she were truly serious about pension reform: "reforms would pass in one day". The only time the Liberals speak on pension reforms is when they are responding to our questions. Even then all they do is respond with rhetoric and Liberal double talk.

I was right in saying the other day that Liberals are no different than their Conservative predecessors. They may even end up like them after the next election. In the meantime they are all talk and no action.

(1140)

We on this side of the House know that this government is stalling on the issue of pension reform. Perhaps it is because the Liberals are concerned about having to take another Reform policy such as they have done in the past on issues such as the Young Offenders Act, parole reform, criminal justice reform, debt and deficit reform and let us not forget immigration. All this stalling is doing nothing but costing the taxpayer more and more every day.

We all know yesterday was, as the National Citizen's Coalition called it, national trough day as another group of 52 MPs of all political stripes became eligible for this outlandish and extravagant pension plan which could collectively amount to approximately \$53 million if all of these MPs quit today and lived to the age of 75.

While the average citizen in Canada must work 35 years to accumulate a pension, the average MP must work six years. The gold plated MP pension plan should be renamed from pension plan to cash for life rip off of the Canadian taxpayer. This plan is

Supply

perhaps one of the federal government's most offensive examples of government waste.

What strikes to the core of the issue is the fact that we as parliamentarians have to set an example for all Canadians and stalling on issues such as pension reform is no way to lead by example.

Because of time constraints I realize I cannot mention everyone who is presently sitting as an MP who is eligible for a pension. I believe that I have not only a duty but an obligation to point out a few of the more offensive potential payouts of certain members of this House.

The member for Winnipeg South Centre, initial benefit of over \$59,000 annually, will have a total potential payout of over \$2 million. The member for Glengarry—Prescott—Russell, initial benefit of \$33,000 annually, will have a total potential payout of \$2.1 million. The member for Hamilton East, initial benefit of almost \$35,000 annually, will have a total potential payout of over \$2.5 million. The member for Lac-Saint-Jean, initial benefit of over \$26,000 annually, will have a total potential payout of almost \$1 million.

Perhaps I have left the greatest sanctimonious display to that of the NDP, a party that claims to speak for the common man and social equality, while the total payout for the member for Saskatoon—Clark's Crossing will be approximately \$1.2 million. The member for Winnipeg Transcona will have \$3.4 million.

We could go on and on. Just when voters think that they have the final word it turns out that politicians had the last laugh.

Highlights of the 1993 election will illustrate the point. One hundred and thirty—four of the two hundred MPs who were defeated or resigned before the election had complied with the minimum six years of service necessary to qualify for a pension. We must stop this insanity today. We must reform the MP pension plan now.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, on this matter of MP pensions, there is no question that the members have raised an issue which has been raised to all of us by our constituents. However, I note that throughout the debate the members continue to provide figures but they have not explained how those figures were arrived at.

(1145)

Would the member not agree it is somewhat misleading not to let the Canadian public know that members of Parliament must contribute to their pension plan? In fact that contribution is 11 per cent of their \$64,400 salary. That means they are contributing over \$7,000 a year. The calculations members are putting forward also assume the member takes early retirement after six years and then receives that pension until age 75 or later.

Mr. Silye: They get it for life.

**Mr. Szabo:** They get it for life but the calculations that have been provided as examples really go up to age 75 as an average mortality rate.

Would it not be fair simply to put all of the facts on the table? Most members are not here just to be here for six years. They are here to serve, as the member said; they are here to do a job. In many cases as we can see in this House that job goes on for 20 to 25 years. Those members of Parliament who serve their country, which presently is at a salary of \$64,400, have forgone the opportunity of their best earning potential during their career lifespan to serve in this House.

I wonder if the member would like to comment on whether or not the facts really are on the table and whether or not the full compensation of the members of Parliament ought not to be considered.

I personally agree there should be changes to eliminate the double dipping scenario. There should be changes to the date at which a member would qualify. I know the government has committed to making those changes and that those changes will be forthcoming at Christmastime. That is the undertaking this government has made to Canadians. We have listened and we are going to make those changes.

However let us never forget that members of Parliament are also family members. They have children. They have mortgages to pay. They have the ordinary costs of anyone else and they are entitled to a fair and reasonable compensation. As the member well knows all of the recent third party studies show that the contribution of members of Parliament in comparison with the corporate sector make their jobs worth at least \$100,000.

Would the member not agree that certain facts have not been put on the table? If he wanted to be fair with all Canadians he would make sure they had all these facts.

**Mr. Hanrahan:** Madam Speaker, it gives me great pleasure to respond to that question.

The key words the hon. member used were ordinary Canadians. Ordinary Canadians average 30 to 35 years before they receive a pension. Ordinary parliamentarians average six years. It would irritate ordinary Canadians to receive after 35 years what we receive after six years. I do not think the average Canadian would accept this in any manner, shape or form.

Mr. Jim Silye (Calgary Centre, Ref.): Madam Speaker, one year ago Canadians sent a clear message to Ottawa that they were tired of the status quo, hypocritical politicians. They subsequently voted in 205 rookies to the 35th Parliament. My speech is to the rookies. My message: Let us not let the veterans corrupt us.

When the voters fired the former frontbenchers, former backbenchers and former prime ministers, they took away their power but for most not their paycheques. We will be paying them for the rest of their lives millions of dollars. We as taxpayers will be paying 30 per cent of the average of the last six years of their salary.

The issue before us today is the MP pension plan, technically described as the members of Parliament retirement allowance and retirement compensation allowance. Combined, the two plans force members to contribute 11 per cent of their salaries toward their retirement, or should I say toward an annual annuity one month after they leave public office regardless of age.

(1150)

The result is a plan that is fully indexed, completely immune to inflation and payable for life with only six years of service required. Not bad. A lifetime annuity worth about \$19,000 plus, and a minimum collectable whether you are 35, 25 or 65 years of age or over just 2,100 days on the job.

For an MP to receive such a generous amount after only six years of service is ridiculous. The Government of Canada must contribute 5.85 times what the members put into the plan to meet the payments. I would suggest that in the very near future this ratio will continue to rise as more and more MPs are retired when voters vote with their feet, unless members pay more into the plan.

I submit this is why so many Canadian taxpayers are upset with MP pensions, considering them both unfair and unrealistic. What plan anywhere in the private or public sector in Canada or in any of the other G-7 countries that this government so proudly likes to compare itself to has such an overly generous matching amount from the government side?

In the name of justice and fairness I urge the government to correct this inequity immediately. What I am saying today is no different from what the Prime Minister when he was leader of the opposition said on August 13, 1993: "We will change the MP pension in one day". He has been here for one year and he has not done a thing except talk about changing double dipping and raising the age.

If that is all he is going to change, it is not enough. It is the overly generous matching contribution by the government that is annoying to the taxpayers of this country. That is what we cannot get through the heads of those Liberal members on the opposite side. I plead with them to show some leadership by example like Reform Party members.

We have all pledged not to take an MP pension in its current form. Yes, we pledged. The Liberals who are here can laugh, but we have pledged that because we want to show leadership by example. Some of us want to opt out of this current type of plan, but the fact is the government will not let us.

Many of us whether we can afford to or not have also taken a 10 per cent pay cut. It is not because MPs make too much money, but because as leaders we know that Canadians will need to sacrifice in the near future and we are prepared to lead by example at the top. Whether it is one of us, 52 of us or 35 of us is not the issue. As long as there is someone willing to lead Canadians will have hope. The Reform Party is here to provide

that leadership. We challenge government members to follow our lead, because simply put, it is the right thing for them to do especially when we are asking Canadians to sacrifice.

How can the Minister of Human Resources Development talk about reductions in social spending, welfare, education and UI without mentioning his own unemployment insurance scheme, the MP pension plan? What will he reduce there?

How can the minister complain about 25,000 auto workers withdrawing \$70 million annually from the UIC fund when taxpayers paid out an estimated \$158 million in 1992 to cover revenue shortfalls in the MP pension plan to which the Liberal member pointed out earlier we contribute 11 per cent? That is not enough for what you get out. It is topped off in excess of \$2 million every year to do exactly what the Minister of Human Resources Development is criticizing the auto workers for. That is hypocrisy.

How can the Minister of Finance talk about taxing RRSPs without addressing his own retirement compensation allowance that taxpayers fund more than he does on a disproportionate basis which is not even allowed in the private sector? This is a minister of the crown.

The hypocrisy of the Liberal government on this issue is truly disheartening. It promised to address MP pensions. It promised to let us opt out and it has not. It has had the report in hand since March with specific recommendations but has done nothing. Instead it has waited for 52 more MPs, 46 of whom are Liberal, to qualify for the golden parachutes.

The majority of Reformers who have taken a 10 per cent pay cut are also denied access to the 11 per cent the government takes out of their pay to fund retired MPs pensions. That is 21 per cent or over \$1,000 a month less than any one of the Liberal members opposite get in their paycheques every month. That is what we are sacrificing to show leadership to the country to get everybody to participate in the deficit reduction program.

The government is hurting our cash flow and all its members do is laugh. Well, let them laugh because he who laughs last laughs hardest. Is it any wonder then why some of us on this side of the House question the blindness and stupidity of the government on this issue?

Let me outline the Reform Party's position on MP pensions. We would end full indexation of these pensions. We would postpone eligibility for benefits until at least age 60, with eligibility further postponed by the amount of time in which the person has already been paid prior to age 60. We would also

## Supply

subject the MP pension plan to a tax back according to a formula identical to that of the old age security program.

(1155)

The Reform caucus has already approved the concept of privately purchased MPs pensions under which future RRSP contributions for sitting MPs would be matched by the government up to the legal limit for contributions. After eliminating the gold plated pension plan this House could agree to a proper and balanced compensation package that would be more palatable and compatible with Canadian taxpayers.

Here is my personal recommendation, which is certainly debatable, but should satisfy our critics and possibly have all the rookies in this House vote in favour of our motion: Individual citizens from time to time wish to enter the public sector to help shape legislation and make a contribution to Canadian society. It is desirable to attract individual citizens from all walks of life to Parliament regardless of income. Therefore, a reasonable compensation package should be offered so as to have this great institution in the hands of members of Parliament more interested in serving their country rather than for the pay, perks and privileges without inflicting undue financial hardships.

This is an important job. Only 295 people in Canada have it at any given time. They must balance personal sacrifices with the public interest. Given the current job description of an MP and people's expectations let us get rid of the impression that MPs are somehow special, different, or somehow deserve something that is not available in the private sector.

Let us get rid of the notion that MPs are paid just \$64,000 per year. They are not. They are paid much more. It is confusing. They have \$64,000 in salary. They have a tax free living allowance of \$21,300 and a tax free expense allowance of \$6,000. After six years they get a bonus, a pension for life. They get \$27,000 tax free. Why?

For someone in the private sector to earn \$27,000 they have to make \$50,000 plus. This sort of pay structure is nothing more than planned deception. It gives the Prime Minister the ability to say he makes less than the lowest paid Ottawa Senators hockey player. A member of Parliament's total salary is about \$120,000 per year if we mark up the tax free portion. This is the kind of double talk that makes people lose respect for politicians.

The Liberals are in power and the Deputy Prime Minister of Canada supports the GST. She said during the election campaign that if the GST was not scrapped she would resign. They have promised to do it by January 1996. I promised to take a 10 per cent pay cut. I did. I promised to opt out of the current pension plan. I will. I promised to take the 10 per cent pay cut for the full

term. I will. Perhaps the Deputy Prime Minister can learn from this what it means to keep a promise. Will she keep her promise and resign on January 1, 1996 if the GST is not scrapped?

This job itself with its responsibilities compared to the private sector is at least at a senior executive level and is deserving of a \$6,000 to \$7,000 salary per month. We should get rid of the MP pension plan, the tax free living allowance and the tax free expense allowance, limit members to two terms and offer the following: A taxable salary of \$10,000 to \$12,000 per month where members look after their own expenses and their own pensions. The \$10,000 per month is the current minimum as it reflects basically what MPs are paid now after we mark up the tax free aspects.

I personally believe that MPs should be paid more. However once they are removed from office Canadians should not be on the hook for about \$1 million per year per member. They should be given a private sector pension plan to which they pay 5 per cent, matched by the government on a 1:1 basis as opposed to 6:1 as is currently the case. Upon departure after two terms or whenever members would get a one time, one year severance to help re–enter the workforce and reintegrate their previous lives. This is more in line with the private sector and should make the voters and the politicians more respectful of each other.

Madam Speaker, may I ask for unanimous consent to continue for one minute? I have just three more paragraphs.

The Acting Speaker (Mrs. Maheu): I am sorry. We do not have unanimous consent. Questions and comments. The hon. member for Mississauga South.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, I wanted to address a couple of the points the member raised. It is extremely important because it has painted a picture which is quite slanted and biased on behalf of the member.

First, throughout his statements he commented about his 10 per cent salary cut. If the member was going to give all the facts he would also report that as has been reported in the press Reform members are now reconsidering their 10 per cent cut because they are not getting enough publicity or benefit from it by the voters.

Second, the member seems to suggest that members of Parliament when they leave this place whether by choice or they are defeated in an election, can somehow simply integrate into the workforce.

(1200)

The member knows very well that 82 per cent of the members who did not return from the last House do not have employment today. They have nothing to go to. As the member well knows, when members of Parliament leave here, having been defeated

in an election, they are a nobody. They are lower than a nobody because they no longer have the influence to speak with people and to have those contacts.

There are many members of Parliament and many others who have served in public life who have given so much that have nothing to go to when they leave public life.

On that basis the member probably should consider that the so-called gold-plated pension plan is in fact not just a pension plan for the future retirement of that member once that career ends but is also to provide some modicum of income protection or salary continuance because of the difficulty that members of Parliament have had to get back into the work force.

The member asks for a reasonable compensation package but you will note, Madam Speaker, that the member was not full and clear with the Canadian public because he did not mention a dollar figure. He is unprepared to say what a fair and reasonable compensation package would be.

Finally, the member made reference to a tax free allowance. The member said if you take this tax free allowance and convert it into an effective salary, the member of Parliament makes much more.

What the member failed to point out to Canadians is that members of Parliament received these allowances to take care of real legitimate expenses. As one example, as a member of Parliament I am here four or five days a week for nine months of the year. I must have a place here to live. That place costs me \$1,000 a month. That does not come out of some magical bin. It comes out of the tax free allowance.

The member should really consider whether or not he has told the Canadians the full truth.

The Acting Speaker (Mrs. Maheu): The hon. member for Calgary Centre. You have about a minute.

**Mr. Silve:** Madam Speaker, that is a nice application of the rules. I really appreciate it. I just heard the gun go off outside. That was hot air just like some of the hot air I am hearing in here.

When the hon. member's leader was Leader of the Opposition he said he wanted to reform MP pensions. He said he would raise the age to 55. We go to 60 so we support that a little higher. He said he would get rid of double dipping which he defines as receiving appointments from the federal level of government while on pension. We would support that as well. Whatever way you want to define double dipping you probably would find the Reform Party supporting it.

Where we fundamentally disagree and where his party is too weak, too void, too empty, lacking the political will, is to make the contributions matching so that if if we give 11 per cent the federal government gives 11 per cent, or if we give five it gives five, no better than the private sector. Why should we be any

different, any more special? The MP compensation package should—

Mr. Szabo: Time.

**Mr. Silye:** Don't tell me to hurry up. You are the one who was taking the time and hogging my time with your comment. So if you are interested in my comment in response—you're not. That figures. That's the government. That's the government side—

Ms. Clancy: I'm interested. Talk to me.

**Mr. Silye:** There is a lady across the way who keeps interfering, Madam Speaker. I think I should be allowed another five minutes to respond because of the heckling.

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

I am now ready prior to recognizing the hon. parliamentary secretary to rule on the amendment proposed by the chief government whip.

After consideration the Chair must rule that the proposed amendment by the hon. chief government whip is out of order because it goes against citation 579 of Beauchesne's sixth edition as it sets forth a proposition dealing with a matter which is foreign to the proposed proposition involved in the main motion and as it raises a new question. Second, it goes against citation 929 of Beauchesne's which states:

On an allotted day, during consideration of the business of Supply, an amendment must not provide the basis for an entirely different debate than that proposed in the original motion.

(1205)

Also, as quoted in the "Selected Decisions of Speaker Lamoureux" on page 322, it was ruled by the Chair on March 16, 1971 that:

—for an allotted day, "the spirit of fair play would require that the day not be taken away by means of an amendment".

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Thank you, Madam Speaker.

**Mr. Silye:** Do you want to talk louder so everyone will hear you?

**Ms. Clancy:** Now, now. I would ask that the hon. member for Calgary Centre listen. He might hear something that he might even like.

Mr. Silye: Should I hold my breath?

Ms. Clancy: Probably not, although I am sure you can try.

I have been in this House six years yesterday when I was elected.

Supply

Oh, please wait to hear what I have to say, ladies and gentlemen.

Six years ago last night was one of the most exciting and humbling moments of my life. The opportunity to be a member of Parliament, to serve the people of Halifax and, I hope, to serve the people of Canada as everyone of us in this House does—some of us whether we like it or not—is something that maybe a lot of us never even dreamed of when we thought about the way our lives would go.

I want to say something else. I think most people in this House who know me know that I am a very partisan member of Parliament and I am proud of that partisanship. I come from a partisan tradition in my family, in my province, in my region and in my party. However, I think that this is an amazing and wonderful place.

**Mr. Silye:** So now the thinking is hereditary?

Ms. Clancy: Is this the new politics, Jim?

I look over to the other side, to the members of the Reform Party, and I want every one of them, particularly the member for Beaver River, to know that I hold them in great respect. I disagree with them on many, many issues but I hold them in great respect as members of Parliament, as representatives of the people, as fellow Canadians and as colleagues in this House. I congratulate the member for Beaver River for bringing forward this motion. This matter needs debate.

I am going to veer off briefly in a lighter vein to my colleague and good friend, the member for Mississauga South, and say that I thought I was going to burst into tears before he finished his intervention. There are a number of good reasons for the proper remuneration of members of Parliament. I congratulate the member for Calgary Centre again—take it while you can—on his comments about proper remuneration. He is absolutely right.

We all know right now that political suicide, which is something that I do not think any of us are interested in committing, would be to raise salaries. I think that what really needs to be done over the long term is what is said in the red book. I would be happy to read it in the French version which I have right here. It states that the entire thing needs revamping.

In the meantime, and I am only going to deal with this briefly and I will come to it later in my speech, I support very strongly the elimination of double dipping while at the same time not disagreeing with the member for Kootenay West when he talked about his 22 years as a civil servant, an air traffic controller, one of the most stressful and difficult jobs and one of the most important jobs in this country. The issue is a complex and complicated one on both sides.

I can bring up examples particularly in my previous incarnation in opposition when I was charged with the role of women's

critic. It is harder for women parliamentarians to reintegrate to society just as it is harder for women economically in a number of areas.

(1210)

That is not the issue. We are not people to be felt sorry for. This is the greatest job on earth as far as I am concerned. This job is incredible. I think a lot of us would do it if we could even if we did not get paid.

Mind you, I want to make a point very strongly in agreeing with the Deputy Prime Minister, the member for Hamilton East, that we are worth what we get paid. The member for Beaver River is worth a lot of money to the people of Canada and so is the member for Calgary Centre, I guess—yes, no—and so is the member for Mississauga South. We are all worth our salaries. We work hard.

There may be some but I personally have no knowledge of members of Parliament who do not, as one journalist called it, have the work schedules of dray horses. I also think that we enjoy these schedules. That does not mean we should not be remunerated. It also means that it is not a simplistic issue that can be easily dealt with. That is why I again congratulate the member for Beaver River for bringing it forward and for giving the opportunity for debate in this House.

I want to talk about something in particular because I think it is important. I think that I as a very partisan member of this House perhaps can say this where some others might not be able to. We have to treat each other with respect and dignity when dealing with this issue. I thought about cracking wise about this but the people of Canada and the people in this Chamber deserve better than that from all of us. This is a serious issue.

Members opposite are quite right when they say we have to be credible as we say to the people of Canada that cuts are coming, that we are changing what we do, that we are putting our own house in order. Again, that is why I support the red book promise.

Some comments were made in particular about the member for Glengarry—Prescott—Russell, my whip, a veteran of this House and a veteran of the Ontario legislature, someone who has given long and hard to public service. I certainly do not want to embarrass the member for Glengarry—Prescott—Russell but given the comments by the member for Kootenay West, I am not sure if he knows a bit about the history of the member for Glengarry—Prescott—Russell who started as a busboy in one of the parliamentary cafeterias, who worked his way up, who is absolutely a glowing example of a Canadian success story.

I do not think anybody on either side of this House would deny that there is no better constituency MP in the House of Commons than the member for Glengarry—Prescott—Russell. That is one of the reasons that he gets returned with amazing majorities. I think the last one was somewhere around 85 per

cent. There is a quote about the longest serving premier in a Canadian province who was a Liberal premier of Nova Scotia many years. I have a picture of him in my kitchen with a caption that states: "He trusts the people and the people trust him". I think that is a tremendous thing for a person elected to political office to attain. I think that could be said about the member for Glengarry—Prescott—Russell.

When we debate this issue, it is an emotional issue. All of us are emotionally concerned in our own futures. We are all of us concerned for ourselves and our families and we all of us know that these matters are of tremendous importance to us. I do not for an instant accuse the hon, member from the opposition of being unparliamentary. I just want him to know that when the hon. member for Glengarry—Prescott—Russell or the hon. member for Mississauga South or any hon. members in this House stand and speak passionately about any issue, whether it is our remuneration as members of Parliament, whether it is issues that relate to our constituents, whether it is issues that relate to Canada as a whole, and I know that the member for Beaver River agrees with me on this, we all deserve the respect of our peers and colleagues. We all deserve not to be accused of making these statements for personal gain. That is what I found very difficult in those earlier comments.

(1215)

As I said, I think perhaps he was unaware of the history of this particular member who is, has been and will continue to be a benefit and an adornment to this House.

This debate has in the past been acrimonious. It has in the past used the logical fallacy ad hominem. I am winding up. I know who is coming in. It has in the past created a great deal of sound a fury, signifying nothing.

In closing, everyone who is here, whether it is the hon. member for Glengarry—Prescott—Russell, the hon. member for Beaver River or other hon. members, we are all aware that our role as members of Parliament is one of integrity, decency and deserving of respect.

The hon. Deputy Prime Minister, the member for Hamilton East, has said in this debate that she will not apologize for the remuneration of members of Parliament. I want to say that I stand four square with her and with other members of the government on that level. Members of Parliament deserve their remuneration. We also need to air these issues, discuss them publicly and to ensure that the people of Canada see that we do respect each other and each other's opinions.

I believe last week the hon. member for Beaver River suggested that I would collect I think it was in excess of \$1 million if I were to retire today, the day after my qualifying for a pension. I want to assure the member for Beaver River that I have absolutely no intention of retiring today. I hope I would have no intention of retiring long err this. I would imagine that

the hon. member who becomes pensionable on March 13, 1995 will also not have much intention of retiring.

While we will both attempt to assist our colleagues in aiding both of us to that end in future elections, I think we both know that the work we do here and the remuneration we receive for it is certainly not overwhelming. I want to also say that this is a no win argument in many areas of this country.

I want to say that I am delighted to have taken part in this debate. I thank again the hon. member for Beaver River for bringing forward this motion.

The Speaker: I understand that there will be questions put to the hon. member for Halifax in just a moment. I have been given notice of a request to return to ministerial statements. My colleagues, you will have a chance to put questions to our colleague in just a few minutes.

Might I understand, Mr. Prime Minister, that this is a request to return to Statements by Ministers?

Mr. Chrétien (Saint-Maurice): Yes.

The Speaker: Is there unanimous consent to return to Statements by Ministers?

Some hon. members: Agreed.

# **ROUTINE PROCEEDINGS**

[English]

# GOVERNOR GENERAL OF CANADA

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is with great pleasure that I rise to inform the House that Her Majesty the Queen has graciously approved the appointment upon my recommendation of the Hon. Romeo Le-Blanc as the next Governor General of Canada. The installation will take place in early February 1995.

(1220)

[Translation]

Hon. members are well acquainted with Mr. LeBlanc, who has served Canada with distinction in public life for over twenty years: as a member of this House, as a minister of the Crown, as a senator and, most recently, as Speaker of the Senate.

[English]

Born in New Brunswick, Mr. LeBlanc is the first Governor General from Atlantic Canada. He is also the first Acadian to serve as Governor General.

In recommending this appointment to Her Majesty, I was conscious that a Governor General must have a profound love of

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his country and of the Canadian people in order to effectively carry out the duties of this high office.

[Translation]

I know that Mr. LeBlanc has these qualities. As a teacher, as a journalist and as a parliamentarian, he has made outstanding contributions to Canada and to Canadians. With his understanding of our country and his personal warmth and dedication, I am sure that he will carry out his new responsibilities with success.

[English]

At this point I would like also to thank on behalf of all Canadians His Excellency Ramon Hnatyshyn and his wife Gerda. First elected to the House of Commons in 1974, Mr. Hnatyshyn has served Canadians for 20 years. As a member of Parliament, I served with him. He served Parliament with great distinction.

In 1990 Ramon Hnatyshyn was sworn in as Governor General of Canada. Since that time he and Mrs. Hnatyshyn have fulfilled their roles with dedication and dignity. I worked with them for the last year and they have been gracious people to work with.

I would like, on behalf of all the members of this House and the people of Canada, to say to Madam Hnatyshyn and Mr. Hnatyshyn, thank you for a job well done.

Some hon. members: Hear, hear.

[Translation]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the appointment of the Hon. Roméo LeBlanc as Governor General will no doubt be welcomed as good news. I salute the Prime Minister's decision to name an Acadian to this prestigious position, in fact the first one in Canada's history. This is undoubtedly a gesture of openness to Canada's francophone communities.

The Hon. Mr. LeBlanc will be able to continue the efforts that he has always made in his long and fruitful career for the promotion of minority rights. I wish him good luck and great success in his new duties.

Let me also point out the good, solid work of the present Governor General, the Hon. Ray Hnatyshyn, and thank him and his wife for what they have done for their fellow Canadians.

[English]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I rise to acknowledge the Prime Minister's announcement of the appointment of Romeo LeBlanc as the next Governor General of Canada and to protest the appointment as unwise and inappropriate.

In doing so I mean absolutely no disrespect for Mr. LeBlanc as an individual, a parliamentarian or a public servant. However, as hon. members know, the prestige and the standing of the Office of the Governor General with the Canadian public is in decline and it is in decline for three reasons.

First, in a democracy an increasing number of people feel that the public should have a say in who occupies the office of chief of state. Second, it is in decline because Canadians prefer the appointee to be above and beyond partisan politics. That reference has not been respected.

(1225)

Third, it is in decline because the public no longer supports some of the special privileges which pertain to the Governor General's office such as the exemption of the occupant from payment of income taxes and the ability of the occupant to double dip on pensions.

The Prime Minister has disregarded all of these factors in making this appointment which he announced today. Reformers therefore believe the appointment to be unwise, inappropriate, and wish that fact to be registered in this House.

**Mr. Chrétien (Saint–Maurice):** Mr. Speaker, this is unprecedented in Canadian history. The Governor General nominated has informed the government that he will accept his pay as a governor and will return his pension to the crown.

# **GOVERNMENT ORDERS**

[English]

# SUPPLY

ALLOTTED DAY—MEMBERS OF PARLIAMENT RETIREMENT ALLOWANCE

The House resumed consideration of the motion.

The Acting Speaker (Mrs. Maheu): We are now entering a 10-minute question and comment period for the hon. Parliamentary Secretary to the Minister of Citizenship and Immigration.

Mr. Jim Silye (Calgary Centre, Ref.): Madam Speaker, getting back to the MP pension plan and the need to address it and reform it, I would like to make a couple of comments on the speech of the member for Halifax and also a couple of questions I hope she would take the time to answer.

First of all, the problem with this is that the current Prime Minister said a year ago in opposition that he would reform the pension plan in one day given the opportunity. Now he has been there for a year and has not reformed the pension plan in that one day as he promised. It is in the red book what he would do, the 55 years, the double dipping.

We would support that except we would expect the age to be 60, not 55. We would go further and get into the area which we feel annoys the taxpayers of Canada which is the fact that whatever it is that a member of Parliament contributes, why is it

that the taxpayers have to contribute higher than that. Why is it that the taxpayers are expected to foot the tab for this generous, self-serving, gold plated pension plan? Why is it not just a matching contribution?

Does the member for Halifax not agree that the government's share of the contribution should not exceed a member's share to restore respect in the private sector and to restore the confidence of the Canadian public? That is one of the changes that we would make in addition to what is in the Liberal red book.

Also, does she not agree that 55 is not high enough, that it should be 60? It would help to make it more actuarially sound and it would be more in line with the private sector. If a member wishes to draw it earlier than that age then they would get a reduced amount as in similar plans.

All we are asking in our motion is to rectify a wrong. It is clearly wrong. It clearly annoys the Canadian taxpayer and all we want to do is address that portion of the MP compensation which is too generous, not the MPs' salary which is too low.

If we looked at it why can this government not find a balance between too much and too little? Why can this government not find a balance between good government and self-serving government? Why can this government not find a balance and do the things it said it was going to do when it was in opposition? Now it is on the other side and it is not doing them, or it is doing opposite. This is what frustrates taxpayers. This is what concerns people.

The last question is does she not agree that the government plan is better than that of any in the private sector? Politicians, members of Parliament, belong to an exclusive club of only 295 people, which is probably about 30 too many. There should only be 265. Now they plan to increase it to 301 because they work so hard. Does she not agree that if we have a better plan than that of the private sector is it not somehow embarrassing to her that she has something, or that a member of Parliament has something, better than that which is out there? We come into this job willingly. We know the sacrifices. We know what we are getting into. If we cry about what we are going to lose when we leave—the member did not, I am referring to some other Liberal members who made that point—and cry about what we are going to see out there when we leave, then we should not become MPs in the first place.

(1230)

Those are my comments. I am trying to be reasonable. I am trying to ask for support for this motion. It only supports what the Liberals promised. We want action before 53 more members qualify under the current rules. We want the current MP pension plan to be changed. Why does the government not act?

**Ms. Clancy:** Madam Speaker, I thank the hon. member for Calgary Centre for his question.

In the past the former third party in the House, the New Democrats, used to be called Liberals in a hurry. I am not quite sure how we would make that correlation to the Reform Party members opposite, but I am not quite certain if they understand what happened yesterday. They know that 52 of us, I believe—the member for Beaver River does not qualify until March 13—became eligible yesterday. I am not being funny. I am being absolutely straight with the hon. member. None of those 52 people are going to retire overnight.

Miss Grey: No, but they are eligible.

**Ms. Clancy:** I am eligible for a lot of things. I could enter the Olympics. I am eligible. I am breathing but I probably would not do very well.

**Mr. Silye:** For what you have contributed you deserve a million dollars when you leave here?

**Ms. Clancy:** No, no, let me answer the question. The hon. member posed a question. Let me answer it.

First and foremost when the hon. member asked me the question, he opened the door and I am going to walk through it.

Miss Grey: Yes, you just did yesterday.

**Ms. Clancy:** Yes, I did. The answer is that we made a red book promise and we will keep the red book promise.

Mr. Abbott: When?

**Ms. Clancy:** When the Prime Minister and the President of the Treasury Board are ready. Our mandate is not going to end tomorrow. We are here. Much as the Reform Party may not like it we are here for at least another three years, maybe four and probably longer.

Let us talk about what Canadians want. Need I remind my hon. friends opposite, Canadians sent 177 of us to this House, a clear, overwhelming majority.

Miss Grey: They sent 178.

Miss Clancy: No, 177 and it went to 176. I know the numbers, I won a pool. They sent us in an overwhelming majority to this House based on the red book promises. The red book promises will be fulfilled. I know that, the minister knows that, the Prime Minister knows that, and in their heart of hearts the members of the Reform Party know that.

Heaven knows, if there is one thing I do not want to be in this debate it is partisan but I may get driven to it. If I get driven to it I will have to arrive there. I am driven to remind hon. members opposite that not only did the Canadian people send a clear majority of Liberals to the House based on red book promises, including the one we are talking about here, but does anybody

Supply

remember the 75 per cent approval rating in which the Prime Minister is held by the people of Canada today? Does anybody remember that? I do not know but there we are.

It hurts me to bring this up. It cuts me to the very quick to have to bring this up in debate. I am almost embarrassed to bring it up in front of the President of the Treasury Board because I am afraid it will diminish his hitherto good opinion of me. Does anybody remember that there is a party that is at 10 per cent in the polls? There is a Prime Minister at 75 per cent with a government at somewhere in excess of 60 per cent.

**Mr. Silye:** Mary, the election is in three years, so check that poll later.

**Ms. Clancy:** Exactly, the election is in three years. How grateful I am to the hon. member for Calgary Centre for bringing that up. There are all kinds of promises in the red book that will be fulfilled over the life of the mandate, including this one. I want the hon. members opposite to be calm, to not worry, to be happy—

**Mr. Silve:** Why was the Prime Minister in a hurry a year ago and now he is not in a hurry? Why the change? That is what is hurting. That is the perception that is wrong.

**Ms. Clancy:** Did he say which day? He did not say which day. The day will come and it will be a day that the Lord hath made and He can be happy and rejoice therein.

(1235)

Mr. Stephen Harper (Calgary West, Ref.): Madam Speaker, I remind the hon. member that I knew of a party once that used to brag about its high standings in the polls. We all know where it is today. That may be interesting information but in and of itself will not get anybody re–elected.

The hon. member spent a considerable part of her speech defending what she perceived to be a personal attack on the member for Glengarry—Prescott—Russell. As I heard the speech from the member for Kootenay West—Revelstoke he was really quarrelling with some very specific things that the member for Glengarry—Prescott—Russell had said.

The most ridiculous thing he said was that it could be demonstrated that a private kind of RRSP purchase would be less generous to him than the current MP pension—

Miss Grey: More.

**Mr. Harper (Calgary West):** Sorry, if it was more generous, he would resign.

He actually suggested it would be more expensive if the public put us on RRSPs in a 1:1 matching arrangement. We know the current plan is a 6:1 matching arrangement. With all her rhetorical eloquence, is the hon. member seriously suggesting that she can make the number six less than a one?

**Ms. Clancy:** Madam Speaker, there is a long time theory about women and their inability with mathematics. I can assure the hon. member that mathematically I am challenged.

I neither heard the speech of the hon. member for Glengarry—Prescott—Russell—

Miss Grey: I am too, but I can figure out 6:1.

**Ms. Clancy:** I am sure the hon. member for Beaver River probably can do that. As a teacher she is trained to do it. As the hon. member so kindly put it I am trained in rhetorical eloquence. I will keep to my job.

I did not hear the speech of the hon. member for Glengarry—Prescott—Russell. I did hear the comments of the hon. member for Kootenay West—Revelstoke. As I made very clear, I was making a statement about the contribution as a member of Parliament of the hon. member for Glengarry—Prescott—Russell of his years both provincially and federally and the fact that he deserved to be heard without his motives being questioned, pure and simple.

The Acting Speaker (Mrs. Maheu): I wish to inform the House that pursuant to Standing Order 33(2) because of the ministerial statement, Government Orders will be extended by seven minutes.

[Translation]

Mr. François Langlois (Bellechasse, BQ): Madam Speaker, the motion before the House today reads as follows:

That this House urge the government to replace the current Members of Parliament Retirement Allowance plan with a pension plan that reflects the current norms for private sector pensions, with a maximum contribution in accordance with the Income Tax Act.

Its wording is extremely vague, when it refers to current norms for private sector pensions. Which private sector pensions? Are we talking about the pension plan for executives at General Motors or Chrysler Canada, or about the pension plans of employees of small businesses in East Montreal? The standards are not at all the same. The wording of the motion is definitely unsatisfactory, and if the wording is unsatisfactory, we can assume that the substance is as well and that the motion leaves much to be desired, as it will in the course of this debate, especially in terms of what is said by the motion's sponsors.

(1240)

We in the Official Opposition feel that the pension plan for members of Parliament cannot be dissociated from the issue of members' salaries or the entire budget envelope that is allocated to members.

If members were paid \$200,000 annually, as they are in the United States, it would be obvious that a pension plan if any, should be very modest in scale. However, when a member's salary is quite low, as may be the case today, it makes sense to have a more substantial pension plan. The two go together. We

cannot separate these issues like the compartments they have in submarines to keep them from sinking.

I think it is just petty politics to take an issue that is already controversial and say: "Look at those people in the House of Commons. They are overpaid, they have too many benefits and privileges, they have a shoe shine service, they have people to cut their hair—" and other people to split hairs. I think we have to take a far more comprehensive view, and that is the approach we support.

We can afford to be very detached about this issue, Madam Speaker, especially considering the role of the Official Opposition in this House and its life expectancy, in the light of its political views. So we have a certain perspective that others may not have, in the circumstances. Of course, members should be treated in a way that is commensurate with their responsibilities. To claim, which is petty politics in my book, that members of Parliament are overpaid and make such a pronouncement out of the blue, based on nothing, further erodes the role of MPs in our society.

There was no shortage of occasions in the past for demeaning the role of parliamentarians, a role which is often not obvious. Very few care about the number of hours MPs dedicate to their work, seven days a week. You know, Madam Speaker, 75, 80 and 90—hour weeks are not uncommon for MPs, but who is counting? So, the entire system, both the pay plan and retirement plan, should be reviewed.

We must also be able to attract quality candidates for the position of member of Parliament. My colleague from Glengarry—Prescott—Russell referred to the 1830, 1832 legislation which was in fact designed to allow any citizen, from the richest to the ones from the humblest origins, to have a chance of becoming a parliamentarian. It is not with this kind of abrupt rollback of benefits that we are going to be able to set the course and stay on course, one which is increasingly difficult to maintain.

One has to realize that, normally, MPs are elected to the House of Commons at the peak, so to speak, of their working life, when they are the most productive, building a career, whatever their line of work is. So, at the end of their mandate or mandates in the House, MPs very often find themselves in a vulnerable situation, especially since, as we know, the turnover rate among members of the House of Commons of Canada is one of the highest in Western Parliaments.

Unlike in the United States, where members of Congress serve some 20 years on average, Canadian members of Parliament serve between five and seven years on average, which is an extremely short time. We know what happens to members after they retire or fail to get re–elected, how difficult it is for them to find new jobs, for all kinds of reasons I will not get into at this time. But this is a reality members from all political parties must face. That is why we must make it a little easier for members

who retire of their own free will or who are forced to retire because voters have decided it is time for them to do so.

(1245)

Because of their precarious position, members of Parliament must be given sufficient financial resources to get back on their feet after retirement or electoral defeat. There is however one thing on which the Official Opposition has always been clear, that is, when a member of the House of Commons has the right to collect a pension from the Government of Canada. We do not find it normal for a person who is barely 30 but who has completed two mandates to be able to collect a pension from the Canadian government immediately.

In our opinion, we should discuss the age at which former members of the House of Commons should be able to collect this pension, by comparing apples with apples. Let us look at how things are done at the RCMP and in the Canadian Forces. This could help us in trying to determine the age at which former members of the House of Commons should be able to collect their pensions.

Of course, we are also opposed to double dipping, that is, getting two cheques from the Canadian government. We think that this practice should be abolished. For someone who is already receiving a pension or an allowance because of their past services to the Canadian government to be allowed to continue to collect these cheques while sitting in the House of Commons is not normal either, in our opinion.

We do not intend to compromise on the age at which one may collect a pension or on what is commonly called double dipping.

To consider the issue of pensions, we must look at reality. Many members of this House or of previous Parliaments had a job in which they contributed to a pension fund in the company where they worked. When they came to the House of Commons, they contributed to its pension plan and stopped contributing to their other plan. Often, a member who leaves this House finds that he has contributed for a very short time to a private pension plan, so he will have to continue working for quite a while. He will be penalized because the pension fund is not transferable. We should look into this issue.

I do not think that we can solve these problems with an opposition motion. We will have to wait for a government bill to frame the issue so that we can really debate it.

We now have a five—line motion. I think that a fleshed—out bill should have quite a few more provisions and that a non-partisan review should lead to the government presenting a bill, as the Prime Minister said a few days ago.

Supply

(1250)

Finally, we said that we could consider the government bill very calmly, but surely not in the heat of a debate that stirs passionate feelings against members of Parliament, in which people are led to believe that MPs are literally sucking the teat of state. The whole benefit package of members of the House of Commons, particularly their pension plan, must be the subject of a government bill that is considered as neutrally and objectively as possible, certainly not in the heat of passion and especially not one from people who told us at the beginning of the session that they would cut back their salary, or at least part of it, that they would give back 10 per cent of it and then said that they had made a mistake. "I have unemployed people at home and I cannot afford to set aside 10 per cent." Such an issue so easily inflames public opinion that perhaps we should avoid doing it.

For the reasons which I mentioned, the Official Opposition will vote against the motion before us today.

[English]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Madam Speaker, today's motion by the Reform Party is premature. The government is committed to honouring the red book commitments with respect to ending double dipping and with respect to dealing with the question of minimum age. Reform of the pensions is clearly a matter of interest.

[Translation]

**Mr. Langlois:** Point of order, Madam Speaker. I would like to know if the hon. member is speaking in the period for questions and comments or if he is opening the debate on the issue.

[English]

The Acting Speaker (Mrs. Ur): The hon. minister is on debate.

**Mr. Eggleton:** Madam Speaker, the government is committed to the reforms that were outlined in the red book with respect to pensions.

The member for Beaver River, a member of the Reform Party, the third party, is very premature and is wasting her time in presenting today's motion. It has been clearly said previously by the Prime Minister, the Deputy Prime Minister and myself that a presentation will be made to the House before the end of this year with respect to the government's plans regarding the matter of pensions.

One of the hon. member's colleagues mentioned that the Prime Minister had said in the days when he was in opposition that he could bring in the pension reforms in one day. He did not necessarily say it was going to be day one and it does not need to be day one of this Parliament. It does not need to be done with the kind of urgency the hon. member for Beaver River suggests it should be.

As has been stated time and time again in today's debate nobody is retiring between now and the end of this Parliament. Indeed, there are a lot of things on the government plate that relate to reforms in many areas that relate to the whole budget process. Those matters have a great deal more urgency than this matter.

Notwithstanding that, I understand how Canadians feel about the pensions and the need for reform. We have said that within just a little over one year of having taken office we will bring in a reform of MP pensions that is based on the red book commitments.

The red book commitments are to end double dipping. Those members of Parliament who cease to be members of Parliament would not be able to collect both their pension and another full time salary in government service. Whether they were employed in the government service or receive a governor in council appointment, they would not be able to be in full time occupation receiving a full time salary with the crown at the same time as collecting the pension.

(1255)

That was amply demonstrated today. The bill is not yet before the House and of course it is not yet in effect. Nevertheless, the Prime Minister announced today that the designate for Governor General is a former member of this House and a member of the other house. He will be forgoing his pension while receiving the salary for being the Governor General of Canada. It is a voluntary compliance and the Governor General designate should be commended very much.

Once the law is brought into effect it will prevent those who do retire from this House or the other place from being able to pick up a salary as well as their pension scheme. That is certainly one of the very clear red book commitments. I again say that the government is committed to bringing in legislation and bringing it in early to end double dipping.

With respect to minimum age, again the red book talked about the concern that some members retire from this House at a very early age and collect a full pension. Some members collect it in their 40s, far earlier than the normal retirement age of Canadians. They collect it as an amount of money that would be supplementary to other remuneration they might receive in their new pursuits. It becomes part of a larger income that they then enjoy.

Canadians generally do not enjoy that kind of pension arrangement. A great many people have expressed their opposition and concern about it to me. This government again is clearly committed to dealing with a minimum age with respect to the pension payout for former members of this House. It is a red book commitment and something we will be dealing with very

shortly. I reiterate there will be a statement before this House before the end of the year.

There is another thing which was not in the red book but has been added to this consideration. It responds to something the third party members raised earlier in the term. It is with respect to wanting to opt out of or not be included in the pension arrangements, whatever they may be. They want to have the opportunity not to participate.

Although that has not been an option up until now, the Prime Minister clearly stated before this House that members of Parliament would be given that option. Members of Parliament will have the opportunity to opt in to the pension plan in a timely fashion. If as the hon, member for Beaver River and her colleagues have been saying for some time that they do not want to do so, then they are free to not opt in to the plan. Members of Parliament can make their own decisions individually as to whether or not they want to participate in the plan.

A lot of members of Parliament give up some of their best earning years to serve the public. The pension plan for them is some further protection. It is one I know that will be given serious consideration by each and every member of Parliament.

I am sure even members of the third party will give it individual consideration. After all, they seem to be weakening in their resolve with respect to reducing their own salary. They are beginning to understand that they need that kind of money because of the hours they put in serving their constituents. They have to maintain residences both here and in their constituencies and they understand the cost of living and having to do that. They are weakening in their resolve with respect to this matter.

I suspect we might see some change of heart when it comes right down to having to make that momentous decision of whether you opt in to the plan and participate or whether you are completely out and completely unprotected.

(1300)

I would not say completely unprotected because there are some colleagues of the hon. member for Beaver River who are in that double dipping category who have had previous experience in other houses and legislatures who collect money in addition to the money they gain from this House.

They know what double dipping is over there. I think they understand how difficult it is to give up remuneration. They will also find that they will have to give very serious consideration for their own protection, the protection of their families in the future with respect to the matter of pensions. Opting in becomes another feature.

There have been some suggestions and there are suggestions in this motion today, although I agree with my colleague, the hon. member for Bellechasse, that it is kind of vague. It is ambiguous and awkward in terms of its wording and it is

premature. They are wasting their time debating this today when the matter is coming before Parliament shortly anyway.

They are suggesting in the motion in their vague way that there should be some other changes to the plan. There was as study commissioned by the previous government by the consulting firm of Sobeco, Ernst & Young with respect to remuneration for members of Parliament. That in turn, when it was completed this spring, was turned over to a commission of this Parliament, the Lapointe commission as it is known. It deliberated on it as well.

Through the hon. Speaker the matter was tabled here in the House in July. That report talked about some other changes in the pension plan, suggesting there be some modifications to the accrual benefit package and a number of other aspects of it. It said quite clearly that members of Parliament were undervalued by many in terms of the work they do and in terms of the remuneration they should appropriately receive.

It did say that while there should be some reduction in the total benefit package for the pension, there should be an increase in the remuneration for members of Parliament and that overall it should wash. It should come out as an even package, up on the salary and somewhat down on some of the other provisions, including the pension benefits.

This Parliament has determined there will be no salary increases, not only for members of Parliament, but for the public service, because we are in a time of restraint. We are in a time when getting our fiscal House in order is of the highest priority, a time when we must get the deficit and the debt down. Therefore we cannot afford to give salary increases to anybody in the government system including, having to set an example, the members of this House and the members of the other place.

If there is no increase in the salary then it can well be argued how do we take a decrease in the other parts of the compensation program. We would violate the principle of the Lapointe commission and the Sobeco, Ernst & Young study, which was to maintain the level of compensation but make adjustments internally. Obviously we are not in a position where we can do that. When that day does arrive we can again look at that package of suggestions as to adjustments that might be appropriate.

The final point I want to make is in relation to the vesting period, because much has been made by the third party on the vesting period. Yesterday six years arrived for 52 members of this House with respect to qualifying for their pensions. I want to point out very clearly that vesting does mean that as of now they are being paid out. Vesting means qualification to be paid out, but they are not going to be paid out. They are members of this Parliament. Nobody is planning on resigning or retiring.

#### Supply

They will be here for another four years before the hon. member for Beaver River would have to really worry about their collecting that pension.

Yesterday was the qualifying period for them. It is a six—year qualifying period. That is not an unreasonable length of time as a qualifying period for a pension plan. For average Canadians it is frequently less than that. It can sometimes be two years or three years to actually qualify for the pension. When it is paid out is another matter. To qualify in this particular case takes some six years to do. There is nothing magical about yesterday. It was not an occasion that should require this kind of debate today.

(1305)

There is a qualifying period that has now been met by another 52 members of this House. With respect to the matters of how the pension is paid out and when it is paid out, those are all matters that are still under consideration and are not in any way prejudiced by what happened yesterday. Not one iota has anything changed by what happened yesterday.

That is something you do not seem to understand and you are certainly misunderstanding this. It does not help Canadians when you make this point about the vesting period.

I think it has to be understood quite clearly that six years to qualify for the plan is far different from when you pay it out and the ages you pay it out at. Those are all matters that are going to be dealt with by the government in living up to and completing its obligations under the red book commitments that we have agreed we would do, and do it in a timely fashion, do it long before anybody is going to retire from this House, long before you need to worry about any payouts.

There are more substantive concerns at this point in terms of payouts that relate to getting the deficit and the debt under control, getting the deficit down to 3 per cent of GDP. There is a program review that is going on. There is the social security review. We have gone through a defence review. We have gone through a foreign affairs review. We are reviewing everything. We are reviewing the size and shape of government, the roles and responsibilities that government performs. It is a very major undertaking, so this government does have a lot on its platter.

Notwithstanding that, the government is quite cognizant of the concern of the hon. member for Beaver River that we deal with this at an early stage, and we are dealing with it at an early stage.

This year the sitting of this House has almost a month to go and it is certainly my hope that in that period of time I will be able to rise in the House and advise as to the implementation for the red book commitments, specifically dealing with those items of double dipping and minimum age which we are committed to reforming.

I am hopeful that the hon. member for Beaver River and her colleagues will support the government in its endeavours to do that. I know Canadians want to see reform of MP pensions and we are committed to doing that.

Miss Deborah Grey (Beaver River, Ref.): Madam Speaker, we are certainly prepared to look at any legislation that the government does bring forward and if it is worthwhile and supportable we certainly will support it.

The Prime Minister has talked about opting out and this minister just mentioned it a few moments ago. He would give the opportunity for some people to opt out if they wish.

I beg the minister to explain to me how that could be ultimately fair in terms of making substantive changes to a pension program. In other words, some may opt out but the rest will continue to pork out. Is that what I understand? Those people who are still in an overbloated pension system because they have qualified now would just continue to pork out while some people would opt out. I hardly think that is a major reform of the MP system.

The minister also said that these MPs who qualified yesterday will not retire tomorrow. Of course not. We are not assuming that these people are going to retire tomorrow. That is not part of this argument. It is superfluous to it.

He said there was nothing magical about yesterday. There was something magical about yesterday and it is that if this government had acted on what the Prime Minister talked about last August when in opposition, if these changes had been brought about before yesterday, the six—year magic marker of qualification or vesting date, then for example my friend from Halifax who is in her 40s would not qualify for an MP pension until her 50s, which is what the red book says.

It talks about deferring the age. It talks about bringing it more in line, ending double dipping, putting it off to a later retirement age.

(1310)

Someone in their 40s would now qualify. That is magic to me, that is lotto for life, just as simple as pie yesterday that these people qualify. If the government is even thinking of moving this further to a retirement age I do not understand how he can say that there was absolutely nothing magical about yesterday. They are eligible now for pension. We are not saying they are going to go out and collect it right away either. That will be after the next election date, whether they choose to resign or whether the taxpayers in their ridings choose for them to resign. It will be one way or the other.

It is also really important to note that when that day the minister talked about earlier does arrive they will be eligible to collect a pension also. When a government contributes \$6 to \$1, as my friend from Halifax said earlier, it does not take a mathematical whiz to figure out that this is the most generous kick in for employer–employee benefits. It is almost \$6 to every \$1 that we contribute. There is no way that is actuarially sound. We can have that proven time and time again.

The minister says they only became eligible for pension yesterday, there was nothing magical about it whatsoever. If they brought it in before those 52 MPs qualified for it yesterday afternoon they simply would not be eligible today. If the government is going to make substantive changes to this MP plan it should make sure that it would affect the people who qualified yesterday.

What part of eligible does this minister not understand?

**Mr. Eggleton:** Madam Speaker, I am afraid that the hon. member for Beaver River just does not understand vesting because she talks about if the government had brought in legislation before yesterday then somehow yesterday would have meant nothing. That is not true at all.

The vesting period is not to be confused with benefit payout. We could bring in a minimum age with respect to benefit payout and it does not hinge on what the vesting period is. That is all yesterday was related to.

The member is in a rhetorical fantasy about what yesterday was. It really does not relate to the question of benefit payouts and the age they are paid at.

This government knows full well that Canadians are concerned about people collecting a pension when they are in their 40s, that they are collecting a pension far earlier than any other Canadian and we are going to deal with that issue. What happened yesterday is of absolutely no consequence in dealing with that issue.

We intend to continue to allow these people to qualify. Why would we do anything else? The hon. member has her qualifying day coming up sometime before long.

Miss Grey: March 13.

**Mr. Eggleton:** She knows it is March 13. She is obviously very interested in the date.

Let me also deal with her favourite possibility and that is to be able to opt out so she cannot reach her day. I wonder if she is really going to decide not to allow March 13 to happen. She can opt out. The Prime Minister has said that we will provide a provision that you can opt out or maybe it will be opting in. It will be one or the other. It will work out the same way. You might actually have to opt in. You may actually have to sign a piece of paper saying that you want to be into the plan. However, you have that opportunity. If you feel that you want to save the Canadian taxpayer that money then it is up to you to do that.

I would not cast aspersions on other members of this House who decide to opt into the plan simply because they are understanding that they put a lot of years into the public service. They have the obligation, as any Canadian feels they have, to protect themselves and their families in their retirement years. I would fully expect that most members of this House would want to continue to be protected and be a part of such a plan.

Revisions to the plan to make it a better plan, to reform it, to make it something more reasonable as Canadians are expecting us to do and as we are promising to do, will all be part and parcel of it.

(1315)

Miss Grey: You are still getting it in the 40s.

Ms. Catterall: He did not say that.

**Mr. Eggleton:** No, no. I did not say that at all. I do not know how many times I have to say that we are trying to respond to the concerns of Canadians about a pension being paid in the 40s. We are going to respond to that in our reforms. The member does not seem to want to understand that.

Miss Grey: Then Mary should not qualify in her 40s.

**Mr. Eggleton:** The plan is actuarially sound, if she is concerned about the 6:1 ratio. It is also worth pointing out that the contribution rate is very high by members, an 11 per cent contribution. A lot of money is put in by each individual member.

The hon. member should not confuse vesting with benefit payout. We will be dealing with the question of minimum age for benefit payout. Vesting is a qualifying period of time. It is actually a higher qualifying period of time than what most Canadians have in their pension plans. I do not see why it should be of concern to members of the third party at all. They have really picked on the wrong thing.

They have done this prematurely. They have picked on the vesting period because they do not seem to understand that it does not relate to benefit payout. They do not seem to understand that the government is going to live up to its red book commitments, but it is.

Ms. Catterall: Open your ears, Deborah.

The Acting Speaker (Mrs. Maheu): Order. The member has a question for the minister.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, the minister says he understands Canadians and that our effort is premature. I wonder if he really understands Canadians. I have done some research for members who choose to opt out. In my situation at age 52, if I choose to opt out at the end of six years and turn over the funds that have been confiscated from my salary by your government and invest them with a life insurance company, I will have an income of \$380 a month, versus a

## Supply

member of the Liberals who will have an indexed income of \$1,500 a month.

**Mr. Eggleton:** Madam Speaker, the member's figures are presupposing what is going to be in the bill we bring forward. I do not think he can presuppose that. He does not have to worry about the money that he wanted to take off and invest. If he does not opt into the plan, then he can be comforted by the fact that it is going directly to the bottom line. He will not get it. It will go directly to the bottom line to help reduce the deficit of the country.

Mr. Abbott: And pay other MPs.

**Mr. Eggleton:** That is the option you have. If you do not want to look after your retirement, as most Canadians do, if you want to be reckless, you can do that. But we are going to give you the option to do it.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, it has been a rather interesting day. I have sat through most of the debate and to be very candid, just about every point that needs to be raised, has been raised. I was particularly interested in the minister's comments.

The minister has just finished saying that he understands Canadians, that the Reform Party in trying to bring pressure on the government is premature. I do not know if it has anything to do with the fact that even within his own party there is a democratic process that is filled, where people work through their nomination process to become candidates and then on through the actual election process, and whether having been an appointed candidate he rather lost touch with Canadians during the process. There is a real lack of understanding on the part of the government of the level of frustration. I reflect back to a debate we had in the House of Commons in March. That was the time when the Liberals were having their convention. We had brought the debate to the floor about the Young Offenders Act.

(1320)

According to all of the comments by the members opposite, the only constituencies that had any concern about the Young Offenders Act were the constituencies represented by the Reform Party. That is what we were told all day long. "Oh, you are just being extremist, you don't know what is going on".

I found it rather instructive. Over that weekend, when looking for something to put me to sleep I turned on the Liberal convention on television. Before I dozed off I happened to notice that most of the people who had come to the Liberal convention were saying that the biggest problem they had in their constituencies was the Young Offenders Act. Lo and behold, Madam Speaker, you will never guess what was the next bill that the justice minister brought in. It was weak and ineffective, but none the less it was movement on the Young Offenders Act.

Where did he get the idea from? Somebody said from the red book. Why is it that it took the Reform Party to draw to the attention of the members opposite the fact that the people in our constituencies, and I submit in their constituencies as well, were upset in a very major way over that act? It is still totally deficient.

It comes as absolutely no surprise to me that members opposite are equally out of touch over the issue of MPs' pensions.

The member opposite asks why don't I read the red book. I talked about needing things to put people to sleep. That is an excellent idea. The red book, in my humble judgment, is a catch all of just about everything written in so much bafflegab that you can actually make it appear as though what the finance minister is doing and must be done, and that is to get the deficit and the debt under control, was actually part of their platform.

Every single Liberal member whom I have asked: "Did you in the election in 1993 stand up and say that the deficit must be brought under control? We must take a look at all aspects of the economy". The answers all were: "Well, it's in the red book".

This is exactly the same thing. We have brought this topic to the floor of the House of Commons for the simple reason that the people of Canada expect better from the politicians they elected. We are here to drive, to push, this monolithic giant of 177 seats and the Prime Minister and the cabinet ministers to finally, after 400 days do what the Prime Minister said he was going to do 400 days ago.

He said it would only take one day to do it. What happened? Why is it so much easier for the Liberal government to blow away \$5 billion worth of work on EH-101 helicopters? Why is it so easy for the Liberal cabinet to blow away hundreds of millions of dollars of work on the Pearson airport deal, and yet it cannot do a simple thing like change the MPs' pensions?

The thing I find the most frustrating, and I realize that I have already said it, is this. I agree with the member for Halifax that this job is one of the most exciting, one of the most worthwhile things that anybody in the House could possibly be involved in as far as their work is concerned. I do not disagree with her for one second that virtually every member of the House puts in hours from 7 in the morning until 10, 11 or 12 o'clock at night and keeps on serving the people of Canada. I do not disagree with that for a second.

I agree with the member for Glengarry—Prescott—Russell that this is an honourable calling. Why will the government not listen to what the ordinary citizen is saying? My colleague from Kootenay West—Revelstoke has pointed out that he worked for 22 and a half years in the pressure cooker of being an air traffic controller. After all that time he qualified for a \$17,000 pension.

The person he replaced worked his nine years as a member of Parliament and he qualified instantly for a \$27,000 pension.

(1325)

Why is it so difficult for the Liberals to understand the extreme hostility there is toward us as we work hard on behalf of Canadians, as we work hard on behalf of our constituents? Why can they not understand that this is the one barrier that stands between us and our constituents? Why could they not have made the changes? We do not seem to get any answers.

The member for Glengarry—Prescott—Russell quoted from the *Hill Times* in February 1992. We all know being in Ottawa that the *Hill Times* is a fine paper and puts out all the facts as they should be and is well received every Thursday with all the factual documentation that there is in the paper. However it is a paper that is read only or almost exclusively by people who are involved with the Chamber in one way or another and to quote an editorial in support of obscene pensions is just beyond the pale.

What he should have been reading from are the editorials from the Vancouver *Sun*, the *Globe and Mail*, the Calgary *Herald*, the Ottawa *Sun*. I can go on and on. This must be changed and it should have been changed 400 days ago.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Madam Speaker, I am delighted to address the subject of MPs pensions today but my perspective has changed over the last year and I want to describe the change for members.

Just one year ago I campaigned long and hard against the gold-plated pension plans that members receive, which was easy to do since I was not at that time eligible to receive one. Today I stand in a far different position.

For a year now, I have experienced the trials of living far from home and family, the extra expenses of being a member of Parliament and the very demanding schedule that an MP must follow. In short, my whole heart and soul has been required of me this past year.

Members would be right to ask if my perspective has been altered by this reality. Under the current system, if I remain here in the House for five more years, I will be eligible to receive a pension. I am not alone. Over 200 new members will be eligible for an incredibly generous pension after just six years.

Most of these new members campaigned to change the pension plan, a task we could accomplish today if our resolve for change is not softened in one short year. While my perspective has changed over the last year, I have certainly not lost my desire for reform. I still believe that our pension plan needs change. Change at the top is essential to provide an example for the rest of the nation. I want to make a few proposals today that would bring our pensions out of fantasyland and into the real world.

I would also point out to all members that it is a mark of integrity to desire change even if it hurts so I am happy to see that Reformers at least are still speaking out on this issue, even though it could cost them a significant part of their future income. This is a mark of integrity and the electorate will remember it.

Allow me to set the stage for a moment so that we can all be clear about what the pension plan offers to members of Parliament. I would like to quote from a major international study on parliamentarian's compensation called the Sobeco report which was tabled in February of this year.

This is what a retiring member of Parliament receives: "The pension plan provides the payment of a retiring allowance to any person who is an MP for a period of at least six years. This lifetime pension commences as soon as a member ceases to hold office regardless of age".

It goes on to read: "The amount of retiring allowance for a member is equal to 30 per cent of the average sessional allowance after six years as a member and increases by 5 percentage points for each additional year to a maximum of 75 per cent after 15 years".

(1330)

This means that a lowly backbencher or an opposition member like myself could walk away, after being re–elected just once, with a pension of about \$20,000 a year for life. For a few members of Parliament who are very young, this benefit would indeed be of great value. Cabinet ministers who have a higher salary of course fare much better. In 1993 the average pension paid to cabinet ministers was almost \$49,000 annually. Former Liberal Prime Minister John Turner is receiving \$85,000 per year for life.

The study also notes that the pension is indexed after age 60. It goes on to say that members pay only 20 per cent of the value of the plan while federal civil servants contribute 40 per cent to their plan and private sector executives about 35 per cent. The pension plan is more generous than those in the private sector and even in the broader public sector.

I mentioned that the Ernst and Young study was an international study. How do our pensions compare with those in other countries? Our system is exceedingly generous. Only Australia and Belgium top our pensions. In fact our pensions are triple the pensions that politicians in the United Kingdom, Sweden and, yes, even the good old United States of America receive. Not only that, but no country allows the payment of a pension as early as Canada does. In fact the payment of a pension before the age of 52 is possible only in Sweden and Australia. In the U.K. you have to be at least 60. In the United States a politician must work for 25 years before getting a pension.

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Finally, how do we compare with the provinces? Only the two most generous provinces, Ontario and British Columbia, offer comparable pensions but there is a major difference in the cost to the taxpayer. That is that provincial members are not eligible for a pension until they are at least 55 years of age in Ontario and 60 in B.C. Can you imagine the difference in cost to the taxpayer between receiving a pension from age 30 and receiving it from age 60? The cost differential is of course enormous.

Listeners will not be surprised to find out that just a month before this study was tabled the government commissioned a completely new study called "Democratic Ideals and Financial Realities" that looked at all the same things. This is because of a statutory requirement that the compensation of MPs must be reviewed at the beginning of each Parliament which is a wasteful law that should be abolished as far as I am concerned.

However, I would note that the commission's report arrives at virtually the same conclusions. I do not know how much that report cost but it is the same.

There are really only a couple of principles that should guide us on potential pensions for members of Parliament. First, the pension should not offer to members benefits that are unavailable to other Canadians. For example, it must have a maximum contribution level equal to that of other Canadians. Pensions should pay benefits at retirement age, not when a member is 45 or even 35 years old, but 55 to 65 like others. The MP pension plan should be the same for all members.

I hear that the finance minister may soon allow members to opt out of the plan. I still believe this is wrong. Some members will opt out but the rest will be allowed to remain with the current plan which means that after a long communication strategy in trying to sell what they are doing and much bragging about change and options and all the rest, most of the MPs, especially across the way, will remain at the trough and taxpayers will be even more sceptical of their members of Parliament. As usual, the more things change around here the more they will stay the same.

Double dipping must be eliminated. By that I mean that a retired member must only receive one benefit at one time from the federal crown.

Pensions must be actuarially sound where the money going into the plan equals the money being paid out of it. I would remind members that the unfunded liability of our pension plan at the end of 1991 was \$12.2 million and that was after the government topped up the fund with 158 million taxpayer dollars earlier in that same year.

The second broad principle is that our pension plan must show how members are willing to lead by example when it comes to government belt tightening. It is no surprise that when Premier Klein started to cut back on government expenditures, a move promised but not yet delivered by this government, the first thing he did was to abolish—he did not scale it back, study it, consider it or talk about it—the MLAs pension plan. Only then did he move on to work on other government programs.

A good leader only asks of others what he himself is prepared to do. Government members would do well to heed this management principle. The words of comfort to university students and UI recipients facing cutbacks will ring hollow indeed if members choose not to lead by example.

A wise saying applies here. It goes like this: "Your actions speak so loudly I cannot hear your words". Let us put the empty rhetoric aside and start a massive overhaul of our pension scheme starting today.

(1335)

Finally, we come to the solution. What do we offer MPs who give their considerable time and effort to serve their country? We want to be fair and equitable. I think we need a pension plan that is comparable to private sector pensions, but which ones I suppose you could ask. There are all sorts of pensions in the private sector. I think we need pensions comparable to those that are available to private sector executives, for example.

Private sector executives get where they are because they display talent, ability and commitment. They are rewarded according to their performance rather than their seniority. They make major companies work and prosper in this country and they compete with the best in the world.

We want to be able to attract this kind of talent, this kind of person to run for Parliament. We need top flight, private sector individuals to make our country run. Not only do people sacrifice careers and time, privacy and family and other things to become elected officials, they also take a drastic cut in the salary portion when they enter Parliament.

Since the salary range for members is already lower than the salary range for private executives, there are few other things that Parliament can offer them in the way of compensation. There are fringe benefits, I suppose, such as a certain amount of notoriety or prestige. Thankfully, this costs nothing to the taxpayer and it is at best a double–edged sword since it also means a corresponding loss of privacy.

Another benefit is the personal satisfaction derived from having direct influence on government policy. Yet another compensation might be the pension they would receive. I think MP pensions need to be as generous as possible while remaining within the industry standard for those types of people.

It would be fair for government to match the contributions of members like other civil servants rather than paying two and a half times what MPs currently contribute. I remind the House that the public service pension fund is in fact overfunded through employee contributions by a large margin. There should be no special deals, no long term obligations that would cost the taxpayer exorbitant amounts of money, just a fair deal that would allow MPs, like everyone else, to plan their future with a minimum of government involvement.

Canadians have a right to demand an end to the current plan. It is an issue that crosses party lines. Let us not grant ourselves special privileges. Let us lead by example and use this opportunity to restructure the current plan. By doing this I believe we can take a step toward restoring the confidence of the Canadian people in the integrity, the equality and the leadership of all members of Parliament.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Madam Speaker, I want to ask the hon. member for his party's views on double dipping when it comes between levels of government. I know his party's position is against double dipping as is ours within the same level of government.

One of his colleagues, and I will not mention names, does draw a pension of \$61,000 I believe and now is getting a salary of \$64,500. This gives him a salary of \$125,000 plus a year. What is his party's position and his own position on this kind of cross level of government double dipping?

Mr. Strahl Madam Speaker, I only have to suppose which member the hon. member opposite refers to. Let me talk at least in the broad principles. A couple of things are fairly obvious. If a politician gives 25 years of service to a province or to the Government of Canada or to the Chamber here, that in itself is a considerable difference than the six year minimum that is currently available here in the House.

One thing is the length of time it takes to qualify for such a pension. I think 25 years is significantly different than six years. The other is that there should really only be one pension paid to that individual. I know in the case he is mentioning that has already been made obvious. The member will not be receiving another pension from this level of government since he has already put in 25 years of service in the position of an MLA. I think that is a very honourable and noble thing he has done. It is another leadership by example as he explained it well in his constituency. He has made it obvious that he has refused. He has written across his forms that he will refuse any future parliamentary pension because obviously as the member has pointed out, one pension is certainly enough for any one individual.

(1340)

**Mr. Harper (Calgary West):** Point of order, Madam Speaker. The smart-ass question which we just got—

The Acting Speaker (Mrs. Maheu): That is not a point of order.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, the previous speaker from Fraser Valley East talked about a number of issues on which I want to comment. I also have a question for him.

The hon. member commented briefly on the opting out issue. Canadians should understand that the opting out provision he is talking about has nothing to do with the question that has been raised by this government in its policy or in fact by the proposals the government intends to bring forward.

The opting out was a ploy by the Reform Party simply to get press attention. It had absolutely nothing to do with a legitimate option. The Prime Minister did say if members want to opt out of the pension plan he would allow it. It is not being proposed for members of Parliament.

Second, the member says we should lead by example and that we should have no special privileges. I think that is a fair statement to have made. However, members of Parliament on all sides were elected knowing what the compensation package was and knowing that the Liberal Party had proposed two changes to the current government pension program. The first change was to end double dipping. The second change was to reconsider the age at which members of Parliament would qualify to receive benefits.

Members of Parliament knew that. They ran for public office knowing what the compensation was specified to be.

Now members are saying there should not be special privileges. I wonder if the member would agree that in fact it is not a special privilege but a right of any member of Parliament to know what their compensation is, what they are running for, and what they are going to have to plan for. I wonder if the member of Parliament, the previous speaker, would care to say what exactly he feels members of Parliament should be paid and if in fact, as he suggests, there should be no pension plan or something comparable to what is offered in corporate life.

It is only fair that Canadians understand that there is a compensation requirement.

**Mr. Strahl:** Madam Speaker, a couple of points were raised, one being that certainly members on the one hand should know what they are running for when they seek candidacy. We ran under one set of rules. We are going to change them. They are in flux so they are going to change.

I do not think there is anything wrong with changing them on the fly, as it were. I think Canadians have been demanding that. Polling will indicate that this is a very poorly received plan as it currently stands.

The other thing is on compensation. I know the members across the way have consistently tried to make some hay out of this but the Reform Party has never felt that the pay package is too generous for members of Parliament. It is the pension plan.

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Again and again we say we are talking about the pension plan which is too generous the way it stands and six years is too quick to make that much benefit.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Madam Speaker, this has been a valuable and informative debate because the government is committed to reform of the pension plan. It has taken this commitment by members of the government party very seriously and we are in the stage of discussion and dialogue and testing out ideas. It is quite clear that this problem can be resolved before the next general election.

Although hypothetical cases have been cited of members who could resign tomorrow and acquire large pensions, I do not think anybody is contemplating resignation at this stage. We have the time and we have to do this thoroughly.

It is also agreed that salaries and pensions are part of the same package and there is some disposition to think that members are underpaid but may be overgenerously treated in pensions.

(1345)

That is the sort of balance the government must and will consider. Be assured of the one general consideration today that we act in the sense of doing equity to everybody and that members of Parliament suffer with the general public. Therefore in approaching the reforms we have considerations of this sort well in mind.

Some aspects were discussed during the election campaign. If they were not discussed in government papers they were raised at all-candidates meetings. It is interesting to note the consensus that develops easily enough on these considerations.

It is agreed that it is unjust for members of Parliament to receive pensions on retirement from the House while still young, active, healthy and able to engage in other activities. A commencement age at 55, I would have said 60 or 65, whatever the regular national pension scheme finally may be is correct and is equitable. That is certainly within the government's consideration.

The double dipping issue was raised during the election. All of us agree that the flagrant examples, and there have been several of them cited, are ones that arouse genuine public concern. Even if numerically they are not very large they do raise the issue of justice not merely being done but not being seen to be done. Equity must be done to all citizens. If there is one case of a former MP taking a large government job at an inflated salary then people are justifiably saying that is not right.

There are some complications in relation to this. I do not think they are insuperable. I think a member opposite said double dipping reaches only within the area of federal sovereignty. Sovereignty of course is indivisible. I myself would be interested in testing a declaratory judgment whether a ban on double dipping could not reach to pensions of members who have served in provincial houses or possibly at the municipal level. I raise this as a theoretical point, but theoretical questions can and

should be answered when they have practical consequences and if the practical consequences disturb the general public conception of what is right and proper.

I hope in considering revisions of the pension plan we will not merely consider barring former MPs from collecting their MPs pensions while they take on a judicial, civil service, ambassadorial or other post. I hope we will consider whether it should not in equitable terms reach out also to those who have taken pensions from the provincial domain or even from the municipal domain.

As I said sovereignty in classical theory is indivisible. I see no reason why artificial boundaries should be set up. Some might even raise the issue of whether civil servant pensions should not be viewed in the same way and when they are federal civil service pensions the logic becomes very persuasive and convincing.

I have taken note of the comments already made in the debate on the balance between contributions by members of Parliament and contributions by Parliament itself. This is one of the issues the government will be looking at in its revised plans for the pension scheme.

To be frank I have in mind one possible reform that would be crucially affected if there was more nearly a balance between the two contributions and that is the portability of pensions. Those of us who know the American system of government or those of us who have been familiar with universities or other public institutions will know that the principle of portability is very well assured.

People may serve at a distinguished university like the University of Calgary and then move on after a year to another university. It is a quite common practice for a pension right to vest after a year's service. It may not be very much. It may provide only for one good dinner at the Palliser Hotel or somewhere else but the principle is important enough.

It has always struck me as rather artificial that the pension rights vest after six years. That provides an inducement to members to serve a second term where it may be in their own best interests and the best interests of the country might better be served if they contented themselves with one term. Obviously if the pension contributions by one party, by Parliament, are out of line with the member's own contributions that sort of sensible reform as I see it tends to break down, or the logic for it tends to disappear.

(1350)

On the indexing issue which has been raised, it is very clear that this enters into larger approaches to social security and the Canadian social security network. Obviously what is good for one category of society should be good for all categories.

We either move to a general system of indexing, which may be one way of facing inflation and the generally rising costs of living, or we have to move out of the areas where that exists. These again are well within the ambit of the government's proposals and the government's consideration of reform of the pension system and should be considered in that light.

This issue has been raised in the House and I think it is worth considering: Where and when will reforms begin? Can they be prospective only? Is there such a system as vested rights? Can you not touch what has gone before?

It is true that as a matter of constitutional law what we are dealing with is really only a constitutional privilege. That is to say Parliament has the full competence to apply any reform measures it may devise retroactively as well as prospectively.

If we were considering that, one thing to consider would be the condition of the earlier MPs who came in before the present pension system was devised. I am quite shocked to learn of some of the pension provisions for people serving from the 1940s, 1950s and 1960s, and some of them are still around, before the present scheme came in. These are really hardship situations.

Obviously there is a difference between what is constitutionally permissible and what considerations of equity would demand. Any revision by the government should perhaps include a look at these pioneer members of Parliament who retired before the present scheme came into operation.

It would obviously be easier in terms of general conceptions of what is right and proper to deal only with present cases, that is to say members elected in 1993. It may well be that the main thrust of the reform proposals is directed there.

There has been discussion of self-administered pension plans. A good deal depends, Madam Speaker, as you are very well aware, on the competence of those administering the self-administered pension plans, the financial advisers. We do need some more details here. If the opposition parties have suggestions they should submit them in detail into the debate.

Most members of Parliament whatever their other competencies do not have great expertise in this general area. One is reminded of the fact that many members of Parliament are lawyers. Frankly many lawyers have great difficulty in devising a pension plan that is fair to themselves.

The self-administered pension plan looks to be an easy way out. However it would have to be some sort of plan that would look to a co-operative unit within Parliament and that would require discussion among the parties.

These are my thoughts on what has been a fascinating debate. It has been a discussion of useful ideas which the government will certainly be taking into account in its announced reforms of the pension plan.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, I am familiar with the member's riding of Vancouver Quadra. It is a riding not dissimilar to that of my seatmate and is in a fairly high income bracket with very professional people. I am sure the hon. member has probably been apprised of the fact on the part of his constituents that the whole issue of compensation for the member of Parliament probably is not an issue.

(1355)

We could look at other ridings, for example the far eastern portion of Kootenay East where the coal miners have been put out of work. In the many situations where thousands of people are just barely getting by there is probably going to be a difference of opinion on the part of the constituents.

Notwithstanding that, the chair of the committee on social reform is one of the people who will be qualifying, as is the Minister of Finance. The University of British Columbia is in the hon. member's constituency. The human resources development department is saying in all likelihood that tuition fees are going to double.

In view of that, would the member not agree it would have been a very wise and prudent move on the part of the Prime Minister and the government to have made this move before these people were telling the students that their fees were going to rise from \$2,000 to \$4,000 and that by the way, there was an advertisement saying that the committee chair was going to qualify for a pension that in his lifetime has the potential of paying \$1.4 million? Would the member not agree it would have been very prudent, expeditious and wise of his front bench to have made this move in a far more hasty manner?

**Mr. McWhinney:** Madam Speaker, I appreciate the thoughtful question from the hon. member. It is true that I have a very great university within my constituency. I met with the student leaders there. I met with the administration two weeks ago. I have also met with universities outside my constituency. For a number of reasons they have come to me to discuss their concerns.

I do not regard it as a consequence of the social security green book that university fees will go up. In fact, I have given my personal undertaking that I will do my best to see that whatever emerges under the social security green book proposals that consequence would not arise. It is not a necessary and inevitable consequence of the green book at all. Frankly, the remedies are

Supply

more within the provincial domain and have very little to do with federal policy. That is a separate issue from the larger issue the hon. member raised.

It is true that in my riding the sentiment seems to be to favour larger salaries for members. This has been put to me by people who say they would never run for Parliament because the salaries are too low. Accepting the notion of a pension plan more in line for example with university pension plans in terms of balance of contributions would be acceptable. I see that argument and in fact, I accept it.

**An hon. member:** Should it have been done sooner?

Mr. McWhinney: I think frankly since the review is going on and since there is no urgency before the elections, it can be done in its proper time. I do assure the hon. member I accept that viewpoint too. I would rather see more balance in the pension and a different approach to the salaries, but there is no correlation between this and university fees. I do not accept as a consequence of the green book that fees will go up.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, I am pleased to rise on the opposition motion concerning the members of Parliament pensions. The member for Vancouver Quadra has raised some very interesting points as usual.

I particularly want to note for all members that the government in its election platform and its statements in the House has said it will end double dipping and the age. Today the Prime Minister did show his commitment to make those changes when he announced the appointment of Canada's next Governor General, the Hon. Romeo LeBlanc. He further went on to say that the Governor General will draw a salary as a Governor General but will return his MP pension to the government as a sign of that leadership. That is outstanding.

**The Speaker:** Order. I understand the hon. member may have a little bit of time remaining when we return to the debate.

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# REPORT OF THE AUDITOR GENERAL

**The Speaker:** I have the honour to lay upon the table the report of the Auditor General of Canada for the fiscal year ended March 31, 1994.

I remind hon. members that pursuant to Standing Order 108(3)(d), this document is deemed to have been permanently referred to the Standing Committee on Public Accounts.

It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

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### STATEMENTS BY MEMBERS

[English]

#### NATIONAL PAROLE BOARD

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, my statement concerns the recent appointment of Mr. Willie Gibbs to the chair of the National Parole Board.

The Auditor General points out in his 1994 report that the method of hiring used shows a need for improvement and this was followed. Mr. Gibbs, a career corrections civil servant, was hired through a two stage selection process and face to face interviews.

This is the first time this type of appointment process has been held for National Parole Board appointments and we applaud it.

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[Translation]

#### OCCUPATIONAL TRAINING

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, the fifth anniversary of the Forum pour l'emploi du Québec has been an opportunity to stress the importance of occupational training and the integration of young people in the labour market. That occupational training should be patriated to Quebec has been agreed for some time by all political, economic and social partners. Only the federal government is still turning a deaf ear to these demands.

The Minister of Human Resources Development will have to admit that local initiatives will achieve their objectives once the federal government has given the provinces full responsibility for manpower training.

Why does the minister keep interfering with this sector, when he cannot even get good results with the measures he dictates from Ottawa?

[English]

#### PROTECTION OF CITIZENS

**Mr. Myron Thompson (Wild Rose, Ref.):** Mr. Speaker, the history of this government to protect our Canadian citizens has proven to be dismal.

Kenneth Walker, a Canadian businessman, is currently being hounded on dubious charges by the United States government and our government refuses to assist him.

Victor Ostrovsky, a Canadian author, listened while a zealot being interviewed on a morning news show called for anyone to murder Victor Ostrovsky.

Why is this government allowing death threats toward a Canadian author and a businessman to go unanswered?

When the British author Salmon Rushdie was threatened with death, the British Parliament rose in one voice to condemn the country that promoted violence in the death of the British citizen.

Not only has silence shown the world that our Canada does not care or show concern for its citizens, continuing silence will confirm to radicals, zealots and foreign powers that any Canadian can be intimidated or killed without action from this government.

This government must show some backbone and speak out against threats of any kind against our Canadian citizens.

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#### PROGRAM FOR OLDER WORKER ADJUSTMENT

**Mr. Janko Peric (Cambridge, Lib.):** Mr. Speaker, I would like to draw the attention of this House to a matter of grave concern to 22 of my constituents from Cambridge.

These constituents are former employees of Bundy Canada. They are all over the age of 55 and have received no income since they were laid off in 1991 due to problems with the program for older worker adjustment.

After numerous delays, my constituents are now being told that they must wait until the spring of 1995 for POWA designations and a resolution to this matter.

Many of these people have been forced to sell their homes, cash in their RRSPs and move in with other family members in order to survive. It is time that we returned some dignity to the lives of these people and relieved their emotional and financial distress.

I urge the minister to do whatever he can to encourage the Ontario government to agree to provide financial assistance to the affected workers under the current Canada–Ontario POWA framework agreement.

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#### VIOLENCE AGAINST WOMEN

Mrs. Rose-Marie Ur (Lambton-Middlesex, Lib.): Mr. Speaker, November is Wife Assault Prevention Month in the province of Ontario.

Statistics Canada says that one out of every four rural Canadian women is beaten. My riding of Lambton—Middlesex is primarily rural in nature. The fear and sense of isolation that every abused woman feels is compounded for abused women living in Canada's rural areas simply because rural living is more secluded and women feel they cannot leave the farm and farm business in which they are partners.

There is help for abused women in Middlesex county. The Women's Rural Resource Centre of Strathroy & area, which has offered protection for 200 area women over the last year, is also

conducting a rural outreach program for farm wives who are the victims of domestic violence.

(1405)

In addition, the centre in conjunction with the Middlesex Board of Education is offering the services of a violence prevention counsellor for the children attending Strathroy's elementary schools.

We have to hope that proactive efforts like these will one day break the cycle of unacceptable domestic violence in Canadian households, both rural and urban.

#### SNOWMOBILING

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, with the snowmobile season soon upon us, I rise in the House today to pay tribute to the volunteers who make snowmobiling in my riding of Parry Sound—Muskoka an important part of the economy, supporting a large number of businesses.

Snowmobiling is enjoying an incredible resurgence and it is fast becoming the number one winter sport. The tremendous growth has turned snowmobiling into a \$1.25 billion industry in Canada, supporting thousands of jobs across the country. Largely financed by the user pay system, snowmobiling relies on the support and dedication of its volunteers.

In Parry Sound—Muskoka close to 850 of my constituents volunteer their time. Across Ontario the number is 10,000 and across Canada there are a staggering 30,000 volunteers who support the snowmobile industry.

Volunteers are a valuable commodity. In my riding these generous people are helping us fulfil our goal of becoming a four season tourism destination through the increasing popularity of snowmobiling.

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[Translation]

#### MATTHEW COON COME

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, members of the Bloc Quebecois were flabbergasted at the Prime Minister's lukewarm response to the inflammatory statements made in Washington by the leader of the Cree Grand Council, Matthew Coon Come, in referring to Quebecers and their Premier.

Why did the Prime Minister of Canada remain silent after these attacks, when his government immediately poured millions of dollars into helping lumber companies in Western Canada that were criticized for clear-cutting? The Prime Minister of Canada preferred to avoid alienating his ally in the S. O. 31

upcoming referendum campaign. He preferred to humiliate seven million Quebecers instead.

During his trip to China, the hon. member for Saint-Maurice gave us the assurance he would personally defend the interests of Quebec. Where is the hon. member for Saint-Maurice now?

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[English]

#### YOUNG OFFENDERS ACT

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, last week an acquaintance of mine driving in the mountains was stopped by a young man asking for help. He had suffered a car accident and his friend was still in the car badly injured.

When the police arrived my friend was surprised to find that the police were on a first name basis with this teenager who regularly steals cars, takes them up into the mountains and strips them before trashing them.

The police are more than a little discouraged. They continue to charge this fellow but under the Young Offenders Act nothing ever comes of it. A young criminal is still on the loose, more cars will be stolen and trashed and the teenager's friend is in the hospital with a broken back because the justice system does not have the guts to deal with young rebels.

This is just one more example of how the Young Offenders Act fails the young criminal, fails the innocent victims and fails the law-abiding Canadian public.

#### **GUNTHER PLAUT**

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, Rabbi Emeritus Gunther Plaut of Holy Blossom Temple in Toronto was recently in Berlin to deliver the convocation address at Humboldt University.

The rabbi, one of the world's most renowned theologians, was forced to flee Nazi Germany in the mid–1930s shortly after completing his Ph.D. at Humboldt University. His return there to give the convocation address marks the 60th anniversary of his receiving his Ph.D.

I know all members of this House appreciate the significance of this convocation address both for Rabbi Plaut and Humboldt University. The return in 1994 of a German citizen, a Jew, forced to flee from Nazi tyranny in the 1930s to address his German alma mater is a testament to how far Germany has come since the dark days of the Hitler tyranny.

In his address entitled "Asylum—The Moral Dilemma", Rabbi Plaut spoke of Germany's new, multi-ethnic face. He challenged Germany's young people to break new ground in tolerance and understanding and to forsake extremism.

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I would like to take this opportunity to congratulate Rabbi Plaut on the honour of his being invited to give the convocation address at Humboldt University in Berlin.

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#### **GOVERNMENT OPERATIONS**

**Mr. Alex Shepherd (Durham, Lib.):** Mr. Speaker, today the Auditor General released his report reviewing government expenditures and operations.

As vice-chair of the public accounts committee, it will be my and my colleagues' duty on that committee to review and make recommendations to this House on how to improve the way governments do business.

While the opposition may magnify government misspending, we in the government party realize a more mature approach is to consult with the bureaucracy in order to resolve these problems.

(1410)

One of the areas that was reviewed was that of our prison system. I would like to report that I attended Millhaven penitentiary only yesterday in an attempt to understand how our system could become more cost effective.

I believe if the opposition parties took the time to see first hand how taxpayer dollars were being spent they could made recommendations that were more practical.

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[Translation]

## INTERNATIONAL TRIBUNAL FOR CHILDREN'S RIGHTS

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, the International Tribunal for Children's Rights was inaugurated in Paris yesterday. The headquarters of this tribunal will be in Montreal. The promoters of this extraordinary initiative were inspired by the Convention on the Rights of the Child, signed in New York in 1990, where several promises were made on behalf of children. Today we still find children who are drug addicts, prostitutes, conscripted, enslaved and even victims of traffic in body organs.

In this International Year of the Family, I urge members of this House to support this initiative and I encourage and congratulate those who will sit on this tribunal. Bravo!

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[English]

#### LACROSSE HALL OF FAME

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, in 1963 lacrosse enthusiasts in New Westminster, British Columbia thought that since the city had such a great

lacrosse heritage it would be the ideal location for the Canadian Lacrosse Hall of Fame. It took some aggressive campaigning but it was worth the effort as the hall's charter was awarded in November 1964 and incorporated under the societies act in 1965.

In 1966, 48 charter members were selected by committees from the east and west. To date 284 inductees have been honoured in the hall of fame for Canada's official summer sport.

This past Saturday at the Royal Towers Hotel in New Westminister, the hall welcomed six new inductees, two builders and four box players. From the builders was Annie McDonald of Ontario and Mason Sheldrick from British Columbia. From the players was Grant Heffernan and Lou Nickle of Ontario and Bill Rawson and Doug Hayes from B.C.

These six inductees have served Canada's national sport honourably and I might say they have served it strike free. Congratulations to the Canadian Lacrosse Hall of Fame.

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#### FRIENDSHIP CENTRES

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the aboriginal friendship centre program in the department of heritage improves the lives of urban aboriginal people through the provision of social, cultural and recreational services.

When the former Conservative government cut the program by 10 per cent in 1993, the Liberal opposition MPs rose in the House to publicly condemn the government's actions. Now that they are in government a department of heritage internal working document reveals that the Liberals are considering three proposals for funding reductions, a cut of 25 per cent, a cut of 50 per cent or a phase out of the program over three years.

Members of the National Association of Friendship Centres have been trying since last spring to meet the minister to discuss the proposed cuts, but without success. Because the continued survival of these centres is essential to the future of aboriginal people in Canada, I strongly urge the minister to meet with the National Association of Friendship Centres as soon as possible and I encourage him to exempt the valuable services that friendship centres provide from any planned budget cuts.

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#### **VANIER CUP**

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, the University of Western Ontario Mustangs finished an undefeated season with a record sixth Vanier Cup victory Saturday.

An hon. member: Again?

**Mrs. Barnes:** Yes, again. I remember as a student cheering them on to their very first Vanier Cup in 1971. The Mustangs

won the Canadian varsity football championship in 1974, 1976, 1977 and 1989, and hopefully next year too.

Saturday's 50–40 victory was the first overtime victory in the history of the Vanier Cup. The Saskatchewan Huskies' valiant effort made for an exciting game for the spectators.

A Western fan, 82-year old Professor Emeritus Allen Philbrick, lapped the field after every Western touchdown, as he has done for the last 20 years.

I am proud to congratulate the team, the university and all the fans. I am very happy that they are in my riding.

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#### **GOVERNOR GENERAL**

Mr. Paul Zed (Fundy—Royal, Lib.): Mr. Speaker, it was with immense pride that I heard today in the House our Prime Minister announce that Her Majesty Queen Elizabeth has accepted his recommendation to appoint the Hn. Romeo LeBlanc as Canada's 25th Governor General. This is a wonderful tribute to a man who has served our country for so long and with such distinction.

The Prime Minister has bestowed an honour on all Atlantic Canadians, all new Brunswickers and in particular the vibrant Acadian community of North America.

(1415)

On behalf of all New Brunswickers I wish to thank the Prime Minister for honouring us in this way. Romeo LeBlanc will make an excellent Governor General. He is a man possessed of unusual human strength, humour and compassion. I know his modest self-deprecating style and wit will endear him to all Canadians. He will be the people's Governor General, a man as comfortable chatting informally in a farmhouse kitchen in Sussex, New Brunswick, as he will be receiving a head of state at Rideau Hall.

The Prime Minister has made an outstanding choice. Members join me in congratulating Romeo, his wife, Diana, and their children Dominic, Genevieve, Joanna and Sarah. May God bless and keep our new head of state.

#### **ORAL QUESTION PERIOD**

[Translation]

#### COLLÈGE MILITAIRE ROYAL DE SAINT-JEAN

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, following the Government of Quebec and the Mayor of Saint-Jean, Col. Marcel Parisien, Commandant of the

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Royal Military College in Saint-Jean, has proposed to the federal government an alternative to the brutal closure of the college in Saint-Jean.

In a letter addressed to his superiors, Col. Parisien confirms that Kingston does not have enough facilities to house the officer cadets from Saint-Jean and he expresses serious reservations about the ability of the college in Kingston to properly integrate French-speaking officer cadets in their language.

How can the Minister of Intergovernmental Affairs refuse to consider Col. Parisien's proposal, since the colonel knows what he is talking about? Will he finally admit that the college in Kingston does not now have sufficient facilities for the French-speaking officer cadets from Saint-Jean?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I checked again with defence department experts and with the defence minister himself. They confirmed for me that once all the costs of converting the college in Kingston are taken into account, the federal government would save \$23 million a year net by putting all these military facilities there.

What must be done now is to implement the July 19 agreement so that the college in Saint-Jean can remain a post-secondary educational institution.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the minister quotes anonymous defence department experts for us. He should realize that the expert in this area, who is there on location running the college and knows what it really needs and what it must have in future and who also knows Kingston, is the commandant of the present college, Col. Marcel Parisien. He contradicts the minister.

The minister's attitude could drive one to despair. He is needlessly stubborn. When will he finally listen to reason, since he is practically the only one now who opposes his own commandant of the college in defending the brutal closure of the college in Saint–Jean, which Col. Parisien considers to be irresponsible and unrealistic?

Does he not realize that he is jeopardizing the attempt to reach the goal of 30 per cent French-speaking students in Kingston?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, again, I rely on the opinion of defence department experts. The commandant himself is not an expert on the costs of converting such an institution.

The experts are very clear. The federal government's position of concentrating all its teaching operations in Kingston is justified and the only problem still to be solved is to have the

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Quebec government respect and ratify the agreement signed on July 19.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I do not think that the minister has made himself look better and convinced anyone by discrediting the present commandant of the college, saying that he knows nothing about the operation, when he is himself appointed by the government to run the college. He is the government's representative to lead the college and the institution and we are being told that he does not know his work. They are hiding behind nameless officials who are under the minister's thumb.

Obviously, the minister still thinks that he alone is right on this issue. Does he share Col. Parisien's opinion that the college in Kingston cannot provide officer cadets with proper support to join the armed forces as French-speaking members and that their dropout rate will be higher?

(1420)

[English]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it is only appropriate since we are now not talking about the entente between the Government of Quebec and the Canada but rather the operations between the Canadian armed forces that I reply to the hon. member's question.

The commandant in question was sent this summer to wind down CMR. He was not involved in the original decision making and is therefore not fully apprised of all of the financial facts that were available to me as minister and to the department when the closure was announced.

What has happened here is something that should be explained. The commandant like a lot of base commanders across this country, faced with a lot of very frustrated and angry and upset people who are losing their jobs because of the base closures, whether they be in Chatham, Cornwallis, Dartmouth or North Bay, is trying to deal with his people in the best way possible.

In good faith he thought he was being helpful to the cause. We have pointed out to him that the facts in his letter do not add up. I now believe that the commandant realizes that the situation as we had described it originally and the facts upon which the original decision was based is the correct one.

[Translation]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, once on site, the commandant of the college in Saint-Jean who was tasked with closing the college realized that the orders he had been given made no sense. This, I think, justifies his position.

In his report tabled today, the Auditor General states that infrastructure mismanagement in the Canadian Forces costs the Canadian government over \$100 million a year. Furthermore,

the Minister of Intergovernmental Affairs claims that closing the college in Saint–Jean will save \$23 million, but he is very careful not to subtract from this \$23 million the amount added to the budget of the college in Kingston for the teaching activities that will be transferred there.

Why does the government not admit that it erred by cutting the military college in Saint-Jean instead of targeting poor management practices that every year cost four times the total budget for all teaching activities in Saint-Jean?

[English]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the government made the right decision for financial reasons to close the two military colleges, Royal Roads and Collège Militaire Royal in Saint–Jean, regrettable as that may be. In fact we closed a number of facilities across the country. It has caused a lot of hardship to many communities.

What I think should not be lost sight of here is that the tactics of the opposition, the Bloc Quebecois, and the Government of Quebec are really distracting the focus of attention of those people who have to make a very important decision in their lives. By January 7 they have to decide whether or not to take the government offer, the civilian reduction plan, a program which has been offered to them.

What is happening is that hon. members opposite and their tactics are giving those people hope that somehow this decision will be reversed. The decision will not be reversed and they are doing themselves and the people of the province of Quebec a great disservice.

[Translation]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it is true that the opposition wants to offer renewed hope to the people of Saint-Jean, unlike the minister who stubbornly refuses to change his mind.

Some hon. members: Hear, hear.

**Mr. Gauthier (Roberval):** As the Auditor General of Canada said, the government continues to spend millions of dollars more on its real property than what is needed. These expenditures, says the Auditor General, are based on ill-considered political decisions.

Does the Minister of Intergovernmental Affairs realize that building the infrastructure needed to accommodate 1,200 officer cadets in Kingston, when this number will be reduced to 900 within two years, is a waste of money, especially since such facilities already exist in Saint-Jean?

[English]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, there are a number of factual errors in the hon. member's question.

First of all, any new construction that RMC was authorized by the previous government and amounts to normal replacement. That construction was scheduled to start in 1995. There will be no new construction required as a result of the consolidation process of the two colleges announced in the budget.

(1425)

Second, when the hon. member talks about the Auditor General's report, and I have not had a chance to read it, he is really mixing apples and oranges. Whatever the Auditor General had to say in that area does not bear direct relationship to what is at hand with the very serious matter of St. Jean.

If the member really wanted to give hope to the people of St. Jean, the professors and other employees who work at this very noble institution, he would encourage the Government of Quebec to accept the proposal negotiated by my colleague, the Minister of Intergovernmental Affairs. That would bring them hope because the college would stay open as a civilian institution.

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#### AUDITOR GENERAL'S REPORT

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the federal government spends more money on social programs than anything else. The Minister of Human Resources Development is running around the country discussing social reform. Yet the Auditor General in his report today says that a central concern in our study is that Parliament lacks important information on the performance and effects of existing social programs. Canadians do not even have the numbers, the actual costs and values received, not for existing social programs nor proposed reform.

Will the Prime Minister implement the Auditor General's recommendations and give Parliament and Canadians the financial information necessary to make meaningful choices on social policy reform?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as the hon. member well knows, over the past several weeks the Department of Human Resources Development has tabled a number of very extensive supplementary papers that detail in a very wide range the impacts of a variety of options and choices.

I would be very glad to submit to the hon. member copies of those papers so that he would be fully informed, although I can assure the House that every single member of Parliament has received on his or her desk copies of those supplementary papers that fully comply with the kind of requirements the Auditor General put forward.

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Mr. Preston Manning (Calgary Southwest, Ref.): Including technical reports as well. The weakness of the minister's answer reveals the fundamental weakness in the government's approach to social programs. That is an unwillingness and inability to assess fully the real costs, the long term costs on what is proposed. Weak on numbers. Sauce in the heart but soft in the head.

Will the Prime Minister acknowledge that this is the fundamental weakness of the red ink book? It is the fundamental weakness of the minister's green paper. It is the fundamental weakness of the government. Will he commit to start doing something about that weakness?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member should know that the Auditor General prepares his analyses and assessments months and many times a year before the actual developments and events take place.

I certainly agree that the Auditor General has clearly demonstrated in his report the fundamental need for social reform. He has pointed out how many of the programs have not worked well, how disincentives have crept into programs, how there is a dependency growing up. The Auditor General has underlined as clearly as anybody in this country has the need for social reform. The problem is that members of the Reform Party are opposing social reform because they do not want to see those changes take place.

I would seriously suggest that if the hon, member was really paying attention to the Auditor General's report he should be applauding this government for undertaking social reform.

Mr. Preston Manning (Calgary Southwest, Ref.): The Reform Party opposes tinkering with social reform, not real reform.

The Auditor General says in black and white what Reformers have maintained for years, that increased costs in social services since 1975 have made them, and I use his words, "financially unsustainable from tax revenues".

This is a broader question than just the minister's department. Will the Prime Minister come clean with the Canadian people and tell them that with current deficit and debt levels federal social programs are financially unsustainable and that is the reason for having real reform rather than tinkering with the social programs?

(1430)

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, one can only draw this conclusion from the hon. member's questions and general responses.

The Reform Party is not interested in meaningful reform. It is interested in mean-minded reform. It simply wants to cut, cut, cut. It does not want to change the programs to get people back

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to work. It does not want to change programs to help children out of poverty. It does not want to change programs to ensure that people have a greater opportunity. It simply wants to slash the programs.

Mr. Speaker, that is not the way Liberals do things.

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[Translation]

#### **CANADIAN NATIONAL**

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is directed to the Minister of Transport.

As the Auditor General continues to reveal cases of wasteful spending in the federal government, we learn that the president of CN, Mr. Paul Tellier, who receives an annual salary of \$345,000, in addition to an annual allowance of about \$52,000, received from his employer an interest–free loan of \$432,000 to buy a house for which he paid \$345,000, when he was transferred from Ottawa to Montreal.

Does the minister feel that at a time of budgetary restraint, it was appropriate for CN to grant Mr. Tellier an interest–free loan of \$432,000 without a mortgage guarantee, in order to camouflage this transaction?

[English]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the arrangement the hon. member has alluded to with respect to the interest free loan is not one that comes directly under the responsibility of the Government of Canada. The remuneration for the president of CN is a matter for the Government of Canada and it is set by order in council.

With respect to any arrangements for the financing of a home, that is a matter between the president of Canadian National and the board of CN.

The hon. member knows this is a precedent which has been set over a number of years with CN. It also occurs quite frequently in the private sector.

[Translation]

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, as far as I know, the Canadian government is the sole shareholder of CN. Since the loan to Mr. Tellier is \$87,000 more than the price he paid for the house, does this mean that CN also lent this money interest—free and without guarantees, so that Mr. Tellier could spend it on redecorating the house?

[English]

**Hon. Douglas Young (Minister of Transport, Lib.):** Mr. Speaker, as I indicated, the practice at CN which is a crown corporation is compatible with what has gone on in the private sector. There is also precedent at CN.

With respect to the question dealing with the evaluation of the property, I will see if we can clarify the situation and find out if it resembles in any respect what taxpayers have to do with Mr. Parizeau's home in Quebec City.

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#### AUDITOR GENERAL'S REPORT

**Mr. John Williams (St. Albert, Ref.):** Mr. Speaker, I was shocked, as I am sure you were, to read in the Auditor General's report that the national defence department is the only department that keeps track of the implementation of the Auditor General's recommendations and it implemented only 56 per cent of the 1990–92 recommendations.

My question is for the Prime Minister. Will he ensure that each government department from now on will comply with the Auditor General's recommendations to ensure that the taxpayers get fair value for the money they pay to this government.

(1435)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Yes, Mr. Speaker.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, last year the Auditor General pointed out a tax problem that cost Canadian taxpayers more than \$1 billion. This year the Auditor General has identified potential savings in excess of \$1 billion again, including one point where over 10 years we spent \$1 million to design a boat that was never built.

Can we be assured that all of the recommendations of the Auditor General will be implemented forthwith so that from now on we know that we will never see the type of report coming out again that shows waste and mismanagement right across government?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I understand that the very diligent minister of fisheries oversaw the final phase—out of the project.

[Translation]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, my question is directed to the Minister of Finance.

In his report tabled today in the House, the Auditor General indicates that tax revenues totalling \$6.5 billion have yet to be recovered by the federal government, in addition to accounts receivable totalling \$1 billion for the GST.

Does the Minister of Finance agree that before he considers taxing private health plans and RRSPs, he should first take steps to recover these billions of dollars in accounts receivable?

[English]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I can assure the House that we will collect the vast majority of the taxes owing and we will do it with interest.

Canadians should know that the accounts receivable of Revenue Canada are not some fund which is available to further reduce the deficit. They are funds taken into account in the government accounting by the Minister of Finance in budgetary projections.

The total accounts receivable stopped growing last year and is now declining. I believe that we will continue to be able to reduce that sum.

[Translation]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, \$5.4 billion in taxes is owed by 400,000 high-income taxpayers.

What explanation does the Minister of National Revenue have for the fact that so many high-income taxpayers continue to avoid the tax man and keep putting off paying their taxes? Will the minister promise to put in place a system that will accelerate the processing of these accounts receivable?

[English]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the member appears not to have understood that the accounts receivable are funds collected by the federal government, by Revenue Canada. It is not some fund out there of uncollected money. We constantly collect the accounts receivable.

I believe this amount of outstanding taxes will continue to decline as the economic recovery continues. As Canadians continue to regain confidence in the government and confidence in the improvements in the economy that has been brought about since the government came in, we will see the amount of money that is owed to Revenue Canada declining substantially as the recession of the past and the past government gives way to the recovery of the present government.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the Auditor General's report today states that during the past number of years the Canadian government donated \$3.1 billion to the Governments of Poland and Egypt to help with their debt reduction payments.

Does the foreign affairs minister agree with this sort of program for the future, considering our current financial situation?

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**Hon.** André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the Government of Canada has obligations to fulfil. As members of the G-7 it is important that we fulfil these obligations.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, my supplementary question is for the Prime Minister.

When the red ink book talks about reducing the debt and deficit was it referring to Poland and Egypt or Canada? Canadians would really like to know the answer.

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, we are on target. We said the deficit in relation to GDP would be 3 per cent by the third year of our mandate. The good policies of the Minister of Finance will make sure that we meet our target.

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(1440)

[Translation]

#### **AUDITOR GENERAL'S REPORT**

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is directed to the President of the Treasury Board.

The Auditor General's report tells us once again that the government is not running a tight ship. According to the report, since 1987, the Public Service Compensation System has cost the government \$170 for each of its 200,000 employees in the Public Service, while the unit cost for provincial governments is between \$50 and \$70.

How can the President of the Treasury Board tolerate the fact that the federal government's management of its compensation system is so costly and inefficient and that the government absolutely refuses to examine many other cases of wasteful spending in its administration, something the Official Opposition has been asking for the past year?

[English]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I was not around for some of the years hon. members opposite were. Maybe they know about those practices back in the 1980s and early 1990s.

The government is determined to clean up those practices and to make sure the government is open and transparent and manages its affairs in a cost efficient way.

Certainly we want to study the Auditor General's recommendations. We want to be able to implement them and make sure that Canadians are getting value for the tax dollars they are giving to us, whether it relates to the public service or any other expenditure. We want to be cost efficient and effective in the use of taxpayers' dollars.

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[Translation]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, since the President of the Treasury Board is now aware of the fact, could he explain why the government is preparing to spend \$137 million on a new compensation system without taking the elementary precaution of doing a cost-benefit analysis?

[English]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, anything that we invest taxpayers' dollars in we do so carefully. We do so understanding what the return is. We use new technologies all the time.

In the use of those new technologies we are quite clear that there will be a recovery, there will be a pay back to the system that will help reduce the cost of government, help us to meet the 3 per cent of GDP target in three years and to make sure we have affordable and effective programs that are responsive to the needs of Canadians.

#### **EMPLOYMENT**

Mr. Brent St. Denis (Algoma, Lib.): Mr. Speaker, I have a question for the Minister of Human Resources Development.

Northern Ontario workers have suffered great job losses during the recent recession. In Elliot Lake, which is in my riding of Algoma, nearly 4,000 miners have lost their jobs since 1990. Many of these are older workers and many are losing hope.

What measures is the minister taking to address the particular and pressing needs of all laid off workers in northern Ontario and Canada, especially older displaced workers?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member knows that the plight faced by many older workers when they face a major dislocation in their industry or a downturn in the economy is one of the primary objectives that we have put forward as part of the social reform process.

The great economic tragedies suffered by the people of Elliot Lake gives us an opportunity to look at the impact. For that reason one initiative my department is taking under its innovations program is to provide \$2 million to Laurentian University and the people of Elliot Lake to look specifically at the impact on the miners who have lost their work, their families and how a community can begin to recreate itself. This is an example of how we can do innovative thinking about the development of new approaches for people who are no longer able to earn a livelihood through traditional means.

#### **PENITENTIARIES**

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, there have been seven escapes in the six months since the Bath Institute was upgraded to a medium security prison.

Can the Solicitor General explain why Correctional Services Canada is putting the public at risk by treating this institution as a medium security facility?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, on behalf of the Solicitor General, who is attending an international meeting of Solicitors General, I would like to say that he welcomed the auditor's report.

The recommendations in the auditor's report will help the Solicitor General with the work that was already started when he took office last year. We are implementing those recommendations that are in place and we will continue to do so.

(1445)

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, today the Auditor General's report does indicate there is a need for a better classification system of inmates for the protection of the public and that greater attention needs to be paid to the supervision of high risk offenders placed in the community.

Would the minister not agree that corrections' current classification system and the supervision given to these high risk offenders is as leaky as the security at Bath and needs a major overhaul, not just tinkering?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the Correctional Service of Canada has already initiated action on a number of recommendations. For example a senior official has been appointed to assume responsibility for managing improvements to practices for supervising offenders in the community.

Let me quote the Auditor General in chapter 18.29. I remind my colleague that the Auditor General stated: "The service is continuously revising its process of risk identification and management and it is improving the fundamentals of how it assesses risk. It is changing and improving the way it manages based on that risk".

\* \* \*

[Translation]

#### RAILWAY TRANSPORTATION

**Mr. Gilbert Fillion (Chicoutimi, BQ):** Mr. Speaker, my question is for the Minister of Transport.

The two train tragedies in Brighton and Rimouski have revealed major shortcomings in VIA Rail's ability to assure the safety of passengers in case of accident. Passengers have pointed out that no one was able to open the doors of the railroad car that caught fire in the accident and that first—aid kits were totally inadequate.

Can the minister tell us if he has instructed VIA Rail officials to immediately correct the shortcomings with respect to emergency measures and first aid for passengers in case of a train accident?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, there is no question that the well–known events described by the hon. member are disturbing. We asked VIA Rail, which is conducting an internal investigation, to take all necessary measures on a provisional basis to try to correct the shortcomings that have come to light especially after the accident that occurred between Montreal and Toronto.

We will make every effort to assure to the extent possible the safety of passengers and employees travelling on VIA trains.

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, I have a supplementary question. Since VIA Rail's Vice—President, Customer Services has indicated that emergency measures and first—aid kits met standards, does the Minister of Transport intend to upgrade safety standards?

[English]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, on an interim basis obviously we are going to review internally at VIA what has to be done, what should be done and what can be done.

I want to explain to my hon. colleague this was an unprecedented situation, something that no one could have foreseen. It is a tragic incident particularly the incident between Toronto and Montreal.

The safety transportation board is reviewing all of it and will report. We are going to do everything we can at VIA, at Transport Canada, at the police forces. Every possible avenue will be explored to make sure that people who travel in Canada on VIA trains can do so in safety and security.

#### ABORIGINAL AFFAIRS

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, the Auditor General reports that the department of Indian affairs is currently spending approximately \$1 billion on the delivery of social services to on reserve Indians. The Auditor General also says they are spending this \$1 billion with no substantive legislative authority, no plan, no goals, no monitoring and no accountability for results.

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How can the minister account for the utter failure of these programs despite the billions of dollars that have been spent on them?

(1450)

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, as other ministers have indicated I welcome the Auditor General's report. It is a very important instrument to my ministry to ensure that we improve.

As well as looking at what is in there and acting on it we will be working on housing conditions, greater employment skills development and things that the Minister of Human Resources Development has indicated today. We will improve.

The aboriginal people have a saying: Walk in my moccasins. I am sure if Reformers were in government there would be no moccasins for the aboriginal people. They talk about failures but they refuse to accept that there are successes. In 1968 there were only 600 aboriginal people in post—secondary schools. Because of Liberal policies over the years there are now 150,000 aboriginal people in colleges. That is success.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I remind the minister that it is precisely the fact that Reformers do care about the plight of the Indians that we dare to question this. It is something no other party has done in this House. The government knows it. That is why its programs serving the natives have been an absolute failure.

Since 1981 the number of individuals receiving social assistance funding in the native communities has risen from 85,000 to the current 130,000. Spending has gone from \$200 million to \$1 billion. These are unacceptable results. Considering this, will the minister take immediate steps to bring this social spending on native affairs under the scrutiny of the Parliament of Canada?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, what Reformers fail to point out is that the population of aboriginal people is double that in the so-called white community.

We welcome the report. We will work within the report. I am sure at the end of four years we will have a much better system in place than that which we inherited.

JUSTICE

## Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, my question is for the Minister of Justice.

Recent court decisions have confirmed that extreme drunkenness may be used as a defence for certain crimes. This has caused many Canadians to be concerned that those responsible for their drunkenness and crimes will not be sanctioned and

#### Oral Questions

punished in our criminal justice system thereby leaving the victims without protection of the law.

Can the Minister of Justice indicate whether he will be addressing this matter in a way that will assure victims of crime involving drunkenness that they will have the full support of our criminal justice system?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, in my view the present state of the law in respect of self-induced intoxication is unsatisfactory. The government has already published a blueprint for change which initiated a consultation process some two weeks ago.

I share the sense of urgency expressed by my hon. colleague and other members of the House. We are doing everything possible to accelerate the preparation of a new provision in the Criminal Code in this regard. Indeed we will make every effort to prepare an amendment for introduction in the House shortly after we resume in session following the Christmas break.

[Translation]

Mrs. Pierrette Venne (Saint-Hubert, BQ): Mr. Speaker, as a follow-up to the same question on the same subject put to the Minister of Justice, how can the minister use the pretext of having to consult Canadians, when what is obviously expected of him is to act now? What is he waiting for, what is keeping him from taking action?

[English]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, what is needed in order to act responsibly is to take into account the views Canadians want to express on how this law should work. For example I have already been put on notice by women's groups that they disagree with the proposals contained in the discussion paper. They want to speak with me directly about alternatives.

We must confront questions about how to design this law so that it withstands an attack under the charter. We do not want an amendment that is struck down six months from now leaving us back where we began. We will take the time necessary to get it right.

(1455)

[Translation]

Mrs. Pierrette Venne (Saint-Hubert, BQ): Mr. Speaker, I think that what we have is not a Minister of Justice but a minister of consultation.

Why does the minister not table a bill immediately instead of consulting right and left? We want a bill now!

[English]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as I have already told the House, we shall make every effort to have an amendment to the code prepared for introduction shortly after the House resumes following the Christmas break. That time will be necessary to take into account the considerations that arise.

May I add that those cases which may come before the courts in the meantime will do so with the admonition of the Supreme Court of Canada itself that this defence is available in the rarest of cases. The onus is on the accused to demonstrate that the principle applies.

# \* \* \* INTEREST RATES

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, Canadian real interest rates are the highest in the industrial world and there are now predictions for another large increase. While I do not agree, analysts suggest that the solution to Canada's financial problems lies in a reduction rather than an increase in these interest rates.

Why does the Minister of Finance not order the Bank of Canada to lower interest rates?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, in an exchange that did grievous harm to my career and the hon. member's career he gave me a 90 when I made my presentation to the House of Commons finance committee. It is with enormous regret knowing his great reputation that given that question I must give him a failing grade.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the public record shows clearly that I do not believe that the Bank of Canada can or should lower interest rates.

The public record also shows that when the Minister of Finance was in opposition he argued vociferously that Governor John Crow should be ordered to lower interest rates. What has the minister learned since those days in opposition?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the position that I argued in opposition was that the government of the day should not place all the burden on the Bank of Canada but that it should take fiscal action itself to get the economy going and that it should put Canadians back to work. That is exactly what we are doing in government.

**TAXATION** 

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, my question is for the Minister of Finance.

The Auditor General reports that corporations owe \$3 billion in unpaid taxes to Revenue Canada from 1993. He also states: "Clearly, reducing deficits through more effective tax collection is preferable to raising taxes. Taxes receivable are an important national asset and leaving them uncollected has a serious impact on the deficit".

Will the minister stop threatening students with increased costs of education and working people with cuts to UI and start paying more attention to collecting the \$3 billion owed to Revenue Canada by these corporations?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I repeat the reply I made to a question earlier. We are coming off a particularly nasty recession. There are companies and individuals who have had a tough time of it. It would be possible for us to drive some of them into bankruptcy without necessarily collecting any more money. That would be most inappropriate for Revenue Canada to do. We will collect the revenues that are owed to us, except for a small proportion of bankrupt or companies in receivership. We cannot collect the amount that is in dispute which the taxpayer persuades us is not appropriate for it to be collected in the first place.

(1500)

We will collect that money because our record on collection is very good; far less than one per cent of moneys owed to Revenue Canada is not collected.

#### **SENIORS**

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, the Minister of Health has just returned from Winnipeg where she met with her provincial and territorial colleagues responsible for seniors. I would appreciate knowing the outcome of that meeting.

What is the government doing to ensure that the needs of the seniors are met in the face of shrinking budgets and increasing demand on social programs?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we had some extremely productive meetings. We agreed to consider all of the concerns of our seniors, to reorient our programs to those most in need and most at risk. That fits in very well with what I have been doing as Minister of Health, that is ensuring that our seniors get the help they need by using those dollars that are available very effectively to address the most serious needs of our seniors.

#### WAYS AND MEANS

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NOTICE OF MOTION

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, pursuant to Stand-

#### Supply

ing Order 83(1) I wish to table a notice of ways and means motion to amend the Income Tax Act and the income tax application rules.

I ask that an order of the day be designated for consideration of the motion.

#### **GOVERNMENT ORDERS**

[English]

#### SUPPLY

ALLOTTED DAY—MEMBERS OF PARLIAMENT RETIREMENT ALLOWANCE

The House resumed consideration of the motion

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to continue my remarks with regard to the opposition motion for today, that this House urge the government to replace the current members of Parliament retirement allowance plan with a pension plan that reflects the current norms for private sector pensions with a maximum contribution in accordance with the Income Tax Act

This morning throughout the hours of debate there were a number of points made by hon. members in the House. I think it is very important to review a few of those points.

(1505)

I think the most important aspect is the fact that during the election campaign the Prime Minister promised the Canadian people that he would reform MP pensions. He made two specific promises, the first being to end the so-called double dipping which is a case where former members of Parliament would receive appointments to government and receive not only a pension but also the compensation for that appointment to some government position. The Prime Minister has committed to eliminate double dipping.

The second was with regard to the age qualification, the age at which members of Parliament could qualify to start collecting pension benefits they were entitled to.

Yesterday the Prime Minister rose in this House and reaffirmed his commitment to make those changes and specifically said that those changes would be tabled in this House within the next few weeks.

I think the Prime Minister's commitment to this reform of our pension plan was very clearly demonstrated this morning when the he rose in the House to announce that his recommendation to Her Majesty the Queen that the Hon. Romeo LeBlanc be appointed as Canada's 25th Governor General had been accepted. In the House the Prime Minister and the other leaders of the other parties rose to compliment the Prime Minister on his selection and nomination of the Hon. Romeo LeBlanc who.

incidentally, is the first Governor General from New Brunswick, Atlantic Canada.

I thought it was very aptly put by the Prime Minister when in addition to announcing that appointment he concurrently announced that the new Governor General would be accepting his compensation as Governor General but that the Governor General nominated will forego or return his pension as a member of Parliament back to the government. That speaks a great deal for the leadership that the Prime Minister is showing on the aspect of MP pension reform.

Throughout the debate this morning a number of members raised interesting points and interesting issues. I receive with interest the comments of the hon. member for Vancouver Quadra who, through all of the rhetoric going on today, actually sat back and recalled, remembered and reflected upon members of Parliament who served in this Chamber prior to pension plans being formalized and being made for members of Parliament.

I think it behoves all members of Parliament not to forget those members of Parliament who served back in the 1940s and the 1950s, many of whom are still active and around, who do not have those same kind of benefits. I believe there would be some interest within this House to express some support for some sort of initiative to ensure that former members of Parliament who so honourably served in this Chamber would also be given some consideration in terms of pension reform.

I think most members of Parliament will have received an awful lot of input from their constituencies about MP reforms. It is referred to often as a gold plated pension plan and that it costs a great deal of money.

One of the things that really does not come up with regard to the discussion of the pension plan is how that relates to the overall compensation of members. I have to declare right off the bat that I am very supportive of comprehensive pension reform. I think it is the right thing to do and I hope that the reform will take place in conjunction with an overall reassessment of the compensation of members of Parliament.

I believe that Canadians would want to ensure that all members of Parliament receive a fair and reasonable compensation for the work that they do comparable to that which they could earn within the private sector. I think those principles should be sought and pursued by the government.

Most Canadians are not very familiar with the lifestyle of an MP and as most members know when you become an elected member the first thing you have to do is wind up your previous affairs. It is virtually impossible to maintain other income earning activity and still be a member of Parliament. I can speak

from some experience as a chartered accountant. I know that it took some time for me to make arrangements to have my clients transferred to others so that they would receive the service they needed.

(1510)

However, the fact remains that right now my chartered accounting practice as it existed no longer exists. In the next election, should I not be re–elected, I will be unemployed just as anybody else might be unemployed and will have to start again. That is a sacrifice that members do make. I hope that hon members will continue to remind Canadians that all members of Parliament have left investments that they have had in other careers to come and serve in this place.

The other aspect of the pension discussion is what members of Parliament do here. I am sure that most members of Parliament work four or five days a week in Ottawa, some nine months a year away from their families. That investment and that contribution to Canada is very significant. I know this should be taken into account very carefully when the government considers compensation to members.

On top of that Canadians should also be aware that when members of Parliament go home when this House is recessed that does not mean that all of a sudden members of Parliament are somehow on vacation. Every member of Parliament has at least one office in their constituency, their riding. They have staff there to service the needs of their constituents. Their job in the riding is just as busy and important as it is in Ottawa. I am sure every member of Parliament has experienced the same thing where we find that we are working 80 hours a week to make a contribution to the betterment of Canada and to the concerns of our constituents.

When we make changes to compensation plans a fair and reasonable rule should be that every member of Parliament or every candidate for elected office should know what the compensation package is so that they can make an informed decision. To make changes over and beyond what was promised to be made, for instance the changes in the pension plan, is asking a lot for members of Parliament to take at this time without some reasonable expectation that there would be equity and fairness for all.

This whole question of when changes should be made really should come up in the debate. I would be interested if the Reform Party would care to comment on the general principle that when changes are going to be made to compensation of elected officials such as members of Parliament those changes should be fully debated, discussed, tabled and decided upon before an election but not to be effective until after an election.

With those comments, I am pleased to have participated in the debate. Again, I want to thank the Prime Minister for following through with his election promises to amend and reform MP pension plans.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, this member, when our member for North Vancouver was making some comments a couple of weeks ago, said that it was the gong show, that he could ring the gong.

I can imagine that there are a number of Canadians who are watching the parliamentary channel today who just listened to this wonderful verbose bunch of hot air and they want a gong. How in the world can this member say that there should be some reasonable expectation on the part of members of Parliament with respect to this particular issue when we have all known that this has been a major issue? How does that compare with the people of Canada who have lost their jobs, who are having roll backs in their pay cheques and who are facing hardship, for members of this assembly to be sitting around saying: "Well, you know, I really wasn't expecting this. Boy, I don't know"?

I have a lot of sympathy, and I mean this in all seriousness, for the former members in terms of the reform of the pension plan as was suggested by the member for Vancouver Quadra in the same way that I have sympathy for Bobby Orr and other people who are members of the NHL Players Association when they apparently were ripped off in that situation.

What about the old age security recipients?

(1515)

What about the people who put away their dollars in good faith that the Liberals were going to bring in some kind of a sound policy over the last 25 years so that their retirement pension plans would not have been eaten up by inflation and so that their entire pension plans would not have been under attack by the policies of this government?

Those being my comments I ask the member: Considering that this issue is the number one issue on the hit parade of all Canadians, the number one reason why Canadians do not feel comfortable with politicians, why they think that we consider ourselves to be in a different class or a different league, which I do not and I do not imagine any other member does, why does he think his Prime Minister has delayed and delayed and delayed to bring forward this very simply reform?

**Mr. Szabo:** Mr. Speaker, in reply to the member's points, first, he commented with regard to the aspect of reasonable expectation on behalf of those who seek elected office.

When I sought elected office I knew very well that the Prime Minister or the then leader of the Liberal Party had made a commitment if elected to reform MP pensions. I was expecting that and I fully took that into consideration. The reasonable Supply

expectation that I am talking about has to do with the constant suggestion on behalf of the Reform members that all members of Parliament should now take salary cuts, we should just not have a pension plan, and so on.

I must say that if this House and the Canadian people want to attract good people to this Chamber to make sure that the views of Canadians and the laws of our country are good laws, we are going to have to make sure that there is a fair and reasonable compensation. That is all I ask, that there is a reasonable expectation that it will be fair and reasonable and not somehow adjusted in major way after the fact.

That is why I raise the point that perhaps changes should be proposed before an election to be in effect after an election so that absolutely everyone knows what the story is going to be during their term.

Finally, with regard to the member's comments about old age security, I think it is patently unfair to somehow start raising that there are other social programs. We are talking about members' pensions. The motion says that it should be the same as pensions that exist in the "norms for private sector pensions".

I wonder if the Reform Party really means that. One aspect is that in normal private sector pensions, as a charter accountant I know there are portability provisions whereby the accrued benefits that one had during the period that one was there one gets to take them and transfer them into another plan. As the member well knows that is not the case with the current plan for MP pensions.

I would just say that there are some differences. Whatever it is, whatever it turns out to be, I am very confident that it will be fair and equitable to members of Parliament and to all Canadians

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, I would like to address this notion held by some that pensions are not required around here.

**Mr. Abbott:** We have never said that.

Mr. Harvard: I have heard it said.

Mr. Abbott: Not today.

The Acting Speaker (Mr. Kilger): I would just like to remind colleagues so that we can all have the benefit of the debate to please direct their interventions through the Chair.

Mr. Harvard: They are very sensitive, Mr. Speaker.

In any event, I think most people would agree, even Reformers, that in this place, the House of Commons, membership should be open to all Canadians. Membership here should not rely on personal wealth. That being the case I think it is incumbent upon us to pursue policies to ensure that not only rich people are able to come to this House as members of Parliament.

Consider this for a moment. Someone from a political party goes to a school superintendent, a school principal, a lawyer, a doctor or a chartered accountant and says: "Why don't you consider serving in public life for five, ten or fifteen years?" The person says: "Yes, I would be interested. I know there is a risk in politics. What have you got to offer me"? He is told: "Oh, nothing. Absolutely nothing". Then the person says: "You know, I do have a career. If I leave this place for 5, 10 or 15 years I will have no career to return to. Would you consider that?" "Oh, no. There is nothing there." "I also have a pension plan. I have a family. I am 45 years of age. I have been in the pension plan for 15 or 20 years. If I leave this place and come back 10 or 15 years from now I will have no pension plan. Would you consider that?" "Oh, no."

(1520)

The person from the political party says: "If you come into public life you take the risk completely. Not only will you have nothing to return to and nothing to soften the landing when you return to public life, but you will have to win at least two or three party nominations and you will have to win general elections".

In other words this possible candidate for public office is being offered nothing by the employer. "I am supposed to take all the risk, give up my career, give up my pension plan, give up my family so that I can serve in public life." The person from the political party says: "Yes, that is pretty well it".

I would think that in most cases the person being pursued as a candidate would say: "Well, public life is great, but it is simply too much for me. I cannot afford it". The fact of the matter is that even with the pensions we have now, most Canadians do not consider public life. Most of them are in mid—life and they simply cannot afford to leave their private careers. The risk is too great even if they are eligible for a pension plan six years after entering public life.

I want to ask the previous speaker if he has considered that.

**Mr. Szabo:** Mr. Speaker, I think the hon. member has made some very valid points. The important point is, and I think he would agree, that people entering any career should have reasonable knowledge, reasonable expectation of what the compensation should be and it should not be effective retroactively to their detriment.

A final comment. I failed to raise this in my comments, but I do agree very much with the member with regard to his comment on the family. All members of Parliament make a very, very significant sacrifice in being away from their families four or five days a week, nine months of the year. That is the important contribution they make so that they can serve and make sure we live in what the Prime Minister says often in this House, the best country in the world.

The Acting Speaker (Mr. Kilger): I wonder if you could indicate to the Chair if in fact the practice of splitting the time is still ongoing.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I will be speaking for 10 minutes if the Chair allows.

It gives me great pleasure to speak here today on the MP pension plan. Before I begin I would like to make a remark.

For reasons that elude us on this side, I cannot in my wildest dreams imagine that when we are speaking here how when the simple information and constructive solutions we are putting forth cross the line in this House it gets so distorted so that the responses from the other side come back being unintelligible.

In any event, we in this party are not saying that we do not want pensions. All we are saying is that we would like to bring them into line with the rest of the public. Of all the things the public finds distasteful and unfair about this government, this House and these members, it has to be the gold–plated MP pension plan we have.

In fact, the recent commission that was sent to study MP pension plans, when comparing them to other countries said that our plans were the least stringent in terms of commencement and one of the highest in terms of allowance.

Let us take a look at some other first world countries and make some comparisons between our pension plans and theirs. In France and the United Kingdom the minimum age of service is 55 years, not six years like we have. Australia, 12 years of service or age 60. The United States of America age 62. The maximum allowance in our country is 75 per cent of our terminal salary which is just near the top of all the countries I have discussed. We have about the best that one can possibly imagine.

(1525)

How lucrative is this plan in real terms? Let us look at the last election. An MP serving eight years who left office at the age of 37 will receive \$28,350 a year initially and \$87,000 a year at age 60 for a total buyout of \$2.7 million.

An MP serving 13 years who retired at age 50 will receive \$39,700 a year initially for a total buyout of \$1.9 million. His initial payments will increase with the indexing. Therefore the last payment will be \$64,692 a year. Not bad. Nowhere will members find that in the private sector. Nowhere in the private sector does such a lucrative plan exist. In fact in the last election 73 eligible defeated MPs will collectively receive over \$100 million in buyouts at the expense of the Canadian taxpayer.

Miss Grey: Who's paying the bill?

Mrs. Brown (Calgary Southeast): Shame.

**Mr. Martin (Esquimalt—Juan de Fuca):** Exactly. In these days of fiscal restraint, this is completely unconscionable. The pension plan scheme that we have now is called the defined benefit scheme where the benefits are paid according to a specific equation.

It is reasonable to do this kind of scheme in firms where there is long tenure, long contributions and high retirement ages. Does this look like what we have here in this Parliament? No. In fact, it is the exact opposite of what we find here in this House.

MPs retire relatively young after short tenures with minimal payments into the system. Thus one can see that this type of system bears a lot of risk for the employer. In this case who is the employer but the Canadian taxpayer. We are burdening the Canadian taxpayer with a risk that the private sector would not take for itself.

The taxpayers in this country are taxed too much and cannot afford to be taxed any more. They have no obligation nor should they have to pay these lucrative pension plans that we currently enjoy in this House today. Currently MPs contribute 11 per cent of their basic salaries to the plan. The taxpayer picks up the rest. How much is this?

If one looks at the entire plan, the MPs actually contribute from 20 per cent of the total amount that they are going to get paid out while the taxpayer pays 80 per cent. Furthermore these plans as members know are fully indexed to inflation.

We in the Reform Party as usual would like to make some constructive suggestions to help bring these MP pensions in line with the rest of the public, this in the name of fairness, in the name of togetherness and in the name of collegiality to eliminate the us versus them mentality that the public perceives of us, to engage in fiscal responsibility and to do our part in a small but constructive way to bring the deficit down to zero and to start attacking the debt.

To make the sacrifices that we are demanding of the Canadian public I have some constructive suggestions. First, let us convert these MP pension plans into a money purchase system that many private companies are doing. This is a shared contribution system where the MPs and the government put money into the system and into individual RRSPs. It is a joint contribution plan.

Second, we must stop indexing the pension plans. Private plans do not do this so why should we? These measures will help eliminate the excessive topping up that the Canadian taxpayer must make in order to fulfil the obligations under the current payment scheme.

Also, by putting it into private individual RRSPs, we are adding an element of personal responsibility into the system for the MPs themselves. Third, by doing this one is ultimately going to decrease the amount of retirement payments through OAS and

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CPP that we would have to incur in the future thereby adding further savings.

I am going to take a little bit of licence here and bring in the social service payments to the retired for a moment because it is an interesting thing to do when we look into the future of a need that is going to require these social programs for the retired individual, in particular to enable those retired individuals who are not well off to have a social program that is going to provide for their needs in the future. When we look into the future our current social program schemes will not be able to provide payments to all retired individuals. Why? Let us look at some things. OAS pays out around \$14 billion per year. CP pays out \$10 billion a year and the guaranteed income supplement is around \$4.5 billion a year.

(1530)

Furthermore the CPP current liability, the unpaid liability, is \$500 billion, a fact that the Canadian taxpayer does not realize. This amount of money has to be paid and an amount of money that is not factored into any current debt projections we are currently hearing. By the year 2030 there will be two working people for every retired individual. This is an unsustainable situation and cannot last.

In the near future it will be a necessity for individuals to take it upon themselves to provide for their own retirement needs because the government is not going to be able to do it for them. They will, I hope, be able to provide for the needs of those who are retired and those people who need it most. This is an example of prioritizing the spending that we are trying to convince the government to do.

If MPs were to receive their pensions according to the ways I have mentioned in a sustainable fashion in the individual RRSPs, government social handouts would decrease, particularly government handouts would decrease to those individuals of which we would be a part. Therefore we could anticipate considerable savings from these programs.

There is no way to balance this budget without making cuts to the social program situation as our party has discussed before. The government should take us as an example of a group of individuals where we can revamp our retirement program in order to become self-sufficient and in order for the individuals here not to become a millstone around the taxpayers' neck.

Last, I would put up the retirement age for MPs. As I explained initially retirement age for most members of Parliament in other first world countries is much higher than what we have here. I would ask the Prime Minister to raise that to age 55 or 60.

I have heard before that government members make various arguments that the lifetime of an MP is short and their certainty of employment is not high. Many members of the public also engage in jobs where the future is very uncertain. It is no

different for them than for us. They do not receive any lucrative pension packages and neither should we.

Government members also argue, as has been discussed today in the House, that many members take large pay cuts, have given up lucrative careers and that we will not get good people coming to government unless we have these lucrative pension schemes.

I believe that good people will always come to the top and that money should not be the motivating factor to get into this job. If people are prepared to give up their professions in the name of public service then one is more assured that they will be honest in their intentions to serve the House and to serve the country.

Much has been said on pensions. The Prime Minister has promised that he will allow us to opt out and revamp the pension scheme. I challenge him to rise to the occasion and do this in the name of fiscal responsibility and also in the name of respect of the Canadian public.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I want to share with members a little bit of history. This is not an issue which is new on the public agenda. For example in Saskatchewan in 1977 the then government of Allan Blakeney, who was a New Democratic Party premier, foresaw the problems of unfunded liability with respect to pensions for the civil service and also with respect to elected members of the legislature.

Before I get into that historical perspective, for a couple of minutes I want to say that I believe fundamentally that serving your country and serving the public is an honourable profession, whether you are an elected member of a legislature, of Parliament, or an employee of one of the provincial, municipal, or federal governments.

People want their elected representatives to be accountable, to have a pride in serving their country and to be compensated in a very satisfactory way so that we are responsible to those who pay our salary as opposed to having large incomes from secret sources or sources other than the taxpayers. If that is the case we become accountable to those who do pay our salaries.

(1535)

The point I want to make in my intervention this afternoon is that I believe serving your country is extremely important and our compensation should be adequate. I believe that a pension system is part of a compensation package, it is deferred income. I also believe, however, that the pension system we have now is unfunded in terms of its liability for taxpayers, it is very costly, and I believe it has to be changed.

I do not just say this. I have undertaken some initiative to see some change. On September 21 I introduced a private member's bill, Bill C-270, which is the money purchase plan bill.

It calls for the Government of Canada to change the MPs' pension system from the defined benefit to the defined contribution plan of a money purchase. It would be fair. It would be effective. It would reduce the taxpayers' subsidy of pensions from \$7 to our \$1, to a more fair \$1 for \$1. We contribute a dollar, the employer contributes a dollar and it goes into an RRSP-like account, earns interest, and at the time of our selection to take the money we become eligible to purchase a joint spousal life annuity which then reduces the amount of pension that we have, depending on the age of our spouse if the spouse is younger than us.

This is something that is very important to me. To get back to my history comment, in Saskatchewan this type of plan was introduced—the defined contribution plan or money purchase plan—in 1979 for elected members of the Saskatchewan legislature. It has proven cost effective. It is the only pension plan for elected officials in the country that is endorsed by the Saskatchewan Taxpayers Association, by the Canadian Taxpayers Association, by the Canadian Federation of Independent Business. It is even endorsed by the National Citizens Coalition, to which some people may not be attracted but at least it is endorsed in the sense of it being fair, equitable for both taxpayers and members.

I maintain that this is an opportunity for the House of Commons. When the Prime Minister introduces his bill, we should look at my private member's bill, Bill C-270. It is modelled after the Saskatchewan plan which has been in effect for 15, almost 16, years. It would be a very effective approach to addressing some of the concerns of taxpayers.

I want to ask the member from the Reform Party whether he has seen the bill that I have tabled and whether his party would endorse such a plan which has been endorsed by many of the same associations which support his party.

Mr. Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, no I have not seen the bill that the hon. member has mentioned. I would be very interested in seeing it and my party also, particularly in view of the comments my hon. friend made which basically echoed what we have been saying in this party before we were even elected.

Is it not curious that we find the New Democratic Party and the Reform Party and all of the other groups such close allies on this particular point, whereas the government for so long has basically put us off? I hope that the Prime Minister will listen to the comments just made by my hon. friend and to other comments that have been made here by my friends in this party. I hope that the Prime Minister will take them into consideration and rapidly bring forward a bill based on the constructive suggestions that have been made here today.

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, from time to time, including about 15

minutes ago, I have heard apologists for the MPs' gold-plated pension plan say that we need something like this to attract "good people" to Ottawa.

I doubt very many members would admit that they were motivated to come here in order to rip off their fellow countrymen. I am sure that if the question were placed on an individual basis, the terms most often heard would be civic responsibility or love of country.

Unfortunately, anyone who favours this outrageous dip into the public trough is by definition suspect, and those members opposite who defend the system are dirtying the reputations of all of us by their actions. Everyone in this place is touched by this national scandal, regardless of his or her personal stand on the matter.

(1540)

A little over a year ago when I made my little pilgrimage across Wellington Street to sign on at pay and services, I also signed a simple, hand written document regarding the pension. It said, in part: "I have no wish to receive nor will I accept any benefits". My contributions to the plan are still being deducted at source because the Prime Minister, in spite of his repeated hollow assurances that opting out will be permitted, has declined to act because he did not want to embarrass or inconvenience the 52 cochons de lait who made their way to the trough yesterday.

Why did I and about a dozen others, of whom I am aware, make that particular form of protest? I certainly did not do it because I do not like money. I am not a hair-shirted masochist and I am definitely not well-to-do. I did it because my mother taught me not to steal.

I submit that an elected body in control of its own finances which concocts a scheme through which its members can collect six or seven taxpayer dollars for every dollar that they contribute is involved in something for which an ordinary Bay Street promoter would be sent to prison.

The suggestion that to attract quality MPs they must be bribed with a golden parachute is patronizing and insulting. Some of our greatest parliamentarians, besides working virtually ex gratia, had to return to their day jobs when they retired or were defeated. They knew what to expect when they ran for office. They did not sit back and say: "Oh dear me, no, I could never run for office. I need security".

People with visions of sugar plums dancing in their heads would be precisely the sort of people we would not want in this place. Can anyone imagine John Diefenbaker or Stanley Knowles, when contemplating their first run for office saying: "What's in it for me?"

The non-pension generations forged a nation. They guided Canada through depressions and two world wars and then like

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other citizens they relied partly on personal savings and partly on the professions, trades or businesses to which they returned. Does anyone seriously contend that they were inferior to the current crop of legislators, that they were less worthy than members of the Bloc who will receive pensions for trying to destroy the country?

At this point I must confess I am going to get a little off track from some of my colleagues. I support this motion because the adoption would lead to major improvements in the pension scheme. However, if I had my druthers there would be no MP pension scheme at all. Since RRSPs became available, people willing to save diligently have been able to build up modest retirement nest eggs.

In my own case, because I am forced to contribute my \$1 in \$6 to this goody bag, I have to stop adding to my RRSP. Surely MPs with annual salaries and benefits equivalent to about \$100,000 in the real world should have enough wit to be able to manage an honest retirement package. I should be allowed to do so.

We are entrusted with running a country, or at least that is the theory around here. Are we so dependent and ineffectual that we cannot provide for our own old age without participating in a scam?

In conclusion, in addition to putting a lid on the trough, existing pensions should be retroactively adjusted in the interest of fairness. I do not suggest that anyone be forced to make restitution on money already received, but anyone already drawing a pension should be cut off until he or she reaches age 65. At 65, the monthly payments should be adjusted to reflect a fair return on actual contributions and nothing more.

(1545)

In this country retroactive legislation to relieve governments of contractual obligations is nothing new. The only novelty in my proposal is that it would be aimed at politicians instead of the public. Saskatchewan did retroactive financial legislation with the GRIP. Alberta did it in order to tear up royalty agreements. This 35th Parliament has already done it once and would have done it twice if the sleepy folks in the other place had not woken up and intervened.

Remember I am not, I repeat not suggesting that MP pensioners be deprived of a fair return on investment. I am suggesting that they be prohibited from further looting the public treasury.

The person I replaced here was an ineffective and rarely heard backbencher. He served nine years in this place. He is 53 years old and is currently raking in \$27,000 a year to augment his income as a practising lawyer. If he lives to age 75 he will have collected over a million dollars. During the 1993 election campaign he made it clear that he would take every nickel that was on the table. That might be one of the reasons he came within 100 votes of losing his deposit. People opposite who are so intent on getting their snouts filled should perhaps bear that

little anecdote in mind when they hear the Prime Minister shouting: "Soo-oo-ey".

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, I thank the hon. member for his comments, particularly on the opponent he defeated to come to this House and his view of the great waste of taxpayers' money on MP pensions.

I remind the hon. member that we ran an election in 1993 on a thing called the red book with promises to the Canadian people. In that red book one promise was to reform the MP pension package. At the present time the Prime Minister insists this is being done.

Has the hon. member for Swift Current—Maple Creek—Assiniboia given his thoughts and input to the committee working on the reform of MPs pensions? We on this side of the House are making input daily. We are making recommendations on what we feel is appropriate, not to satisfy the Reform Party of Canada but to satisfy taxpayers and constituents and to bring the pensions into line with those in the private sector. We are working on a promise we made in the red book and responding to our constituents and taxpayers.

Has the hon. member put his comments forward to the President of the Treasury Board as he looks to reforming these pensions so that we do compare favourably with the private sector?

**Mr. Morrison:** Mr. Speaker, in response to the hon. member's question, no I have not. I serve on other committees. No one can be everywhere on every subject. If the hon. member would care to take my place on the natural resources committee then I will take hers on the finance committee. How is that for satisfaction?

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, perhaps the last question belies the whole problem here. The fact that there is a complete lack of understanding is and has been an underlying concern on the part of Canadians for an extended period of time.

I have cited the example of many people who come up to me in my constituency. During the course of a day if I talk to 20 or 25 constituents at least five and maybe 10 of them will raise this issue during the conversation. It is a major problem.

I also suggest it is perhaps a problem with the news media itself. A couple of weeks ago I had occasion to be on Don Newman's show which is done in the lobby. The topic of the show was RRSPs and the comments the chairman of the Standing Committee on Finance had made about RRSPs.

Because I along with a number of other members in the House like to do better whenever we can, I called a number of people and asked them to watch the show and give me an honest critique as to what was going on. This was happening in the middle of the afternoon in the B.C. time zone so they along with other people in their offices watched as they sipped their coffee.

(1550)

During the course of the show Don Newman happened to mention the MP pension plan. He was interviewing somebody and asked why the MPs should actually be asking questions about RRSPs when they have a gold plated plan themselves. I do not think that discussion between Don Newman and the person he was interviewing from the insurance industry took more then 90 seconds at the very most.

I had asked those people for a critique on how I had spoken, was my tie straight, how the interview went. However, every single solitary one of them, the very first comment they made was: "You guys have got to get your MP pensions under control". This is something that seems to go right over the tops of the heads of the Liberals. I cannot comprehend it.

I wonder whether the member has had the same feeling of frustration that I have had. Somebody like Don Newman or perhaps one of the commentators in the print media will make comments about this. However when the Reformers say, and I am very pleased that one of the NDP members is saying that this must be rectified immediately, that never ever appears in print. It never appears on television. I wonder if the hon. member has felt the same kind of frustration in that the news media will talk about it but they will not talk about the people who are trying to make things happen.

**Mr. Morrison:** Mr. Speaker, I have made the same observations as the hon. member. This is almost a non-subject in the media. I do not know why. People in the ridings certainly think this issue is important. They think it is important to the extent that it tends to override a lot of major national issues.

When talking to somebody, as soon as the words "politics" or "politician" are mentioned they do not come at you about the national debt or the justice system. The first thing they come at you with is the pensions. Then they get into the big issues, the justice system, the national debt, and so on. The thing that grates them, that burr under every person's saddle from sea unto shining sea is this disgusting rip—off pension plan.

[Translation]

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, this will be a brief comment, and I also have a question for the hon. member.

I certainly agree with the Reform Party on one point. I think giving a pension to someone who is 27 or 30 years old is really too much, because these pensions are paid for with taxpayers' money.

The question is this: When they compare members in this House with the private sector, when they refer to the private sector in this motion, what do they mean? Do they mean seasonal workers or people in management? Do they mean professionals or individuals who unfortunately had to drop out of school very early and start work at a very young age? I want to ask the hon. member what he is comparing us with when he compares us with the private sector?

[English]

**Mr. Morrison:** Mr. Speaker, I will have to ask the honmember what he means because I did not follow the gist of his question. If what he meant was do I think the same rules should apply to people in trades, people who have professions and people in business, the answer is yes. Anyone who comes here draws the same salary while here. Anyone who comes here would be in the same position to contribute to his or her own personal RRSP to the same degree. Therefore I see no relevance to what a person's background might have been.

(1555)

**Ms. Catterall:** On a point of order, Mr. Speaker, I want to advise the House that the government speakers from now on will be dividing their time.

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, it is a pleasure for me to join this debate.

I am a new member to this House. I ran on pension reform and have worked toward pension reform since the election. Unlike the member for Swift Current—Maple Creek—Assiniboia I have worked at it since coming here. I have not waited until today to do something about it. I have been in touch with the minister. I have been in touch with my colleagues. As the member for Cumberland—Colchester said earlier this is what we should have been doing during this period of time.

This debate on MPs pensions is very important, as the Reform members say. I am pleased to join it because I am convinced that the government is committed to reform MPs pensions. I for one am determined to see that the government does.

I would like to point out to hon. members and the people following this debate that the opposition motion about replacing the existing pension plan states that we should replace the existing pension plan "with a pension plan that reflects the commitments made in the document entitled "Creating Opportunity", the Liberal plan for Canada".

That is of course the red book. I am glad the Reform Party recognizes the significant contribution the red book has made to the debate on MPs pensions, just as it has made a significant contribution to focusing debate in this Chamber for the last year since the election.

That red book with its list of commitments and with its articulation of the philosophy of this government has provided a

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tremendous focus for innumerable issues including among them MPs pensions. Within that matter of MPs pensions, it has drawn attention to one thing which I noticed the members opposite are not discussing very much. It has focused public attention on the important question of double dipping.

I would like in the short time that I have available to focus on double dipping. I know that my colleagues from Halifax, Vancouver Quadra, Mississauga South and Vaudreuil have spoken on the matter of the age at which the pension should be received. I am very interested in and would like to talk particularly about double dipping.

Double dipping means simultaneously drawing a pension as a former member of Parliament and a salary from the federal government. It is a practice that has obviously and I would say rightly angered may Canadians. I know it has angered many people in my riding of Peterborough.

Let me remind hon. members of the wording of the red book statement on double dipping. We said: "A Liberal government will reform the pension plan of members of Parliament ending double dipping. MPs should not be able to leave office and receive a pension from the federal government if they accept a new full time paying job with the federal government". I suggest nothing could be clearer than that. This is the commitment that has been repeated by this government since the last election. We will end double dipping.

Some of the members opposite have been talking about timing. I myself have argued from this side that we should have moved earlier on this matter and on the age of receipt of pensions. There has been pressure on this House to do with the economy, to do with stimulating the economy, to do with creating jobs. In that pressure it seems that this matter has been left but I personally hope it is dealt with very soon. I am sure it is going to be dealt with.

(1600)

Before we go any further, we have heard some of this from the other side, let me say that I do not want to here cast dispersions on former members of Parliament who were entitled under the existing act to receive both pension and another federal salary.

There are many MPs who have served this country well and who are continuing to do good work in other federal positions. Clearly it is time for the rules under which those honest members of Parliament work to be changed.

Mr. Speaker, you may wonder why this situation cropped up in the first place. In the mid-1970s pensions were being viewed increasingly as an earned right. Some people viewed their pensions as deferred compensation. In their view reducing or suspending pensions on gaining another job was similar to retroactively cutting a pensioner's salary.

In 1975 the government of the day decided that the fairest approach would be to allow federal pensioners to draw a pension

and a salary unless they again came under the same pension plan. As an example, a former MP who joined the public service could get a pension and a salary while a former member who was later re–elected to Parliament could not get both the MP's salary and the MP's pension at the same time. The idea was then that a career of a member of Parliament and a career of a public service employee are quite distinct, even though they are both paid by the federal government.

Whatever validity this argument may have, it is clear that Canadians today feel that drawing a pension and a salary at the same time from the public purse is unacceptable. They have strong feelings, as the members have said, about MPs' pensions, including the double dipping issue. I agree with them.

Whatever hon. members may feel about some of the media's comments on pensions, I believe the media at this time is truly indicating the views of most Canadians. Let me give some examples of what the media is saying on this matter. The Ottawa Sun said in a July editorial: "Today politics is a major league profession with major league bucks, whether it's as an MP, a lobbyist, a senator, or a budding patronage appointee. We don't find many former politicians lining up at food banks or unemployment offices, do we?".

There are some people, I suppose, who might challenge those sentiments. I am not one. It is a widespread opinion in this country and double dipping contributes to the negative image of this House and of members in it. I particularly like the mention of lobbyists in that editorial that I just quoted. I do think that lobbyists might well be subject to the same rules as members of Parliament in their pensions and in their remuneration.

The Vancouver *Sun* said in a March 16 editorial: "Short of lowering taxes, the federal government could not do more to reverse Canadians' surly mood than to slash the pay, perks and pensions of members of Parliament".

I am not sure that pension changes could single handedly turn around the surly mood referred to in the editorial. I am convinced that removing the right to double dip would help. The symbolism of a change in MPs' pensions today is enormous, going beyond many of the arguments about what members earn or what they should earn and things of that type. A change in the double dipping provision and other changes will have great impact in Canada and I support them.

From the St. John's *Evening Telegram*: "Don't count on many MPs saying no to the pension cash cow. Preston Manning's penny pinching Reformers were quickly converted to the spendthrift ways"—

The Acting Speaker (Mr. Kilger): Order. It is a fine line. The member might be quoting from an article. Maybe I lost sight of that, but let me just take the time to remind members to the extent possible not to refer to members unless of course refer-

ring to their riding or other portfolios they may hold within the parliamentary precinct.

Mr. Adams: Mr. Speaker, I do apologize for that. In quoting the St. John's *Evening Telegram* I should have said the leader of the Reform Party's "penny pinching Reformers were quickly converted to the spendthrift ways of their fellow Commons denizens once elected. Meanwhile, the rest of the taxpaying public gets stuck with the bill".

(1605)

It seems to me that editorial writers are suspicious even of opposition members. This concerns me. This doubt about the interests and purposes of members of Parliament is an important matter for us all. It is something which is very disturbing and which is fundamental to the efficiency of what we do in this House.

I would like to see us move to a pension plan which is fair and equitable, which abolishes double dipping, which sets a clear age at which the pension should be received and which sets an example to other pension plans in the country.

It is my assumption, because it is in the red book, that the Government of Canada is going to do just that.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, while I agree with the member in the areas that he has debated, because they were in the book and they are part of the small agenda of the Liberals in revamping this plan, I would like to know whether the member has any affinity at all for making the plan more fair mathematically, more fair from an actuarial point of view.

Is it fair that a person like myself in my previous position should pay into a pension plan for 27 years to get the same benefit that an MP here can get in about six or seven years? There is an element of unfairness there that I think is perceived by the Canadian people right across this country that the growth rate is much too fast, notwithstanding that we contribute probably a higher percentage than they do. At the same time the growth is way out of line.

I would like to know the member's opinion because he seems to be quite in agreement with the need to revamp the pension scheme.

**Mr. Adams:** Mr. Speaker, as I said the government is in agreement with the need to revise the pension plan. It is still the government's intention to revise the pension plan.

I would say to the member for Elk Island that he and I got the same number of stars in the advertisement that appeared in the *Globe and Mail* the other day.

I personally believe although I am not an accountant that one of the most serious flaws in the present system is that it is impossible to calculate what the payout will be. Any plan of this type, any insurance policy has to be based on some mathematical calculation.

One of the reasons for that, and I think the member for Elk Island is aware of this, is the fact that there is no set retirement date. Without a set retirement date it is impossible to say, to calculate, to estimate how long people will collect their pension. This I find disgraceful. It is disgraceful that someone could draw a pension at 25, and we cannot calculate the fact that they will be drawing it for 60 years. That is one point.

My second point is that it is not true that if you are in your pension plan for 27 years you get the same as in this one at six years. In your plan at 27 years your premiums and your employers' premiums, if you are employed, are vested after a certain period of time and you do retain those funds. Then when you reach retirement age if you were not in it for 27 years you would draw the benefits of those vested funds.

I think in this case the period of time which we might debate is simply that, a vesting period. The members who lose an election after six years leave if they are not of retirement age. At retirement age they collect a pension which is based on the vested portion of their pension contributions.

#### [Translation]

**Mr. Nick Discepola (Vaudreuil, Lib.):** Mr. Speaker, I am pleased to support the motion put today, which would allow the government to keep the promises it made with respect to pensions for members of Parliament. These promises were published in the document entitled *Creating Opportunity*, otherwise known as *The Liberal Plan for Canada*, the famous red book.

As the members know, this document contains two specific commitments regarding the Members of Parliament Retiring Allowances Act.

(1610)

Not only did the government undertake to end double dipping, but also to review the question of the minimum age at which members may begin to draw their pension.

As the member for Peterborough has just spoken about double dipping, I would like to look at the second issue, the one concerning age.

#### [English]

The Members of Parliament Retiring Allowances Act currently does not require a member to have reached a specific age before becoming eligible to receive a pension. Once a member has six years pensionable service to his or her credit he or she can draw the benefit immediately upon leaving office regardless of their age at that time.

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The philosophy behind this feature was that an MP's pension should provide some immediate income which will assist the member in making the transition from public life to private life. As all members of Parliament know, our tenure in this House is by no means guaranteed. Job security is not just a feature of public life. Our careers as parliamentarians are frequently up for renewal and can be abruptly brought to an end. As well it is not always certain that on leaving office we will quickly or easily find alternative employment.

The availability of immediate income on leaving office can be a particularly important factor for members who have young families who must consider the need for another source of income when no longer receiving a seasonal indemnity but have not yet found new employment.

#### [Translation]

This does not mean that I think that the existing provisions should remain as they are. I do, however, think that in the absence of appropriate transitional measures to help members of Parliament who leave office meet their financial needs, some members may suffer a loss, especially those who leave office when they are still relatively young.

Under the existing plan, a member who is defeated after six years of service does not receive a lump sum separation allowance. Such an allowance is paid only if the member is not entitled to a pension on leaving office.

Many private companies offer employees whose career is unexpectedly interrupted an amount of money to compensate for their involuntary departure, even though the employee may also be entitled to a pension. This provides the laid-off employee with some income while he is looking for a new job and starting over in a new career.

#### [English]

If the payment of pensions under the Members of Parliament Retiring Allowances Act is deferred so that pensions do not become payable until a certain age is reached it may well be necessary to introduce improved separation benefits to ensure that MPs' immediate financial needs are properly met much like the severance pay offered in the private sector.

The question is what would be an appropriate minimum pensionable age for members of Parliament. Some would argue that age 65 should be the pensionable age because this is the most usual age for Canadians to begin drawing a pension. Then again others might feel 60 is appropriate as this is also a common retirement age, especially in the public sector.

I feel that age 55 is justifiable since finding alternative employment at or after this age is not an easy matter.

#### [Translation]

We should also ask ourselves whether there should be a minimum age for eligibility for a reduced pension, say 50 years, and whether members should be allowed to draw a pension before this minimum age in cases of disability.

Should we base our approach on the pension plans offered by other Canadian employers in order to settle on an appropriate pensionable age for members of Parliament, or should we be looking at what is done in other Canadian legislative assemblies?

There are marked differences between the pension plan provisions of the various provincial legislative assemblies. New Brunswick has no minimum pensionable age. MLAs in Saskatchewan, the Yukon and the Northwest Territories cannot draw their pensions until age 55; in Nova Scotia, the minimum age is 50.

A number of provinces use a formula to establish pensionable age. In Newfoundland, the age and the number of years of service must add up to 60. In Ontario, a member may begin to draw a pension when his age and years of service add up to 55.

#### [English]

The province of Quebec provides for a pension to begin when a member of the National Assembly reaches the service and age of 65. The member must be at least 50 years old before receiving a pension.

I am confident that I speak for the vast majority of my fellow colleagues in the House when I state that none of us were motivated to run for public office by mere financial rewards. I am sure that I can confidently say that we all knew what we were getting into despite the many hardships our families must undergo, despite the extra expenses such as clothing, lodging, transportation and others.

We are debating today pension reform. Those who feel underpaid as an MP and those who feel they should be paid what the private sector pays are correct, but that makes for an entirely separate debate. My concern is that if we undervalue the work, dedication and sacrifices made by an MP and their families, we stand to discourage Canadians from wanting to offer their services for public office.

Two questions come to mind immediately. Will people in their forties and late thirties be motivated knowing that they may face the prospects of re-employment near the end of their career? Will we not instead be encouraging only older individuals or rather wealthy individuals to run for public office? Canada would best be served in my opinion by having young and old, small and large business people, young and older lawyers, accountants and professionals. The successful as well as the less successful must all be motivated to seek public office, not just the wealthy.

(1615)

#### [Translation]

As the hon, members can see, the government should consider the various choices it has and take into account a number of factors in reviewing the Members of Parliament Retirement Allowance Act. The government knows full well that the Canadian taxpayers are against former members of the House of Commons being allowed to receive generous unreduced pensions years before normal retirement age.

We also know that this matter of public concern can be dealt with in a number of different ways. This government remains committed to winning back public confidence and keeping its promise with respect to the reform of MPs pension.

#### [English]

In closing, I fully support the reform of MPs pensions. As well I support the removal of double dipping and I fully support increasing the minimum age to 55 at which an MP may obtain their pension.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I appreciate the member's comments. I want to make a couple of comments regarding his speech and ask him a question or two.

He said he would certainly support any government legislation which would raise the age of anything with a minimum of six years service to age 55. Our party I suspect would support that in the House of Commons if and only if the member's employer–employee contributions would be changed from six to one to one to one. For every dollar we contribute out of our salary the government would match that.

As it is now, and the hon. member should know, the government is putting in about \$6 for every \$1 that we are putting in. That is unsaleable from sea to sea in this country. I suspect that when he goes home it is not a lot different from my situation or from anyone else here when they hear how people feel.

He talked also about the re—entry to private life in the private sector. There is no one in this Chamber who would disagree that it may be difficult to get back in and work back into the clientele you had before or whatever your professional job was. My trough day will be March 13. I hope we have made substantive changes before then. It is unfortunate that we missed 52 other members. I am willing to say let us make substantive changes to the program before my trough day on March 13.

If I were to re-enter private life then I would get a pension straight through from age 42 on. There is something dreadfully wrong about that. My question to this member is, why can we not have some sort of a severance package for people who are re-entering their private lives? If we are going back into the workforce let us have some sort of severance package that the government would offer. That is fine. But why not defer pensions until a later age? Why should I and other members get a pension straight through from the day after an election? Bang, it

takes place the very next day. Why should I, for instance, be allowed to get a pension the next day?

(1620)

Why not some sort of generous severance package that will help members reintegrate into life and then the pension is deferred?

I have heard any number of members, including the member for Mississauga South, today talking about this being a family issue now and how painful it is for each of us to go back to private life and get another job. Fair enough. Why not just a severance package that would see us into that entry phase and not a pension that is going to click in the next day and go on for ever and ever. amen?

**Mr. Discepola:** Mr. Speaker, I said that in my speech. Part of it was in French and the hon. member may not have had her listening device on but I said two things in my speech. The first thing is that I agree there are two separate issues here. One is a question of severance pay when a member is defeated.

The general fallacy here is that when we serve six years, we seem to be able to collect a pension of a million dollars or so. I defy the members opposite to do their records and search. The average tenure of a member of Parliament is probably fewer than six years. I would say it is somewhere between five and six years. That is the average tenure of a parliamentarian. It is because of that job insecurity factor that I spoke about.

I come from a municipal background. Even councillors and mayors have a severance package built in. The law in Quebec now is a formal law that allows for a certain amount of severance package over a certain number of years.

The question of severance is one thing. I agree with the member that we should provide for it in the new legislation to allow people to reintegrate into the workforce. My own personal case is that I had to sacrifice the computer business that I built at the age of 29. I do not think that computer business will survive without me. I hope it will.

The other question is the question of pensions. I disagree with the member totally that the amount of the pension is over generous. If we bring the age up to 55 like I am proposing, that will solve a lot of the problems that the member is speaking of.

The average pension of a member of Parliament at age 55 will be about \$18,000 or \$19,000. The hon. member may feel that \$18,000 is not justifiable in her case. I know that I worked very hard in my case. I have made a lot of sacrifices and my citizens are telling me: "Nick, reform the pension, yes because it is outrageous the way it is now but make it equitable". I think \$18,000 at age 55 is not unreasonable and not inequitable.

[Translation]

**Mr. Gaston Leroux (Richmond—Wolfe, BQ):** Mr. Speaker, I am pleased to rise on this opposition day to speak to the opposition motion, which provides:

That this House urge the government to replace the current Members of Parliament Retirement Allowance plan with a pension plan that reflects the current norms for private sector pensions, with a maximum contribution in accordance with the Income Tax Act

I will try to contribute to the debate by offering some food for thought, because I think that the issue of pensions raises considerable concern among Canadians, who ask us many questions on this subject. They ask us these questions because of their perception of members' pensions and benefits.

First of all, the Official Opposition is clearly opposed to the motion as it stands, and I will tell you why. Adjusting pensions in accordance with private–sector standards does not tell us anything about the type of adjustment and the type of private sector.

We wonder if our pensions should reflect the plans established for senior officials and company executives or the already very inadequate pensions collected by some workers in different sectors. The motion does not tell us which way to go. We must do more thinking on the issue and set the conditions in which this reform must take place, before going ahead with such a vaguely worded motion.

It is true that people's perception of members' pensions and benefits is often shaped by the media, which call attention to the significant benefits enjoyed by members of Parliament.

(1625)

In this regard, we think that the Reform Party's debate on members' pensions should revolve around two extremely important issues.

First of all, the Official Opposition wants to avoid all kinds of double dipping, for example when someone retires after working for the government and then takes another government job, thus accumulating other pensions. I think that, on this, we clearly agree with the other parties that the practice of accumulating multiple pensions must be eliminated.

Our second point is extremely important. Our constituents often bring up the age issue. The matter of pensions must be dealt with fairly and equitably. In this regard, I think that we agree with everyone that the age issue must be reviewed.

May I remind you that one of the Reform Party's election promises was to cut what the party itself calls the three Ps, namely the pay, pensions and privileges of members. That political formation estimates that a significant cut in members' pensions would save around \$1.5 million over five years. The approach used is important because members' functions, duties and responsibilities must be considered. I think that dealing

with the issue of members' pensions by cutting government spending is entirely beside the point.

According to Jean Dion, an editorial writer in *Le Devoir*, cutting members' benefits would, of course, save money. After the election, it was estimated that pensions payable to defeated members totalled \$109 million over a period of twenty years or one–quarter of one per cent of the deficit for the financial year 1992–93 alone.

A review of allowances, benefits or pensions payable to parliamentarians should not, in our opinion, be seen as a way to put government finances on a sound footing, as a way to fight the federal deficit or to achieve that great common ideal of fair distribution of wealth in our democracy. We should be realistic and consider the context.

On the issue of pensions, of course pensions and salaries are linked because they are part of the total compensation plan. It would be irresponsible to separate them. I think we should follow certain guidelines when we look at the treatment of members' pensions. We should consider making them commensurate with the responsibility a member has. I think there is a context we must consider. We should be able to take this debate a little further. To all the people who are watching us, to all those who sent us to Parliament to manage the government's affairs, we should be able to explain the responsibilities of a member as such, because once we are elected, the first thing a member has to do is to take on the responsibilities and activities that go with his position.

So we should take a good look at the issue of level of responsibility, because it is a factor throughout our society in every area of activity. A society functions and develops because people in a variety of sectors and organizations, both private and public, are responsible and take on certain responsibilities. We should look at members in the same way, as people who perform tasks with a high level of responsibility.

(1630)

Account should also be taken of what attracts people to the job of member of Parliament. There is no doubt that most of the people elected to this House are people who want to have a responsibility in how the government is run, who want to make a contribution to society, to help it evolve, to see progress made.

We are talking about members from many different backgrounds, men and women, with a variety of skills and training, who are able to seek office and come here to pool their talents and knowledge with other members. In this context, there must also exist a certain number of conditions that will attract people of quality to political life.

Another factor to be considered is our individual financial independence, our own resources to draw on in carrying out our work, with the expenses that entails, and our independence from outside contributions. We must therefore remember that those elected to office must be able to operate in a context of financial independence.

The question cannot be examined without looking at the fundamental framework. Earlier, I listened to my colleagues as they raised a number of concerns that I share. I would like, on behalf of the official opposition, to reiterate a number of these points that we feel are essential to the debate on whether to reform the pension plan of members of Parliament.

First of all, I think that we are all well aware of the precariousness of the positions we hold. I often say to my colleagues and co—workers that we must never forget that we are just passing through, and some do so more quickly than others. Our mandate is for a very specific length of time.

We must, during this mandate, keep the promises and commitments made to the voters. We must deliver the goods in the sense of doing what has to be done within the allotted time frame, bearing in mind that our time here must be time spent doing good work, which means working energetically and steadfastly. We are here for three, four or five years, but we must put in quality time here. We feel that this reflection I am sharing with this House on behalf of the Official Opposition is a fundamental one.

Second, retirement age. Obviously, as we consider the various options, we can see that several different plans are in place in our society. In some professions, retirement age has already been set at 50 or 55 years of age. We know for example, that in the police force, civil service or Armed Forces, you become pensionable at 50. It is important to point out that serious thought should be given to the age issue, on the basis of current developments and what is currently offered in our society in terms of quality.

Members of Parliament, as it turns out, often launch their parliamentary career at a time in their lives when they are at their best in terms of energy. Age data show that indeed a great many of our elected representatives are at the peak of their form, at the peak of their capacity, which does not detract from the skill and quality of younger members or those with a longer experience. But we can see that this is an important time of our lives when we devote to Parliament energies that could effectively been put to use in a career in some other field, like the one we left to come here, one we are dedicated to and may return to when we are done here. But at this important time when we devote ourselves to public management, to the development and

advancement of our society, we do so with all our energies, in the prime of our life.

So, this is food for thought at this important time when members of Parliament devote time and energy to the state and to social development.

(1635)

I would add that a political career often interrupts a person's significant contributions to existing pension plans. That is why we must provide members with benefits that are at least as good as those they left behind. It is a matter of fairness. We are not saying that members must be paid handsomely and receive endless benefits. Members must not come here feeling that they will hit the jackpot in four or six years with a good pension whatever their age, that they will be happy to take people's money. That is not what we are talking about here. We are talking about important elements in members' lives.

Before coming here, all members of this House already had their own careers in the private sector or in business, industry, professional services, education, health, etc. They had their own lives but they decided to get involved in politics, the vast majority of them, I am sure, to make a contribution to and benefit society through a political party by participating in the legislative and public administration process. Their previous lives, careers and pension contributions cannot be dismissed out of hand. They should in fairness be taken into consideration.

For all the reasons I just listed, the Official Opposition urges all members to continue to work on pension reform without overlooking any of these elements. In conclusion, I reiterate that we are opposed to this motion as long as the alignment of pensions on private sector plans does not take into account all the elements I referred to earlier involving members' responsibilities, precarious position and previous entitlements. Pensions cannot simply be aligned on the private sector as if by magic; a comprehensive review and clear reference points are needed.

Of course, the Official Opposition rejects this motion but urges everyone to continue working on pension reform, keeping in mind the two important factors we recognize. First, the age at which members can collect pensions. We do not feel that pensions are a privilege to which we are entitled at any age in defiance of societal norms. That is something we recognize. Second, the issue of multiple pensions. We find it unacceptable that someone can retire from a job and receive a pension, then turn around and get rehired. We are against this practice. In our opinion, these two elements should be an important part of pension reform. To achieve a truly comprehensive pension reform that is fair to all elected officials, be they men or women, we need a very clear guide to the fairness criteria leading to a real reform.

[English]

**Mr. Alex Shepherd (Durham, Lib.):** Mr. Speaker, I want to thank the member for his dissertation. I know he spent a lot of time talking about financial independence and the importance of financial independence for members of Parliament.

I wonder how he reconciles that. We have heard a lot in this House about independence for the province from which he is from. I just wonder how he reconciles those two things, the independence of a member of Parliament, the independence to receive money from the Government of Canada on the one hand and on the other hand that somehow we do not need Canada for any other purpose. How is it possible that the Government of Canada is good enough to receive a pension from but not continually tax the people of Quebec?

[Translation]

Mr. Leroux (Richmond—Wolfe): Mr. Speaker, I am not sure that I really understood the question, except that the word "independence" seeems to have led to some misunderstanding. The member heard "independence" and is confused. I do not know. Financial independence is good for anyone. We are not talking about independence for Quebec; we are talking about financial independence for anyone who holds a position. Of course, it is clear that whatever pension rights the Bloc Quebecois has obtained for elected members, it will maintain them in a sovereign Quebec. A sovereign Quebec would give its elected officials the same conditions.

(1640)

I would like to give a very simple, direct answer on the issue of financial independence. A person should be paid for the work he or she does on the basis of the expenses incurred in doing it. It is also a matter of equity so that elected officials are not placed in situations where they always have to seek compensation from people or organizations providing some service or other because the elected officials do not have the financial independence they need to do their job.

That is why we wanted to include some expenses required in their work as part of the budget members of Parliament have, so that they do not have to have any Tom, Dick or Harry pay their restaurant bills every time, or their hotel accommodation, travel, air fare and so on. We are talking about financial independence so that members can act responsibly and completely free of bribery by others. It is very simple.

[English]

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, to the hon. member for Richmond—Wolfe, in the comments you had addressed the fact that you believed that age should be—

The Acting Speaker (Mr. Kilger): I do not want to be left out of this whole debate. Although I do not get to speak I would appreciate your speech to go through the Chair.

**Mrs. Brushett:** Mr. Speaker, through you to the hon. member for Richmond—Wolfe, in your comments you indicated that age was certainly a criteria that should be looked at. The member also indicated double dipping in terms of future employment.

Would the hon. member also consider previous government pensions as a deterrent in addition to an MP pension as we look at double dipping?

[Translation]

Mr. Leroux (Richmond—Wolfe): Mr. Speaker, on the subject of fairness, we must be careful not to take away acquired rights. There are acquired rights. If it is felt that people have too many acquired rights and as a result of some administrative or other process they were given too much, if something was given which upon analysis and consideration is unacceptable, I think that amends must be made.

I will qualify that by saying that we must be careful, on the issue of fairness, to really state the question responsibly, so as not to penalize people who have already obtained certain advantages as a result of some regulation or law, perhaps entirely in good faith. Withdrawing these benefits would be somewhat like going back on one's word. I think that is the opposite of what we want to achieve.

What we want to do is to get things straight and put them in perspective. Above all, we want to be able to answer people who tell us that the double dipping which goes on in the present system is wrong. An MP is in Parliament for six years and regardless of age has a pension that he can take away with him. It is the same for the Senate. It is the same with the other House. Someone is appointed senator and has a salary until age 75, no questions asked, etc.

There is a question of fairness for the future. We must get things straight and not necessarily attack others.

[English]

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, it gives me great pleasure to speak on the motion before us. I am delighted because this is an important issue, an issue which the government has pledged to resolve.

The motion talks about replacing the existing MPs' pension plan with a pension plan that reflects the commitments made in the document entitled "Creating Opportunity, the Liberal Plan for Canada".

I am glad the motion recognizes the significant contribution that the red book is making to the debate on MPs' pensions. The red book has helped to focus public attention on the changes required such as double dipping and, one step further, the need of a minimum age requirement.

It is on double dipping that I wish to speak today. As we know, double dipping means simultaneously drawing a salary from the federal government and a pension as a former member of Parliament. It is a practice that many of us have problems with.

(1645)

Let me remind hon. members of the red book statement on double dipping. We said that a Liberal government will reform the pension plan of members of Parliament to end this double dipping. MPs should not be able to leave office and receive a pension from the federal government if they accept a new, full-time, paying job from the federal government. Nothing could be clearer than that.

This commitment has been repeated by the government since the last election. We will end double dipping. Former MPs will no longer be able to receive a pension and a salary from the federal government at the same time.

Before I go further let me say that I do not wish to cast any aspersions on former members of Parliament who were entitled under the existing act to receive both a pension and a federal salary. There are many former MPs who have served this country well and who continue to do good work in other federal positions. It is clear that the drawing of a pension and a salary at the same time from the public purse is unacceptable though. It is time that these rules are changed.

In the mid-1970s pensions were viewed increasingly as an earned right. Some people viewed pensions as deferred compensation. In their view reducing or suspending pensions on gaining another job was similar to retroactively cutting a pensioner's salary.

In 1975 the government decided that the fairest approach would be to allow federal pensioners to draw pensions and salary unless they again came under the same pension plan. Today this government believes that double dipping must go.

The act which this opposition motion attempts to address is of course the Members of Parliament Retirement Allowances Act. However, the optimum word is retiring. The act was not intended to supplement working former parliamentarians but to provide a retiring allowance for them.

Many Canadians are expressing dissatisfaction with their politicians' pensions and double dipping is contributing to this negative image. We must continue changing the attitudes Canadians have toward their members of Parliament. Turning it around will require time and firm decisions. One of those decisions must be to end this double dipping.

Personally I am not sure that pension changes will single—handedly turn around this perception but I am convinced that removing the right to double dip will help.

I recognize that double dipping is a term that can be applied in different ways. There are several types of double dipping: governor in council appointments where the salary is met by statute; governor in council appointments where the salary scale is discretionary; appointments to the public service under the Public Service Employment Act; serving as a member of the RCMP or the Canadian forces; or by acting as an independent contractor to the federal government. Therefore, dealing with the double dipping question is more complicated than it appears on the surface.

Some members opposite speak of the need for urgency to end double dipping. There is somewhat of an urgency but not as much as some members would like to think as of today. Members will not quit tomorrow to get their pensions. Many of them work hard and serve their constituents. They continue to do so and will continue to do so.

There are some members opposite who do not feel the urgency. One is already collecting a federal public service pension and another is collecting a provincial pension as well as their federal salaries. These members have said they earned their pensions and will not give them up. Could not the Governor General make the same argument?

One of the aims of this government since its election has been the responsible reform of the MPs pension plan. I am sure that hon. members opposite share with us the desire to see that the job of pension reform is done well and not in a haphazard manner. We will not cut the pension plan in order to appease certain interest groups. We must be thorough and fair in what we do.

The political representatives in this Chamber serve Canadians well, as I said earlier, but there is a widespread perception that politicians want to feather their nests. That view is wrong. Yet it will remain as long as we fail to deal with the irritants such as this double dipping.

Politics is a noble calling, referred to earlier by the member opposite, and reflects members' wishes to serve the people of Canada and give something of themselves to their communities.

(1650)

I reject the claim that most politicians are in politics for the money. No one comes to this place for the sake of money. It does not pay. Many members of Parliament were doing better financially in other careers before they entered politics. They were making contributions to their pension plans and RRSPs which reflected their financial positions.

#### Supply

We must ensure that entering Canadian politics is not a financial drain and that no one is unduly penalized. This place must be accessible to all, not only the rich. It must reflect all aspects of Canadian society. The sacrifices are not only monetary. All members can attest to the time away from their families. One member opposite said: "Of any criticism I ever made of a politician I am now biting my tongue, having lived the life for a year. It is quite demanding."

Although the sacrifices are real they are not an excuse for double dipping. The pension and the salary come from the same taxpayer who has a single pocket. That is why I consider the government's commitment to end double dipping as a very positive signal to the country. It is a sign that this government is listening to Canadians and acting on what it believes in. It gives me hope that Canadian political life will gain in stature in the eyes of the people.

Again, Mr. Speaker, it pleases me that this motion was put forward today. I am pleased that the movers of this motion saw the importance of the red book position, particularly the statement on double dipping. I look forward to their support when the government introduces legislation in the near future.

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, the hon. member's speech raises the following comment: What a pity the government did not do its homework in this case and has no comprehensive proposal it can table on this issue, because what we have here is a motion that is unsatisfactory.

The Reform Party's motion has no really comprehensive approach to the questions being asked by all voters. Earlier, the hon. member said it contained a point similar to what was said in the Liberals' red book. I think some modesty is in order. The point was raised by all voters we met during the 1993 election campaign. Everyone everywhere, in Quebec and the other provinces, at all levels of society, was wondering how their elected representatives had managed to get terms of employment that were far better than those of most people in this country.

The government, by the way, has yet to meet its commitment, because it has not yet tabled legislation it promised to introduce. And of course the Reform Party could be blamed for presenting a motion that is so vague we cannot vote in favour of it, since we really do not know how the alignment with private sector plans would work.

It seems to me that in his speech, the hon. member talked a lot about avoiding double dipping and also about reviewing the age at which members would receive a pension and introducing a minimum age, and I think we could agree on that. For instance, during the election campaign, people said: Paul, you are 40

years old, which means that when you are 46 or 47, you will get a pension for life, and we pay for it. Nice work if you can get it!

Fortunately, I had the right answer, because I kept telling them: No sir, I do not intend to sit for more than one term in the Parliament of Canada, because I hope I will not have to come back, once we have settled the constitutional issue. I must say I found this answer very convenient.

In concluding, I would like to try to modulate the hon. member's views, and I would ask him whether he does not think it would be advisable for the government to table its bill in the near future, because it has already finished its first year. People who would like to get into politics during the next election, in about three or four years, should have a good idea of what they are getting into, and as well, it may be easier to deal with these issues at the beginning of a government's term.

You have had time to consult the way you consult on all kinds of things. We have probably had enough consultations. So, is the government going to make a decision very shortly so that during its first term, it will have responded to the wishes of all voters who want to ensure that their members are well paid but not excessively so? Their working conditions should make it attractive for talented people to run for Parliament, but at the same time, fairness should be a major consideration within the Canadian system as a whole.

(1655)

[English]

**The Acting Speaker (Mr. Kilger):** I would ask the member for Trinity—Spadina for a short reply.

**Mr. Ianno:** Mr. Speaker, first it is our intention to introduce what our commitment was in the red book, as we have done with many of the commitments we have stated in the red book and have fulfilled.

There is a slight concern now. That is we want Canadians to get back to work. That is much more important than worrying in three or four years time about who is thinking about running for this Parliament. Our ultimate responsibility is to make sure that Canadians participate in the economic viability of this nation.

Working with small businesses and many of the issues we are dealing with to try to get the economy back in gear is very much more important than this aspect the member addresses.

The Acting Speaker (Mr. Kilger): It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for The Battlefords—Meadow Lake—Endangered species.

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, it gives me great pleasure to speak on the motion before us. This is an important issue that, as has been pointed out, was

dealt with in the red book. This appears to be a controversial issue. Much has been written in the papers and shown on television. The issue raises a question: Are the current pension provisions for members of Parliament appropriate?

The motion proposes to replace the existing pension plan with a pension plan that reflects the commitments made in the red book. It is an issue this government wants resolved. This government plans to keep its promises. The Prime Minister has given a clear indication that we will deal with this issue. The details still have to be worked out.

Today I want to place the issue in context. One of the measures by which we can judge whether the current provisions are appropriate is to look at what other governments are doing around the world. In its report on parliamentarians' compensation, Sobeco, Ernst and Young compared our overall compensation with that of parliamentarians in other countries. These countries were Australia, the United Kingdom, Belgium, Sweden, France and the United States.

As members recall, Sobeco based its studies on our indemnities, allowances, services and benefits as well as those of senators. The firm looked at compensation practices and policies, trying to determine similarities and differences in approach from other countries. Then it estimated the value of total compensation for parliamentarians in each nation. While the roles of parliamentarians differ somewhat in the various countries studied, that does not take away from the validity of the comparisons in the consulting study.

Looking first at total compensation the consultants included base salary, the annual value of the pension plan and private insurance. The results show that Canadian MPs rank in the mid-range of the seven countries studied. The best paid by far are American members who receive more than double what Canadian, Australian and French parliamentarians get.

Australia, Canada and France are closely bunched together and they are significantly ahead of the United Kingdom, Belgium and Sweden. Taking sessional indemnity, our basic salary, we are in much the same position internationally. American legislators are way ahead of us. Their salaries are estimated at over \$169,000, while ours are \$64,400. The Australians and the French get slightly more and the rest lag a bit behind.

In terms of pensions alone, we rank somewhat behind both Belgium and Australia and ahead of the remaining countries examined. The pension rules vary from country to country. Parliamentarians are entitled to a pension as soon as they are elected in Belgium, France and Britain, while they must serve at least five years in the United States, six years in Canada and Sweden and eight years in Australia. In other countries the pensionable age ranges from a low of 12 years service in Sweden and Australia.

(1700)

In Britain pensions can be paid to former MPs at 60 if their age and years of service add up to at least 80. Some countries provide reduced pensions to former members if they are retired before the normal pensionable age. The amount of retirement pension required for each year of service is lower than the Canadian rate in Belgium, France, Britain and the United States. It is higher or comparable in Australia and Sweden.

There is quite a wide range in contribution rates as well. Members do not have to contribute at all in Sweden, while the rates are 7.5 per cent of salary in Belgium, 11.5 per cent in Australia, and 1.3 per cent in the United States.

It is difficult to compare group insurance plans in the various countries because of the different social programs in place. Group insurance is paid entirely by the government in all of the countries studied except the United States where the members pay about 50 per cent of their group insurance programs.

Australia and Belgium provide severance allowances to their parliamentarians. In Belgium it is equal to about one month of salary for each year of service and in Australia it ranges from three months salary after one year of service to 26 months after eight years of service.

It is interesting to look at the various allowances available to parliamentarians in Canada and other countries. With expense allowances there is a wide range of practices. France and Belgium have non-taxable and non-accountable expense allowances. In Australia and Sweden this allowance is taxable but work related tax deductions are permitted.

As for travel expenses, Australia, Belgium and Sweden pay for all work related travel by their legislators. In France only the costs of travel between the constituency and Paris are paid.

Most countries have some sort of severance allowance and resettlement provisions to help parliamentarians make the transition to private life. Interestingly, the personal financial situation faced by parliamentarians as they return to private life in France and Sweden has an impact on amounts they are entitled to receive.

From this overall comparison we are neither the best paid parliamentarians at the international level nor the worst. While our pensions may be better than those of parliamentarians in some countries, they are not quite as good as they are in others. In overall comparison we lag well behind our American cousins.

As I said earlier, the Prime Minister has made clear the government's commitment to introduce legislation to change the pension plan. Our party is committed to ending double dipping. I applaud pension reform. I do think it is important for everyone to realize that in terms of overall compensation, Canadian members of Parliament are no better paid than col-

Supply

leagues in most other major western countries and we lag behind a number of countries.

[Translation]

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, the hon. member just referred to the bill on the members' pension fund and mentioned several countries, including the United States. The question we must ask ourselves is this: Are the 205 new members in this House, who have no vested rights in the old plan for MPs, not showing good will by wanting to have a new pension plan for members?

The Canadian government could show Canadians good will in managing public funds by showing its good will, and this is an excellent way to do it, by making us elected members do our fair share by cutting some of our pensions, which are paid for from taxpayers' money. Today the government tends to cut social programs, which affects the most disadvantaged people.

I think that as parliamentarians, with the salary we are paid, of course we work long hours and have many responsibilities, but we are paid for the hours we put in and we must realize what it involves when we decide to run for office.

(1705)

I think that when we talk about cutting the fat, the operations of this House and its members, this is an excellent way to show good will and show Canadians that we are ready to do our fair share.

When comparing ourselves with the United States, we must consider the ability to pay. Can the United States afford to pay into a pension fund for their elected officials? With the debt we have in Canada, which forces us to make cuts in all programs, it would be rather outrageous if members' pensions were not affected.

I want to ask the hon. member a question. Would he agree that the government should show once and for all that it is ready to make an effort by cutting the pensions of elected members or at least eliminating double dipping? We have a 24-year-old member. It would be a little ridiculous for him to have a pension for life after six years, at age 30. Would you agree with me that members' pensions should be cut to prove to Canadians that we are ready to do our fair share as members of Parliament?

[English]

**Mr. Bodnar:** Mr. Speaker, I thank the hon. member for the question. It is difficult to disagree with a suggestion that there have to be certain changes in the pension scheme. Obviously that is what we proposed in the red book, one of them being the elimination of double dipping.

Certainly another aspect that has to be looked at very seriously is the age at which pensions do commence. With pensions commencing as they do now, it is probably quite unfair. The age should be raised. The question would be at what age should a

member obtain pension benefits and as well what benefits should be attributed to that member at that age. It is difficult to disagree with the comments made by the member.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, it is a pleasure to rise today to speak to this motion.

Before I begin to refer to the body of my text, I have to comment on the waxing eloquence of my hon. colleagues from the Liberal Party regarding the red book. I would very much like to point out to my colleagues that on August 12, 1993 the Prime Minister of today challenged Kim Campbell, then Prime Minister, about pension reform.

On August 11 he challenged Kim Campbell to recall Parliament and said: "We would pass it in one day", meaning pension reform. He was feisty in his request because he added that his party had been proposing these reforms for months:

"It is 1984 all over again", Chrétien charged. "They said 'here is a fresh face'. They promised a new dimension of objectivity and representation. Now it is the same speech, the same lies and the same promises".

So much for the red book.

The Acting Speaker (Mr. Kilger): Order. I am trying to grasp the context of some of the remarks of the hon. member. In referring to lies, I would hope that we are not in any way insinuating that any one member in this Chamber from any one party would be lying in any way, shape or form. I ask members to keep that in mind.

Mrs. Brown (Calgary Southeast): Mr. Speaker, I was quoting from an article by William Walker of the Toronto *Star*.

**Ms. Catterall:** Mr. Speaker, on a point of order, I too am trying to reconstruct the words of the member opposite who quite closely linked the word lies with the name of the Prime Minister. I would ask that you as Speaker review the blues and if you find cause, come back to this House and ask the member to please withdraw.

The Acting Speaker (Mr. Kilger): I accept the intervention of the government deputy whip and I do take the undertaking to the House that I will review the blues. If necessary I will come back to the House.

**Mrs. Brown (Calgary Southeast):** Mr. Speaker, I am going to clarify this right now. This is a quote from an article by William Walker and those are the very words that are printed here that are attributed to the then Liberal candidate, Mr. Jean Chrétien. It is in this article from the Toronto *Star*.

I certainly would never presume to have associated that term with our Prime Minister today. I strenuously object to any suggestion that I would do so.

Mr. Bodnar: You never said it was an article before.

Miss Grey: She sure did.

Mrs. Brown (Calgary Southeast): Mr. Speaker, I shall continue.

(1710)

Because the issue of MP pensions enrages more Canadians than any other issue in contemporary politics today, and we can certainly see the sensitivity of my Liberal colleagues in the House today, today's motion goes to the heart of what matters in Canada. Believe me, voters will be looking on this day's debate in three and a half years time and they will be looking at what was said and who said it.

This goes to the core of leadership in government. It demonstrates to Canadians that before the politicians ask them to make any more financial sacrifices we will lead by example. This motion demonstrates our sincerity on this side of the House to lead by example, to cut government spending and to inject new levels of integrity into this House. We do this by securing reform of the MP pension plan.

It is ironic to suggest that reforming the MP pension plan is a sacrifice for members of Parliament. All we are doing is taking our existing, outdated, lavish, unfair and expensive pension plan and correlating it with the private sector provisions for employees. This is no sacrifice.

It is an expectation from our electorate that we reform this outrageous pension plan. More than anything else Canadians resent that they are asked over and over again to tighten their belts, that they must pay higher taxes, that their hard earned pay cheques are taxed back to the government. Let us not forget about the eight million Canadians who have no pensions at all.

Canadians are at a point where they no longer believe their politicians are worthy of their support. I know I can speak to the constituents of my riding of Calgary Southeast. In town hall after town hall on the issues of the day that come up number one is MP pensions: "When are you going to get rid of that terrible plan?"

The motion today which states that the House replace the current members of Parliament retirement allowance plan with a pension plan that reflects the current norms for private sector pensions with a maximum contribution in accordance with the Income Tax Act should be supported by all members of the House.

I urge members to put their self-interest behind them and to recognize this proposal is a sound one. Two legislatures have already made cuts to their MLA pension plans. Alberta and Prince Edward Island have made those cuts. These provinces have taken the lead on this issue and it is time that federal politicians followed suit.

Let me share with the House what is happening in my home province of Alberta regarding pension reform. In the spring of 1993 Premier Klein announced that there would be no pension plan for members of the legislative assembly after the next election.

In May 1993 a bill was passed in the legislature to amend Alberta MLA pensions. The members' pension was to be scrapped after the next provincial election. For MLAs who were retiring before the next election their benefits were reduced from 4 per cent to 3 per cent. Members of the legislative assembly's pensions would be suspended if they worked more than a limited period of time for any employer covered by the public service management pension plan, thus eliminating double dipping.

This is a concrete example for change and of a promise that was kept. It is also an example of a decision taken by a government listening to what Canadians are saying.

Let me quote from a letter about pension reform. It was written by a constituent of mine and it is addressed to the Prime Minister and the finance minister:

Dear Gentlemen.

You gentlemen have suggested Canadians must decide on (1) reduced spending or (2) increased taxes.

Well, this redneck from Alberta gives a resounding voice for reduced spending-reduced spending and no for tax increases in any form.

A good place to start is by example and reduce those obscene pensions enjoyed by MPs (including former MPs as well) to that which is normal for Canadians in the private sector. This would be real leadership. You will find that such action will be received as a demonstration of responsible stewardship and will motivate an atmosphere to undertake a similar we mean business review of all government expenditures by our peers and the senior civil servants for the same purpose.

You will also find that such action and extension thereof will be required to earn the respect of Canadians. It is time for action, not more talk.

The Trudeau regime was undoubtedly the originator of spend beyond your means philosophy. Since then there has been little comfort whether it be Liberal or Conservative governments.

Let us get with it and turn this country around. We just cannot afford non-productive overspending. Think of how proud you would be if you were a real winner.

Yours truly, Ed Ringrose from Calgary Southeast.

(1715)

Yesterday was trough day. Fifty-two more members of Parliament qualified for gold-plated pensions worth \$53 million. We call these gold-plated because they give unlimited protection against inflation. They are payable after only six years in office. We have heard this over and over again and it is fair evidence that this needs to be changed. They are payable immediately after retirement regardless of age. One of my hon. colleagues just mentioned someone who was 24 years old and who perhaps in six years would be eligible for one of these gold-plated pensions.

#### Supply

They accumulate one and a half times faster than the legal maximum in the private sector and are funded about 85 per cent by taxpayer contributions.

I have done my part to reform our pensions. I stated during the election campaign that I would reject outright any MP pension and I have done that. I take far greater comfort in taking care of my own retirement, thank you very much, than a pension plan. Many of my colleagues have done the same.

I urge the House to realize that we need to reform the pension plan. In particular, I challenge the 52 MPs who just became eligible yesterday for a pension to take out of the program only what they put in plus a reasonable interest that they would have received had they invested it for themselves. I challenge them to show leadership by rejecting these gold–plated pensions.

My message today has been straightforward and it reflects the expectations and the emotions of Canadians everywhere. I have spoken often about integrity in government. Canadians have lost faith in their politicians. The last 25 years of profligate spending is clear evidence of the need for reform and leadership in government. We all need to demonstrate a willingness to change.

Canadians want politicians to keep their word, who will bring integrity back to government and who will do everything to give government back to them.

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, the member spoke eloquently about the need for pension reform. It is nice to hear that Reform is on side with us, that it is in favour of reforming pensions. It is a question of what to do

Quite often people who most often ask for pension reform in a certain manner and ask for certain changes to be made are, as this member very eloquently said that she would not care for a pension from the government, are quite often independently well to do, have other sources of income, or otherwise.

My question is whether this member could tell us how many Reform MPs do not have another business such as farming, ranching, et cetera, or an income from another source or an income from another pension. How many do not have such a source of income?

Mrs. Brown (Calgary Southeast): Mr. Speaker, I am not aware of the exact number but as far as I know most do not.

I am going to take the next few minutes to make a further response to the hon. member's intervention because I do have something I would like to share with him and with others in this House.

I was reading in the *Globe and Mail* yesterday a small article called "Nuspeak" from *The Economist*. It was a series of definitions that have come forward in the last several years. One word I had never heard before was disentitlementarianism

which is a belief that entitlement programs should be dismantled. I look on this gold-plated MP pension plan as one of those entitlement provisions that over time the House of Commons has given to their members.

I guess I would have to call myself a disentitlementarian because I will continue in this regard as far as a pension is concerned.

The constituents in my riding are furious. They continue to be furious about MP pension plans. In the townhall meeting I had last week it did not matter what the topic, it always came back to MP pensions. You could see the red start to rise above their collars. As I said before, voters, the electorate, will remember what has been said today. We have to address that and ignore their concerns at our peril.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I recognize that I do not have a lot of time to speak on this issue but there are a couple of things I would like to respond to that were brought forward, particularly by members on the other side.

Several times I heard speakers say that MPs have to be properly remunerated if we are going to get quality in this place. I remind the hon. members that we have a best selling book out right now called *On the Take* written by Stevie Cameron. It speaks about MPs who are paid very well and who are subscribing to this gold–plated pension plan. The book outlines scandal after scandal of abuse of privileges that are available in this House. Yet this situation is not of concern to the members on the other side because they do not seem to think that the remuneration and the gold–plated pension plan will have an impact.

I suggest that if we can attract people to this place who do not want to be on the take and who are not looking at the pension plan we will probably get better quality. It is those people who are looking for a fleece-lined retirement, looking for that paradise that comes with parliamentary service, that we want to exclude from this place.

I am concerned about these multimillion dollar pensions that, for instance, the member for Sherbrooke will be receiving should his party be decimated and the final two members moved into extinction.

The other concern that I have is that if we do not deal with some of the perks and particularly the pension, Stevie Cameron will write another book and that book will be called "On the Take No. 2". It will refer to the current Liberal government and those members who put their own best interests ahead of the interests of Canadian taxpayers, those members who looked for every possible excuse and made flowery speeches about how deserving they were of all these dollars the taxpayers worked so hard for, to which they are entitled after six short years of service. It is unconscionable.

I urge the other members, in the few remaining minutes and seconds we have, to consider the situation, to support the Reform motion today and to commit to reforming the MPs' pension plan to please Canadians and to restore respect to this place, which is what Canadians are crying for.

[Translation]

The Acting Speaker (Mr. Kilger): It being 5.22 p.m., it is my duty, pursuant to Standing Order 81, to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The vote is on the motion standing in the name of Miss Grey (Beaver River).

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

Call in the members.

(The House divided on the motion, which was negatived on the following division:)

(Division No. 109)

#### YEAS

White (Fraser Valley West)—42

Members Benoit Brown (Calgary Southeast) Cummins Chatters Epp Forseth Frazer Gilmou Grey (Beaver River) Grubel Hanger Harper (Calgary West) Harper (Simcoe Centre) Hart Hill (Macleod) Hermanson Hill (Prince George—Peace River) Hoeppner Jennings Kerpan Martin (Esquimalt—Juan de Fuca) McClelland (Edmonton Southwest) Meredith Mills (Red Deer) Penson Ramsay Schmidt Ringma Scott (Skeena) Solberg Solomon Stinson

Thompson

#### Government Orders

#### NAYS

#### Members

Allmand Althouse Anderson Arseneault Assadourian

Asselin Axworthy (Winnipeg South Centre) Bachand Baker Bakopanos Barnes

Bellehumeur Berger Bergeron Bernier (Beauce)

Bernier (Gaspé) Bernier (Mégantic-Compton-Stanstead) Bertrand Bethel

Blaikie Rodnar Bouchard Bonin Brien Bondria Brown (Oakville—Milton) Brushett Bélair Caccia Campbell

Bélisle Cannis Cannel Catterall Caron Chamberlain Chan Collins Collenette Comuzzi Copps Crawford Cowling Crête Culbert Dalphond-Guiral Daviault Debien de Jong de Savoye Deshaies DeVillers Dhaliwal Discepola Dromisky Duceppe Duhamel Dupuy Eggleton Easter English

Finestone

Fry Gaffney Gagnon (Bonaventure—Îles-de-la-Madeleine) Gagliano

Fillion

Finlay

Gagnon (Québec) Gauthier (Ottawa—Vanier) Gallaway Gauthier (Roberval) Gerrard

Godfrey Godin Grose Guarnieri Guay Guimond Harb Hickey Hopkins Hubbard Iftody Ianno Irwin Jackson Karygiannis Jacob Keyes Kirkby Kraft Sloan Knutson Landry Lastewka Lalonde Langlois

Lavigne (Beauharnois-Salaberry)

Lebel Leblanc (Longueuil) Lefebvre Leroux (Shefford) Leroux (Richmond-Wolfe) Loubier Loney

MacLaren (Etobicoke North) MacAulay

Malhi Maloney Manley Marchand Marchi Marleau Martin (LaSalle-Émard) Massé McKinnon McWhinney McGuire McLellan (Edmonton Northwest) Milliken Mills (Broadview—Greenwood) Mitchell Murphy Murray

Ménard Nault Nunez O'Reilly O'Brien Pagtakhan Patry Payne Peric Peters Peterson Phinner

Picard (Drummond) Pillitteri Pickard (Essex-Kent) Proud Reed Richardson Regan Ringuette-Maltais Rideout Robichaud Rocheleau Rompkey

Sauvageau Shepherd Serré Sheridan Simmons Skoke Speller St. Denis Stewart (Brant) Stewart (Northumberland)

Szabo Taylor

Telegdi Thalheimer Tobin

Torsney Tremblay (Rosemont) Tremblay (Rimouski-Témiscouata)

Vanclief Valeri Venne Verran Volpe Walker Wappel Wells Zed-190

#### PAIRED-MEMBERS

#### Members

Chrétien (Frontenac) Dingwall Clancy Dubé Dumas Gray (Windsor West) Goodale Lincoln Mercier Plamondon Parrish Pomerleau St-Laurent Whelan

(1750)

The Acting Speaker (Mr. Kilger): I declare the motion lost.

\* \* \*

#### PUBLIC SERVICE STAFF RELATIONS ACT

The House resumed from November 17 consideration of the motion that Bill C-58, an act to amend the Public Service Staff Relations Act and the Royal Canadian Mounted Police Act, be read the second time and referred to committee.

The Acting Speaker (Mr. Kilger): Pursuant to the order of Tuesday, November 17, 1994, the House will now proceed to the taking of the deferred division on the motion for second reading of Bill C-58.

(1755)

Mr. Boudria: Mr. Speaker, as the Chair and all members of this House are aware, we have a long list of votes this evening. To speed up the process, I think you will find there is unanimous consent to do the following.

I think you will find unanimous consent to apply the vote just completed to Bill C-58 which is before us now, as follows: Liberals, in favour; the Bloc Quebecois, opposed; the Reform Party, in favour; the New Democratic Party, opposed; and the hon. member for Beauce wishes to be recorded as having voted in favour of this motion.

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

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

#### Government Orders

#### (Division No. 110)

#### YEAS

#### Members

Abbott Allmand Anderson Assadourian Axworthy (Winnipeg South Centre) Baker Bakopanos Barnes Benoit Berger

Bernier (Beauce) Bertrand Rethel Rodnar

Brown (Calgary Southeast) Brown (Oakville-Milton)

Brushett Bryden Bélair Caccia Campbell Cannis Catterall Chamberlain Collenette Chatters Collins Comuzzi Copps Crawford Cowling Culbert Cummins DeVillers Dhaliwal Discepola Dromisky Duhamel Dupuy Easter Eggleton English Fewchuk Epp Finestone Finlay Fontana Forseth

Fry Gagliano Gagnon (Bonaventure—Îles-de-la-Madeleine)

Frazer

Gallaway Gauthier (Ottawa—Vanier)

Gerrard Gilmour Godfrey Grey (Beaver River) Gouk Grose Guarnieri Hanger Harb

Harper (Calgary West) Harris Harper (Simcoe Centre) Hart

Harvard Hayes Hermanson Hickey

Hill (Macleod) Hill (Prince George—Peace River)

Hoeppner Hubbard Hopkins Irwin Iftody Jackson Jennings Karygiannis Kerpan Keyes Knutson Kraft Sloan Lee MacAulay Lastewka Loney MacLaren (Etobicoke North) Maloney Malhi Manley

Manning Marchi Marleau Martin (Esquimalt—Juan de Fuca)

Martin (LaSalle—Émard) Massé McClelland (Edmonton Southwest) McGuire McLellan (Edmonton Northwest) McKinnon

McWhinney Meredith Mifflin Milliken Mills (Red Deer) Mills (Broadview—Greenwood) Morrison Murray Mitchell Murphy Nault O'Brien O'Reilly Pagtakhan Patry Penson Payne Peric Peters Peterson

Pickard (Essex—Kent)

Pillitteri Proud Ramsay Regan Richardson Rideout Ringma Ringuette-Maltais Rock Robichaud Rompkey Scott (Skeena) Schmidt Serré Shepherd Sheridan Simmons Solberg Skoke Speaker Speller Stewart (Brant) Stewart (Northumberland) Strahl Stinson Szabo Telegdi Thalheimer Terrana Thompson Tobin Torsney Valeri Vanclief Verran Walker Volpe Wappel White (Fraser Valley West) Wells Young

Zed-181

#### **NAYS**

#### Members

Althouse Bachand Asselin Bellehumeur Bergeron Bernier (Gaspé) Bernier (Mégantic-Compton-Stanstead) Blaikie Bouchard Brien Bélisle Canuel Dalphond-Guiral Daviault de Jong de Savove Deshaies Duceppe Gagnon (Québec) Fillion Gauthier (Roberval) Guay Jacob Guimond Landry Laurin

Lalonde Langlois Lavigne (Beauharnois-Salaberry) Lebel Leblanc (Longueuil) Leroux (Richmond—Wolfe) Lefebyre Leroux (Shefford) Loubier Marchand Nunez Picard (Drummond) Ménard

Paré Rocheleau Sauvageau

Tremblay (Rimouski—Témiscouata) Tremblay (Rosemont)

#### PAIRED-MEMBERS

#### Members

Chrétien (Frontenac) Clancy Dingwall Dubé Dumas Gray (Windsor West) Goodale Lincoln Mercier Plamondon Parrish Pomerleau St-Laurent Whelan

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

(Bill read the second time and referred to a committee.)

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#### DEPARTMENT OF NATURAL RESOURCES ACT

The House resumed consideration of Bill C-48, an act to establish the Department of Natural Resources and to amend related acts, as reported (with amendments) from a committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at the report stage of Bill C-48, an act to

Barnes

Finestone

Bernier (Beauce)

#### Government Orders

establish the Department of Natural Resources and to amend related Acts.

The first question will be on Motion No. 3, standing in the name of the hon. member for Matapédia-Matane.

Mr. Boudria: Mr. Speaker, I believe you will find there is unanimous consent to apply the vote just completed on the previous motion as follows: Liberals, opposed; Bloc Quebecois, in favour; Reform Party, in favour; New Democratic Party, in favour. I may add that the hon, member for Beauce has indicated that he wants his vote to be recorded as nay.

(The House divided on the motion, which was negatived on the following division:)

(Division No. 111)

#### YEAS

#### Members

Jacob

Meredith

Morrison

Nunez

Martin (Esquimalt—Juan de Fuca)

Abbott Althouse Bachand Bellehumeur Renoit Bernier (Gaspé) Bergeron Bernier (Mégantic—Compton—Stanstead) Blaikie Brien Brown (Calgary Southeast) Bélisle Canuel Caron Chatters Crête Dalphond–Guiral Debien Cummins Daviault de Jong de Savove Deshaies Duceppe Epp Forseth Fillion Frazer Gagnon (Québec) Gauthier (Roberval) Gilmour Godin Grey (Beaver River) Gouk Grubel Guay Hanger Guimond Harper (Calgary West) Harper (Simcoe Centre) Harris Hart Hayes Hill (Macleod) Hill (Prince George-Peace River)

Jennings Lalonde Kerpan Landry Langlois Laurin Lavigne (Beauharnois—Salaberry) Lebel Leblanc (Longueuil) Leroux (Richmond—Wolfe) Lefebvre Leroux (Shefford)

McClelland (Edmonton Southwest) Mills (Red Deer) Ménard

Hoeppner

Marchand

Paré Penson Picard (Drummond) Ramsay Ringma Rocheleau Sauvageau Scott (Skeena) Schmidt Solberg Solomon Speaker Strahl Stinson

Tremblay (Rimouski-Témiscouata) Tremblay (Rosemont) White (Fraser Valley West)—92

#### **NAYS**

## Members

Berger

Finlay

McWhinney

Gauthier (Ottawa-Vanier)

Bertrand

Adams Allmand Anderson Arseneault

Axworthy (Winnipeg South Centre) Assadourian Baker Bakopanos

Bodnar Bethel Boudria Bonin Brown (Oakville-Milton) Brushett Bryden Bélair Calder Caccia Campbell Cannis Catterall Chamberlain Chan Collenette Collins Comuzzi Cowling Copps Crawford Culbert DeVillers Dhaliwal Discepola Dromisky Duhamel Dupuy Eggleton Easter English Fewchuk

Flis Fontana Gaffney Gagnon (Bonaventure—Îles-de-la-Madeleine) Gagliano

Gallaway Gerrard Godfrey Grose Guarnieri Harb Harvard Hopkins Hickey Hubbard Ianno Iftody Irwin Jackson Karygiannis Keyes Kirkby

Knutson Kraft Sloan Lastewka Lee MacAulay Loney MacLaren (Etobicoke North) Malhi

Malonev Manley Marchi Marleau Martin (LaSalle—Émard) Massé McGuire McKinnon

McLellan (Edmonton Northwest)

Milliken Mills (Broadview-Greenwood) Mitchell Murray Murphy Nault O'Brien O'Reilly Pagtakhan Patry Payne Peric Peters Peterson Phinney Pillitteri Pickard (Essex—Kent) Proud Reed

Regan Richardson Ringuette-Maltais Rideout Robichaud Rock Rompkey Serré Shepherd Sheridan Simmons Skoke Speller St. Denis

Stewart (Brant) Stewart (Northumberland) Szabo Telegdi Terrana Thalheimer Tobin Torsney Valeri Vanclief Verran Walker Volpe Wappel Wells Zed-140

# Government Orders

# PAIRED—MEMBERS

#### Members

Chrétien (Frontenac) Dingwall Clancy Dubé Goodale Gray (Windsor West) Lincoln Mercier Plamondon Parrish Pomerleau St-Laurent Whelan

(1800)

The Acting Speaker (Mr. Kilger): I declare the motion lost.

The next division will be on Motion No. 4, standing in the name of the hon. member for Abitibi. The result will also be applied to Motion No. 6.

Mr. Boudria: Mr. Speaker, I believe there is unanimous consent to apply the vote just completed to the motion before the House, as follows: Liberals, nay; Bloc Quebecois, yea; Reform Party, yea; New Democratic Party, nay; and the hon. member for Beauce wishes his vote to be recorded as nay.

(The House divided on the motion, which was negatived on the following division:)

# (Division No. 112)

# YEAS

#### Members

Abbott Bachand Bergeron
Bernier (Mégantic—Compton—Stanstead) Benoit Bernier (Gaspé) Bouchard Brown (Calgary Southeast) Bélisle Canuel Crête Chatters Dalphond–Guiral Cummins Daviault Debien de Savoye Deshaies Duceppe Epp Forseth Fillion Gagnon (Québec) Frazer Gauthier (Roberval) Gilmour Godin Gouk Grey (Beaver River) Grubel Guimond Guay Harper (Simcoe Centre) Harris Hart Hermanson Hayes Hill (Macleod)

Hill (Prince George-Peace River) Kerpan Landry

Laurin Lefebyre Leroux (Shefford)

Nunez

Penson

Manning Martin (Esquimalt—Juan de Fuca) Meredith

Ramsay Rocheleau Schmidt Solberg Stinson Thompson Tremblay (Rosemont)

White (Fraser Valley West)—87

Harper (Calgary West) Hoeppner Jennings Lalonde Langlois Lavigne (Beauharnois—Salaberry) Leblanc (Longueuil) Leroux (Richmond-Wolfe) Loubier Marchand McClelland (Edmonton Southwest) Mills (Red Deer)

Ménard Paré Picard (Drummond) Ringma Sauvageau Scott (Skeena) Speaker Strahl

Tremblay (Rimouski—Témiscouata)

**NAYS** 

Members

Allmand

Anderson

Baker

Barnes Bernier (Beauce)

Bethel

Bodnar Boudria

Brushett

Bélair

Calder

Assadourian

Adams Althouse Arseneault

Axworthy (Winnipeg South Centre) Berger Bertrand Blaikie Bonin Brown (Oakville-Milton) Bryden Caccia Campbell

Cannis Catterall Chamberlain Chan Collenette Collins Comuzzi Cowling Copps Crawford Culbert de Jong DeVillers Dhaliwal Discepola Dromisky Duhamel Dupuy Easter Eggleton English Fewchuk Finestone Finlay Flis

Fontana Gaffney Gagliano Gagnon (Bonaventure--Îles-de-la-Madeleine) Gallaway Gauthier (Ottawa-Vanier) Gerrard Godfrey Guarnieri Harb Harvard Hickey Hopkins Hubbard Iftody Irwin Jackson Karvgiannis

Keyes Kirkby Knutson Kraft Sloan Lastewka Loney MacAulay MacLaren (Etobicoke North) Malhi Maloney

Manley Marchi Martin (LaSalle-Émard) Marleau Massé McGuire McLellan (Edmonton Northwest) McKinnon McWhinney Mifflin

Mills (Broadview—Greenwood) Milliken Mitchell Murphy Murray Nault O'Reilly O'Brien Pagtakhan Patry

Payne Peric Peterson Peters Phinney Pickard (Essex-Kent)

Pillitteri Proud Reed Regan Rideout Richardson Ringuette-Maltais Robichaud Rock Rompkey Serré Shepherd Sheridan Simmons Skoke Solomon Speller St. Denis

Stewart (Brant) Stewart (Northumberland) Szabo Taylor

Telegdi Terrana Thalheimer Tobin Torsney Valeri Vanclief Verran Volpe Walker Wappel Wells Young Zed-145

Gouk

# Government Orders

Grey (Beaver River)

# PAIRED-MEMBERS

#### Members

Chrétien (Frontenac) Dingwall Dubé Dumas Gray (Windsor West) Goodale Lincoln Mercier Parrish Plamondon Pomerleau St-Laurent

The Acting Speaker (Mr. Kilger): I declare Motion No. 4 lost, and consequently, I also declare Motion No. 6 lost.

The next division will be on Motion No. 5.

Mr. Boudria: Mr. Speaker, I believe you will find there is unanimous consent to apply the vote on the previous motion to the motion before us, as follows: Liberals, nay; Bloc Quebecois, yea; Reform Party, nay; New Democratic Party, nay; and the hon. member for Beauce wishes his vote to be recorded as nay.

(The House divided on the motion, which was negatived on the following division:)

(Division No. 113)

# YEAS

#### Members

Asselin Bachand Bellehumeur Bergeron

Bernier (Gaspé) Bernier (Mégantic-Compton-Stanstead) Bouchard Brien

Bélisle Caron Crête Dalphond-Guiral Daviault Debien de Savoye Duceppe Gagnon (Québec) Godin Deshaies Fillion Gauthier (Roberval) Guimond

Guay Jacob Landry Lalonde Langlois Laurin Lebel Lavigne (Beauharnois-Salaberry) Leblanc (Longueuil)
Leroux (Richmond—Wolfe) Lefebvre Leroux (Shefford)

Loubier Ménard Marchand Nunez Picard (Drummond) Rocheleau Tremblay (Rimouski—Témiscouata)

Tremblay (Rosemont) Venne—46

# **NAYS**

# Members

Abbott Allmand Althouse

Axworthy (Winnipeg South Centre) Assadourian Barnes Benoit

Bernier (Beauce) Berger Bertrand Bethel Bonin Boudria Brown (Calgary Southeast)

Brown (Oakville—Milton) Brushett Bryden

Calder Campbell Cannis

Chamberlain Chan Chatters Collenette Collins Comuzzi Cowling Copps Crawford Culbert Cummins de Jong DeVillers Dhaliwal Discepola Dromisky Duhamel Dupuy Eggleton Easter English Epp Finestone Fewchuk Finlay Flis

Fontana Forseth Fry Gaffney Gagliano Gagnon (Bonaventure—Îles-de-la-Madeleine) Gallaway Gauthier (Ottawa-Vanier) Gerrard Gilmour Godfrey

Grose Grubel Guarnieri Hanger

Harb Harper (Calgary West) Harper (Simcoe Centre) Harris

Harvard Hayes Hermanson Hickey Hill (Macleod) Hill (Prince George—Peace River) Hoeppner Hubbard Hopkins Ianno Iftody Irwin Jackson Jennings Karygiannis Kerpan Keyes Kirkby Knutson Kraft Sloan Lastewka Lee Loney

MacAulay MacLaren (Etobicoke North) Malhi Maloney

Manley Manning Marleau Marchi

Martin (Esquimalt—Juan de Fuca) Martin (LaSalle—Émard) Massé McClelland (Edmonton Southwest)

McGuire McKinnon McLellan (Edmonton Northwest) McWhinney

Mifflin Meredith Mills (Broadview-Greenwood)

Milliken Mills (Red Deer) Mitchell Morrison Murphy Murray Nault O'Reilly O'Brien Pagtakhan Patry Penson Payne Peric Peters Peterson Phinney Pickard (Essex—Kent) Pillitteri Proud Ramsay

Reed Regan Richardson Rideout Ringuette-Maltais Ringma Robichaud Rock Rompkey Schmidt Scott (Skeena) Serré Shepherd Sheridan Simmons Skoke Solberg Solomon Speaker Speller St. Denis Stewart (Brant) Stewart (Northumberland) Stinson Szabo

Strahl Taylor Telegdi Terrana Thalheimer Thompson Tobin Torsney Ur Valeri Vanclief Verran Volpe Walker Wappel

Wells White (Fraser Valley West)

Zed-186

# Government Orders

# PAIRED—MEMBERS

Members Clancy

Dingwall Dubé Goodale Dumas Gray (Windsor West) Mercier Parrish Plamondon St-Laurent Whelan

Chrétien (Frontenac)

The Acting Speaker (Mr. Kilger): I declare Motion No. 5

Hon. Anne McLellan (Minister of Natural Resources, Lib.) moved that the bill, as amended, be concurred in.

Mr. Boudria: Mr. Speaker, I believe you will find there is unanimous consent to apply the vote just completed on the previous motion to the motion before us, as follows: Liberals, yea; Bloc Quebecois, nay; Reform Party, yea; New Democratic Party, yea; and the hon. member for Beauce wishes his vote to be recorded as yea.

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

# (Division No. 114)

# YEAS

# Members

Abbott Allmand Althouse Anderson Assadourian Axworthy (Winnipeg South Centre) Baker Barnes Benoit Berger Bernier (Beauce) Bethel Bertrand Blaikie Bodnar Bonin Boudria Brown (Oakville—Milton) Brown (Calgary Southeast)

Brushett Bryden Rélair Caccia Calder Campbell Cannis Catterall Chamberlain Chan Collenette Collins Comuzzi Copps Crawford Cowling Culbert Cummins de Jong DeVillers Dhaliwal Discepola Duhamel Dromisky Dupuy

Eggleton Epp English Fewchuk Finestone Finlay Fontana Forseth Fry Gagliano Gaffney Gagnon (Bonaventure—Îles-de-la-Madeleine) Gallaway Gauthier (Ottawa-Vanier) Gerrard Godfrey Grey (Beaver River) Grubel Gouk

Guarnieri Hanger Harper (Calgary West) Harb Harper (Simcoe Centre) Hart Harris Haves Hermanson Hill (Macleod)

Hickey Hill (Prince George—Peace River)

Grose

Hoeppner Hubbard Iftody Irwin

Jennings Karygiannis Kerpan Keyes Kirkby Knutson Kraft Sloan Lastewka Lee Loney MacAulay MacLaren (Etobicoke North)

Malhi Maloney Manley Manning Marchi Marleau

Martin (LaSalle—Émard) Martin (Esquimalt-Juan de Fuca) Massé McClelland (Edmonton Southwest)

McGuire. McKinnon McLellan (Edmonton Northwest) McWhinney Meredith Mifflin

Mills (Broadview-Greenwood) Milliken

Mills (Red Deer) Mitchell Morrison Murphy Murray Nault O'Brien O'Reilly Pagtakhan Patry Penson Payne Peric Peters Peterson Phinney Pickard (Essex-Kent) Pillitteri Proud Ramsay Reed Regan Richardson Rideout Ringma Robichaud Ringuette-Maltais Rock Schmid Rompkey Scott (Skeena) Serré Sheridan Skoke

Shepherd Simmons Solberg Solomon Speller Speaker St. Denis Stewart (Brant) Stewart (Northumberland) Stinson Strahl Szabo Taylor Telegdi

Thalheimer Terrana Thompson Tobin Torsney Ur Valeri Vanclief Verran Volpe Walker Wappel

Wells White (Fraser Valley West)

Zed-186 Young

# **NAYS**

#### Members

Asselin Bachand Bellehumeur

Bernier (Gaspé) Bernier (Mégantic-Compton-Stanstead)

Bouchard Brien Bélisle Canuel Crête Caron Dalphond-Guiral Daviault Debien de Savoye Deshaies Duceppe Gagnon (Québec) Fillion Gauthier (Roberval) Godin Guay Guimond Jacob Lalonde Landry Langlois

Lavigne (Beauharnois-Salaberry) Laurin Leblanc (Longueuil) Lebel Leroux (Richmond-Wolfe)

Lefebvre Leroux (Shefford) Loubier Marchand Ménard Nunez Paré Picard (Drummond) Rocheleau

Tremblay (Rimouski-Témiscouata) Sauvageau

Tremblay (Rosemont)

#### Government Orders

Harvard

Hopkins

Karvgiannis

Kraft Sloan

MacAulay

Irwin

Kirkby

Lee

Malhi

Manley

Marleau

Milliken

Mitchell Murray

O'Brien

Peters

Phinney

Pillitteri

Reed

Pagtakhan

McKinnon

McWhinney

Massé

# PAIRED—MEMBERS

Members

Chrétien (Frontenac) Clancy Dingwall Goodale Dumas Gray (Windsor West) Mercier Parrish Plamondon St-Laurent Whelan

(1805)

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

\* \* \*

# DEPARTMENT OF CANADIAN HERITAGE ACT

The House resumed from November 21, 1994, consideration of the motion that Bill C-53, an act to establish the Department of Canadian Heritage and to amend and repeal certain other acts, be read a second time and referred to a committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the motion for second reading of Bill C-53.

**Mr. Boudria:** Mr. Speaker, I believe you will find there is unanimous consent to apply the vote just completed on the previous motion to the motion now before the House, as follows: Liberals, yea; Bloc Quebecois, nay; Reform Party, nay; New Democratic Party, nay; the hon. member for Beauce, yea.

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

(Division No. 115)

# YEAS

Members

Allmand Adams Anderson Arseneault Assadourian Axworthy (Winnipeg South Centre) Baker Bakopanos Berger Barnes Bernier (Beauce) Bertrand Bodnar Bethel Bonin Boudria Brushett Brown (Oakville—Milton) Bryden Rélair Calder Caccia Campbell Catterall Cannis Chamberlain Chan Collenette Collins Comuzzi Copps Crawford Cowling Culbert **DeVillers** Dhaliwal Dromisky Discepola

Duhamel Dupuy Eggleton English Finestone Fewchuk Finlay Flis Fontana

Gagnon (Bonaventure—Îles-de-la-Madeleine) Gagliano

Gallaway Gauthier (Ottawa—Vanier)

Godfrey Guarnieri Gerrard

Harb Hickey Hubbard Iftody Jackson Keyes

Knutson Lastewka Loney MacLaren (Etobicoke North)

Martin (LaSalle-Émard)

Malonev

Peterson Pickard (Essex-Kent)

Proud

McGuire McLellan (Edmonton Northwest) Mifflin Mills (Broadview—Greenwood) Murphy Nault O'Reilly Patry Peric

Richardson Regan Ringuette-Maltais Robichaud Rock Rompkey Serré Shepherd Sheridan Simmons Skoke St. Denis Speller

Stewart (Brant) Stewart (Northumberland)

Szabo Telegdi Thalheimer Terrana Tobin Torsney Ur Valeri Vanclief Verran Walker Volpe Wappel Wells Zed-140

# **NAYS**

Members

Althouse

Abbott Asselin Bellehumeur

Bergeron Bernier (Mégantic-Compton-Stanstead) Bouchard Brown (Calgary Southeast) Canuel

Chatters Cummins Daviault de Jong Deshaies Epp Forseth Gagnon (Québec) Gilmour

Grubel Guimond Harper (Calgary West) Harris

Haves Hill (Macleod) Hoeppner

Lalonde Langlois Lavigne (Beauharnois-Salaberry)

Leblanc (Longueuil) Leroux (Richmond-Wolfe) Loubier

Jacob Jennings

Manning

Bachand Benoit Bernier (Gaspé) Blaikie Brien Bélisle Caron Crête Dalphond-Guiral Debien de Savoye Duceppe Fillion

Frazer Gauthier (Roberval) Godin Grey (Beaver River) Guay Hanger

Harper (Simcoe Centre) Hart

Hermanson Hill (Prince George-Peace River)

Kerpan Landry Laurin Lebel Lefebvre Leroux (Shefford)

Martin (Esquimalt—Juan de Fuca) Marchand

McClelland (Edmonton Southwest) Mills (Red Deer) Meredith Morrison Ménard Nunez Paré Penson Ramsay Picard (Drummond) Rocheleau Ringma Sauvageau Scott (Skeena) Schmidt Solberg Solomon Speaker Strahl Stinson

Thompson Tremblay (Rosemont) Tremblay (Rimouski-Témiscouata) White (Fraser Valley West)-92

#### PAIRED—MEMBERS

#### Members

Chrétien (Frontenac) Dingwall Dubé Goodale Dumas Gray (Windsor West) Lincoln Plamondon Pomerleau St-Lauren

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

(Bill read the second time and referred to a committee.)

# PRIVATE MEMBERS' BUSINESS

[English]

# GLOBAL CLIMATE CHANGE

# Hon. Charles Caccia (Davenport, Lib.) moved:

That, in the opinion of this House, the government should, in anticipation of global climate change, consider the advisability of promoting energy conservation and efficiency, as well as placing greater reliance on renewable sources of energy so as to reduce dependence on fossil fuels and nuclear power.

He said: Mr. Speaker, in essence this motion is about climate change. It is an issue for the 21st century which has to be tackled in this decade. It is an issue that has serious economic and environmental consequences.

Climate change as predicted by meteorologists and scientists all over the world would have serious consequences on forestry, on agriculture, on fisheries, on biodiversities. Most important from a human perspective are the consequences on sea levels and what that might do to populations around the Pacific whose existence would be threatened by rising sea levels as predicted by some.

(1810)

Leading scientists and technical experts are telling governments all over the world that greenhouse gas emissions resulting from human activities are increasing substantially. For instance, according to Environment Canada statistics the emissions of carbon dioxide, which I will refer to as CO<sub>2</sub>, in Canada alone are on a constant increase and represent by comparison to other nations 2 per cent of all emissions produced in the world. That is second only to the United States.

If we look at the statistics on a per capita basis then we as a nation are at the top of the list when it comes to carbon dioxide emissions. This is due to a number of understandable reasons. It has to do with our climate. It has to do with the great distances and size of our country. It has also to do with lifestyle.

However, the result of these emissions is to be found in an increase in average temperatures in the earth's surface. It is interesting to note there is clear evidence that the average surface temperature of the earth has gone up by half a degree Celsius over the past century. In the case of Canada alone it has been measured as having gone up by 1.1 degree Celsius. The 10 warmest years of the last 100 years have occurred and have been measured since 1980.

Consequently climate change was discussed at length and was almost central in the debates at the 1992 United Nations Conference on Environment and Development held in Rio. On that occasion Canada ratified with many other nations a convention which calls for governments to reduce greenhouse gas emissions to at least 1990 levels by the year 2000. We are very close to that date.

Recognizing the urgency of this issue and recognizing our international responsibilities, the government has actually made a further commitment. It is contained in the 1993 election campaign red book. This commitment is to cut by 20 per cent the carbon dioxide emissions by the year 2005.

As a result of that commitment, federal-provincial negotiations have taken place at an intense pace over the past 10 months culminating with the meeting in Bathurst, New Brunswick a couple of weeks ago. On that occasion environment and energy ministers of the federal, provincial and territorial governments of Canada discussed this matter at length.

We learned on that occasion from newspaper clippings that the representatives of the Alberta government were opposed to any regulations aimed at lowering carbon dioxide emissions in Canada. From the clippings we learned that Alberta wants a voluntary approach only and that this position is also favoured by certain industries. I quote from the Gazette of November 8 where we learned the following:

Alberta won't go along with a plan by Ottawa and other provinces for mandatory regulations to reduce carbon pollution and clean up the air. "We're not participating," Alberta's Ty Lund said yesterday as he emerged from a day of talks among Canada's environment ministers.

(1815)

Mr. Lund, who is the environment minister for Alberta, scoffed at Ontario minister Bud Wildman's comment that some mandatory requirements would have to be put into place to cut the amount of pollution from smoke stacks and car exhaust pipes.

The question is why is the Government of Alberta opposed to such regulations? Why does it support regulations in other sectors? It accepts regulations and support regulations in aviation, agriculture, health and hygiene, you name it, but it does not want regulations with respect to climate change. Why does the Alberta government not want to help in meeting an obligation to the world community and reduce greenhouse gases, particularly carbon dioxide which is the most prevalent of all the greenhouse gases as we all know?

On the other hand, people in Alberta support the environment and we know that. People in Alberta understand the international obligation that we have. It seems to me that Alberta members of Parliament and senators have a role to play here in convincing the provincial government to co-operate.

In support of what I just said I will quote from the *Globe and Mail* of November 8. According to a poll taken by the Environics Research Group Ltd., the paper stated:

The public apparently supports change, too. The results of a poll of 1,500 adults taken in August and September showed strong support for strong measures, including majority approval of a 10 per cent increase in energy prices, if the money was used to cut pollution—

That is quite an interesting expression of public opinion. In the *Gazette* of the same day the same point is being made. It states:

Apparently, so does the Canadian public. Most people interviewed in a new poll said they would be willing to pay 10 per cent more for their energy if the money were redirected to reduce pollution.

Today and for the next three months leading into February the federal Minister of Natural Resources has a very difficult task of seeking the co-operation of provincial and territorial governments so that a national plan can be forged to reduce this type of dangerous emission.

The question is, does Alberta want to isolate itself from this effort? What good would it serve to be alone, saying no to an effort that will attempt to reach the desired goal of reducing carbon dioxide emissions and which cannot be left to the voluntary sector alone?

The question also arises here, to have a complete picture, is what needs to be done? Today's energy policies need to be looked at thoroughly and they need to undergo a profound change at the federal level of government as well as the provincial and municipal.

(1820)

Let us take, for example, the federal level and in particular the federal Department of Natural Resources, formerly known as energy, mines and resources.

# Private Members' Business

Here we find year after year in the budgets of that department, and particularly in the last 10 years, generous subsidies to the fossil fuel industry. Alone in 1994 and 1995 natural resources, Canada's energy division, just one division within that department, expects to spend a total of \$383 million.

Would you believe it, Mr. Speaker, that 87 per cent of this amount will be spent as grants and contributions with most of these funds going to fossil fuel projects? Only a very small portion goes to energy efficiency, energy conservation, and research into alternative sources of energy. In this day and age against the background of the climate change issue, this does not make sense any longer.

Look at the Department of Finance. Here we find generous tax rebates and tax expenditures all favouring the Canadian fossil fuel industry. Actually, if one looks over a period of time, for years the fossil fuel industry sector has enjoyed extremely generous subsidies in the form of outright grants, tax deferments, write–offs, loans, loan guarantees, and exploration subsidies. You name it, Mr. Speaker.

Every year, according to the calculations we have conducted, the federal government gives over \$5 billion in the form of tax concessions to the fossil fuel sector. Over \$5 billion in tax concessions. If you apply to this amount a tax rate of 20 per cent, this kind of assistance or hand—out, depending on how you want to call it, results in over \$1 billion in lost revenue.

As recently as October 1993 during the last campaign, some \$85 million was given to the Lloydminster heavy oil upgrader which finally had to be cancelled some six weeks ago. I congratulate the Minister of Finance for that decision. It had to be cancelled after a loss incurred on the part of the taxpayers of Canada of some \$945 million.

The amount of \$85 million that was made available in October 1993 exceeds by some \$20 million the entire 1994 budget for the efficiency and alternate energy program. I repeat, the amount that was given to the Lloydminster project, on its deathbed if you like, exceeded by \$20 million the entire 1994 budget for the efficiency and alternate energy program.

This does make sense. There is no coherence in these kinds of financial decisions and budgetary decisions.

To make things worse, the 1994–95 funding for approved efficiency and renewable energy projects was cut back because of budget constraints. In addition, the government in Ottawa currently has a large sum invested in fossil fuel megaprojects, notably Hibernia, which represents a commitment of some \$3 billion.

(1825)

If you put this picture against the background of Canada's commitment to stabilize and then reduce carbon dioxide emissions by 20 per cent, these subsidies clearly must be examined

and must be reapplied and invested in new directions, first for the purpose of increasing energy efficiency and, second, in reducing over the long term our dependence on fossil fuels.

On energy efficiency we find that Canada's global competitors, including Japan, Germany, you name it, have enjoyed strong economic growth because many years ago they understood that energy efficiency means a measure that brings about economic advantages at the same time.

They adopted strong energy efficiency measures. We by comparison must admit that we still have a long way to go. Studies conducted in the United States, New Brunswick, Quebec, and British Columbia all confirm that investments in energy efficiency consistently create more jobs than investments in conventional energy supply projects.

A 1987 study by the Department of Energy, Mines and Resources, which is back quite a while, concluded that investments in efficiency create an average of 19 direct and indirect jobs per every \$1 million invested compared to an average of seven jobs per \$1 million invested in oil and gas extraction. This is quite a stunning comparison for which we are indebted to the Department of Energy, Mines and Resources which, however, does not seem to be capable of putting its own findings into practice.

Clearly, money saved by industrial, commercial and residential investors in energy efficiency would be freed up and could be respent in other areas of the economy. According to a report for the British Columbia Energy Council by Marbek Resource Consultants and G.E. Bridges and Associates, this respending accounts for more than 50 per cent of all new jobs created and 90 per cent of the net jobs created over equal investments in conventional energy supply projects.

To conclude, if we are to act in our own self-interests for the long term and if we are to meet our obligations internationally because we want to behave as good members of the family of nations where the recognition has been made that there is a serious problem that must be dealt with, Canada needs a national plan on carbon dioxide as other nations already have. Those who do not have it are working at it quite laboriously.

This kind of national plan would set out for each province what each economic sector is to do and what each level of government can do through various means, through budgets, taxation measures, and regulations. All this would be done in order to achieve greater energy efficiency which is an economic plus to achieve reductions in carbon dioxide emissions and therefore slow down the trend in climate change. Finally, it would be to achieve for generations to come this very difficult

but necessary, gradual shift in our dependence on fossil fuels to a dependence on renewable sources of energy.

[Translation]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, motion M-168 put forth by the hon. member for Davenport in this House today really caught my interest.

I have had the opportunity to work on regular basis with the hon. member on the Standing Committee on Environment and Sustainable Development, of which he is the chairman.

(1830)

It is an honour for me to become the vice-chair of this committee. When you look at the background of the hon. member for Davenport and see what kind of work he does on the committee, his care and concern for the important issue of the environment really becomes apparent. He is, of course, a great conservationist, but he is also a great advocate of federalism.

We need not look any further to understand why the people opposite, the Minister of the Environment in particular, have no qualms interfering with the provinces' jurisdiction in that respect. The Liberals wrongly associate the federalist cause with that of the environment. In their view, provinces are small and incompetent entities which are incapable of looking after such a great cause as the environment all on their own, as an exclusive area of responsibility.

They tell us that air and water know no boundaries—what a revelation!—and that this is why the federal government has the duty to control, protect and preserve the environment. They justify encroaching upon a provincial jurisdiction by claiming to be in a better position than the provinces to do so and, of course, by arguing that Canada is a big country, so big in fact that all activities have to be centralized in Ottawa in order for the environment to be protected.

Yet, it is common knowledge that the centralized administration of this huge country does not necessarily have a positive impact in the field. On the contrary, centralizing to excess generally puts increased distance between what is going on in the field and the decision—makers. It is a phenomenon known as ivory tower phenomenon.

But the environment is about what happens in the field. So, serious thought must be given to the implications of increased centralization in that regard.

The hon. members opposite also rely heavily on the global approach argument to justify increasing federal interference with provincial jurisdictions. Their redundant message to the effect that pollution know no boundaries has become their creed and their justification for set themselves up as great national conservationists.

Basically, the government is creating new structures, unscrupulously, without paying any attention to duplication, to what the provinces are already doing. Worse, it takes advantage of grey areas and non–established areas to impose itself upon them. Some have gone along with this federal tactic. It is their choice. Others, on the other hand, see things differently and feel threatened and bullied by the federal government. But regardless of the fears expressed by certain provinces, the federal government, in the name of federalism and a comprehensive approach, pushes ahead and imposes its way of doing things, its standards and its administrative structures.

If this twisted line of reasoning were taken to its logical conclusion, Canada itself would be subordinated to a broader, North American, maybe even planetary, organization with overall responsibility for the environment.

We do not think that this is the best way to preserve and protect our natural environment. We are, of course, in favour of harmonizing standards and requirements, and we certainly support agreements for specific sectors. But we firmly maintain that these standards, requirements and agreements must be implemented on a smaller scale if we are to attain environmental objectives quickly and effectively. The federal government should therefore limit its role, and leave the implementation and administration of environmental matters to the provinces.

The motion by the member for Davenport mirrors only too well his government's desire to centralize and dominate. He would like the federal government to step onto an already very crowded playing field. When he speaks to us about energy conservation and efficiency, the member for Davenport is light years behind Quebec and other provinces who have already taken action in this area.

For several years now, Hydro–Québec, which reports to the government of Quebec, has been offering its consumers programs promoting energy conservation and efficiency. Again yesterday evening, I saw a Hydro–Québec television commercial offering information and a brochure on a new energy conservation program.

(1835)

I wish to remind the hon. member who tabled this motion that all provinces also operate such programs through their power–producing corporations. The Power Smart Program, among others, has been around for a few years. The hon. member should also know that the federal Department of Natural Resources runs several programs resulting from the Green Plan. There is even an Efficiency and Alternative Energy Branch within this department.

Is the hon, member telling us through his motion that the federal government's own actions are inefficient? That would confirm what we have known and noted for a very long time.

# Private Members' Business

The hon. member's motion shows very clearly once again the federal government's lack of recognition for provincial initiatives and desire to meddle in areas of provincial jurisdiction. I ask the hon. member for Davenport: Why should the federal government promote energy efficiency in Quebec and in the other provinces, when it is already being done, Mr. Speaker?

Would implementing such a motion not lead again to useless, inefficient and costly overlap and duplication, to a waste of public funds which would not achieve anything, except for spreading federal government propaganda?

I am asking myself serious questions regarding the hon. member for Davenport's intentions in putting forward this motion. Even his wishful thinking lacks vigour. The wording of the motion itself is very timid. It says: "That the government should—consider the advisability of promoting—". Let us say simply that one could not go very far with such words. The hon. member for Davenport is usually more specific and vigorous in his proposals.

I want to look at another part of the hon. member for Davenport's timid motion, and I quote: "—in anticipation of global climate change—". The hon. member talks about climate change; he is no doubt referring to global warning mostly caused by greenhouse gases.

I find it a little funny that the hon. member is telling us this when the Minister of the Environment recently admitted that she was not sure she would be able to honour an ambitious promise in the famous red book. This promise in the Liberals' bible said: "Our immediate priority will be to work with all major stakeholders to design a plan to cut carbon dioxide emissions by 20 per cent from 1988 levels by the year 2005". Asked whether she was convinced that this objective could be attained, the minister replied: "Oh, my God! Am I convinced? No. I am not convinced".

She thus admitted her political inability due to the lack of support and backing in Cabinet. Nevertheless, this promise is a key plank in the Liberals' environmental platform. So what is the motion from the member for Davenport worth when an important promise of his party is so easily flouted by Liberal ministers?

Another disturbing point about this promise is the idea now being considered of passing our responsibilities off onto developing countries. Indeed, Canada is showing some openness to the idea of taking credit on its own account for reducing greenhouse gases when it supports or takes such action abroad. If that were so, it would be a blatant admission of failure and proof of the Liberal government's weakness.

The motion of the member for Davenport seems somewhat futile to me. First, it asks the government to duplicate what is already being done in the provinces and in the federal gov-

ernment itself; second, it highlights a red book promise that will not be kept, concerning the reduction of greenhouse gases.

The member's motion is not very solid. It shows an obvious lack of front-line information. I am sure that the member can present us with much more substantial motions.

I conclude on an energy-saving note by telling you that on December 8, 120,000 Christmas lights will be lit on and around Parliament Hill—I repeat, 120,000 lights.

(1840)

Also, I invite you to count how many government vehicles are left idling on the Hill, with their engines running, all day long. A good contribution to saving and the greenhouse effect! I believe that the federal government should do its own homework before imposing on others.

[English]

**Mr. Bill Gilmour (Comox—Alberni, Ref.):** Mr. Speaker, one of the main justifications for the use of renewable over non-renewable sources of energy is the greenhouse effect. I believe this is the rationale for this motion from the member for Davenport.

The greenhouse effect is the concept that increased emissions of greenhouse gases caused by human activity such as the burning of fossil fuels will lead to increased temperatures in the global climate, hence the move toward renewable sources of energy as opposed to the burning of fossil fuels.

It is a fact that the earth's surface temperature and human emissions of greenhouse gases have both increased over past decades. However, to suggest that we must abandon traditional sources would be unwise to say the least.

It is important that any shift from non-renewable to renewable resources be based on the merits of that resource, not simply on an anticipation of what may or may not happen. Energy policies must be based on economic, environmental and industrial concerns. I agree that Canadians need to actively participate in energy conservation and efficiency. This does not mean the government should be issued a blank cheque to promote this concept.

The member for Davenport suggests that we should place greater reliance on renewable sources of energy over non-renewable resources. Many renewable energy technologies are available. They are already in use around the globe and can provide different alternatives.

There are several sources including solar power, wind, wave, tidal, and hydro or water power. I would like to go into this a bit to show there is really no easy fix in this huge equation.

Other less known sources include biomass, which is the conversion of plant and animal matter into energy, and geothermal energy which is from within the earth and is very popular in New Zealand.

Converting to renewable sources of energy is not an easy procedure. We need to look at the whole picture when we talk about non–renewable and renewable forms of energy because it is not as simplistic as it may appear at first glance. Renewable energy is not without its own problems. There are economic, environmental and practical considerations that must be taken into account.

California uses several forms of solar energy. There are huge energy collectors which provide electricity for hundreds of thousands of homes at competitive rates. Solar energy is also used for hot water heating in buildings and current solar energy research is looking into the concept of converting direct sunlight into electricity.

Although solar energy appears to be a sound environmental choice there are still considerations. The manufacture, installation and disposal of solar power systems involves environmental health and safety considerations. We need to question how much fossil fuel energy input is required for solar systems compared to fossil energy consumed by comparable conventional energy systems.

The manufacture of solar cells also uses hazardous material such as arsenic and cadmium. Some of these materials can be quite hazardous to the people who use them. What I am simply pointing out is that every area has its problems.

Another concern with solar power is the large amount of land required for the plants. Approximately one square kilometre is required for every 20 to 60 megawatts generated and this causes a problem.

Wind energy is another source of renewable energy. Windmills have been around for centuries and are still functioning in many areas such as California and Denmark. Presently wind turbines produce 1 per cent of the electricity for California and Hawaii and many nations are currently looking into this resource as a positive alternative.

What needs to be noted when we examine these various sources of energy is that almost every energy source has some kind of negative environmental impact. Renewable sources of energy are not without their problems and considerations.

For example, although wind power produces no air or water pollution and does not involve toxic or hazardous substances, it faces public opposition because of its visibility and the noise of the turbines.

(1845)

Our traditional form of renewable energy is hydro power. Dams generate the electricity through the weight of water going through the turbines. In Canada hydro electric power produces nearly two-thirds of all of our energy consumed.

Though hydro power is the main form of renewable energy, there are many problems or potential problems connected with it. For example, most of us are aware of the Kemano project in British Columbia. Because this project was exempted from a full environmental assessment by the previous government, resource and community concerns remain in debate with hostile stakeholders in many areas.

The Great Whale project near James Bay also illustrates the continuing environmental concerns of many of these energy megaprojects. As such, British Columbia has gone away from many of the larger projects into much smaller even to the point of small streams and rivers generating small areas that are more environmentally friendly than a huge megaproject.

The seas can also be utilized to create wave and tidal power. Temperature differences between deep cold water and warm surface waters are utilized as a power source called ocean thermal energy conversion.

By and large it is going to be in the end market forces and public demand that will direct the energy market whether it be in favour of renewable or non-renewable sources of energy.

To conclude, these are just some of the issues surrounding the use of renewable sources of energy which need to be considered when we consider whether we should be promoting this form of energy. I am mentioning these because it is easy to look at only one side of the issue without considering some of the associated concerns.

When we talk about shifting from one form of energy to another it is important that the contribution of energy development to the material welfare of Canadians be balanced against environmental sustainability.

In 1992 the production of energy supplies was valued at over \$35 billion or 7 per cent of our gross domestic product. It employed over 300,000 people. Energy accounts for 11 per cent of total exports, 17 per cent of all investments and is responsible for an annual trade surplus of over \$10 billion. It is a big player.

In summary, I am not suggesting that we promote one form of energy over another or that we should not consider using more renewable sources of energy. However, I do suggest that the energy consumption habits of all Canadians are an area for scrutiny. Rather than generate more energy we need to learn to use less. Therein lies the solution.

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, I thank you and the hon. members of this House for permission to sit due to a cast on my leg.

# Private Members' Business

I heartily endorse the motion introduced by the hon. member for Davenport this evening. The House has heard something of the history of climate change and what the world and Canada are doing about it.

I should like to present some thoughts on the economic aspects of this issue. Ultimately climate change could have a major impact on jobs, business and farms throughout our country. That makes it a matter of vital importance to every Canadian. We all need to understand and better know what its effects will be.

The impact could potentially be crippling. A melting polar ice cap could disrupt east coast fisheries. Rising sea levels could inundate low lying areas of the Atlantic provinces. On the Great Lakes water levels could fall sharply, stranding industries. We could see more frequent and more violent storms. Draughts could worsen on the prairies. New diseases and insect pests could infest our crops and threaten human health. Flooding could occur in the Fraser River basin. In the north the permafrost would no longer provide a solid foundation for buildings and pipelines, putting existing installations at risk.

These developments would translate into economic loss and it could be more severe because of the particular nature of Canada's economy. This is highly dependent on resource based industries such as agriculture, fisheries and forestry, all of which are very sensitive to climate change.

In view of that sensitivity, Canada must act vigorously to try to mitigate possible climate change. The most direct way that we can do so is by reducing our emissions of greenhouse gases, especially carbon dioxide.

While Canadians make up only half of 1 per cent of the global population, we do account for 2 per cent of the worldwide emissions of greenhouse gases.

(1850)

On a planetary scale we generate far more than our fair share of greenhouse gases. Unless Canada and other developed countries take the lead and demonstrate that we are serious about cutting our emissions the developing world will not begin to do its part to bring the problem under control.

To remedy the situation we first need to understand why it has occurred, where do Canada's greenhouse gases come from and why are they so high in proportion to our population. The answers to these questions have to do with Canada's geography, demography and economic infrastructure.

We live in a huge thinly settled country of cold climate and long winters. We must make heavy use of transportation, heating and artificial lighting. Our population is growing faster than that of most developed nations. Our economy relies to a disproportionate degree on resource extraction and agriculture. These activities are generally more energy intensive than manufacturing.

We also rely on abundant reasonably priced domestic energy sources such as coal, hydro, natural gas, uranium and oil. We sell to other countries mainly forestry products, minerals, agricultural goods and various energy products.

When the time comes for drawing up international accounts the emissions associated with the activities producing these exports are attributed to Canada, not to the countries that consume the exports. In contrast, Canadian imports are generally less energy intensive but we receive no credit for that.

However, the last factor affecting greenhouse gas emissions cannot be blamed on anyone else and that is the relatively affluent lifestyle of Canadians. We regard as necessities what would be unimaginable luxuries to most inhabitants of third world countries, but those necessities come at a price, our disproportionately high release of greenhouse gases. With many factors conspiring to drive up our use of energy and our greenhouse gas releases it might seem a daunting task to try to hold them to acceptable levels.

Though the picture I have painted may be grim, there are grounds for optimism and the source is the concept that has become a rallying cry for our times, sustainable development. The idea of sustainability entered the public awareness about the same time as the threat of climate change in the mid–1980s. For radical problems it proposes a radical dynamic solution; re–establishing a balance between human activities and natural systems, integrating economic and environmental goals, working not for short term profits but for long term benefits and enhancing the quality of life.

Earlier it had seemed that advocates of the environment had to be adversaries of human progress and vice versa. Sustainable development taught us that this is not the way things have to be. Countless times in the past humanity has turned seeming obstacles into challenges and barriers into opportunities for advancement. That is what the environmental challenge of our time is.

That is what the threat of planet change is, a looming danger certainly but at the same time a spur to find new and better ways of doing business and living our lives. It is an opportunity to do things more efficiently, more effectively, more competitively and, above all, more sustainably. The problem has been clearly identified: rapidly increasing emissions of greenhouse gases accumulating in the atmosphere at record levels, altering climate in ways that may not be completely predictable but are quite possibly very severe. The solution surely is obvious, bringing the emissions under control to keep the changes of climate within acceptable parameters.

The question then becomes how can we control or reduce emissions. We need to reduce the energy needed to power our economy. We need to continue building a less energy intensive economy and choosing a less energy intensive lifestyle. That is by no means a fantasy. After all, over the last two decades we have seen the automobile industry wrestle successfully with this problem. Today it manufactures cars that go much farther on a litre of gasoline and that burn their fuel much cleaner than in the 1960s. That is only an indication of what is possible but it shows us the direction we should take.

We need to work toward energy conservation, energy efficiency and the use of non-polluting renewable energy sources. As representatives of the Canadian public there are many ways in which we can further this effort. One of the most important is by fostering science and appropriate technology development in pursuit of our climate change goals. We must support the people who are looking for new knowledge and new solutions. We must encourage research and development and we must smooth the path from thinking up bright ideas to successfully marketing them on a large scale. New ideas are central to Canada's environmental industries which make up one of the fastest growing sectors of the economy today.

(1855)

A few weeks ago the government announced a Canadian environmental industry strategy, a co-ordinated approach to promoting this sunrise sector. The potential is for this to become one of Canada's export leaders, developing new energy saving techniques and marketing them domestically and abroad.

Infrastructure renewal is still another opportunity for promoting resource conservation. The old deteriorating installations squander energy and release pollutants. The government's municipal infrastructure program is helping replace these relics of the past with clean and efficient facilities.

I mention as well the high cost of transportation in Canada. Now a new expressway beckons us, one that will not become snowbound in winter or develop potholes in the first spring than

I am referring of course to the information superhighway, the electronic network with possibilities that organizations and individuals are only starting to explore. It is the kind of business that Canada should be involved in where distances and weather are immaterial and energy expenditures are minimal.

These are all measures that promote energy conservation and efficiency and do the right thing for climate change. At the same time, however, they and other initiatives are creating business opportunities and jobs. Another example is the growing technology not only of government installations but also of private homes, offices and industrial plants.

The measures are transforming our country's economy, making our companies more efficient, more productive and more competitive. After all, the firm that can get more for its energy dollar is the firm that can sell at a lower price. In today's cost

conscious, competitive markets, that is the firm that is going to get its customers back.

I have heard claims that we cannot afford action to avert climate changes, that it comes at too high a cost and will price us out of the global marketplace. The very reverse is true. We cannot afford not to act.

Our major trading partners have plans for stabilizing their greenhouse gas emissions by the year 2000. They include Britain, the United States and Germany. Denmark is a northern country with cold temperatures like Canada. Despite that, it has a plan to achieve a 20 per cent reduction in emissions by the year 2005. There may be some doubt about whether all these countries will actually achieve stabilization of emissions at 1990 levels as they are setting out to do but at least they have made the commitment and have started along the path toward that goal.

They are taking steps that all can see and measure. Canada must do the same and members can begin by giving their support to this motion now before the House. It is only sensible to adopt a precautionary approach in addressing the issues of climate change. We must take steps now, not wait until later when more painful or more costly solutions may and will be required.

Granted, climate change poses a great threat to Canada but the effort to counter climate change is an undertaking that summons all the best qualities of Canadians, imagination, drive, a willingness to innovate, an entrepreneurial spirit and a taste for hard work. These are the qualities that built our country and have repeatedly won for it the number one ranking by the United Nations human development index.

Those qualities will help us face the challenge of climate change and in doing so we will ensure a bright, sustainable future for Canada. It is a fine line between a healthy environment, a sustainable environment—

The Acting Speaker (Mr. Kilger): Order. I regret, the member's time has elapsed.

[Translation]

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, I am pleased to speak to the motion tabled by the hon. member for Davenport. We both sit on the Standing Committee on Environment and Sustainable Development. Through our numerous meetings, I have come to know the hon. member, who is a former environment minister and also a man dedicated to promoting a sound environment.

However, I am surprised that, given his professionalism, he would table a motion which, albeit positive, is excessively vague and non directive.

(1900)

Motion M-168 reads as follows:

That, in the opinion of this House, the government should, in anticipation of global climate change, consider the advisability of promoting energy conservation and efficiency, as well as placing greater reliance on renewable sources of energy so as to reduce dependence on fossil fuels and nuclear power.

With all due respect, I submit that this motion does not have any substance.

"The government should— consider the advisability of promoting—" I have often seen laws and regulations designed to monitor stakeholders more closely. I am referring to the opposite of what is called a toothless piece of legislation. The motion says: "The government should". Does this mean "should" or "should really"?

At the rate Liberals are examining, consulting and discussing, they will consider the issue for a long time. Let me give you an example. The health sector: Four years and \$12 million later the government suddenly realizes that this field falls under provincial jurisdiction. It was a mistake. Not to worry. We just start all over again.

Why this vague wording? Maybe the hon. member knows that the government is not able or does not have the will to implement its laws. Canada's environmental act is one of the most comprehensive and complex. We are in the process of reviewing it.

The Canadian Environmental Protection Act gives the Canadian government several powers to reduce our dependency on fossil fuels. However, the act regarding political party financing allows oil companies to make substantial contributions to the party in power. There may not be a link, at least, this is not what I meant.

As I was saying, under the Canadian Environmental Protection Act, the government could have promoted the reduction of energy consumption. It is easy to say, less easy to prove. I will anyway.

The preamble of the act states "Whereas the government of Canada in demonstrating national leadership should establish national environmental quality objectives, guidelines and codes of practice—"

I am not saying I agree with this, but it is in the preamble.

Further in the preamble, it says: "And whereas Canada must be able to fulfil its international obligations in respect of the environment—". I will speak later about the failure to meet the commitments made by Canada in Rio to reduce at the source the emission of greenhouse gases. A lack of will, probably.

In section 2 of the same act, we are told that we can take both preventative and remedial measures in protecting the environment. Preventative and remedial. However in a 1994 catalogue

about human activity and the environment, Statistics Canada shows that between 1985 and 1991, the net production of coal rose from 60,000 kilotonnes to 71,000 kilotonnes.

Statistics Canada lists in this report environmental considerations relating to coal production, including idle land, land cave—in, surface erosion and inorganic detrital matter.

According to the same report, with respect to carbon dioxide emissions caused by the use of fossil fuel, CO2 levels have increased from 387 megatonnes in 1982 to 436 megatonnes in 1992. What we are talking about here is a greenhouse gas. Given these figures, I do not know what to think of the advisability of promotion, as the hon. member for Davenport puts it. At any rate, let us see what else the Canadian Environmental Protection Act says.

In Part II, Clause 47 reads: "The Governor in Council may make regulations prescribing, with respect to any fuel or fuel used for any purpose, the concentration or quantity of any element, component or additive that, in the opinion of the Governor in Council, if exceeded, would, on the combustion of the fuel in ordinary circumstances, result in a significant contribution to air pollution".

(1905)

Under the new gasoline regulations made in March 1991, Environment Canada carried out 1,141 inspections, but conducted only two inquiries and issued five warnings. Considering that, based on Statistics Canada figures, between five and ten tons of oil are spilled every year in oil—producing provinces, one can wonder if this government really has any will to act.

Before putting forth such a motion, we should check whether or not legislation has already been enacted regarding energy efficiency, fossil fuels and nuclear power. As it turns out in this case, several acts already deal with these subjects.

The Oil and Gas Production and Conservation Act, a federal act, the National Energy Board Act, the Environmental Protection Act, the Canadian Petroleum Resources Act and the Oil Substitution and Conservation Act are already in place to control this type of energy.

As I just tried to explain, Canada has extensive legislation dealing with an area that, I may recall, falls under provincial jurisdiction. Consider Hydro–Québec, which for many years has promoted the cause of saving energy, for instance, through its 1–800–ÉNERGIE line, which is more readily available and accessible than proposals coming from the federal government.

Furthermore, as the Minister of the Environment said herself in Bathurst, if reducing gas emissions is a provincial responsibility, then saving energy should also be a provincial matter. In concluding, as the hon. member for Davenport may have noticed, I felt that his motion lacked consistency and tended to ignore the many jurisdictions around us.

[English]

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, I cannot support this motion because the framer has used the old debater's trick of setting up a straw man in order to knock it down.

The motion is predicated on the assumption that because there has been a recent warming trend, that we have entered into a period of global climate change. This is alleged to be due to intensification of the greenhouse effect by increased atmospheric levels of carbon dioxide due to combustion of fossil fuels. If that sounds convoluted, I guess it is because it is convoluted.

The framer of the motion, the member for Davenport, has inferred that this hypothesis is universally accepted by climatologists. I would hasten to say this is not true. In fact, I believe that the concept of catastrophic global warming has a lot more popularity in the press than it does in scientific journals. We are now confronted with doomsday scenarios. The hon. member for Cumberland—Colchester repeated a few of them.

It reminds me of a quotation from Goethe who said: "The phrases that men are prone to repeat incessantly end by becoming convictions and ossify the organs of intelligence".

Climatic changes have been observed throughout recorded history and they have been a feature of life on earth for millennia. I am not talking about the gross shifts which resulted from continental drift many millions of years ago. I am referring to changes that have recurred throughout the Pleistocene period.

There have been a series of ice ages and some climatologists suggest that we are still living within a warm cycle of one of them. In any event, it is only a few thousand years ago that this site was overlaid by many hundreds of feet of ice.

On a smaller, more humanly comprehensive time scale there is much evidence of climate change within the last couple of thousand years. For example, I have examined ancient mine workings in the deserts of North Africa and Yemen. These mines date from the very early days of the Islamic period. They come complete with very large piles of slag and piles of water—washed tailings which to me is absolute proof positive that there were, within recorded historical time, large numbers of trees and lots of water available in what is now desert. I am not talking about simple desertification of the sort that we have going on in the Sahel today. I am talking about massive climate change. This has been within the last 1,200 or 1,300 years at most.

(1910)

There have been cold periods too. The Norse settlements of Greenland, which existed between the 11th and 14th centuries, disappeared because of a climate change. The glaciers actually advanced out over the settlements. They lost all contact with the old country and some hundreds of years later when people came back they found some genetic vestiges of them in the Eskimos. It is only in very recent years that they have begun to find their ancient stone and earth works because the glaciers have been receding again.

Less than 300 years ago Europe had what was called the little ice age, when hundreds and thousands of peasants died of exposure or starvation because their crops failed. We had this terrible cooling period.

Cores of ice from Greenland and the Himalayas prove that carbon dioxide levels on earth have varied radically over time. Curiously one peak period of atmospheric carbon dioxide corresponds to the period of the little ice age.

How much time do I have left, Mr. Speaker?

The Acting Speaker (Mr. Kilger): Regrettably one minute would be about the tops right now.

Mr. Morrison: I would like to present some facts and figures.

The Acting Speaker (Mr. Kilger): Well, it might be helpful to the House if the member could indicate how long that might be

Mr. Morrison: About four minutes.

The Acting Speaker (Mr. Kilger): Is there unanimous consent to allow the member from Swift Current—Maple Creek—Assiniboia to conclude his remarks?

Some hon. members: Agreed.

**Mr. Morrison:** I thank the House. We have two well–established facts before us. The carbon dioxide content of the atmosphere is higher than it was a century ago, and the average earth temperature has been increasing for a little over a decade.

Are these two phenomena related? We do not know. There is no convincing evidence to say that they are, and I would say that it ain't necessarily so. There are just too many variables and they are not well understood.

The earth's reflectivity, for example, varies from year to year, depending on the amount of frost and snow we get in the polar regions, or depending on the amount of cloud cover. Ocean currents, particularly in the eastern Pacific, have a gross effect on temperatures. Solar flare activity is probably the most important, and yet this is a factor that has never been thoroughly studied and is only partially understood.

# Private Members' Business

However, let me play devil's advocate and say that, okay, CO<sub>2</sub> increasing in the atmosphere is truly a problem. Termites are said to contribute 50 billion tonnes a year of carbon dioxide to the atmosphere. That is more than is produced by all of the human consumption of fossil fuels on earth. If we are having an increase in CO<sub>2</sub>, the major contributor is probably a negative rather than a positive effect. I am referring to the destruction of the world's rain forests which serve as a carbon sink. If the carbon dioxide has nowhere to go it stays in the air.

To proceed with an energy plan based on flimsy and rather badly scientifically studied evidence I would say is irresponsible, and I wonder if the long term motive behind all of this might be to excuse the installation of the carbon tax. We have discussed that several times in the House.

But suppose global warming is a real threat? What are the reasonable alternatives? The motion speaks of alternative energy sources, but in my experience alternative energy, as most people describe it, could more properly be described as "supplementary energy". Wind, solar and biomass all have a legitimate place in the energy mix but to quote Dr. Petr Beckmann: "You cannot run a modern industrial state on sunbeams, summer breezes, fumaroles and chicken manure". There are only three practical energy alternatives and those are coal, oil, and nuclear.

(1915)

The hon. member for Davenport as a scientifically trained man knows that wind and sunlight are very diffuse sources of energy. For example, the total energy output from the sun which can be received on earth under optimum conditions at the equator is not much more than one kilowatt per square metre.

I would suggest that my colleague's estimate of land requirements for solar thermal conversion are low by a factor of about five. I sharpened up my own pencil and using very optimistic assumptions of thermal and mechanical efficiency, panel spacings and so on, I calculated that a 600 megawatt solar plant would occupy a land area of about 50 square kilometres.

This monster, according to the Solar Energy Research Institute, or some figures I have extrapolated from one of its publications would require about 20,000 tonnes of aluminum, 1,200,000 tonnes of concrete, 350,000 tonnes of steel, 45,000 tonnes of glass, and 4,500 tonnes of copper.

What would be the energy balance? I would hesitate to try to calculate it. I do not feel I have the competence but I wonder with all of those extremely high energy consuming materials if we would not end up with a solar plant serving out its total operational life and giving out less energy than what went into building it in the first place.

# Adjournment Debate

I had a few more words but I think I have run out my four minutes. I got in what I really wanted to get in and I thank the House and the Speaker for their courtesy.

The Acting Speaker (Mr. Kilger): Let me ask, colleagues, if that same co-operation would allow us to go to the mover of the motion. The hon. member for Davenport under right of reply is entitled to two minutes to close off the debate on this motion. Agreed?

Some hon. members: Agreed.

**Hon. Charles Caccia (Davenport, Lib.):** Mr. Speaker, thank you for this opportunity.

Indeed as in every other debate there is a lot to be learned. I have learned a lot during this hour from the input given by my colleagues whom I would like to thank.

The member for Swift Current—Maple Creek—Assiniboia has done a lot of homework. It seems to me however that he is putting forward observations that over the centuries have been made by the scientific community and which are geologically proven, no doubt.

However he is not aware of the fact that in recent times, in 1988 in Toronto at the international conference attended by scientists the scientific community concluded that there is a problem here in terms of climate change. Yes, there were a few dissenting voices but nevertheless a large part of the scientific community was of the opinion that we have to deal with climate change resulting from greenhouse gas emissions. That conclusion was reinforced and fleshed out in more detail in 1991 at the climate conference held in Geneva.

Next year in March a second conference on climate change will take place in Germany at which governments will participate to work out a global plan.

Evidently the scientific community first and then the politicians in the world have come to a conclusion of substance here despite all the understandable and justifiable doubts that have been expressed by the hon. member.

I concur with the member for Comox—Alberni in his warning that it is a difficult path. Change cannot be achieved overnight. We have to look at a mix if I understood him correctly and not rely on a shift from one set of sources, the non–renewable to the renewable, and hope that the problem will dissolve. He is quite right. We cannot do it quickly and it is a very long and difficult path.

(1920)

It seems to me that the members for Laurentides and Terrebonne missed the point. We, or at least I look at this issue as a form of co-operative federalism. They interpret this issue as one of interference in provincial jurisdiction. Evidently there is a profound ideological difference.

To conclude, I would like to thank and express my gratitude to the member for Cumberland—Colchester for her impassioned and very interesting intervention, for her incisive analysis, for her support and for warning us about the importance of the precautionary principle.

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

# ADJOURNMENT PROCEEDINGS

[English]

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

# ENDANGERED SPECIES

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, on November 17 the Minister of the Environment released a discussion paper concerning endangered species in Canada. That discussion paper proposes that the laws protecting Canada's endangered species be strengthened. I could not agree more. In fact there is something in this that most Canadians do not know.

Canada is one jurisdiction in the world that does not have federal legislation protecting species at risk. We do however have provincial laws that have been praised for their efforts. In Ontario I might mention Jim Wiseman. The NDP MPP for Durham West has brought forth a private member's bill that has received broad support. Wiseman's bill which passed second reading with unanimous consent of the provincial legislature last week would promote identification and assessment to conserve, protect, manage, restore and reintroduce as well as rehabilitate endangered, threatened and vulnerable species in their habitats.

In spite of this eight out of Canada's ten provinces and two territories have no specific legislation protecting endangered species. Most provinces do have general wildlife laws, but these are directed primarily at regulating hunting of game species. We cannot forget that Canada is a nation with a strong international reputation for environmental awareness. It is a shame that we still do not have federal legislation dealing with endangered species.

Although Canada does a good job at identifying species at risk and preparing lists of species that require attention, Canada does not have any laws requiring that anything be done once a species is listed in any way. I have heard the situation described as operating similar to a hospital which records the names of its patients, assesses their illnesses, but does absolutely nothing to treat them.

As a member of Parliament from the prairies I want to bring to the minister's attention the example of the burrowing owl. It has been listed as endangered for years. It is a small owl with the unusual habit of nesting underground.

The biggest threat to its survival I am told is the use of a particularly toxic pesticide called carbofuran. There are other chemicals that could be used to do the same thing. Some farmers have joined a World Wildlife Fund program to save the burrowing owl by setting aside certain parts of their fields, but their actions are purely voluntary.

At the same time as this activity is going on at the federal level, the registration of carbofuran is still under review by Agriculture Canada. If Canada had endangered species legislation, alternatives for carbofuran could be mandated to protect the burrowing owl before it slides further toward extinction.

It should be noted that Canada played a leadership role at the Rio de Janeiro international United Nations environment conference in the negotiation of the biodiversity convention now signed by 160 countries. Canada would therefore have an obligation in international law to live up to its terms which include a commitment to establish legislation or regulations for the protection of threatened species and populations.

In follow up, the House Standing Committee on the Environment in November 1992 unanimously agreed to consider the necessary legislation that would act to protect species, habitat, ecosystems and biodiversity in Canada. We have yet to live up to that commitment or the recommendation of the committee.

Canada, we recognize, does have divided and overlapping jurisdictions but it is essential that Canada's federal, provincial and aboriginal leaders work in a co-ordinated way to ensure that this happens as soon as possible.

The Rio convention on biological diversity was signed by Canada on June 11, 1992. The convention stands for the recognition of the value measured as economic value, aesthetic value, value from ecological services and even the spiritual value of maintaining the wealth of plant and animal species and of their genetic diversity found on the planet earth.

It would be most appropriate for Canada's first federal legislation dealing with species protection to be ready for introduction on June 11, 1995, the third anniversary of the signing of the convention.

The Minister of the Environment has indicated in the discussion paper that she and her department will consult with Canadians with an idea to bringing in new legislation. In

# Adjournment Debate

suggesting that the minister consider June 11 as the target date, I ask that she plan for a specific date for the introduction of what will be significant and important legislation for all of us.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, last Thursday the Deputy Prime Minister in her role as Minister of the Environment met three young children who came from three Canadian cities, Calgary, London and Moncton, asking this Parliament to do more to protect endangered species.

As the hon, member has noted, on that same day the minister released a discussion paper for a new framework to protect endangered species. That paper sets out a national framework for comprehensive protection of all endangered species in Canada. Currently there are 236 endangered, threatened and vulnerable animal and plant species in this country.

We released this paper to stimulate public thought and discussion. In January and February there will be public consultations. We need the views of scientists, aboriginal people and environmentalists, as well as farmers, fishermen, labour groups, businesses and local communities.

The discussion paper sees federal framework legislation as one component of a national approach that could be introduced in the House next spring. This legislation could establish a national, independent, scientific body and it could also set up a process for assessing the status of species considered to be nationally endangered. The species listing from that process would become a schedule under the federal act but also could be incorporated into provincial legislation.

The federal government cannot nor does it want to move alone to ensure protection for all species. We need to work closely with the provinces. A national approach to endangered species protection will allow federal and provincial actions to complement each other, not compete.

We are only going to succeed to save endangered species if all Canadians co-operate and if we listen to the concerns of all Canadians. We must ensure that federal and provincial laws work together. That is the only way we can save our endangered species.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, the motion to adjourn the House is now deemed to have been adopted.

Accordingly, this House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 24(1).

(The House adjourned at 7.28 p.m.)

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