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Wednesday, November 23, 1994

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Wednesday, November 23, 1994

The House met at 2 p.m.

Prayers

[*English*]

RESIGNATION OF MEMBER

The Speaker: It is my duty to inform the House that a vacancy has occurred in the representation, namely Mr. Gauthier, member for the electoral district of Ottawa—Vanier, by resignation, effective today, November 23, 1994.

[*Translation*]

Under section 25(1)(b) of the Parliament of Canada Act, I today addressed a warrant to the Chief Electoral Officer for the issue of a writ for the election of a new member to fill this vacancy.

[*English*]

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.

STATEMENTS BY MEMBERS

[*Translation*]

CHINESE IMMIGRANTS

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, between 1885 and 1923, immigrants from China had to pay a tax to enter Canada.

[*English*]

By 1923 the Canadian government collected approximately \$23 million from Chinese immigrants. After the tax was removed the government enacted the Chinese Immigration Exclusion Act which forbid the immigration of Chinese to Canada and as a result less than 50 Chinese entered Canada between 1923 and 1947.

The legislation applied only to Chinese separated families and imposed immense hardship on a community that built the railway, the national dream.

Both the Chinese Canadian National Council and the National Congress of Chinese Canadians have called upon successive

Canadian governments to acknowledge the grave injustices and racial discrimination inherent in the head tax of the exclusion act.

[*Translation*]

I encourage the Canadian government to recognize the enormous contribution made by the Chinese to Canada and to resolve the problem of the tax and the Chinese Immigration Exclusion Act as soon as possible.

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NATIONAL PATRIOTS DAY

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, on this National Patriots Day, Quebecers pay tribute to the thousands of men and women known as Patriots, who believed in the need for their people to be recognized as a nation able to take charge of its own destiny and who demanded that truly democratic and responsible institutions be created and fundamental freedoms granted.

Whatever our views today of the appropriateness of the means some of them used, we must recognize that their actions led to the establishment of responsible government, on which are founded our democratic institutions.

When we pay tribute to the Patriots, we are also recognizing the determination and strength of conviction of well-known politicians such as Louis-Hippolyte Lafontaine, Louis Joseph Papineau and George Étienne Cartier, all of whom were first and foremost Patriots. It is my hope that this House will take note of the lessons of history when, in the very near future, it considers a motion recognizing the true role of the Patriots.

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[*English*]

BOSNIA

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, hostilities in Bosnia have recently increased. Canadians are concerned for the safety of our troops in the region.

The United Nations laid down restrictions to prohibit local air force intervention in the conflict. We support the recent NATO air strikes enforcing the no fly zone.

A rule laid down and not enforced is worse than no rule at all; it is important that all combatants understand that the UN means what it says. Thus, this action has advanced the cause of protecting declared safe zones and allowing the provision of humanitarian aid to continue. Once again we want to express our

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admiration of and support for our Canadian forces in that theatre.

Now that the United States has lifted its participation in the arms embargo, there is concern for how this will affect the situation in Bosnia. The Prime Minister has on several occasions stated that if the arms embargo is lifted Canadian forces will be withdrawn. Britain and France have voiced similar policies.

We hope the Canadian government will soon provide an update as to what negotiations are taking place and what actions are being considered.

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B. C. WINE INDUSTRY

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, the term wine and dine has taken on new meaning in my home province of British Columbia. Going out are the French Burgundies and California Chardonnays. Coming in are the British Columbia Pinot Blancs, Pinot Noirs, Gewurtraminers and Merlots.

B.C. wine industry sales climbed to nearly \$20 million in the last year and a national export committee has been created to market abroad. Although the acreage used for viticulture in B.C. is a fraction of that of France, Australia or California, B.C. wines have won numerous awards over the past few years.

Through the tireless work of the Vintner's Quality Alliance and local growers the quality of B.C. wines has improved dramatically over the past decade. Concentration on German style wines and higher quality vinifera grape varieties has contributed to this success.

Many B.C. wines, including Cedar Creek of Kelowna, have won international awards. However the crowning glory came with the recent award of the coveted British Avery trophy to Mission Hill Winery of Kelowna. This prestigious gold medal heralds the maturity of Canada's wine industry. At last our wines can enjoy the international reputation—

The Speaker: The hon. member for Rosedale.

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REGISTERED RETIREMENT SAVINGS PLAN

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, many of my constituents have contacted me recently regarding the advisability of taxing RRSPs. Many of them oppose taxing RRSPs because they are aware of the importance of RRSPs to individuals who are not employed by institutions and who have no other way of saving for their retirement. Taxing RRSPs would afford such people less protection than those who work for govern-

ment, large corporations or other institutions. As a matter of principle such unequal treatment is unfair.

(1405)

Taxing RRSPs runs counter to our government's active encouragement of the growth of small and medium size enterprises. Entrepreneurs running these businesses rely on the RRSP system to save for their futures.

Finally the Canadian savings rate is low. Investments in RRSPs may reduce immediate government tax revenue but create pools of capital for the benefit of all Canadians. This source of capital must not be forsaken merely to encourage immediate government consumption.

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NATIONAL CHILD'S DAY

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, I wish to recognize National Child's Day and to recognize the unique needs of children in rural Canada.

It is important for all members to remember what a precious resource our children are and for us to be mindful of their interests in our policy decisions. We must remember that the future that we are helping to create is their future.

We need to support children in our rural communities by ensuring that they have access to child care. We need to ensure that they continue to have access to quality health care and education. We also need to support continued diversification of our rural communities to ensure that rural children can have bright futures in their home communities.

In closing, I wish to recognize my own children who have been a source of joy, inspiration and pride for me and for whom I will always be thankful.

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[Translation]

MINISTER OF CANADIAN HERITAGE

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, Sunday night, on the television program "Soirée des masques" broadcast by the French network of the CBC, the Minister of Canadian Heritage told viewers that he liked theatre, in fact, he attended it regularly at the House of Commons.

I would like to remind the minister that the House of Commons is not like the Compagnons de Saint-Laurent. This is the real thing. When the Official Opposition asked for his resignation after he intervened with the CRTC, it was for real.

It is reprehensible that our heritage minister casts discredit on an institution such as Parliament with his inept jokes that amuse no one, implying that what goes on in this place has more to do with playacting than with real life.

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Since the Minister of Canadian Heritage is unable to see the distinction between theatre and real life, he is unfit to serve as heritage minister, a position which entails the responsibility of ensuring the survival and development of the francophone and Acadian communities. Their circumstances are neither a tragedy, nor a farce, but a daily fight for the right to live in French.

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[English]

PATRONAGE

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, does this sound familiar: “As this tired, old government drones on toward an overdue election the list of promoted hacks and bagmen grows even longer and so does the odour of nepotism, patronage and payoffs. In recent days we have witnessed an orgy of Tory patronage that defies imagination”? Only last year this was said by my hon. colleague for Kingston and the Islands in response to Tory patronage appointments.

It is amazing how going from opposition to government shortens the memory. I guess that explains the decision to appoint two more senators for nothing more than pure patronage. This is an obscene affront to democracy. It just goes to show the extent to which the Liberals are really concerned about restoring honesty and integrity in our political institutions.

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ABORIGINAL FRIENDSHIP CENTRE PROGRAM

Ms. Albina Guarnieri (Mississauga East, Lib.): Mr. Speaker, I would like to comment on the statement made yesterday by the member for The Battlefords—Meadow Lake regarding the potential funding scenarios to the aboriginal friendship centre program.

On behalf of the Minister of Canadian Heritage, last Friday I met personally with the National Association of Friendship Centres and had an opportunity to listen to NAFC concerns about the program review exercise and the impact on their centres, several of which I have visited in recent months.

[Translation]

The federal government recognizes that the aboriginal friendship centres movement is essential to the cultural survival of native people who leave their reserves to settle, whether on a permanent or a temporary basis, in the city.

[English]

The program review exercise is a government wide initiative. The Department of Canadian Heritage as well as other federal departments will have to make decisions that will be consistent with government policies and priorities.

[Translation]

The Liberal government has made it one of its priorities to help communities—

The Speaker: Unfortunately, I must interrupt the hon. member.

* * *

(1410)

LEBANON

Mrs. Eleni Bakopanos (Saint-Denis, Lib.): Mr. Speaker, it is with great pleasure that I rise today to draw attention to an important day for Canadians of Lebanese origin.

Yesterday marked the 51st anniversary of the proclamation of the independence of Lebanon. I wish to pay tribute to Lebanese-Canadians for the contribution they have made to this country since they immigrated here.

[English]

The importance that Canada places on its relationship with Lebanon was recently demonstrated with the announcement to reopen the Canadian embassy in Beirut in the new year. It is my hope that the peace being established in Lebanon will bring with it a renewed hope after much suffering.

[Translation]

I would like to extend my best wishes to all Lebanese-Canadians in my riding of Saint-Denis, and in particular to those who belong to the Quebec Lebanese-Syrian Association who recently celebrated the 75th anniversary of the founding of their association.

[English]

Best wishes to all, ahid esteklell, merci beaucoup.

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[Translation]

INTERNATIONAL TRADE

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, it is with a great deal of pride and interest that, like all Canadians, I followed Team Canada's great performance in Asia. I wish to express all my admiration to the Right Hon. Jean Chrétien and thank him for successfully leading the largest mission ever seen in China.

Mr. Prime Minister, you showed the entire world that Canadian expertise is an exportable asset and that our products are among the best in the world. Through your firmness, assurance and patience, you have rallied the provincial premiers and the cream of business people in Canada and Quebec around you.

Whether Mr. Parizeau likes it or not, Quebec was represented very well by the hon. member for Saint-Maurice.

Oral Questions

What more could we ask for?

Mr. Prime Minister, I pay tribute to your know-how. The contracts and trade agreements you have managed to secure for Canada are a coup that even Germany, an exporting country par excellence, could not score.

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GOVERNMENT FINANCES

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, in one year, the Liberals have had enough time to demonstrate their management skills. Did they manage to put the government's fiscal house in order? Unfortunately, no.

The Liberals did not do anything to collect the \$6.5 billion owed in back taxes. They would rather cut social programs indiscriminately.

The Auditor General's report shows that the government does not know how effective its programs are, as it prepares to axe them.

Instead, the Liberals should have the courage to cut the department of defence. Mismanagement of real property causes annual losses of \$100 million, while \$700 million could be saved on information technology projects. But that is something they leave alone.

In one year, the Liberals should have brought the government's finances under control. Unfortunately they failed to do so.

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[English]

PENITENTIARY INMATES

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I thought the golf course at Ferndale penitentiary was too much. I thought that prisoners getting old age security and GST rebates was repulsive. Free condoms to support their habits and conjugal visits for relief was a lot to expect.

Holy smokes, the prisoners are at it again. Cigarettes at Saskatchewan penitentiary are \$1.12 less on the inside than they are on the outside. At the Edmonton institution they are \$1.27 cheaper and at the Atlantic institution \$1.42 cheaper, and on and on it goes.

To commemorate the occasion of cheaper smokes for prisoners on the backs of the taxpayer, I am introducing a new brand packaged by Liberal & Co., tested by the health minister and financed by the Solicitor General. No, they are not Benson & Hedges; they are Marleau & Grays for the inmate who has everything.

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AUDITOR GENERAL REPORTS

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, while I agree with many of the observations made by the Auditor

General and disagree with others, I want to put on the record a concern of mine which has grown over the years with the release of successive auditors general reports. The value for money concept was always loaded in my judgment, but increasingly it is obvious that the Auditor General is making value judgments, policy judgments, and policy prescriptions that are the purview of government and Parliament.

The Auditor General should not be giving us his opinion on whether social programs create dependence. They may or they may not. It is not the Auditor General's role to have an official opinion on this point.

The Auditor General is welcome to point out that the government is not doing a good job of collecting the taxes owed it, thus contributing to the deficit, but it is not his business, for example, if he were to do so, to recommend what kind of tax system we should have.

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[Translation]

GILLETTE FARM

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I want to stress how dismayed the population of Glengarry—Prescott—Russell feels following the fire that destroyed one of the most prestigious dairy farms in this country.

(1415)

The Gillette farm located in Embrun, in my riding, was the biggest dairy farm in eastern Ontario and was renowned throughout the international farm community.

I have personally accompanied some of my parliamentary colleagues and foreigners who wished to tour this remarkable business. Farmers from around the world have looked to this farm for inspiration.

Fortunately for our region and for the farm community, the owners of this dairy farm, Dr. Gilles Patenaude and his sons, are not letting this tragedy get them down and are already talking about rebuilding it. We wish them all the courage they will need to get their operation going again.

ORAL QUESTION PERIOD

[Translation]

MATTHEW COON-COME

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, last Friday, the Cree chief Matthew Coon Come was in Washington continuing his smear campaign against Quebec in the United States, using insulting terms and accusing the Quebec government of pursuing a racist policy toward the Crees.

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My question is for the Prime Minister. After finding out what Cree Chief Matthew Coon Come said, did he instruct the Canadian embassy in Washington to set the record straight with the American authorities?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I obtained information from the Canadian embassy in the United States. Mr. Coon Come addressed an audience in a debate in which Quebec and other parts of Canada were represented and what he said was debated. The other side was presented publicly at that time. Since it was a debate, the record was set straight by the people there, who had been invited by a group of academics. So the embassy did not think that it had to intervene. Opinions are expressed everywhere in Canada.

As I said yesterday, people whom I know very well and even see in my riding often say things about me that I do not like. But in a democracy, we have to live with it. I see that Premier Parizeau, who was accused, defended himself. Later the Indian chief said that he did not want to attribute those words to Mr. Parizeau. According to the information I have, he issued a correction.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I think that the Prime Minister is minimizing the situation. Keep in mind that in this case a Canadian province and one of Canada's two main language communities are being attacked and accused of a very serious charge of racism. Therefore I think that the Prime Minister should take this matter more seriously.

How does he explain, for example, that the Canadian embassy did not intervene to set the record straight the day after Mr. Coon Come made his remarks, while in the case of clear cutting, for example, the embassy did a very fine job and quite legitimately intervened with the American authorities to correct the information going around Europe on the clear cutting done by Canadian paper companies, and even spent \$4.5 million for this purpose? Why did it not show the same vigilance, since this embassy has just demanded the exclusive right to represent Quebec's interests in Washington?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have just given a very clear explanation. It was a debate. Someone reportedly expressed an opinion that was contradicted by other people who were there. Today, that person says he was misinterpreted and did not want to attack Mr. Parizeau. Mr. Parizeau defended himself. In a democratic society, that is normal.

Expressing an opinion is one thing. When dealing with forests or something else, as the Leader of the Opposition raised this issue in his question—When the Government of Quebec wanted to go ahead with the new James Bay project for hydro-electric power, the Canadian government's representative always defended Quebec's interests against American environmentalists.

But if a Canadian citizen makes untrue statements about a politician—that has happened to me so often. If the Leader of the Opposition took the initiative to defend me every time nasty things were said about the Prime Minister of Canada in his presence, I would be pleasantly surprised.

(1420)

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the exaggeration in political discussions when a politician is attacked is one thing, but these discussions must be level-headed and respect people's reputations. Vilifying a whole people is something else. I say to the Prime Minister that as Prime Minister of Canada, if he claims to defend Canada—if Quebec is vilified everywhere and charged with racism, Canada as a whole suffers.

Some hon. members: Hear, hear.

Mr. Bouchard: That was the preamble to my question, Mr. Speaker. Are we to understand that the federal government refuses to set the record straight in this serious matter, because in the pre-referendum environment it suits the government to have the image of Quebec and its pro-sovereignty government discredited in the United States?

[*English*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have to repeat what I said.

There was a debate in Washington among Canadians invited by a group to debate the situation of Quebec and Canada. The native leader spoke strongly. He claimed today that he did not attribute his words to the premier of Quebec. The premier defended himself today. We have debates like that all the time. The situation was rectified that very moment by the people there. The embassy felt there was nothing to do at the moment because other Canadian citizens had defended the Canadian population and in particular the Quebec population.

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[*Translation*]

COLLÈGE MILITAIRE ROYAL DE SAINT-JEAN

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in his report, the Auditor General mentions the lack of thoroughness and the weakness of the data used to justify the closure of military bases. He refers, among other examples, to the base in Portage-La Prairie, Manitoba, where the costs related to the closure were significantly underestimated by the Department of National Defence. In the end, this measure resulted in savings of \$170 million, instead of the anticipated \$411 million.

Is the Minister of Intergovernmental Affairs aware that the very same scenario is being repeated with the closure of the military college in Saint-Jean, because he significantly underestimates the costs of transferring the operations to Kingston, and does the minister realize that he will never reach the

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objective of \$23 million promised by the Department of National Defence?

[English]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the period of examination of national defence covered by the Auditor General was mainly for the time before this government was elected.

In discussing the base closures at Portage la Prairie and Summerside the Auditor General certainly had good reasons for the claims he made. We did not repeat those mistakes when we closed bases earlier this year. We were much more meticulous about the cost savings that would accrue. Of course we have stood by those figures as they particularly apply to the question raised by the hon. member for the Collège militaire royal de Saint-Jean.

[Translation]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, since the Auditor General of Canada has demonstrated that the Department of National Defence mismanages all of its capital assets and has a poor record regarding the closure of military bases, does the minister recognize that his only argument to justify the closing of the military college in Saint-Jean, namely to make savings, is no longer valid, and does he agree that he should review his decision and take into account the constructive suggestions made by stakeholders?

[English]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, obviously the hon. member did not hear my previous answer. I stated this yesterday and we have stated it before. We believe absolutely that the financial reasons certainly justify the closure of the two military colleges.

(1425)

When the hon. member opposite came to the defence committee sometime last spring he was given all the details and he never challenged the facts. In fact once he got them he left and ran away. He did not even challenge the facts.

With respect to the CMR there is no question that our financial figures are exact. With respect to the general question on base closures the department learned from some of the mistakes that were made by the previous government. That is why even though the painful decisions taken in February had to go on, they have gone on reasonably smoothly in the rest of the country.

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GOVERNMENT APPOINTMENTS

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, in a few short months the contest between federalism

and separatism will begin in earnest. Surely the Prime Minister would agree that now is the time for federalism to put its best foot forward, not its worst. Federalism does not put its best foot forward through partisan, patronage appointments to key federal institutions, such as Rideau Hall and the Canadian Senate.

Will the Prime Minister acknowledge that continuation of the Mulroney practice of high level patronage appointments to federal offices discredits the federal system? Will he promise to abandon this practice before it infects his entire government?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not know if I should reply to an attack on the Governor General designate. The man served his country for about 23 years and is highly respected everywhere. He is the first Atlantic Canadian to be appointed as Governor General.

Ask anybody to look at the quality of the people I have appointed. For example this morning I named Jean-Robert Gauthier, who is not a member of Parliament any more, as a senator. He served for 22 years as a member of Parliament. He is the one who proposed a bill to have the Auditor General report four times a year. I was somewhat sorry he accepted the offer I made to him because I think he still would have been very good serving here, but after 22 years he accepted that appointment.

This man had a great contest in the House. It was good for you, Mr. Speaker, that it was by two votes he did not become the Speaker. A lot of people thought we had two great candidates and he lost by only two votes. He is a very respected Canadian who will make a great senator.

Some hon. members: Hear, hear.

The Speaker: I did not know that I had won by two votes.

My colleagues, may I very gently remind you, and this is not in the form of a lecture in any way, that some of our institutions should not be reflected upon negatively, nor I believe should we attack each other's character. I wonder if we might keep this in mind with both the questions and answers.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister defends partisan patronage appointments to the highest political offices. In so doing he is sending all the wrong signals to his ministers responsible for lower level appointments. He is saying it is okay for the immigration minister to make patronage appointments to the IRB. He is saying it is okay for the Solicitor General to make patronage appointments to the National Parole Board.

(1430)

Will the Prime Minister change the signals he is sending to those ministers and rescind his latest patronage appointments so that Canadians can believe he is serious about restoring integrity to government?

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Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Constitution of Canada has vested the Prime Minister of Canada with the responsibility to fill the jobs in the Senate. Of course when I name someone, I make a decision. It is always a patronage appointment.

When my predecessor, Mr. Trudeau, selected the father of the leader of the Reform Party, it was a political patronage appointment when he became a senator. If the leader of the Reform Party does not want me to keep that privilege, he had a great occasion, when we voted in the referendum on the Charlotte-town accord, to make the Senate elected. This gentleman voted against having an elected Senate.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister appears to believe that continued use of partisan patronage at the highest levels of government is somehow compatible with his pledge to integrity in government. He appears to believe that patronage and integrity can live in the same government and dine at the same table.

My question is for the Prime Minister. Who, if anyone, has he consulted on the ethics of this matter? Has he consulted the ethics counsellor? Did he call former Prime Minister Brian Mulroney on the phone? Who, if anyone, has advised him that patronage and integrity can coexist within a government?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have a little problem. If someone is a Liberal or supports the Liberal Party he is disqualified. Then 63 per cent of the Canadian people are disqualified because they are Liberal.

It is not very good for my humility, but if I were to discard all the people who have expressed confidence in this Prime Minister, then 75 per cent of the Canadian people would be disqualified.

I ask everybody to look at the quality of the people I have appointed. That is the criteria. Each one is a great citizen of Canada, making a contribution in his or her own province. Jean-Robert Gauthier has been one of the greatest defenders of the French fact in Canada. The Governor General will prove to be a great choice that the Queen has accepted.

The Speaker: This has to be Wednesday.

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[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. Jean-Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is directed to the Minister of National Defence.

The Auditor General is critical of the Department of National Defence because of its ad hoc approach to closing military bases, and I quote: "The budgetary process provides no opportu-

nity to prepare the labour force or the communities for change, and to plan a strategy for government assistance". That was a reference to the 1994 Budget, not the budget of the previous government.

(1435)

Will the Minister for National Defence admit that these closings are the result of ad hoc political decision-making that is having a harsh impact on local communities, since it does not include a strategy to help them diversify their economy?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I beg to differ.

First, the Liberal Party in its red book called for a cut in defence spending. We acted on that in the budget. It was done in the budget because we felt we had to discharge our promise right away for the tax year beginning April 1, 1994.

The Auditor General is a very eminent individual and has done a lot of work. We work with him closely at national defence. I believe he acknowledges the fact that we are trying to improve on the suggestions he makes.

Without being disrespectful, I would say that the choice of whether or not we enact certain military expenditures in the budget or otherwise is a political decision made by the Government of Canada and not by the Auditor General.

[*Translation*]

Mr. Jean-Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I may remind the minister that the red book also talked about defence conversion and diversification, neither of which has been done.

Instead of being criticized again next year by the Auditor General's office for his ad hoc decision to close the Collège militaire royal de Saint-Jean, would the minister not agree he should support the proposal by the mayor of Saint-Jean which provides for a transition period, in order to avoid repeating the mistakes of the past?

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 met the mayor of Saint-Jean today at noon to discuss his proposal. We agreed on the two main proposals: first, that CMR should be converted to civilian use, and second, that a period of transition is necessary to make CMR a post-secondary institution.

Having agreed on the principles, we concluded that the same principles formed the basis for the July 19 agreement. We both urge the Government of Quebec to accept the July 19 agreement

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signed by the Quebec government, in order to put an end to the present uncertainty in the region.

[English]

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, yesterday's Auditor General's report pointed out serious flaws within Correctional Service Canada.

One hundred and sixty violent offenders have slipped through the cracks and ended up on the street; those behind bars are costing Canadian taxpayers up to \$80,000 per year each. Canadians are not getting good value for their tax dollars in a system that has serious and occasionally fatal flaws.

I ask the parliamentary secretary when Canadians can expect a corrections system that works for them instead of for the criminals.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, as I answered yesterday, we welcome the recommendations of the Auditor General. We have already started to implement some of them.

Even though we admit that some persons have escaped from prison, we would like it if nobody escaped. However from April 1994 until today we have had only 76 escapees. Over the same period last year we had 147 escapees. I know that is 76 too many. We would like that figure to be zero. We are working toward that and I hope the member will co-operate with us.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I have a supplementary question. According to the Auditor General, the appointment process for the National Parole Board seems to put Canadians at even greater risk than corrections. Many full time appointees are ill prepared to do the job, much less the part time appointees.

Will the parliamentary secretary promise to put an end to political patronage on the National Parole Board and introduce a system based solely on professional skills and merit?

(1440)

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, as we promised in the red book we have acted. The case is clear. Concerning the appointment of the chairman, the Solicitor General has gazetted the position. There was a special experienced panel that reviewed the candidate and the Solicitor General made the final review which resulted in a good appointment.

As a matter of fact, the Auditor General states in his report that it is a good system. We intend to continue with this new system which was implemented according to our red book promise.

[Translation]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

The Auditor General finds it regrettable that the government is about to conduct a social program reform without first gathering all the information required to make informed choices. While the results of social programs cannot be prejudged, he said, available data is insufficient to use as a basis for a proper evaluation.

How can the Minister of Human Resources Development claim that Canadians can participate in a real debate on social program reform, while at the same time providing them with only partial, incomplete and insufficient information?

[English]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, if the hon. member would look carefully at what the Auditor General said was a requirement for additional information, things on impact of seasonal work, premium reduction, the impact of various forms of cross subsidization and look at the paper that we tabled on November 14, she would find that all the information requested by the Auditor General, is contained in that report.

[Translation]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, as the minister is prepared to conduct his social program reform on the basis of incomplete information, does he recognize that his sole objective, rather than to improve social programs, is in fact to make cuts in assistance programs for the disadvantaged?

[English]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we have dealt with this question many times in the past.

If one looks clearly at the objectives set forward in the green book, in the various supplementary papers that we put forward, we are challenging members of Parliament, as we are challenging Canadians, to find a better way of delivering social programs, particularly to improve employment opportunities.

The whole purpose of revising and modernizing the unemployment insurance program and the Canada assistance program is to give unemployed Canadians, those on social benefits, a much better set of tools to help them get back into the workplace. That is the primary basis of reform.

The best way of dealing with a fiscal crisis is to have more people back at work.

RACE RELATIONS FOUNDATION

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Prime Minister.

The Canadian Race Relations Foundation will cost taxpayers \$24 million. Of this, \$3 million will go to pay the salaries of the 30 governor in council appointments.

When in opposition, the Liberal member from Scarborough—Agincourt challenged these appointments. He criticized their partisan nature by suggesting that the government would appoint only those people who support it and that the government would probably place as president of the foundation somebody who has raised funds for the government.

Given that the Prime Minister has recently made more patronage appointments, how can he guarantee that he will not fill the 30-odd appointments for this board with more Liberal hacks and bagmen?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, in answer to my colleague, I sense a mean spirited approach behind her observations—

Some hon. members: Oh, oh.

The Speaker: I am sure the hon. minister does not want to attribute motives. I would ask her to withdraw the words “mean spirited”.

Mrs. Finestone: Mr. Speaker, I guess I really thought she was mean spirited but if that is—

Some hon. members: Oh, oh.

The Speaker: Will the minister withdraw?

(1445)

Mrs. Finestone: Mr. Speaker, I apologize. I thought the remarks were without understanding of the wonderful appointments that our leader has made in the past. I am so proud of what he has already done that I was moved to a wrong observation in that regard of the character of the person.

The Speaker: Is there a withdrawal in there? Will the secretary of state withdraw?

Mrs. Finestone: With the greatest of respect to you, Mr. Speaker, of course I withdraw.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I would really like an answer to my question today, but I will continue with my supplementary question.

The government appears bound and determined to spend more tax dollars on multiculturalism. During debate on the issue in 1990 the president of Canadian municipalities stated that social harmony cannot be created by posters, proclamations or literary contests or even by co-operation between business and government or by directed government action.

Oral Questions

The real challenge is in the hearts and minds of each of us as individuals. When will the Prime Minister recognize the truth of that statement, terminate the Race Relations Foundation and save Canadian taxpayers \$24 million?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, to the hon. member, while we have not proclaimed the Race Relations Foundation as yet, we are a party and a government that believes in its commitment to the people of Canada and is committed to its word.

The member will find in the red book a strong undertaking about the Race Relations Foundation. The Prime Minister announced it in his speech from the throne. It was included in the finance minister's speech in the budget. We are committed and we will proclaim en temps et lieu.

* * *

[Translation]

AUDITOR GENERAL'S REPORT

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the Auditor General reminds us that recording revenue and expenditures of the UI account with those of the federal government distorts the government's budget results, since Ottawa has not contributed to the UI account since 1990. The account is financed entirely by workers and employers.

Does the Minister of Finance admit that, without the net surplus of \$2.7 billion in the UI account, his deficit for the current year would not be \$39.7 billion, as he claims, but about \$42 billion?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the federal government is responsible for any deficit in the UI account. True, the money comes from the private sector. However, since we are responsible for the deficit, if there is one, these figures must really be included in our budget. It is very clear that we are responsible.

Also, I must tell you that the Auditor General himself insists on this accounting policy.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, I would remind the Minister of Finance that the Auditor General is not the only one denouncing this procedure. A recent report by the Canadian Institute of Actuaries stated that since the UI program is totally self-financed, the current mechanism distorts the government's budget results.

My supplementary question is for the Minister of Finance. Instead of using this questionable procedure to hide the government's disastrous financial situation and make himself look good as a manager of public funds, why does the Minister of Finance not use the UI account surplus to reduce employers' and

Oral Questions

employees' premiums, thus creating thousands of jobs? He should cut the rhetoric and take action.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I repeat, the accounting procedure used by the government is the one that is suggested and on which the Auditor General himself insists. We are simply following his directives.

Second, about the government's ability to reduce UI premiums, the Minister of Human Resources Development, the Minister of Industry and myself all agree that it must be done.

(1450)

That said, what the business community wants, really, is stable premiums. As soon as we have a surplus, as soon as we are really confident that we can reduce premiums, we will certainly do so.

* * *

[English]

JUSTICE

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, my question is for the Solicitor General.

A convicted pedophile who had served his full sentence came to Peterborough recently in a blaze of publicity. This was a shock for the entire community, for those concerned about children and for those who try to help former offenders.

The judicial and penal system has failed in this case. Can the parliamentary secretary inform us of the steps being taken to protect our children from dangerous offenders and improve the penal system?

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, as my hon. colleague knows, there is presently a federal-provincial-territorial task force on the study of high risk offenders. This report will be brought to our attention early in the new year.

I should add that last week the Solicitor General also announced the creation of the Canadian police information centre which will screen out various individuals who wish to work with youth organizations across Canada. We will be sure that no sexual abusers are allowed to work with children.

I would conclude by saying that the announcement made by the minister is a follow up to our red book commitment to help prevent sexual abusers taking part in various organizations,

volunteer organizations such as Big Sisters, Big Brothers, Scouts and whatnot.

I reassure the hon. member that it is our commitment to make sure we protect children.

* * *

PUBLIC SERVICE

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, my question is for the Minister responsible for Public Service Renewal.

Documents obtained through access to information reveal that the government has promised civil servants that it would honour the workforce adjustment policy which says in essence that civil servants cannot be laid off. Yet the minister has promised to cut \$5 billion in government programs.

Attrition alone will not save \$5 billion, so how does the minister propose to honour the workforce adjustment policy and his commitment to reduce the size of the public service at the same time?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, we are currently in discussions and negotiations with the bargaining agents for the public service employees with respect to the workforce adjustment directive.

Understanding the points that are made by the hon. member, matters are under discussion at the present time and will subsequently be reported as the negotiations are completed.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, my supplementary question is for the President of the Treasury Board.

The Auditor General's report says that the purpose of the workforce adjustment directive, which is preserving jobs, stands directly contrary to the government's purpose of reducing the size of the public service. If the minister is not able to renegotiate the terms of the workforce directive with the unions, is he prepared to bring in legislation to change that directive?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, we have made it quite clear in the government that we would negotiate with the bargaining agents. It is a matter that is subject to collective bargaining as it is part of the agreements with our unions and we will negotiate with them.

There is no doubt that there is going to be an impact from the program review in terms of the public service employment levels. Those are matters that we will negotiate with the unions and subsequently when they have been dealt with we will report them to Parliament.

*Oral Questions**[Translation]***CANADIAN NATIONAL**

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, yesterday, the Minister of Transport attempted to trivialize the generous interest-free loan of \$300,000 granted to Mr. Paul Tellier by Canadian National toward the purchase of a home in Westmount. The minister tried to explain this loan by saying it was in line with so-called similar practices in the private sector.

At a time when the CN is cutting 10,000 positions as part of its rationalization plan and the government is asking all its employees to make sacrifices, what is the Minister of Transport waiting for, as sole shareholder, to step in and put a stop to this outrageous privilege enjoyed by Mr. Tellier, one of the people most highly paid by the Canadian taxpayers?

(1455)

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, yesterday, I indicated in my answer that the practice with regard to the president of CN was one for which there were precedents at CN with previous presidents. I also explained that this was a situation that was commonplace in the private sector, given that CN is a Crown corporation.

Certainly, we are all aware of the upcoming changes at CN and elsewhere in the Canadian railway system. The salary of the president of CN was set by order in council before this government came to power. There is no doubt that the situation identified by the hon. member is of great concern to us. I can assure this House that, if it were up to us to decide, no such things would ever happen again in the future.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, how can the minister explain that there was no mention of the interest-free loan granted to Mr. Tellier in the annual information circular tabled last April by CN, CN declaring at the time that no loans had been made to any of its administrators or officers?

[English]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, this is undoubtedly a very serious matter.

As I indicated, the salary paid to the president of CN is set by order in council. The question of other benefits is an arrangement between the president and the board of directors of CN. I believe, as is the case of every member of the House and any person who is working in the public sector, they have an absolute obligation to explain exactly what the arrangements are.

I fully expect the president of CN will avail himself of the opportunity to come before the press to explain to the hon. member who has raised the question or to anyone else exactly what arrangements he has concluded with his board of directors in a crown corporation that operates at arm's length from the government.

* * *

FIREARMS

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, immediately after firearms were stolen from a store in B.C. a man arrested with them was only charged with possession of stolen property. For this he received a six-month jail term. In Ontario an individual apprehended with a fully automatic sub-machine gun received a \$1,000 fine.

Could the Minister of Justice explain to Canadians demanding sentences that would prove to be a real deterrent why the penalty for the theft of firearms or the possession of prohibited weapons is so lenient under the government?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I will not comment on the sentences in those specific cases because I do not know the facts beyond what the hon. member has said.

The hon. member and I are on common ground in terms of the need for stern and certain punishment for the kinds of offences he has described.

The government will be introducing in the House during the coming weeks specific proposals in relation to firearms that will include very significant changes to the penalty provisions for the kinds of crime he has described.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, a young man in my riding had his .22 stored under the seat of his truck as the current storage regulations call for. When he lent his truck to a friend who was stopped for speeding the young owner was charged with lending a firearm to someone who did not have a valid FAC. This can be an indictable offence punishable by up to two years in jail.

While it seems harder to get a straight answer from this minister than it is blood from a stone, would he care to comment on the gross inequity whereby a criminal possessing stolen or prohibited firearms receives a slap on the wrist yet this young man is facing a criminal record because he lent his truck to a friend?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, rather than comment on specific cases that have been selected for the member's own purposes I would like to speak about the criminal law in general.

Ways and Means

We are in the course of preparing for presentation to the House of Commons comprehensive proposals with respect to firearms that will disclose the government's priorities in relation to safety and criminal law.

The hon. member will find, when they are presented, that they are entirely consistent with the public interest which is safety in Canadian society.

* * *

(1500)

CHILD POVERTY

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, there are nearly 1.3 million poor children in Canada.

When releasing his discussion paper the Minister of Human Resources Development said that reducing child poverty would be a central objective of social security reform.

What measures is the minister considering to ensure that Canadian children, our national resource, no longer go hungry?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, certainly the eradication or elimination of child poverty is a major objective in the proposed social security reform.

As the hon. member knows, one of the most important ways of doing that is to change the conditions under which people can get back to work and to provide much better child care and employment assistance services, particularly for single mothers faced with the most serious child poverty situations.

In the last several months under the strategic initiatives program of the government over 20,000 Canadians have been given direct assistance in an innovative, flexible, creative way to enable them to get back into the work market, the job market, so we can ensure that their children have a proper income and proper upbringing.

* * *

PRESENCE IN GALLERY

The Speaker: I draw to the attention of hon. members the presence in the gallery of the hon. Ishmael Alphonsa Roett, MP and my brother Speaker of the House of Assembly of Barbados.

Some hon. members: Hear, hear.

* * *

*[Translation]***POINT OF ORDER**

WAYS AND MEANS

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I think you will find that there is unanimous consent to now proceed with Ways and Means Motion No. 16 instead of Routine Proceedings and, if necessary, to immediately vote on it, without ringing the bells.

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

* * *

*[English]***WAYS AND MEANS**

INCOME TAX ACT

Hon. David Anderson (Minister of National Revenue, Lib.) moved that a ways and means motion to amend the Income Tax Act and income tax application rules, laid upon the table on Tuesday, November 22, 1994, be concurred in.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

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

*(Division No. 116)***YEAS**

Members

Adams	Allmand
Anderson	Arseneault
Assad	Assadourian
Axworthy (Winnipeg South Centre)	Bakopanos
Barnes	Bethel
Bhaduria	Blondin—Andrew
Boudria	Brown (Oakville—Milton)
Brushett	Bélair
Caccia	Calder
Campbell	Cannis
Catterall	Chamberlain
Chan	Chrétien (Saint—Maurice)
Collenette	Collins
Copps	Cowling
Crawford	Culbert
DeVillers	Dhaliwal
Discepolo	Duhamel
Dupuy	Easter
Eggleton	English
Fewchuk	Finestone
Flis	Fontana
Fry	Gaffney
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Galloway	Gerrard
Godfrey	Graham
Guarnieri	Harvard
Hickey	Hopkins
Hubbard	Ianno
Irwin	Jackson
Jordan	Keyes
Kirkby	Knutson

Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Loney
MacLaren (Etobicoke North)
Maloney
Marchi
Martin (LaSalle—Émard)
McGuire
McLellan (Edmonton Northwest)
Mifflin
Mills (Broadview—Greenwood)
Murphy
Nault
O'Brien
Ouellet
Parrish
Peric
Peterson
Pillitteri
Reed
Richardson
Robichaud
Rompkey
Shepherd
Simmons
Speller
Stewart (Brant)
Telegdi
Thalheimer
Ur
Vanclief
Walker
Young

Lastewka
Lee
MacAulay
Malhi
Manley
Marleau
Massé
McKinnon
McWhinney
Milliken
Mitchell
Murray
Nunziata
O'Reilly
Pagtakhan
Payne
Peters
Phinney
Proud
Regan
Ringuette—Maltais
Rock
Serré
Sheridan
Skoke
St. Denis
Szabo
Terrana
Torsney
Valeri
Verran
Wells
Zed—128

NAYS

Members

Abbott
Bachand
Benoit
Bernier (Gaspé)
Blaikie
Brien
Bélisle
Caron
Chrétien (Frontenac)
Dalphon—Guiral
Debien
de Savoye
Duceppe
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West)
Harris
Hermanson
Hill (Prince George—Peace River)
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Lefebvre
Leroux (Shefford)
Marchand
McClelland (Edmonton Southwest)
Meredith
Morrison
Nunez
Penson
Ramsay
Sauvageau
Scott (Skeena)
Solberg
Speaker
Strahl
Tremblay (Rimouski—Témiscouata)

Asselin
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Brown (Calgary Southeast)
Canuel
Chatters
Cummins
Davialt
de Jong
Deshaies
Dumas
Fillion
Frazer
Gauthier (Roberval)
Godin
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hill (MacLeod)
Hoepfner
Jennings
Laurin
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Martin (Esquimalt—Juan de Fuca)
Mercier
Mills (Red Deer)
Ménard
Paré
Pomerleau
Rocheleau
Schmidt
Silye
Solomon
Stinson
Taylor
Tremblay (Rosemont)

Routine Proceedings

Venne
White (North Vancouver)—87
White (Fraser Valley West)

PAIRED—MEMBERS

Members
Berger
Davialt
Goodale
Karygiannis
Lebel
Patry
St-Laurent

Bellemare
Crête
Dubé
Gray (Windsor West)
Lalonde
Lincoln
Plamondon

(1510)

[Translation]

The Deputy Speaker: I declare the motion carried.

ROUTINE PROCEEDINGS

[English]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to 48 petitions.

* * *

[Translation]

INTERPARLIAMENTARY DELEGATIONS

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the reports of the Canada-Europe Parliamentary Association regarding the annual OECD debate at the Parliamentary Assembly of the Council of Europe, which took place in Strasbourg from October 4 to October 6, 1994.

* * *

(1515)

[English]

COMMITTEES OF THE HOUSE

AGRICULTURE AND AGRI-FOOD

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, I have the honour to present the fourth report of the Standing Committee on Agriculture and Agri-Food which deals with Bill C-51, an act to amend the Canada Grain Act. It is reported with no amendments.

[Translation]

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 50th report of the Standing

Routine Proceedings

Committee on Procedure and House Affairs regarding the list of associate members of committees.

With leave of the House, I intend to move for concurrence in the report later this day.

* * *

**EQUAL TREATMENT FOR PERSONS COHABITING IN
A RELATIONSHIP SIMILAR TO A CONJUGAL
RELATIONSHIP ACT**

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ) moved for leave to introduce Bill C-290, an act providing for equal treatment for persons cohabiting in a relationship similar to a conjugal relationship.

He said: Mr. Speaker, I want to thank the hon. member for Rimouski—Témiscouata. You will understand that I am proud to introduce today a bill which, if it is passed, will end a more than secular type of discrimination by amending 40 acts, so as to formally recognize legal equality for same sex spouses. I do hope that the House will support this legislation.

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

* * *

[English]

COMMITTEES OF THE HOUSE

TRANSPORT

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

That six members, three staff and three interpreters from the Standing Committee on Transport be allowed to hold informal hearings in relation to the committee's airport study in Vancouver, Kelowna, Calgary and Winnipeg from November 27 to December 2, 1994.

(Motion agreed to.)

[Translation]

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have another motion:

That the date December 2, 1994 in the motion approved by the House on September 28, 1994 authorizing the Standing Committee on Environment and Sustainable Development to travel to Winnipeg, Edmonton and Vancouver be replaced with December 4, 1994.

(Motion agreed to.)

[English]

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, we are on a roll today. I move that the 50th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

* * *

PETITIONS

MINING INDUSTRY

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, it is a pleasure for me to present to the House a petition signed by 1,152 Canadians from across Ontario.

The petition addresses the serious decline we have experienced in our ore reserve in the mining industry. The group Keep Mining in Canada has developed a 10-point plan to address this concern.

The petitioners call upon Parliament to take action that will create employment in this sector, promote exploration, rebuild Canada's mineral reserves, sustain mining communities and most of all keep mining in Canada.

(1520)

I congratulate this group for its initiative and I totally support its objectives.

Mr. Peter Thalheimer (Timmins—Chapleau, Lib.): Mr. Speaker, I rise today pursuant to Standing Order 36 to draw to the attention of this House that mining is an important industry to Canada. Over 150 communities in every province and territory contribute to Canada's export to the tune of over \$20 billion a year. Canada is an important mining country and hundreds of thousands of Canadians depend on a healthy investment climate to continue with this important industry.

The petitioners call upon Parliament to take action to improve the climate, increase reserves, preserve our communities and keep mining in Canada. I support the petition and the 358 Canadians who have signed it.

HUMAN RIGHTS

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, pursuant to Standing Order 36, I would like to table a petition on behalf of the residents of Bruce—Grey.

The petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the

prohibited grounds of discrimination the undefined phrase of sexual orientation.

RIGHTS OF THE UNBORN

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, I have three petitions today.

The first petition is signed by approximately 800 residents of Prince Albert, Saskatchewan. It prays that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

YOUNG OFFENDERS

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, the second petition I have is signed by various residents of the municipality of metropolitan Toronto.

The petitioners believe there has been a rise in violent young offender crime. They pray and request that Parliament recognize and address the concerns of the petitioners and that Parliament amend the Criminal Code of Canada and the Young Offenders Act to provide for heavier penalties for those convicted of violent crime.

HUMAN RIGHTS

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, the third petition is signed by residents of communities in Ontario such as Perth, Smiths Falls, Lanark, Fallbrook, Almonte and other communities in the area.

The petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

FIREARMS

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, pursuant to Standing Order 36, I have a petition today signed by residents of Okanagan Falls in my riding. People from Calgary, Grande Prairie and Slave Lake, Alberta, as well as several other communities in western Canada, have also signed the petition.

The petitioners are opposed to further legislation for firearms acquisition and possession. They are asking Parliament to

Routine Proceedings

provide strict guidelines and mandatory sentencing for use or possession of a firearm in the commission of a violent crime.

I would like to mention that thousands of people are adding their names to this petition which is being circulated in western Canada. To date I have delivered 829 names to the House. I concur with the petitioners.

ASSISTED SUICIDE

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I am very pleased to present and table with the House petitions asking that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of euthanasia or doctor assisted suicide.

HUMAN RIGHTS

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, the petitioners ask that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

(1525)

ASSISTED SUICIDE

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present a petition from the people in my riding of Prince George—Bulkley Valley.

The petition deals with section 241 of the Criminal Code. The petitioners pray that Parliament not repeal or amend section 241 of the Criminal Code in any way and upholds the Supreme Court of Canada's decision of September 30, 1993 to disallow assisted suicide and euthanasia.

I would like to add that I personally support the petition.

HUMAN RIGHTS

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): In the second petition, Mr. Speaker, the petitioners pray and request that Parliament not amend the human rights code or the Canadian Human Rights Act to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibitive grounds of discrimination the undefined phrase of sexual orientation.

The petition is signed by constituents of Prince George—Bulkley Valley. Once again, I personally support the petition.

RIGHTS OF THE UNBORN

Mr. Joe McGuire (Egmont, Lib.): Mr. Speaker, I have three petitions to present on behalf of my constituents of Egmont. These petitions are very similar to others presented today.

In the first petition, the petitioners pray that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

Routine Proceedings

ASSISTED SUICIDE

Mr. Joe McGuire (Egmont, Lib.): Mr. Speaker, in the second petition, the petitioners humbly pray that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mr. Joe McGuire (Egmont, Lib.): In the last petition, Mr. Speaker, the petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibitive grounds of discrimination the undefined phrase of sexual orientation.

EUTHANASIA

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, I rise today to present quite a few petitions under Standing Order 36 dealing with the whole question of euthanasia.

Constituents from all parts of Haldimand—Norfolk pray that Parliament make no changes in the law which would sanction or allow aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, I also have the pleasure to present to the House a petition from constituents from Haldimand—Norfolk regarding the whole question of same sex relationships.

RIGHTS OF THE UNBORN

Mr. Bob Speller (Haldimand—Norfolk, Lib.): In the last petition, Mr. Speaker, the constituents of Haldimand—Norfolk ask the government to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

KILLER TRADING CARDS

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I have a petition organized and collected by a large number of young Canadians in the riding of Scarborough—Rouge River.

It calls upon Parliament to act in such a way as to prohibit the importation, distribution, sale and manufacture of the cards known as killer cards or killer trading cards.

GUN CONTROL

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I have two petitions to present. The first one is that the justice minister is proposing unfair anti-gun legislation. It will do little if anything to reduce the incidence of violent crime in Canada, but will simply restrict or eliminate entirely the rights of honest law-abiding hunters and target shooters.

I would like the petitioners to know that I agree with their point of view.

MINING INDUSTRY

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I also have the pleasure to present a total of 178 pages of petitions with respect to the issue of mining. Canada's investment climate is forcing its mineral industry to look for new opportunities elsewhere, a trend which has eroded industry employment substantially in this decade and threatens the long term viability of mining in Canada.

I concur completely with the sentiments expressed in the petition. In subsequent events in the House I will be making a presentation as we debate Bill C-48 on natural resources speaking in support of the mining industry.

(1530)

RIGHTS OF GRANDPARENTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, pursuant to Standing Order 36 I wish to present some petitions on behalf of grandchildren and grandparents in Canada asking Parliament to amend the Divorce Act to grant standing before the courts to argue for continuous access for grandparents to their grandchildren.

EUTHANASIA

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I have three petitions to present today, two on behalf of the constituents in my riding of Simcoe Centre and one on behalf of the constituents in Sarnia—Lambton.

The first one is from Simcoe Centre dealing with the issue of euthanasia. The petitioners request that current laws regarding active euthanasia be enforced.

SEXUAL ORIENTATION

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition from Simcoe Centre deals with sexual orientation.

The petitioners are concerned about including the undefined phrase sexual orientation in the Canadian Human Rights Act. Refusing to define this statement leaves interpretation open to the courts, a very dangerous precedent to set.

OFFICIAL BILINGUALISM

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the third petition is dealing with official bilingualism and I present it on behalf of the citizens of Sarnia—Lambton.

Given that the large majority of Canadians are opposed to the official languages policy imposed on them by a former Liberal government, the petitioners requested that a referendum be held to either accept or reject this flawed policy.

* * *

[Translation]

QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Shall all questions stand?

Some hon. members: Agreed.

* * *

[English]

MOTIONS FOR PAPERS

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

DEPARTMENT OF NATURAL RESOURCES ACT

Hon. Anne McLellan (Minister of Natural Resources, Lib.) moved that Bill C-48, an act to establish the Department of Natural Resources and to amend related acts, be read the third time and passed.

She said: Mr. Speaker, it is a great pleasure for me this afternoon to speak on the occasion of the third reading of Bill C-48, a bill to establish the Department of Natural Resources.

This afternoon I wish to focus my brief comments on the important role of research and development as these concepts relate to the resource sectors and my department.

In the red book of the Liberal Party of Canada we stated our commitment to encourage progress toward the concept of sustainable development by integrating economic and environmental values and objectives.

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One of our key challenges as a government in meeting this commitment is to create resource production and processing technologies that are less harmful to the environment and government and industry must meet this challenge by working in collaboration and partnership.

Government research facilities will continue to make an important contribution to R and D but the involvement of industry, universities, colleges and levels of government other than federal is essential.

The role of the federal government in the natural resources sectors is that of partner and that of a natural bridge between industry, other levels of government and the academy.

Natural Resources Canada has a lead role to play in the way our natural resources are managed. NRCAN, along with other science and technology departments, is responsible for ensuring that the Canadian taxpayers' investment of approximately \$7 billion in science and technology is focused on areas that have the highest priority in terms of meeting our important economic, social and environmental goals.

By facilitating co-operation between all stakeholders government can ensure that the science and technology at work in these sectors contributes to the wealth of our economy and the health of our natural resources.

NRCAN has four main scientific branches: the Canadian Forest Service, the Geological Survey of Canada, the Canada Centre for Mineral and Energy Technology, otherwise known as CANMET, and Geomatics Canada. All these branches make important contributions to research and development in partnership with others.

(1535)

Let me now give some specific examples of how my department fulfils this important role. In mining let us look to the problem of acid mine drainage, an environmental liability for the Canadian mining industry, with a potential price tag of between \$3 billion to \$5 billion.

To address this challenge the mine environmental neutral drainage program, otherwise known as MEND, unites the efforts of four federal government departments, eight provincial governments, seventeen mining companies and a number of academic institutions. It has developed new leading edge technology that can be transferred and marketed around the world. The program has also saved to date hundreds of millions of dollars for Canadian mining companies.

Let me move to the area of geomatics. When it comes to a discussion of innovative technology I believe that some of the most remarkable and innovative technological developments have occurred in the field of geomatics. Integrating economic and environmental objectives for resource development begins with accurate information. Working in partnership our geomatics industry and the Government of Canada have been instrumental in developing, applying and transferring both innovative

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technology and expertise to Canada's resource industries and to countries around the world.

For example, we can receive images at the Prince Albert satellite receiving station, a world class Canadian built facility, which is located in Saskatchewan. Then we can digitize this information and use it in computer based tools to explore for new resources, to develop new mines or to monitor changes in our environment. Those are only a few of the uses of geomatics technology.

Let me move to the forestry sector, one of the single most important areas of Canada's industrial strength. In the forestry sector advanced technologies based on remote sensing and computer science are giving us new techniques for managing the forest resource and its ecosystems.

Canada has developed highly successful forest health monitoring systems including the forest insect and disease survey, a partnership between the federal and provincial governments and the acid rain national early warning system. Canada also leads the world in the development of forest fire danger rating systems and related decision support systems. These are just a few examples of the valuable partnerships that exist between government, industries and universities.

However the challenge is clear. We can no longer tackle problems in traditional ways and government must continue to find innovative solutions through our partnerships and through science and technology which is the key to progress toward sustainable development. My department, NRCAN, is in the process of drawing the road map for natural resources development in the 21st century. It is a map for success because of the consensus that we have achieved by bringing together key stakeholders in the resource sectors.

NRCAN is a major federal force behind science and technology and is the leading federal agency responsible for natural resource issues. These roles provide NRCAN with the capacity to help address the challenges industry faces and to contribute to the fulfilment of the government's policy priorities.

Increasingly the department's policy and science and technology efforts focus on two interrelated objectives, helping the resource industry to maintain its international competitiveness and doing so in a way that is environmentally sustainable. Together these two objectives capture the essence of the concept of sustainable development, the integration of economic and environmental objectives and values.

In conclusion, it was a pleasure to address the House this afternoon on the occasion of the third reading of Bill C-48, a bill

that will when enacted provide the legal framework for the new Department of Natural Resources.

(1540)

[*Translation*]

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, I will have to repeat a number of points I raised previously, since I find myself in the position of a teacher faced with a student who is the opposite of a quick study. This certainly does not apply to the minister but it does to her government.

They should start making a serious attempt at understanding what is at stake, because this is a very complex issue. Yesterday, we presented a number of amendments that I feel were entirely appropriate and justified, but they did not pass. They were defeated.

I will go back to what we proposed yesterday to explain why normally, these amendments should have been accepted by everyone.

We should recall that Bill C-48 was introduced as part of the present government's plan to restructure the federal public service. The purpose of the bill before the House today is to legislate the creation of the Department of Natural Resources. Once the bill is passed, one minister will have the powers and duties that today are vested in the ministers referred to in the Department of Forestry Act and the Department of Energy, Mines and Resources Act. As far as this bill is concerned, obviously we cannot object to bringing Forestry and Energy, Mines and Resources together in a single department. Of course not.

As such, this is a laudable objective. Regrouping certain duties to provide a better service may be justified, provided they are ours to regroup. That would not seem to be the case when we are talking about natural resources. I will get back to this later on, because I feel the present government failed to take advantage of this opportunity to reach an understanding with Quebec and the other Canadian provinces.

I also feel that if this government had done what it should have done, today we would be able to say that it fully intends to respect its partners. That is not the case, and unfortunately, I see no sign of it in this bill. In fact, I see more duplication.

According to the bill before the House today, the term natural resources is applied to all resources mentioned in the Department of Forestry Act and the Department of Energy, Mines and Resources Act. This means that anything connected with natural resources is affected by this bill.

Furthermore, and this is very important, the bill refers to integrated management and sustainable development, which we

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fully endorse. Those are principles we in the Bloc are prepared to support, because, as I said before, this is very important for the future of our children and grandchildren.

These principles are already being applied in my riding, in Matapédia—Matane, and more specifically in connection with forest management. We did not invent these principles but we support them wholeheartedly. In the last 20 years, we have really invested in our forests, and there are some wonderful things to see and some wonderful things are happening as a result of our efforts.

(1545)

In my opinion, it is no longer possible to speak about development of natural resources without speaking about sustainable development. The bill before us therefore has the advantage, and we support this, of applying the principle of integrated management and sustainable development to all natural resources.

This being said, I and my colleagues in the Bloc Québécois understand perfectly well that the objective of the present bill is to formalize what is actually taking place.

I hope that our colleagues in the Liberal Party do not expect us to support this bill to establish the Department of Natural Resources. It is a bill to which we have no trouble speaking. Quebecers elected us, a sovereigntist party, to defend the interests of Quebec and, at the same time, to initiate dialogue with the rest of Canada, with a view to laying the groundwork for our eventual sovereignty.

I note, however, that the present Liberal government seems to have absolutely no intention of respecting the jurisdiction of Quebec or even that of the other provinces, although this jurisdiction was conferred under the Constitution that governs us. I would remind the government that natural resources are a provincial responsibility, under the Constitution of 1867, and that this right was reaffirmed by the 1982 Liberal coup.

So much for this government's respect for its partners. By establishing this department, the government repudiates the basic principles which should govern efficient management of this country. It also creates a new bone of contention between the provinces, the territories and itself.

I will never lay enough stress on this issue. I have said it before and I repeat: Natural resources are a provincial area of jurisdiction in which the federal government has no business. We have to defend Quebec's exclusive jurisdiction over natural resources and will always do so.

We, in the Bloc Québécois, would renege on our promises and most of all neglect the mandate our constituents have given us, if we were to keep quiet about the federal government's involvement in an exclusively provincial area of jurisdiction. We

cannot stand idly by in the face of such an attack and a bill which, as it stands now, is an affront to the politicians in Quebec and the other Canadian provinces.

I do not understand how they can boast that they are acting in the best interests of the country, when they do not even abide by their own Constitution. If the government really wanted to respect the terms of the Constitution of Canada, it would abolish the Department of Natural Resources and let the provinces manage this area which comes under their own jurisdiction.

Since the very beginning, every successive Quebec government has defended the provincial areas of jurisdiction defined in the Canadian Constitution, starting with Mr. Lesage, "Masters in our own house", and then Mr. Johnson, "Sovereignty or Independence", but even before their time, Quebec had always requested provincial autonomy.

Even the more federalist of the Quebec premiers have insisted that the Constitution be fully applied, especially in the area of natural resources.

(1550)

As is, this bill allows the government to enter into agreements with organizations as well as individuals and companies. It allows the government to award contracts in the natural resources and forestry sectors, even to individuals. Yet, the achievement of 1982, the 1982 Constitution Act, defines very clearly the provincial areas of jurisdiction enshrined in section 92(a) concerning the development, conservation and management of forest resources, including laws in relation to the rate of primary production therefrom.

Every successive Quebec government has asked that Quebec jurisdiction over natural resources be respected and now this bill negates these repeated requests.

Just one year ago, a known federalist, Quebec minister Sirros, stated in the National Assembly Quebec's exclusive jurisdiction over the management of natural resources over the Quebec territory. It seems that this government did not pay heed to his call, since we have here an Act to establish the Department of Natural Resources, which, if this bill is passed, will have full jurisdiction in this area.

With this bill, the Canadian government assumes powers and rights that directly infringe upon the exclusive jurisdiction of the provinces in terms of natural resources and this, to us, is unacceptable.

Clause 27.3(1)(c) of Bill C-48 is a very good example. It reads:

(c) may enter into agreements with the government of any province or with any person—

This is where the problem lies:

—for forest protection and management or forest utilization, for the conduct of research related thereto or for forestry publicity or education;

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If there is an area in which we, Quebecers, have excelled, it is forestry. If there is an area which is truly ours since 1867, it is also forestry. And yet, Bill C-48 allows the Canadian government to put Quebec's jurisdiction aside and to enter into agreements with individuals, organizations and companies.

If at least the government had included an obligation to consult the governments of Quebec or the other provinces concerned, Bill C-48 would not have been acceptable, but it could have been less offensive, less detrimental to federal-provincial relations.

Clause 35 is a good example of this desire to interfere in an area under provincial jurisdiction. In order to understand the significance of this clause, I think it is worth reading it again. It reads as follows:

5. The Minister may cause distribution to be made of duplicate specimens to scientific, literary and educational institutions in Canada and other countries, and may authorize the distribution or sale of publications, maps and other documents issued by the Department.

There is nothing too serious up to that point. I will continue:

6. Subject to section 4 of the Department of Energy, Mines and Resources Act respecting the powers, duties and functions of the Minister in relation to matters mentioned in that section over which Parliament has jurisdiction, the Minister shall be responsible for coordinating, promoting and recommending national policies and programs with respect to energy, mines and minerals, water and other resources—

(1555)

All this in an area under provincial jurisdiction. Clause 35 of the bill goes on as follows:

—and, in carrying out his responsibilities under this section, the Minister may

(a) conduct applied and basic research programs and investigations and economic studies in relation to those resources, and for that purpose maintain and operate research institutes, laboratories, observatories and other facilities for exploration and research related to the source, origin, properties, development or use of those resources;

Again, all this in an area under provincial jurisdiction. Let us move on. The Minister can:

(b) study, keep under review and consider recommendations with respect to matters relating to the exploration for, or the production, recovery, manufacture, processing, transmission, transportation, distribution, sale, purchase, exchange or disposition of any of those resources, and with respect to matters relating to the sources of those resources within or outside Canada.

We are still in an area of provincial jurisdiction as recognized by the Canadian Constitution. But the highlight of the bill is undoubtedly the following paragraph.

7.(1) The Minister may, in exercising the powers and carrying out the duties and functions mentioned in section 6, formulate plans for the conservation, development and use of the resources specified in that section and for related research and the

Minister may carry out those plans in cooperation with other departments, branches and agencies of the Government of Canada.

The federal government assumes all powers in an area which comes entirely under provincial jurisdiction. Allow me to draw to your attention the fact that provincial governments have not been mentioned once since the beginning of clause 35. Clause 35 concludes in these terms:

In formulating and carrying out any plans under subsection (1), the Minister may:

(a) cooperate with the provinces and with municipalities;

(b) enter into agreements with any person or body, including the government of any province or any department, branch or agency of such a government, respecting the carrying out of those plans; and

(c) make grants and contributions and, with the approval of the Governor in Council, provide other forms of financial assistance.

(3) The Minister may, in exercising the powers and carrying out the duties and functions mentioned in this section, including in relations to technical surveys, consult with, and inaugurate conferences of representatives of producers, industry, the universities, labour and provincial and municipal authorities.

That means the Minister can even go directly to municipalities without consulting the provincial authorities. In my opinion, clause 35 represents one of the worst attacks this government has ever made against powers handed down to provinces since it came to office. Voting against this bill is of the utmost importance.

Since when can the federal government enter into agreements with municipalities without the province's consent? Since when does the federal government have the right to invade a field of provincial jurisdiction without the province's agreement or without even having to consult it? Such an attitude leads me to believe that no understanding, no harmony is possible in a country where the central government acts without the agreement of its main partners. One would think that this government cannot read its own Constitution, that of Canada. One would think that it is deaf when it comes to Quebec's and the provinces' claims.

(1600)

What we see with Bill C-48 is a government insisting on trespassing on an area of exclusive provincial jurisdiction without the legitimacy that the explicit agreement of Quebec would confer on its action. A government which is getting involved in the writing of Canada-wide standards regarding natural resources. A government which has not learned from past mistakes and still believes that coast-to-coast policies are the key to collective wealth. This is completely false.

It is also a government which is harbouring the very same illusions it denounced in the past. This government is giving itself the means to act directly, without anybody's agreement, particularly that of the main stakeholders, the provinces, by

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financing agencies or individuals directly. It is also a government which is bypassing the provinces, dealing directly with municipal governments, even though, under the 1867 Constitution, they come under the authority of provincial governments.

Finally, Bill C-48 confirms that this government could not care less about the claims of Quebec and the provinces and that it intends, as much as possible, to disregard the Constitution which governs us, in order to act as it pleases and achieve its ends, no matter what the cost to taxpayers in Quebec and this country.

I will bet that many of my colleagues from the other provinces agree with me. I will bet that many of my colleagues opposite think the same way but will never dare come out into the open about it, for fear of being repudiated by their own government. Let me tell them any way that such unsolicited federal interventions in a provincial area of jurisdiction cause awful overlapping all over the place.

We are going through difficult economic times. The provinces already have long-established natural resources strategies. What is the federal government doing if not duplicating whatever is already there? I am sure that Canadian taxpayers, to whom this government is so committed, would not approve of this. If they were asked tomorrow if they agreed with paying double for the sake of satisfying this government's centralizing designs, I know what they would say. Their answer would be a clear one. I am sure that they would never agree that the current Liberal government act this way. As far as we, in Quebec, are concerned, it goes without saying that we will not accept this disgraceful luxury of paying double all the time.

Let me give you an example with respect to forest management, over which this government is unduly assuming power by establishing the Department of Natural Resources. The provincial strategy tabled by the government of Quebec in May 1994 illustrates my point. This strategy is well and truly independent from the National Forest Strategy developed by the federal government and the Canadian Council of Forest Ministers. The people of Quebec have to pay for both strategies. The people from my riding have to pay for both. We are sick and tired of that.

This government completely disregards the Constitution that governs it. It has also completely disregarded the very legitimate demands of all Quebecers for at least 30 years. The time has come for Quebecers to make a decision that will allow them to finally exercise the powers they are entitled to.

(1605)

In November 1990, the House Standing Committee on Forestry and Fisheries, although made up of hard-core federalists, said

that in the 20th century, the government tried several times to influence national forestry policies, but that it encountered provincial resistance to any potential interference in areas of exclusive provincial jurisdiction. Committee members felt that the federal government clearly had to play a much more serious role in guaranteeing the success of any national forestry policy.

We must come to the conclusion that the current government has not learned anything from the past. We also note that, although many observers recommended that the federal government take the Constitution into account in dealing with natural resources, this government continues to display the same interfering and contemptuous attitude toward a level of government which nonetheless has jurisdiction over natural resources. Quebec has always demanded the same powers over natural resources and forestry. Quebec was opposed to creating the Department of Forestry, which it rightly saw as federal interference in an area of provincial jurisdiction.

Quebec also did not ratify the National Forest Strategy. Since 1991, after the resounding failure of the Meech Lake Accord, no Quebec minister has participated in the activities of the Canadian Council of Forest Ministers. In fact, Quebec just recently released its own strategy on forest management. It is certainly its prerogative, considering that this sector falls under provincial jurisdiction.

We will never support Bill C-48. We will never tolerate this undue and unacceptable interference in a field of provincial jurisdiction. I am not just referring to Quebec but also to the other provinces. We will never tolerate this unjustifiable desire to deprive another level of government of its vested powers. As Bloc Quebecois members, we will never support this kind of action.

Nor will taxpayers, and particularly those in my riding of Matapédia—Matane, ever let those who govern waste public money by duplicating services. As the elected representatives of Quebecers, we will never let the government ruin the efforts of generations of Quebecers to develop their natural resources the way they wanted to do it.

I hope that members will seriously consider the implications of this bill and will send the government back to the drawing board. If necessary, I will be pleased to make my plea again and again, because the government does not have the right to resort to useless duplication in order to gain some specific power. Since it took office, this government has been centralizing over and over. This legislation is yet another attempt to gnaw away at the powers of Quebec and the other provinces. The government is increasingly bent on gaining power, instead of trying to manage taxpayers' money. The Bloc Quebecois will oppose any such attempt to gain power.

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(1610)

[English]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it gives me a great deal of pleasure to speak on Bill C-48, an act to establish the Department of Natural Resources and related acts.

We do not have any significant problems with the bill at present, so I will use this time to expand on some ideas on natural resource management that our party would like to put forward to help improve this very important aspect of our country.

Canada has a number of resources, both human and natural. Being so large and so rich in so many of these resources, it is critically important that we manage them properly. Our natural resources, including fish, lumber, mining and water, are extensive. Few countries in the world can claim to be as rich as we are in natural resources. In fact the standard of living of all Canadians is intimately associated with these resources.

Natural resources are under siege, as they are in every other country in the world. What we do now is critically important in how these resources survive in the future. I would first like to deal with the latter, our natural resources, and go through some of the specific principles that we need to apply to them to ensure they will survive in the future for coming generations. I would also like to deal with some specific problems, in particular some of the problems affecting where I live in British Columbia.

First and foremost, the most important principle in natural resources is sustainable development. Much damage has already been done by the generations that preceded us and the current generation in dealing with our natural resources.

Everybody hears much about the ozone depletion, about the decrease in biodiversity that has occurred all over the world, from the flora and the fauna, the well known animals and plants now being affected such as the tigers and black rhino to the lesser known plants that are being decimated and wiped off the face of the planet every day.

As an aside, this lack of biodiversity is a huge loss to us as a species. For within that wealth of biodiversity exists a potential for those species that have become extinct that will never be explored, a potential we can use in industry, in medicine to save lives, to help our species and other species on the planet.

Desertification has occurred as a result of the mismanagement of our natural resources. A wide swath is gone all over our world that has rendered arable land into deserts. Land that was once productive now is not and never will be again, at least not in our lifetimes. It will never be able to produce the food stuffs,

the agriculture, the homes that the people of the world need and that our burgeoning population will require.

As a country we have been very guilty of deforestation in the past. We have criticized Brazil for its deforestation practices, but we have been as guilty as them. Much has been done over the last few years to undo this, in part because of the loud outcry and the interest of the Canadian people, but also because of special interest and environmental groups that have come on side to help be watchdogs for what has gone on in our natural resources.

Pollution plays a very important part because various aspects of pollution are decimating areas that we will forever have to live with on land, in lakes, water bodies and in the Arctic. All we need do is talk to the aboriginal people that live in the north to know what horrible things have happened to the pristine areas that once existed in our north.

(1615)

This is not something that is only specific to our country, but to all of the countries that share the Arctic borders. Pollution is rampant. Foodstuffs are going down and they too are being polluted. It is happening all over. Toxic wastes are being dumped. All these things are occurring now and need to be addressed now for, as I said before, what we do at this moment will forever impart on future generations. Things are not getting better.

Look at the acidification that has been occurring in the Great Lakes. Where I used to live in Ontario, thousands and thousands of beautiful lakes that used to have such an enormous resource of fish are dying. There is a wasteland of lakes in Ontario and in Quebec that has been rendered useless because of the acidification and the dumping of acid rain into these lakes, a profound tragedy, lakes that now it is too late to do anything about.

Perhaps if we address this problem now, in the future we can get a handle on it and prevent this from happening and do things to bring them back to the state that they were once in.

We should also like to address another aspect that is not often discussed in natural resources, that is the burgeoning world population, a population that now stands at 5.7 billion and in a mere 37 years will double to over 10 billion people. It is interesting to note that it has taken the entire history of man to get to our current stage of 5.7 billion but it will only take 37 years to double that.

I ask everybody to consider what will happen to the future of our population and our world when that population doubles. When that happens we will have an increase in the demand on our resources, an increase in the demand on our natural resources, on our environment and on our security. A broadened definition of security, we are now finding, will include our military security, our environmental security and our social security.

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These increasing demands on our limited resources will result in conflicts among people, which will result in migration of people from areas that have not to areas that have, which will impact on every country in the world. Do not think because we might live a half a world away that it will not because it certainly will. There are recent historical precedents to support that.

I would like to put forth some constructive solutions that we can all work together to fulfil. First, I support and urge the government to engage in fulfilling transboundary agreements throughout countries over areas such as pollution, in particular with the United States, and with the transboundary agreements that we will need to fulfil with countries bounding the Arctic.

We need common rules on trade and the environment that will enable us to fulfil a rules based free trade agreement that will provide us, a relatively small country, with the powers to fulfil and protect our own environmental areas.

I would also like to see a larger emphasis from our dwindling foreign aid dollar to be put on providing for education and safe, effective birth control measures for all people no matter where they live.

We need to have education for the public for, as members of the House know, 80 per cent of the world's resources are consumed by a mere 20 per cent of the people. Not only must we address what goes on half a world away, but we must look into our own areas, our own spheres of influence to address these problems in our own home. Without doing this we cannot credibly ask other countries to do the same.

We must aggressively market our natural resources in a sustainable fashion. I would suggest that we put an increased emphasis on our value added product.

One of the great accomplishments in recent times of our country has been the ability of our country to negotiate the World Trade Organization, an enormous accomplishment for a country as small as ours. I hope this will improve the links between trade and sustainable development that will occur among a number of countries and we as a country can actually act.

On the World Trade Organization, I hope we can enter into this rules based system. This brings to mind one of the enormous strengths that our country has that we as Canadians tend to downplay.

(1620)

I have said this before in the House. We are one of the few countries in the world that has the ability in terms of diplomacy, in terms of international respect, to bring countries together, bring them to the table, bring them to negotiate problems before they happen and to engage in discussions and agreements that will help to provide for sustainable development aspects and controls over pollution for a number of countries.

I do not have very much time but I would like to address a couple of aspects that affect in particular the west coast of British Columbia. One is the fisheries department.

We have on the west coast a horrible situation with the widespread decimation of fish which is definitely a sustainable resource, one that has been recently decimated, one that is on the verge of going the way the east coast fishery has tragically gone. I hope our minister of fisheries will accept some of the suggestions we have made and look at some of the solutions that we have put forth.

The problems occurring on the west coast are not merely environmental. There is terrible poaching occurring by all facets of the fishing industry, by commercial fishermen, non-commercial fishermen, sports fishermen, Canadians, Americans, aboriginals and non-aboriginals. All people within these sectors are responsible in part for this terrible decimation.

I would encourage strongly the minister of fisheries to engage in a judicial inquiry to determine once and for all what the root cause is and to root out the terrible things that have occurred in our west coast fishery. We cannot hide our head in the sand any longer to what is occurring.

Within the context of fisheries I know that we are constrained very much by fiscal restraints. I would suggest that the minister streamline the administration of the department of fisheries, there is a study that was done some years ago to this extent, but on the other hand to buttress up the department of fisheries officers who do an incredible job to try to save and help the west coast and east coast fisheries.

Another aspect is the forestry industry. Half of all the money that we actually earn on Vancouver Island comes from forestry. Recently we have come to an agreement that will enable us to have a sustainable west coast industry. I hope we will be able to use the expertise from that to teach other countries what we have learned from our mistakes.

Certainly there are terrible miscalculations and forestry practices that have occurred in the past in British Columbia. I think we are on the way to mending those. I hope in the future we will not lose sight of the recent accomplishments that we have made in this area and that we will be able to go ahead and expand these to not only involve forestry but also to involve the mining industry and other industries.

I would make a few suggestions about the division of natural resources. In these days of fiscal restraint does it not make sense for us to further divide the areas of responsibility? Clearly most of the responsibility lies with the provinces. I would encourage this government to give some of the federal responsibilities to provincial jurisdictions where they truly belong. In this way we could streamline the administration, streamline the responsibilities, decrease the administration and save the taxpayer a great deal of money.

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In conclusion, we are faced with a balancing act between the needs and demands of an economy and a people who have to earn a living and must provide for themselves and on the other hand a need to balance the needs of our environment. Without a sustainable resource, without a safe, effective environment for ourselves, for our children and for our grandchildren we will not be in a world that we will want to live in.

I hope we will take these principles and apply sustainable development to our beautiful natural resources so that we and future generations will be able to enjoy them.

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, I want to say a few words on the bill which sets up the Department of Natural Resources. It is a very important one. It amalgamates the old Department of Energy Mines and Resources and Forestry Canada. Forestry Canada has been of extreme importance to this nation as a whole since day one of Canadian colonial history. I have said before in the House that the three things that were the economic foundation of pioneer days in Canada and certainly since Confederation were the fisheries, forestry and agriculture. All of them certainly have their challenges in today's world.

(1625)

Bill C-48, the bill before us today, makes explicit reference to the minister's duty to foster the sustainable development of Canada's energy, mineral and forest resources. This means that the government's economic, social and environmental objectives will be factored into all decisions about resource development management and use.

One way the new department will pursue sustainable development is through the work of its scientific branches. Natural Resources Canada will continue to have vibrant science and technology arms in the form of the Canadian Forest Service, the Geological Survey of Canada, the Canada Centre for Mineral and Energy Technology, and Geomatics Canada.

Much has been said in the House today about the rights of the provinces. We are all very well aware that the provinces have a big say in natural resources. I, coming from Ontario, also know how some of those resources have been managed over the years. It is time for a co-ordinated and sustainable development program in co-operation with both provincial and federal governments.

There are many examples of partnerships between the federal government and the provinces. Great efforts have been made to build a bridge for the two. For instance, the Canadian Council of Forest Ministers from across Canada has recently agreed on a framework for future co-operation in the areas of science and technology, international trade issues, regional development, aboriginal forestry and national co-ordination.

In the energy area the department is working closely with Environment Canada officials, the provinces and other stakeholders to develop a national action program on climate change. This is in keeping with Canada's commitment to stabilize greenhouse gas emissions at 1990 levels by the year 2000.

This commitment follows our international obligation under the convention on climate change which Canada signed at the 1992 earth summit in Rio de Janeiro, Brazil. The reason I raise this matter is that in today's world it is not as simple as in past Canadian history to say this little compartment belongs to the provinces, this belongs to the federal government, and so on. With new technology, new demands and our outlook in the global world today we have to have more co-operation and bridge building between federal and provincial governments at home if we are going to compete effectively and efficiently.

Across the country we have several research and development institutions with regard to the forest industry. In my own constituency we have a national forestry institute located near Chalk River. It is called the Petawawa National Forestry Institute because it is actually located on property owned by the Department of National Defence.

It is very important because of the fire research. What is better for sustainable development than to have expertise in fire research out there? How many hectares of property, how many square miles of forest is destroyed every year by forest fires? Therefore the more we know about controlling fire the better it is for sustainable development.

(1630)

What better program can we have than for example the research and development on the rapid growth of trees that goes on at the Petawawa National Forestry Institute? It has experimental plantations which date back to 1917.

Base Petawawa itself was first set up by the Laurier government in 1905. Twelve years later, what is called Forestry Canada today had its roots—if I may use that term—on 41 square miles of that territory which was purchased by the Government of Canada in 1905 for a military base. The Department of National Defence has honoured the research going on in that 41 square mile area. Research cannot be turned off overnight. Some of the ongoing experiments there are decades old. It is a very important institute.

Other institutes across Canada, in western Canada, Quebec and Atlantic Canada also have a tremendous amount of work going on of a positive nature for the country's forestry industry. I have no problems with the Department of Natural Resources promoting forestry research in Canada. It has always been a federal responsibility in Canada to do part of forestry research. The provinces do part of forestry research. There is no big conflict. They are talking to each other and co-operating. That

is what Canadian federalism and the Canadian national spirit is all about.

Some other very important institutions are attached to the Department of Natural Resources. I want to talk about one of my favourite subjects today. That is Atomic Energy of Canada Limited which reports through the Minister of Natural Resources to the House of Commons.

I was quite concerned one day not too long ago. I was sitting in the House listening to a speaker from across the way talk about the waste and lack of productivity in crown corporations and so on. I was trying to get the floor but time ran out so I am going to say now what I wanted to say then.

Atomic Energy of Canada Limited is a crown corporation and has been around as a corporation since 1952. It was started by the National Research Council of Canada in about 1945. I will give some very revealing highlights of this crown corporation which has been a success to the country.

Research and development is the force that drives the economy in any nation and I will give some facts. In developing Canada's nuclear energy capability, the federal government has appropriated \$4.7 billion to Atomic Energy of Canada Limited since 1952. That is for the last 42 years. After putting \$4.7 billion into it, what is our return?

Ernst & Young, a well-known consulting firm, has made a report on that very issue and has come up with this evidence. At least \$23 billion was contributed to Canada's gross domestic product by the nuclear industry from 1962 to 1992. Within a 30-year period \$23 billion came back into the gross domestic product of this country from an investment by the Canadian taxpayers of \$4.7 billion over the 40-year period from 1952 to 1992. If we simply subtract \$4.7 billion from \$23 billion there is a gross net gain of \$18.3 billion for Canada's economy. And someone has the nerve to stand in the House and state that it has been a drain on the Canadian economy.

(1635)

Let me give another fact. Ontario has a large industrial community. Yes it was hurt by free trade for a while but it is coming back. A rather interesting statistic is that today 60 per cent of the energy supplied for industrial and domestic use in the province of Ontario comes from CANDU reactors. If we did not have them we would have to use more coal.

Because of geography, the coal for the southern Ontario coal burning plants has been imported from the United States. Ontario Hydro estimates that from 1965 to 1989 nuclear energy has saved the Canadian economy approximately \$17 billion on foreign exchange. That is because we are not shipping money out of Canada to Pennsylvania and other areas in the United

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States to buy hard coal for coal powered plants. Think of what the saving is on environmental issues in the province of Ontario alone.

These facts have to be put on the record because there are too many statements made which attack Canadian organizations and other traditions and institutions of the country without having the proper facts to back them up.

In the 1990s foreign exchange savings will amount to approximately \$1 billion a year.

We recently sold two reactors to China. That will mean a lot of money to businesses in this country. One thing was not highly emphasized during the recent trade negotiations with China. An important event that happened during the visit of the Prime Minister, the nine premiers and approximately 375 business people to China was the signing of a nuclear non-proliferation treaty between Canada and China.

Once again Canada is leading the way in putting in place those cornerstones of international necessity with this agreement between our two countries. That reminds us of something else. It was Canada that first recognized Red China, as it was then called, and recognized China as an official state. That opened the door for the U.S. to follow. That opened the door for President Nixon's visit to China. That opened the door for some communication which was absolutely necessary during those cold war days. It has fallen upon Canada to bridge the gap between ourselves and China and other nations can follow thereafter.

(1640)

Direct employment in Canada's nuclear industry in 1992 was estimated at 30,000 jobs. Direct employment increased approximately 9 per cent in a three-year period alone. A minimum of 10,000 jobs in other sectors indirectly depend on the nuclear industry, another contribution. Nuclear energy supplied 15 per cent of the total electricity across the whole of Canada in 1992 which was valued at \$3.7 billion.

Private sector companies which supply nuclear products and services had total sales of \$9.4 billion between 1988 and 1992. The federal government receives approximately \$700 million annually from the nuclear industry in the form of income and sales taxes. Canada's nuclear industry had a trade surplus of approximately \$500 million individually in recent years.

Those are some of the facts of the tremendous contribution to economic growth that I wanted to put on the record today.

The problem with research and development in Canada over the years has simply been that people look for a return the morning after investing their money. That cannot be done with R and D.

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In the future we have to encourage private enterprise in Canada to do more and more R and D on its own. However government will always have a place in Canadian research and development. Certain areas of development would not take place if they were not started by the government itself. Then private enterprise moves in and there are spinoff industries and a bigger return.

Let me give one more example of something I certainly want members of the House to know. There are 690 hospitals across Canada. I doubt very much if there is a single member in this House who is not affected by the fact that those 690 hospitals are licensed by the Atomic Energy Control Board to receive medical radioisotopes for their hospitals for sterilization for example.

Where do we get medical radioisotopes? From a nuclear reactor. One thing the Tories did badly when they were in power was that they sold the radiochemical part of AECL to the company that eventually became Nordion International. The whole incident has resulted in a dispute between Nordion and Atomic Energy of Canada Ltd. A facilitator is trying to put that together today.

Canada controls 88 per cent of the world's market in radioisotopes. The Americans heard that the former president of AECL had cancelled the Maple-X reactor which was in the process of being built. The Americans got into the act and hauled one of their old reactors out of Los Alamos. They tried to build it up so that they could produce medical radioisotopes.

(1645)

One of the greatest contributions that can be made to Canada today is getting the medical radio isotope dispute settled quickly and getting on with the business of retaining the 88 per cent of world trade in radio isotopes. It has been a great contribution to medicine. A considerable amount of research into cancer and many other medical problems has been done by Atomic Energy of Canada Limited.

I wish the minister well in the administration of natural resources and those organizations that are attached to her department because the natural resources department means a great deal to the future of the country. We need research and development, new science and technology and a good management system for our natural resources. That means sustainable development.

[*Translation*]

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for The Battlefords—Meadow Lake—Grain Transportation.

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, we are presently on third reading of Bill C-48, which will unfortunately end up in the bill being passed as is by the Liberal majority in this House.

Relevant suggestions were made by my colleagues and myself at second reading to bring it more into line with the spirit of the Canadian Constitution, but our efforts have been in vain.

In committee, we tried again to have certain clauses of Bill C-48 changed, so that the leading role of the provinces with respect to natural resources would be recognized. But again, the Liberal majority systematically rejected any proposal along those lines.

Hon. members are well aware by now of all our reasons for not supporting this bill, but it is important to repeat what these are for the benefit of those who are watching the proceedings on television. The public must understand what this debate is really about and why the Bloc Québécois is against Bill C-48, which is not flawed in its structure, but in its very essence.

On behalf of the people of Quebec, who have elected us to look after their interests, I would like to go over once again the reasons, albeit obvious, why we are asking that the bill, as it stands, be purely and simply withdrawn.

As my hon. colleague from Matapédia—Matane said earlier, anything having to do with natural resources is affected by this bill. The bill does not recognize the exclusive jurisdiction of the provinces over natural resources and, therefore, is in contravention of Section 92(a) of the Constitution Act, 1867, which clearly states that mines and forest fall under exclusive provincial jurisdiction, and this was confirmed by the patriation of the Canadian Constitution in 1982.

Such interference maintains redundancy among all natural resources ministries and departments in this country, hence the risk of contradiction, duplication and overlap in many regards.

We must conclude that the federal government's lack of co-operation is not a healthy way to manage this country, because it does not look for ways to eliminate overlap and duplication at the Department of Natural Resources and is unwilling to recognize the provinces' predominance by staying in the background and letting the provinces design their own programs.

The issue of mining and the environment is a good example. Contrary to common sense, the federal government is set to proclaim the Canadian Environmental Assessment Act and will soon table amendments to this 1992 act. It wants to create a Canadian Environmental Assessment Agency to replace the Federal Environmental Assessment Review Office.

As usual, this environmental bill is not bad per se, but not bringing it into line with the various provincial programs will cause often unjustified delays because it will be cumbersome to

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deal with two administrations instead of one. The only acceptable administration is that of the province concerned.

(1650)

In this regard, the mining industry is very worried about possible delays in processing mining licence applications. Decisions already take too long—often more than one year—and jeopardize projects because of the amounts involved that must be frozen over long periods of time, thus reducing profitability.

For example, the Grevet mining project in my riding, which involves potential investments exceeding \$100 million, was put in great jeopardy by the wait for the mining licence, in particular for the environmental permit. This example shows that Bill C-48, by failing to recognize provincial predominance, opens the door to interference that could seriously harm the industry, thus endangering jobs we all need.

The federal government knows that the provinces have long had their own natural resources strategies. The provinces already carry out environmental assessments of projects, and the process that the federal government wants to put in place will increase overlap and duplication. The federal government refuses to recognize the provinces' legitimate rights; its assessment and review process is outrageous. It will cost everyone very dearly and will continue to do so if we do not find ways to have a "single window" where industry will be able to obtain information and where the projects will be accepted in as little time as possible.

Unfortunately for the industry, which wants to be efficient and profitable, the federal government has new requirements. It wants new regulations. It wants more projects to be subject to a thorough review. Clearly, this means a waste of time and money, confusion and long delays in approving and implementing these projects.

As an aside, I would like to give a specific example of the slowness of government bureaucracy, in particular in the Department of National Health and Welfare, to which I wrote on May 24, 1994 on behalf of several of my constituents; I received a reply only on October 27, 1994. If it took five months for a department to answer something relatively simple, Mr. Speaker, imagine the delays that more complex issues, like environmental assessments, will involve.

In the present economic environment, we must streamline, and Bill C-48 would have been a good chance to do that. Increasing the number of structures and the amount of duplication must stop before it is too late. In our work on the parliamentary committee studying Bill C-48, we could with simple amendments have made several clauses reflect the provinces' primary jurisdiction over their natural resources.

For example, in clause 5 on the powers, duties and functions of the Minister of Natural Resources, it would have been enough to say that these powers, duties and functions are subject to the principle of provincial predominance in the field of natural

resources. This would not have reduced the powers, duties and functions of the minister, but it would have reasonably put them in relation to provincial priorities.

As regards clause 7, the Bloc Québécois wanted an annual report to be tabled by the minister, so as to make her department accountable for its mandate and objectives. In his most recent report tabled yesterday, the Auditor General of Canada states clearly, on page 8 of the booklet on main points: "7.1 Two years ago we called for government to reform its departmental reporting to be more transparent. We suggested that Parliament should expect and receive a regular accounting for the exercise of the entire business of government: in a phrase, global stewardship. This year, we continue this theme of transparency by following up on our 1992 Report, and extend it to the sectoral activities of government".

"7.4 We believe that there should be better sectoral reporting. This means that when a sectoral activity is identified, one department has to be given the lead responsibility to provide a summary-level report to Parliament for the entire sector".

I should point out, Mr. Speaker, that we did not ask for an extensive report: we simply wanted an internal report on the quality of services.

Here is one last excerpt from the Auditor General's report: "7.5 But in the end, reporting of any kind will not change soon unless Parliament is explicit in letting government know that current reporting is inadequate and that it wants it changed". The Auditor General's report seems to confirm that it was not such a bad idea to ask that Bill C-48 be amended so that a clear and concise report be submitted at least once a year.

(1655)

It was certainly legitimate to table this amendment so that parliamentarians and Canadians could monitor the usefulness and the efficiency of the programs developed by the Department of Natural Resources.

As regards clause 27 of Bill C-48, we wanted the minister to have the authority to enter into agreements only with the provinces and not with any person or body of her choice, since only the provinces can define their policy on natural resources. Clearly, overlapping and duplication could resurface if, for some reason, the minister decided to promote a specific policy.

Finally, clause 35 of Bill C-48 not only suggests overlapping and duplication but also federal interference in a field of provincial jurisdiction, as stated in the Canadian Constitution.

Indeed, through clause 35, the minister is giving herself the power to enter into agreements with any person or body in a province, without that province having any say. As I mentioned earlier, the issue is not the quality of the federal government's action. The member who spoke just before me noted that it is sometimes necessary to have a national policy as, for example, in the case of nuclear energy. No province has a concrete

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nuclear energy policy, although many provinces have policies in terms of forestry and mining.

The issue here is not to control the quality of federal measures, but to ensure that the federal government acts within its jurisdiction and respects the agreements and policies elaborated by the provinces.

In fact, Quebec has never signed the National Forest Strategy nor the Whitehorse Work Group Agreement concerning the mining industry. Quebec wants the federal government to recognize the predominance of provinces in the area of natural resources before signing any document appointing the federal government as the national director whose decisions provinces would have to follow in order to get tax money.

This is why Quebec wants the right to opt out, that is to withdraw from a federal program with full financial compensation.

Given the financial crisis we are going through, we are entitled to ask politicians and legislators to focus on efficiency. It is possible.

Right now, all the members sitting on the Standing Committee on Natural Resources are examining briefs concerning the mining industry which were submitted by witnesses from various provincial governments and the industry. Their goal is to prepare the most accurate report possible on the tools needed to promote the mining industry and job creation in this area. This type of co-operation is a credit to the members. Efficiency could have been the main concern during the drafting of Bill C-48, as in the case of any other bill.

In concluding, I would like to mention the position of the Quebec Minister of Natural Resources, presented by Mr. Jacques Robitaille at the annual meeting of the Canadian Council of Forestry Ministers on October 4 and 5, 1994, and I quote:

Regarding the main point on the agenda, Quebec's position is as follows: We will not be a party to preparing and ratifying a framework agreement whose purpose would be to assign a role to the federal government in an area over which the provinces have exclusive jurisdiction.

Both Constitution Acts are perfectly clear on the forestry sector, in that management of forest resources is the exclusive jurisdiction of the legislatures of the provinces. In this context, we could not consider approving any intervention in this sector by the federal government.

Furthermore, as far as financing is concerned, Quebec favours bilateral agreements that identify funding procedures for programs based on the priorities of the provinces and administered and delivered by the provinces.

This position is clear and ought to be reflected in the spirit of Bill C-48. Considering that the principle of provincial priorities is not reflected in Bill C-48, we will vote against the bill.

(1700)

[English]

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, it gives me great pleasure to speak to Bill C-48, a bill on natural resources. This is particularly important to my constituency of Kootenay East because many of its people are directly employed in the resource industry.

I would like to speak briefly about mining and about forestry. In my constituency I have Canada's largest operating mine. In 1991 over 5,200 British Columbians were employed directly by the coal industry. These jobs represent 12,500 jobs in the service sector. As a matter of fact, over 15,000 workers in the transportation and service sectors rely on the coal industry for their livelihoods.

My constituency office is in the town of Cranbrook and is as directly related to that as is the Elk Valley. The House should also recognize that coal accounts fully for 20 per cent of all rail traffic in Canada. Therefore coal is a very important issue to Canada and to our natural resources.

One of the difficulties I have had in coming to Ottawa, indeed in coming to the House, is that there is very frequently the impression left that natural resources somehow are a sunset industry, that is that industries related to natural resources are somehow in sunset and that the information highway is going to carry us off into the future.

Truly we do have to be working on the high tech side of our economy but as I see it we continue to be in Canada, whether we want to be or not, very dependent on natural resources. In 1991 B.C. coal producers exported 22 million tonnes of metallurgical coal and 2.8 million tonnes of thermal coal. These sales were worth \$1.6 billion. That is a lot of money. When I combine that together with the international sales of forestry of \$22 billion, we get an idea of the importance of natural resources.

The problem particularly in the case of the mining industry is that the multilevel of Canadian governments is basically taxing the business out of existence in Canada. Between 1987 and 1991 the B.C. coal producers combined earned only \$8 million, but they were taxed \$454 million. Let me repeat that because I think it is very significant. Combined over a five-year period the B.C. coal producers earned only \$8 million but in the same period of time paid taxes of \$454 million. For every \$1 of profit these producers were taxed \$57.

Since 1991 tax increases in B.C. have added \$12 million to \$15 million a year to the coal producers' costs. The B.C. coal industry is facing a grim future. The choice is between coal output and reducing employment. Unfortunately for the workers in the Elk Valley they are too familiar with the choices that are

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currently having to be made. The cost of increased production is unmanageable. The only choice in order to remain solvent is to reduce jobs.

In 1992 two of the coal mines in my constituency closed, causing the loss of 1,900 jobs in an area with a population of approximately 10,000. We can see the significance of this. Although the mines have reopened, they now only employ half the original number of employees. The House should also be aware of the fact that human resources development currently has decided to go against a ruling by Revenue Canada and is going after registered retirement pension funds of the former employees in an attempt to regain overpayments of UI.

I am currently fighting that on behalf of the workers in the area. We get an idea of how far we have gone. Some of these people are losing their homes and the government, right now with two departments in conflict with each other, is going after these people's registered pension funds. I find that absolutely, totally unacceptable.

(1705)

Back to the issue at hand, the Canadian mining industry is already taxed higher than any of its international counterparts and because of the larger tax burden Canadian coal has become less competitive in international markets. The fact is that international prices have plunged 35 per cent in metallurgical coal and thermal coal has plunged 20 per cent since 1987. Yet what has happened to taxes? We know what has happened to taxes. They have increased.

Another problem for the coal miners in my area is that mineral minimum taxes are more than three times higher for coal mines and hard rock mines in British Columbia. Property taxes are more than three times higher for coal industry than residential rates.

Mr. Milliken: Tory times were hard times.

Mr. Abbott: If Tory times were hard times it would be very advantageous if the Liberals would learn from the hard times of the Tories and do something about the situation in my constituency. The simplest way to describe taxes is confiscation of capital, confiscation of the capital required by the companies to be able to do the job.

When the GST was introduced it was sold to industries as a tax that would benefit the export industry because it removed hidden taxes. The \$100,000 of federal sales taxes the GST removed from the average mine was overshadowed by \$600,000 to \$1 million created in fuel taxes. Coal producers paid \$4.4 million in federal fuel taxes and another \$5.4 million in provincial taxes.

Furthermore, to move the coal from the coalfield in the southeast corner of British Columbia to port, those fuel taxes are yet another factor that puts them at a severe disadvantage to other producers around the world.

It was interesting that the member for Renfrew—Nipissing—Pembroke was referring to the fact that the thermal plants operated by Ontario Hydro are powered by coal imported from the U.S. He said it very well. What this basically means is that the coal miners, the workers in Canada, do not have the jobs. Furthermore the coal imported from Kentucky has a significantly higher sulphur content than the coal that is currently available in my constituency.

Why are we not using a more benign coal, the B.C. coal, at Ontario Hydro? Why are we not employing the people in British Columbia to mine and refine the coal and deliver it to Ontario Hydro? Why are we sending the dollars to the United States? It is because taxes cost jobs. The taxes on the transportation of the coal from the southeast corner of British Columbia to Ontario means that we use a dirtier coal, coal from Kentucky, we send them our money and we let their workers work. Taxes cost jobs.

The country was founded on its abundance of natural resources. Our rich mineral deposits have sustained the quality of life which Canadians have become accustomed to. We only need to take a look at what has happened in the fishing industry, particularly on the east coast and now under the current minister of fisheries. I should call him the oceans minister. We are coming to much the same kind of situation on the west coast. The difference is that due to the mismanagement by the department of Canadian oceans we have lost our resources. In the case of the west coast due to the continuing mismanagement our resources are under threat.

The difference is that in this case, in mining, the resources are still available but the mining is being taxed out of existence rather than the resources going away. We need to make sure that we have the ability to continue to draw on this resource. The mineral resources in British Columbia, the current proven mineral resources, show us that at the current rate of production there is another 500 years of production available.

The European governments provide \$14.8 billion U.S. in subsidies to their domestic coal producers. I am not suggesting that we should subsidize our coal producers but I am saying that we must stop taxing the life out of Canadian mines.

(1710)

We are going right at the moment into the abyss of a chasm that we require a rail bridge across. When we put that rail bridge across the chasm in the mountains we then say that is a property improvement. As a result the regional districts along the way between the coal mines and port end up actually charging

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municipal taxes on the bridges, on the rail line, in the mountains going across the chasm.

What is going on in Canada at the moment is that we are taxing our mines, taxing our natural resources at such a rate that we are going to put them out of production.

The government saw firsthand how a reduction of cigarette tax created a greater volume of revenue through the increase in consumption. If we were to take a hard look at what we are doing in terms of taxes on our coal mines, on our mineral producers, on our natural resource producers, we would see that by lowering the taxes they would be able to increase demand.

Our party is in an interesting position because on one side of the coin, particularly with respect to Bill C-48, we are saying that the Department of Natural Resources must be downsized at the federal level. There must be more power to be able to regulate at the provincial level. We must see a decrease in expenditures at the federal level and we must see a decrease in control.

That is our position. However I must relate to the House that there is an interesting situation in the province of British Columbia where there is an NDP government. It seems to have some kind of an idea that it can do things completely out of context to what world demands are. It has come forward with a study called "The Committee on Resources and Environment", CORE. Under CORE there have been studies. There has been input from a tremendous number of people. It has come back with a report that supposedly has a very broad base. I see more regulation, not only taxes.

It is not just me. I will read very briefly from a couple of news reports. Cranbrook city council will oppose implementation of the east Kootenay CORE report recommendation. In unveiling the report Owen, the person responsible for putting the report together, said east Kootenay CORE table members can take pride in the fact they put it together. This has been an ongoing process for about 18 months. That did not sit well with councillors Ron Tarr and Jim Kenelly. "It was not a made in the Kootenay report", Tarr said. "It was a Stephen Owen report", said Kenelly.

In speaking to the people who took the time, and they took a lot of time to get into the consultation process, I am told that the CORE report simply does not reflect what was agreed to at the table. The regional district of east Kootenay on Friday passed a resolution asking the provincial government to delay adoption of the CORE report until it heard from area municipalities. The east Kootenay district said it had grave concerns about the plan.

Lest we think it is just the politicians who are getting into the act here, the workers at Crestbrook Forest Industries Cranbrook sawmill have joined the list of those opposing Stephen Owen's east Kootenay land use report. Scott Manjack said CFI management has had its say and now it is their turn. The workers may agree with company officials but feel they should have a voice

as well. In this instance we are on the same side, which is not always the case.

We would not normally expect the workers on the green chain or the workers who are on the tools to necessarily be in tune with the company. Then we hear from a person who is actually in the office with the staff. There is a grassroots opposition group forming to fight the east Kootenay CORE report. Members fear it could ruin the industry. "We are little concerned about its economic implications", said Kay Eff, "no we are a lot concerned". Eff is a member of the Canadian Women and Timber Organization and an employee of Crestbrook Forest Industries. She said: "This is not about my employer; it is about our economic future here".

(1715)

Finally, we look again at the mining side. The CORE report recommends increasing protected areas where resource extraction is excluded from 13.1 per cent to 16 per cent. Coal bearing crown lands in the east Kootenay represent approximately 4 per cent of the area and yet coal mining is the single largest contributor to economic wealth. Coal lands designated as dedicated represent only 35 per cent of the total area of coal bearing lands, excluding private lands.

The difficulty with this report and the reason I bring it to the attention of the House is that even when we talk about the potential of downloading some of the responsibility, the people, our constituents, whether they are voting at the regional district level, at the municipal level, at the provincial level, or at the federal level, must make their representatives accountable. The representatives must be responsible in the recommendations they bring forward.

I had an opportunity a number of months ago to make a trip on the west coast with some members of the European Union. They came over to take a look at our clear cutting. I found it quite fascinating that as we were travelling north from Nanaimo to Port Alberni they were looking out the window trying to figure out what these tall things were beside the road. Of course they were 90-foot trees. They were a little bit nonplussed. They really did not know what it was they were looking at because a map that had been provided to them in Europe by the Sierra Club showed it as a desert.

The legend of the map said that this area had been logged, was going to be logged, or was actually out of production. Yes, it had been logged. It had been logged 40 years ago and now we have 90-foot trees beside the road. They were wondering what was going on.

As a direct result of that trip the natural resources committee undertook a study on clear cut logging. The committee made a couple of recommendations and this comes from the report back to the House from the natural resources minister: "Canada believes that internationally agreed rules would help all nations in their efforts to move toward sustainable forest management. Canada through the Canadian Council of Forest Ministers and in consultation with a broad range of stakeholders has begun a

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process to define criteria and indicators that will be a scientific and technical basis for measuring our progress toward our goal of sustainable forest management.

In addition, Canada is actively participating in an international process to define criteria and indicators for temperate and boreal forests. During the past year Canada has cohosted with Malaysia the intergovernmental working group on forests to help determine the future path for international sustainable forest management. This will contribute to the work of the United Nations Commission for Sustainable Development as it reviews progress toward the goals agreed to at the UNCED".

I absolutely recognize, contrary to my friend in the Bloc, that there is a place for a Canadian natural resources department, particularly as it relates to international trade and international issues.

In the area of communication, the recommendation from our clear cut committee was that the federal government, in conjunction with the provinces and territories, industry, environmentalists, and other stakeholders, strive to consolidate the communication strategies currently employed in international markets into a single and effective campaign to promote Canada's forest management practices abroad.

The response by the minister was supportive of that. Her department says the Government of Canada agrees with this recommendation and recognizes that foreign customers, retailers, and nations are seeking assurances that the forest products they purchase originate from sustainably managed forests.

With 50 per cent of Canada's forest products being exported, the economic health—

(1720)

The Deputy Speaker: The member's time has expired.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I have a brief question. In the interest of time, brevity is important.

I listened to the hon. member's speech with a great deal of interest. He spent 20 minutes on a wide range of subjects, some of which I am quite grateful for the interventions that the member made. I understand he supports the bill just as I do, but I did not hear anything in his speech about why he supports the bill. I wonder if he might briefly give us some indication why the legislation in front of us—

The Deputy Speaker: The hon. member for Kootenay East.

Mr. Abbott: Mr. Speaker, I apologize because unfortunately I did not see any signal from the Speaker so I did go over the time. My apologies.

In response to the member, the main reason I support the bill is because I believe, in terms of the consolidation of the departments and the way in which the bill has been put together, it will create efficiencies.

My major concern however is that we make sure the Department of Natural Resources at the federal level does not encroach on other levels of government. As a matter of fact we should be looking to efforts, as I have suggested, to divest the natural resources department at the federal level of some of its control and give it to the provinces.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I am pleased to have the opportunity to speak to Bill C-48, a bill that reorganizes the Department of Natural Resources.

The issue of natural resources is very important to my constituents in Kindersley—Lloydminster. Primary industries form almost the entire economy of west central Saskatchewan and are affected by this department or by the department of agriculture. Agriculture is also a natural resource.

Within my riding there are two potash mines, the Cory mine near Delisle and the Cominco mine near Vanscoy. There are also two Domtar salt mines, one near Biggar and the other at Unity. I have a vibrant oil and gas industry within my constituency, as well as the controversial government megaproject, the heavy oil upgrader at Lloydminster. The majority of my constituency is involved in the greatest natural resource of all, agriculture.

I have included agriculture as a natural resource even though it is traditionally thought of as separate from the other primary industries and perhaps is not affected by Bill C-48. It is appropriate in today's tough fiscal climate to reconsider the role of government in the lives of those working in primary industries. After all, this sector is the primary stimulus of all other economic activities.

Currently Canada's primary industries are divided into three categories by the federal government. There is agriculture and agri-food, fisheries and oceans, and then mining, forestry, oil and gas, atomic energy and other energy sources grouped together in the Ministry of Natural Resources. As the direct role of government in these industries decreases it may be time to consider an administrative merger of these departments.

It is worth while to consider that most of the provinces also have these three departments. Once we can agree which of these responsibilities are federal and which fall within provincial jurisdiction it will be easier to avoid duplication of effort. This will lead to less bureaucracy and may facilitate a merger of the federal ministries at considerable savings for Canadians.

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I do not want to give the impression that it is the policy of my party that these three ministries be immediately merged. I am merely suggesting that the current division between Canada's primary industries are somewhat arbitrary. On examination it may prove optimal to merge two or three of these departments.

Currently the federal government seems to have its priorities reversed when it comes to funding our primary industries. The Lloydminster upgrader in my riding is a good example. Within the oil and gas industry the federal government concentrates its efforts on subsidizing the most expensive oil to produce like the heavy oil upgrader, the Alberta tar sands and the Hibernia project. The conventional oil and gas industry is then taxed more heavily to provide the money to subsidize the otherwise non-viable enterprises.

If governments would avoid the megaproject boondoggles and reduce the tax burden on the smaller companies that are making a go of it on their own the industry would blossom and flourish. We would find that both productivity and employment within the industry would increase. The government would discover that the industry would employ more people than the megaproject would employ in any case.

(1725)

Those real jobs within the industry are more likely to be permanent jobs than the jobs created by government subsidy where megaprojects lose money or perhaps even collapse. The same is true throughout Canada's primary industries. The conventional industry, which provides most of the jobs and job growth, is heavily taxed in order to subsidize government megaprojects.

Being a farmer I am familiar with agriculture but the past year has given me the opportunity to become familiar with other primary industries within my riding. Earlier this spring I toured the heavy oil upgrader. I was impressed with its operation but on my tours through my constituency, I was even more impressed with the level of ingenuity and diversity of the people who are proving that large scale government intervention is not required to make industry work.

The renewal of the agriculture industry and the strength of the oil and gas sector has happened, some would say, despite the best efforts of the federal government.

The infamous national energy program of a previous Liberal administration is an example of Liberal gouging that still haunts the energy industry. The industry will not stand for another form of carbon tax no matter how the government chooses to disguise it. Instead of presenting these reorganization bills such as Bill C-48, why does the government not assure us that there will be no rapping of the energy industry via taxation or via regulation?

The reason I mention all these activities in my constituency is to demonstrate that large scale government intervention is

neither necessary nor is it wanted. If farmers, foresters, fishers, and oil men and women are left to run and develop their own industries then more economic activity will result. Not only does the government activity in these areas not lead to a rejuvenation of the economy, but it is largely counterproductive.

These megaprojects create an artificial competition which, when combined with the higher taxes needed to support government enterprises, stifles the growth and productivity that would naturally occur.

Bill C-48 is yet another housekeeping bill brought in by the Liberal government. For the most part, it merely amalgamates the old Department of Forestry with the Department of Energy, Mines and Resources. I support the principle of consolidating government departments but it seems to me that when the government is reorganizing departments it makes sense to rethink its whole involvement.

What better time is there to seriously re-evaluate the role of the government in the area of natural resources? What better time to do this than in the first year or two of a new Liberal administration? Unfortunately what we have is an old bill reintroduced into the House with a few new brush strokes and no new imagination or input.

Rather than conduct a long overdue and in depth evaluation of the role of government, the Liberals would rather do nothing and just pass the legislation prepared by the previous government.

I support the small step the bill takes in reorganizing the government bureaucracy but I do not feel that the bill will improve the plight of the industry at all. There is still a long way to go. I am looking forward to the day when the government introduces some serious legislation in the area of primary industries.

The current model of government involvement does not reflect the reality that exists today outside the Ottawa bubble. The massive amount of bureaucracy and administration supporting the megaprojects is outdated and hurting the rest of the industry. The administrative overlap and high costs have to be cut. The natural resources industry is too valuable to the Canadian economy to be regulated to death.

In closing I will repeat my support for the principle of the bill. I look forward to the day when the House can consider some legislation with a little more meat in it.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Yes.

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Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Call in the members.

And the division bells having rung:

Pursuant to Standing Order 45(5)(a), I have been requested by the chief government whip and the chief opposition whip to defer the division until a later time.

[English]

Accordingly, pursuant to Standing Order 45(5)(a), the division on the question now before the House stands deferred until tomorrow at 10 a.m., at which time the bells to call in the members will be sounded for not more than 15 minutes.

[Translation]

It being 5.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[English]

FIRST NATIONS HOUSING

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

That, in the opinion of this House, the government should consider the advisability of improving housing for First Nations people, and in particular First Nations elders.

He said: Mr. Speaker, I am pleased today to present to the House for consideration and debate a motion that I consider to be of utmost importance.

It almost goes without saying that the living conditions endured by many of Canada's first peoples are deplorable. Study after study have established mountains of facts to support the need for addressing this serious problem. Year after year the federal government has found a new reason, a new excuse not to take the action that is required. The House's own standing committee said exactly that in its December 1992 report to Parliament "A Time for Action".

I would hope that MPs from all parties here today would support this motion so that the weight of Parliament can be added to the voices from First Nations communities calling for action on housing.

Before this debate today I called around to some of the leading voices in Indian country to get an up to the minute reaction to the current state of Indian housing. Briefly, they all speak in unison: not much has changed, the federal government must act immediately.

If we look at some available statistics and read some of the recent newspaper articles we can tell that the situation is actually getting worse. The Assembly of First Nations tells us that an assessment of the on reserve housing stock in 1984 indicated that 47 per cent of the stock failed to meet basic standards of physical house conditions, 36 per cent was seriously overcrowded and 38 per cent lacked some or all the components of basic amenities by which I mean running water, indoor toilets, a bath or a shower.

By comparison, a 1991 report by the Department of Indian Affairs and Northern Development indicated that of the 64,402 housing units on reserve 56 per cent failed to meet basic standards of physical house conditions. Of these 24 per cent require major renovation and 10 per cent require complete replacement. Thirty-one per cent have neither piped nor well water and 31 per cent in 1991 had neither piped sewage service nor septic fields.

Among the newspaper reports that I have in front of me is one that is written about a reserve in my own constituency. The headline from the October 19 issue of the Saskatoon *Star-Phoenix* reads: "Waiting list long for homes on reserve". It concerns the situation on the Mistawasis Indian reserve just 75 kilometres west of the city of Prince Albert.

After a fire left a family of eight homeless there was no replacement to be found. According to Mistawasis Chief Leona Daniels, quoted in the newspaper article, the band has 52 applications for houses from band members waiting for adequate housing. This number is not unusual says the Federation of Saskatchewan Indian Nations, the organization that represents most of the province's Indian bands. This number is not unusual because among all the reserves there is likely a shortfall of some 800 houses in Saskatchewan at this moment.

(1735)

At the Red Pheasant reserve just south of Battleford, also within my constituency, Chief Mike Baptiste says there is a current shortfall of 146 units. The band has a number of young families on reserve looking for their own homes. There are a number of elders who are crowded into the homes with many children. There are many band members currently living off reserve who want their children to be raised on the reserve and attend the band administered school but they cannot because there is no housing available.

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The newspapers are also full of stories concerning the situation of the Big Cove Band in New Brunswick where the council has reported that it has more than 500 people on a waiting list for housing. The band council has said that the response of the minister of Indian affairs to their problem—Indian affairs approved the construction of six new units this year, if you can believe this—is criminal.

Earlier I referred to the report of the Standing Committee on Aboriginal Affairs, an all party committee that travelled extensively and heard from First Nations people throughout Canada. I urge all members and particularly government members to have a look at this important and definitive report. Despite the fact that committee members expressed a sense of sorrow and helplessness in some of what they saw and heard, they worked to write a report with recommendations “intended to provide a path to resolve the housing problems that exist for native Canadians in order that they may achieve suitable, adequate and affordable housing”.

Prior to writing the recommendations the committee noted: “There is inflexibility in federal housing programs, limited economic spinoffs for aboriginal and northern communities, lack of co-ordination between governments and programs, and difficulties assessing programs”.

The committee went a long way to resolving these problems. First, the committee recommended that the federal government conclude the review of aboriginal housing that has been kicking around the department of Indian affairs since 1975 and to get on with the business of addressing the problems that are all too evident.

Second, the committee recommended that the government deliver all its funding for aboriginal housing through one agency and then transfer control of housing programs along with sufficient resources to aboriginal people.

An important part of the solution is sufficient resources. To this end the committee recommended that the necessary funding be provided. It particularly singled out the special needs of seniors, the homeless, the disabled and the victims of abuse. I will have more to say about this in a moment.

The committee also stressed that aboriginal people’s cultural and practical needs have not been addressed in existing programs: “The committee recommends that the Government of Canada recognize that the only way to provide the flexibility that aboriginal people need to ensure the delivery of the kind of housing best suited to their particular needs is through self-government for aboriginal people”.

Every group that appeared before the standing committee urged aboriginal participation and control over housing programs.

Before I leave the work of the committee I want to bring to the attention of this House the words of just a couple of witnesses: “One of the things so very important in community life, whether in Sioux Lookout, in British Columbia, or anywhere else is housing. It is important because it has all the ingredients to make the family work”. That is a quote from Mr. Eno Anderson, executive director of the Shibogama Tribal Council.

From Bob Decontie, housing co-ordinator with the Assembly of First Nations: “Many of the communities have large numbers of houses that are overcrowded close to urban centres such as Calgary. We hear stories that there are 20 people in one house. These are things that have to be addressed. We have to address issues such as if you don’t have a place to study what are the chances of you going to or doing well in school”.

Even Canada’s Auditor General in his 1991 report criticized the federal government for its handling of Indian housing issues.

(1740)

I would like to quote briefly from the Auditor General’s report, 1991:

Inadequate and overcrowded housing, among other things, can contribute to societal and health problems, such as sickness, marriage breakdown, alcoholism and child abuse. The financial results can be measured in terms of higher cost of health care, social assistance benefits, policing and penitentiary services. Solving the housing problems on reserve could reduce the cost of health services and social assistance by improving social and health standards.

Again, here we are in follow-up three years later with a new Auditor General’s report and still no action in this regard.

My motion today also specifically singles out the difficulties faced by Indian elders. I want to go beyond what has so far been debated on the issue, to look at the special needs faced by the growing population of elders living for the most part on reserve.

Non-Indian society has spent a great deal of time in the past 40 years developing a social security system that benefits our seniors. When it comes to aboriginal elders, we have forgotten they exist. From my own experience, I am proud of the seniors’ special care homes that have been built in smaller rural communities across the prairies. When I visit nearby reserves I see nothing that compares. Indian elders who need special living arrangements or special care are often moved off reserve, away from their closely knit families and moved into the completely non-Indian environment in the nearest community with a seniors home.

On reserve where housing dollars are limited elders are frequently unable to obtain sufficient funds to upgrade their homes or move to a newer home because the money is not there to do that. In this case I would like to single out the work of the Sandy Lake or Ahtahkakoop First Nation. Indian leaders have done a fine job of developing the elders’ lodge concept where Indian elders are cared for in a family and co-operative way, given independence in their day to day life and included in the

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central activities of the band, including support for band government and the youth of the community.

This concept has received praise from every corner of the country but nothing has happened because there is no money and the elders are just expected to remain in their own home or on the couch in the living room of the home of their son or daughter.

The Ahtahkakoop elders' lodge was designed to meet certain needs. Let me quote from its proposal:

Currently the elders are living in relative isolation from each other and the rest of the band due to the remote nature of their homes and they are restricted in their mobility by age or disability. This isolation has resulted in incidents of mistreatment and neglect. There is no capability for native people to service the needs of their elders and infirm within their own communities. As a result the sick and the elderly are removed from their homes and family to be treated or admitted into facilities capable of providing the longer term, higher care required.

The Ahtahkakoop study and proposal was done in 1990. It has had no movement from the federal government since then. I might add that other proposals along the same lines have been developed on numerous reserves in my own constituency and across Canada, concepts that include the ability of the community to best meet the needs of the elders who are living within that community.

We have heard about the money problems in housing. If Sandy Lake or the Makwa Sahgeiehcan Band in my own riding near Loon Lake, or the Sweetgrass Band near Battleford, also involved in wanting to build and support an elders' lodge, want to do this they have to use all of the money that is allocated to the Band for housing for three or four years.

That means that the only means available to properly treat aboriginal seniors on reserve is to take away all the renovation and all the new housing money available to everyone else on the reserve, including new families, returned Bill C-31 Indians and the disabled.

I would like the federal government to do some soul searching today in its deliberations on housing programs and its response to the need for greater aboriginal control and increased financial support. I also ask the government to consider the special and immediate needs faced by Indian elders.

(1745)

It would be appropriate for the federal government to establish a new program that would make special financing available specifically for the construction and operating of elder's lodges so that the elders do not continually have to compete with others on the reserve for the housing dollars that do exist. The Minister of Indian Affairs has admitted that housing will be his priority in 1991.

We have heard the minister comment in the Chamber and to the media outside the Chamber about the royal commission on aboriginal affairs. When the minister was asked if he thinks the money is being well spent on the royal commission, his response was if he had that money to spend, he would rather spend it on housing. I think that acknowledges that even the Minister of Indian Affairs recognizes the priority nature of the crisis in aboriginal housing.

This is a new Parliament and there is a new government in office. The previous House was told by its own committee that action must be taken on aboriginal housing issues. At this early date, just one year into this Parliament, I urge prompt consideration and recommend that we cannot afford to wait for a better time to act. It is indeed, as the title of the House report stresses, a time for action. Too many people are suffering as we speak.

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, it is a pleasure for me to rise and speak on the motion introduced by the hon. member for The Battlefords—Meadow Lake on aboriginal housing.

I begin by thanking the member for bringing this matter before the House. I can assure the House that the government and I share his concerns. I can also assure the House that we intend to address this issue as quickly as possible and in a manner that is socially and fiscally responsible to Canadians.

As the hon. member has made clear, the housing situation in many aboriginal communities has become extremely difficult in recent years. In some communities the quality of shelter is truly appalling for a nation such as ours. In others the shortage of housing has reached crisis levels. These housing problems affect not only the elders, as was stressed in my colleague's remarks, but all sectors of the population including the rapidly growing proportion of young people.

A clear and decisive plan of action is required to correct these inequities which are contributing to many health and social problems on reserve, again as the member said.

My colleague is also correct in stating that in 1992 the Standing Committee on Aboriginal Affairs recommended a number of very specific actions to address the shortage of adequate shelter in aboriginal communities. However, due to the dissolution of Parliament none of these actions were taken.

The election that followed the dissolution of that Parliament gave Canadians the opportunity to vote for change, for a new approach to issues that face our nation. As we all know, Canadians took advantage of that opportunity in an overwhelming manner.

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I am convinced that one of the reasons Canadians elected the Liberal Party to majority government was the sincerity and progressive nature of our policies for aboriginal people. Canadians have long acknowledged that action must be taken on aboriginal issues and the Liberal Party of Canada has the political will to deal with those issues.

The Liberal plan for Canada, the red book, which outlined the Liberal Party's policy initiatives during the election campaign made some very clear commitments to aboriginal people, commitments we have been working hard to fulfil.

For example, we made the commitment to implement the inherent right to self-government, something we are now working on with aboriginal leaders and others. We will achieve this. The advantage is that it moves toward the local control for which the member was arguing. We made a commitment to dismantle the Department of Indian Affairs and Northern Development, a process which has already begun in Manitoba.

(1750)

That dismantling will leave the local control which the member knows is necessary to deal with this particular problem.

We made a commitment to uphold the honour of the crown by settling land claims through a fair and equitable process. This House has spent a great deal of time and energy over the past year dealing with enabling legislation for a number of land claim agreements. I have spoken in the House in those land claim debates. I have worked in committee on those land claim debates and I was glad to see some of them going through.

The land claims process also leads to the local control which the member knows is necessary to deal with this problem.

Also in the red book we promised to increase support for post-secondary education. Several months ago the Minister of Indian Affairs and Northern Development announced that \$20 million would be added to the budget of his department's post-secondary education program bringing the total spending for 1994-95 to over \$247 million.

Improved post-secondary education will lead to expertise at the local level which is also necessary to deal with this problem.

I, like the member, have dealt with the Hiawatha First Nation and the Curve Lake First Nation on matters of self-government and education and treaty matters. I am very interested personally in his suggestions.

We also promised to address health issues by giving aboriginal communities the tools and resources necessary to tackle these problems. Toward this end the minister of health recently announced the building healthy communities strategy. This strategy will provide almost almost a quarter billion dollars in additional funding over the next five years to address priority

needs in the areas of solvent abuse, mental health, and home care nursing.

The member for The Battlefords—Meadow Lake knows that these matters are related to the problems which he is raising in the House today.

We also made a very clear commitment in the red book to address the housing issue which the member has raised in the House of Commons this evening. This again is something to which we have been devoting a great deal of effort.

Hon. members here must recognize that this is an extremely complex issue, one that requires a range of innovative solutions and the co-operation of many parties. It is not an issue that will be solved by money alone or, for that matter, by the federal government alone.

The red book acknowledges that: "Adequate shelter is a fundamental need of any society and a basic prerequisite for community prosperity". That statement was made in direct reference to the precarious housing situation in many aboriginal communities.

In response to the shelter challenge the red book commits the government to work with aboriginal people to develop an approach to housing that emphasizes community control, which the member has rightly stressed, local resources and flexibility in design and labour requirements, the local approach which the member for The Battlefords—Meadow Lake is arguing for.

I am pleased to inform the House that the government has been doing just that. Both the Minister of Indian Affairs and Northern Development and the Minister responsible for the Canada Mortgage and Housing Corporation have made it very clear that the housing crisis is a personal priority. To fulfil the government's commitment both ministers have directed their officials to work together to develop a new aboriginal housing policy.

Toward that end in the past several months federal officials have been working with the Assembly of First Nations task force on housing along with representatives of the Inuit Tapirisat of Canada, the Congress of Aboriginal Peoples, and others to develop a new policy.

Many issues need to be addressed in devising a new aboriginal housing policy, everything from ownership and financing to aboriginal involvement in construction, maintenance and management of the housing.

(1755)

While aboriginal groups such as the Assembly of First Nations and the Inuit would like to see action taken quickly, they too acknowledge the need to work co-operatively with government and the private sector to develop viable solutions to this serious housing problem. The aboriginal leadership have shown determination and commitment in addressing this difficult issue.

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In conclusion, while I commend the hon. member's concern and acknowledge his call for a renewed commitment to aboriginal housing, I think it is clear that the government's commitment has never been stronger.

[*Translation*]

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, I, also, would like to congratulate the hon. member for The Battlefords—Meadow Lake for his excellent motion. As a fellow member of the Committee on Aboriginal Affairs, I must say that he is known for his social commitment. This motion is entirely in keeping with the social positions he has taken at the committee's hearings.

I will start by referring to the report of the Committee on Aboriginal Affairs submitted in the previous Parliament and entitled "A Time for Action, Aboriginal and Northern Housing". A few years have passed and, although things had to be done at the time, we realize that nothing has really changed and that it is still time to do something. On the government side they consult, they show goodwill, but action is not forthcoming. Meanwhile, we witness life conditions which are probably among the worst in North America.

These conditions have to be seen. I belong to the category of people who believe in seeing for themselves, and I have visited a number of people from the First Nations. No later than today, I called upon my colleagues on the finance committee to fly or drive to some aboriginal communities to find out, first hand, how these people live today. I do not think I would offend anyone by saying that they live in a Third World economy.

As we can see in the Auditor General's report, tabled yesterday, aboriginal people have very high rates of poverty. In some communities, the unemployment rate is 80 per cent; the suicide rate is sometimes five times higher than the Canadian average. Despair permeates these communities; the education level is much lower than the Canadian average. They are the victims of a paternalistic attitude they have been subject to for a long time. And yes, housing is unfortunately totally inadequate.

I saw with my own eyes four generations living under the same roof. Imagine the promiscuity, the total lack of intimacy. Imagine having to eat every day with twenty people, representing four generations, around the table. These are things you do not see in the Third World; even in Latin America people are better off.

There is a lack of infrastructure and adequate housing. How many communities do not even have sewers? How many communities do not even have running water?

In a modern society, in a country like ours which boasts of a very high standard of living, tolerating Third World living conditions such as these is totally unacceptable.

On top of that, some houses are of a style totally foreign to native culture. In some communities, all the houses are the same, tiny little bungalows. There is no concern for native culture, history or tradition. Across Canada, houses built the same way and often—I will come back to that later—by people who do not even live on the reserve. You can see that the Department of Indian Affairs is not really concerned about native culture and maintaining it but rather is driven by economic factors. So, let us build the cheapest houses possible.

Financing on reserve is difficult. It is a real mess.

(1800)

There is the Canadian Mortgage and Housing Corporation, and then the Department of Indian Affairs. It is a mess. People do not know who to turn to. For housing construction as well as renovations, waiting lists are a mile long and, in many cases, the agencies pass the buck back and forth.

Also of note is the limited involvement of native people in policy development. My colleague opposite mentioned earlier the significant contribution of native people. Again, as I said earlier, I just left a finance committee meeting, and the First Nations' leader was telling us that he deplored the lack of consultation of First Nations on housing policy. This policy has been in the making since 1984. And let me remind you that I started my remarks by saying that it was time to act. My hon. colleague says that it is time to act, time to consult but, for all practical purposes, the First Nations' leader told us no later than this afternoon that it was not happening.

The reserves derive very little in the way of economic benefits from the various government programs. I do not want to embark on a discussion on the whole thrust and the whole gamut of government programs for native people, but the fact is that very little benefit accrues to the reserves per se from housing-related activities as well as other ones. Services are often provided by outside contractors who, on leaving the reserve, keep Natives in some degree of dependency.

I will translate almost word for word what my hon. colleague said earlier, when he quoted the 1991 report of the Auditor General. I will repeat what he said in French because we are using the same reference. In his 1991 report, the Auditor General said this: "Inadequate and overcrowded housing, among other things, can contribute to social and health problems, such as sickness, marriage breakdown, alcoholism and child abuse. The financial results can be measured in terms of

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higher cost of health care, social assistance benefits, policing and penitentiary services”.

May I remind you, Mr. Speaker, that the Auditor General said yesterday that all these problems are relevant to society. But they are amplified and emphasized in these communities. It is even worse. Solving the housing problems on reserves could reduce the cost of health services and social assistance by improving social and health standards. What the Auditor General said yesterday about society in general is that the problem is worse on reserves and must be solved soon.

I would also like to extract a few facts from the 1993 report of the Department of Indian Affairs. I still remember the first presentation made by officials from the Department of Indian Affairs to the Committee on Aboriginal Affairs. They told us candidly that the native population was growing by nearly 5 per cent a year, double the Canadian growth rate. They also told us that they knew that there were housing shortages, but unfortunately, funds were lacking and, as I just said, people had to live with three or four generations under one roof in some cases.

In their presentation, they told us that the First Nations had nearly 72,000 housing units, of which 42 per cent did not meet Canadian housing standards and 16 per cent lacked plumbing and sewage facilities. In our society today, not having a sewage system is almost unacceptable. Twenty-nine per cent do not have running water. Who here in this august chamber would imagine that such things could happen? Certainly not in our homes, where we have running water. But 29 per cent of homes on reserves lack running water and 26 per cent have no sewer service. I even meet band councils who tell me: “Mr. Bachand, can you intervene with the minister and try to make him aware of our cause? We have no sewers on our reserve and no running water.” I have to do that quite regularly.

Subsidies have not increased since 1984, while the native population has increased 5 per cent a year, creating a big need for housing. So you understand that we now have to tell native people to continue to live with 10, 15 or 20 people under one roof, because the funding is not there and unfortunately their population is growing. So conditions continue to deteriorate and we can come right out and say that living conditions on the reserves are the worst in Canada; as I just said, it is Canada's Third World.

There are solutions. Native lending institutions can be set up, for example; things like that would help. But before that is done, of course, Canada Mortgage and Housing Corporation would finally have to decide with the Department of Indian Affairs who has jurisdiction, because CMHC comes under Public Works.

(1805)

As I was saying earlier, this was a mess. There should be tighter management control and a single body or department should be in charge.

Mr. Speaker, I will hurry because I realize that I only have one minute left. I would have liked to say more, because these people do not often have the opportunity to make themselves heard through us and they are showing signs of distress.

We mentioned earlier, as did the leader of the First Nations, that the red book has a lot of implications and that it includes a number of commitments. However, no progress was made regarding the housing issue. In fact, the housing policy is still at the conceptual stage. There is not enough discussion with native people.

I simply ask the government to implement as quickly as possible the promises made in the red book. The time has come to take action.

[English]

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, I rise today to address the House on the motion introduced by the hon. member for The Battlefords—Meadow Lake.

The hon. member has expressed some genuine concern about housing conditions in many First Nations communities. I know my hon. colleague's views are heartfelt and sincere. I commend him for bringing them to the attention of the House. I believe all Canadians share his concern that no group of people in our society should live in substandard housing.

I can assure the hon. member the government is fully aware that there is a serious lack of homes designed especially for seniors on reserve; as well there is a lack of nursing homes for those requiring special care. It is our belief that elders need an integrated housing program that encourages and enables them to stay in their own homes longer.

Health Canada's building healthy communities strategy which was mentioned by the hon. member for Peterborough a few minutes ago will support such a program. By supporting on reserve home nursing care for persons discharged from hospital and those with acute illnesses the strategy will help more First Nations people to continue to live in their reserve homes. The challenge now lies in ensuring that appropriate housing is available.

While I appreciate this special concern for the elderly I think the hon. member would agree that improvements must be made in aboriginal housing for the benefit of all age groups from newborn to seniors. We must keep in mind that the aboriginal population is an overwhelmingly young population. If we do not

focus as well on the needs of youth and young families we will face increasing costs to our social security, health and justice systems while failing to meet vital challenges for First Nations.

I know from conversations with the Minister of Indian Affairs and Northern Development and the minister responsible for the Canada Mortgage and Housing Corporation that they are both very concerned about the state of housing in certain aboriginal communities. The Minister of Indian Affairs and Northern Development has witnessed these conditions firsthand in many of his visits to these communities. This is an experience which has strengthened his resolve to take action.

In a recent speech to the provincial treaty forum on housing in Saskatchewan the minister acknowledged: "Housing is one of the most critical problems facing aboriginal communities today". He went on to say that the conditions he has observed simply should not occur in our country.

I am therefore pleased to confirm that the government is working very hard to finalize a new policy and action plan to tackle the First Nations housing issue. We are doing so with the support of First Nations leaders and with input from a wide range of stakeholders. This action plan will provide a multifaceted approach to addressing the housing needs of First Nations, including the special needs of elders.

The housing crisis is not a new phenomenon. The situation has been worsening year after year for the past decade as the previous governments failed to take action. Make no mistake about it. This government is committed to action on this issue.

The problems are evident enough but the difficulty lies in finding solutions that will be effective, affordable and long lasting. These solutions must also increase First Nations control of the housing portfolio and contribute to the government's objective of building new partnerships with aboriginal people.

As hon. members are aware there are serious concerns about the quality and quantity of on reserve housing. A relatively high percentage of reserve houses require some form of rehabilitation and many must be replaced. This is largely a reflection of the overall poor quality of reserve housing constructed before 1983 when the national building code standards were not enforced.

(1810)

There is also a serious shortage of on reserve housing. This shortage is becoming more severe each year as more and more First Nations families are formed. This shortage means that houses are overcrowded. In turn this takes its toll on family and community life and can affect the physical and mental health and well-being of family members.

Private Members' Business

The housing shortage and the poor condition of existing houses are the two key issues that must be addressed. They call for a range of innovative and resourceful approaches.

As the hon. member for Peterborough has informed the House, officials of the Department of Indian Affairs and Northern Development and the Canada Mortgage and Housing Corporation are working closely with the Assembly of First Nations task force on housing and others to develop concrete proposals for a new aboriginal housing policy.

Among the concepts now being explored are a number of creative options that have come directly from First Nations. These proposals will be considered by the government in deliberations on a new aboriginal housing policy. A memorandum to cabinet is being prepared to seek support for such a new policy. Both ministers have instructed their officials that any new housing policy must encompass three key elements.

First, it must improve housing conditions while moving greater control and accountability for housing to First Nations. The Government of Canada believes that community control is critical to the success of future aboriginal housing initiatives. This position is shared by First Nations.

Second, the policy must provide greater employment and business opportunities for aboriginal people. First Nations people must have enhanced opportunities to build better houses for less money with more local supplies. We must also explore new avenues for financing First Nations housing by encouraging private sector investment in the housing portfolio. In the current environment of fiscal restraint and deficit reduction, government alone cannot foot the enormous bill for aboriginal housing.

Third, the policy must promote the development of skills that will facilitate First Nations control of housing and enable aboriginal people to pursue jobs in the housing industry.

A housing policy that achieves all those goals will also lead to improved health and social conditions in aboriginal communities. This in turn will reduce costs to government and will provide for a more equitable society. In other words all Canadians have a stake in improved aboriginal housing.

As hon. members well know, the challenges in developing a new aboriginal housing policy are significant but they are not insurmountable. I am confident, as are the Minister for Indian Affairs and Northern Development and the minister responsible for CMHC, that the co-operative approach now under way offers the best chance for success. By working together with aboriginal people and making decisions that affect them we will arrive at solutions and approaches that can be supported by all Canadians.

Private Members' Business

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, the motion before the House today speaks to the need for more aboriginal housing. It is a real problem. Anyone who has ventured on to an Indian reserve, travelled by one, or has had the occasion to come into contact with aboriginal people knows there is a real problem as far as aboriginal housing is concerned.

As Canadians I am sure all of us would like to see the situation improved. We are not callous and uncaring. We would like to see everybody in our society living in decent housing with the opportunity to maintain what we have come to accept as the Canadian lifestyle.

These are some of the facts surrounding current government spending on aboriginal affairs. The Government of Canada is currently spending some \$5.8 billion a year to try and deal with the problems we are talking about this afternoon. Out of that amount, some \$300 million is directed toward aboriginal housing. According to the latest reports some 3,500 new units are built and 4,500 units are renovated every year.

(1815)

The Auditor General says that the spending on DIAND's budget is rising faster than the rate of inflation and the increase in aboriginal population combined. This tells me that the positive results of this funding are dismal to say the least. It is my contention that the results will always be a failure because there will never be enough money available in this budget to address the needs of these people.

In my view the only way these people are going to be able to exist in housing that is acceptable to them and engage in a lifestyle that is acceptable to them and to us as Canadians is for them to become economically independent and be in a position to provide their own housing on the same basis as the rest of us.

While I appreciate that the Indian people find that these existing programs provide some relief, they are surely no happier with the situation than we are, the non-aboriginal people and the taxpayers of Canada.

I ask the question: How can someone feel a sense of self-worth and self-respect when he or she has to go begging to the federal government for money to subsidize housing or a standard of living?

Reserves, in many cases, are located in areas where there is little if any economic opportunity. That is the reality of reserves in Canada today. The people who live on those reserves are relegated to a lifestyle which perpetually looks to the federal government to be subsidized. In many instances these reserves are located in remote areas that are very difficult to access and where there is really no economic activity taking place other than government funding. There is virtually no meaningful employment.

The aboriginal people who have fared the best are the ones who have made the difficult but courageous choice to venture off reserves and become part of the Canadian mainstream.

It is the view of our socialist friends, and we see the evidence of that in such motions as the one before the House today, that the government either has or should have the answers to all of our woes. "If we only had a better program. If we only delivered it more efficiently. If we only earmarked more tax dollars for the program we would achieve our objectives and everybody would be happy. We would achieve a state of nirvana".

After nearly three decades of massive government spending, massive redistribution of wealth from productive people in our society to the have nots, we find that not only has the government not achieved its goals but in every instance has exacerbated the very problem that its programs were designed to correct.

Mr. Milliken: That is complete rubbish.

Mr. Scott (Skeena): Those are the facts.

It is interesting to note that the Auditor General has in his latest report started to echo the sentiments of many brilliant economists, such as my colleague from Capilano—Howe Sound, who have been saying for years that government programs designated to fix problems such as unemployment and welfare by their very nature increase the demand.

I will quote the Auditor General. He says: "There are indications of possible negative effects associated with social programs". He goes on to say: "We note that most if not all social programs have the potential to produce such effects".

Many effects that have been associated with existing programs include rising social program use and high repeated use, suggest that social programs may be creating a long term dependence among some users. Disincentives to work when benefits from social programs are compared to earnings from jobs and interactions among social programs may result in the programs working at cross purposes.

It is therefore obvious that the solution to native housing, the real permanent solution, does not lie with more government spending or more programs, policies or initiatives from government, but rather must come from the aboriginal people themselves through participation in the economy like all other Canadians.

I might add that there are hundreds of thousands of non-aboriginal Canadians who live in poor and sometimes inadequate housing and who desire to move from their basement rental suites and their apartments and live in nicer housing. The reality for these people, a reality they accept, is that they will have to pursue their own dreams and aspirations using their own

resources. That is the way it works and that is the way it should work.

(1820)

In conclusion, I want to return to the thrust of the motion which is to require the government to spend more resources and increase the aboriginal housing program. My response to that motion is that there will never be enough money. If these people are to rely on government programs, there will never be enough programs, there will never be enough general resources and there will never be general satisfaction among the recipients.

The solution is to find ways to encourage and give incentive to aboriginal people to become self-sufficient and part of the Canadian mainstream. I recognize that this is not either an easy thing to say or to accomplish but in the long run, it is the only real hope for aboriginal people living in our country today.

The Deputy Speaker: The Chair should apologize to the Reform Party for not recognizing members of its party earlier in the debate.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I am pleased to rise to address the motion put forward by the hon. member for The Battlefords—Meadow Lake.

This is an important issue. The motion concerns on reserve housing. Having grown up in the central part of British Columbia, I have seen the evidence and I have heard the stories of the deplorable living conditions on some of the reserves.

These conditions can justifiably be called shameful in our society, certainly in the times we live in. Canada enjoys a very high standard of living, yet we have people, whether natives or not, living in abject poverty and deplorable housing situations. This is not something of which we can be proud.

The member suggests in his motion that the government should put more money into an improved housing program. The fact is that present fiscal realities simply do not permit the spending of more money to alleviate the problem.

In my opinion the money that the government is spending on native programs, particularly the housing programs and programs to help the social situation of the natives is already there. If only past governments and the present government spent a little more effectively and a little more efficiently, some of these problems could be looked after with the funds that are presently available.

Unfortunately the popular opinion by the Auditor General is that the Department of Indian Affairs is out of control in its spending. The Auditor General said that the government is throwing ever increasing amounts of money at the native people but the programs are ineffective and inefficient.

Private Members' Business

The report paints a picture of a disorganized Department of Indian Affairs lacking any direction, lacking any clear goals, lacking any monitoring of its existing spending, lacking any accountability of its existing spending. In fact the Auditor General gives the department a complete failing mark for the way it handles the funds that it has allocated to its department. It is totally out of control.

The funds are there within the department. The Department of Indian Affairs has a \$5.8 billion budget. The funds are there. They are just not being utilized effectively.

When members of the Reform Party start questioning some of the things that the government does or some of the things that past governments did, members opposite immediately say that the Reform Party does not care about the plight of the Indians. We do. We feel very strongly about the plight of the Indians.

What we care about as well is the taxpayers' money that the past and present governments have spent trying to solve the problems which the Indians have, trying to come up with solutions to improve their social standards, the plight of how they live, the houses that they live in and the deplorable conditions on the reserves.

(1825)

We do care about that. That is the reason we questioned the way that the department of Indian affairs of this government spends its money. It is out of control and it is not going to improve until this government gets a handle on how the bureaucracy is spending its money, until it starts making demands for accountability, monitoring, evaluation, and results.

One of the popular opinions in this country concerning the department of Indian affairs is that there is no bureaucrat in that department who ever wants to get the problem solved because if they ever solve a problem they will work themselves out of a job. We have a huge department that is overstaffed, overfunded and underproductive.

There is a considerable amount of problems among the governments with respect to the delivery of the housing services. One of the problems is that the federal, provincial and territory governments are all involved in providing housing. A recent committee report by the Standing Committee on Aboriginal Affairs found there was a lack of focus because of these three levels of government that were involved. It was resulting in a patchwork of housing initiatives that really were not solving problems for anyone.

The committee said that there was little or no co-ordination between the three levels of government. The lack of co-ordination is not constrained to governments. It has also been found to be rampant within various departmental programs. For instance, DIAND is not directly involved in housing in the territories. Both Yukon and Northwest Territories have a cost-sharing agreement with CMHC. However, it must be noticed that 50 per

Adjournment Debate

cent of the bands had to make use of CMHC because the funding provided by DIAND was not sufficient.

In order to increase the efficiency of services to bands, some suggested to the committee that the housing programs between DIAND and CMHC be amalgamated. Here we have two government departments asking to be put together to become more efficient. That is not the way the bureaucracy has worked in this country, unfortunately.

In fact, DIAND has no clear statement of federal responsibility with respect to housing for natives living on reserve. Because of this and because of the patchwork of programs among governments, the committee found that the natives living on reserves, which were side by side, could in fact have completely different levels of housing and services.

A very clear message was being delivered to the committee. There are serious problems in the administration of the housing service between various governments and between various government departments.

I conclude by restating what we in the Reform Party believe is the root problem of the deplorable housing conditions that exist on some of the reserves. It is not the fact that they need more money spent. It is not the fact that there is money to be spent because there is not. We have to borrow it on a daily basis to stay alive in this country. The fact is that the money they have, which is adequate, is simply not being used in an effective and efficient manner.

I repeat again, their programs are out of control. Their spending is out of control. There is no monitoring within that department. There is no accountability and quite frankly under this government, we see also there can be no hope for that department to ever get its act together.

[*Translation*]

The Deputy Speaker: Since no one wishes to take the floor, can we call it 6.30 p.m.?

Some hon. members: Agreed.

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

ADJOURNMENT PROCEEDINGS

[*English*]

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

GRAIN TRANSPORTATION

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the Crow debate has been with us for some time. It is an important debate that has a great deal of meaning for thousands of prairie farmers. It is a debate that these thousands of farmers want to be a part of. In fact, these farmers have already demonstrated that when asked they are more than prepared to participate in the debate.

For example, when the previous government talked about changing the Crow benefit they hosted hundreds of regional and community meetings across the prairies. These meetings were promoted as transportation talks. They attracted hundreds of participants. In almost every case across Saskatchewan the response of those participants was to ask the federal government to maintain the Crow benefit.

Farmers across the prairies time and time again have impressed upon the federal government that the Crow represents economic fairness in the transportation of grain destined for export. Saskatchewan farmers in particular are producing grain on land that is further from port than any other grain farmers in the world. Since the price of the product is based on its port side distribution, obviously the farther one is from port the more uncompetitive the product is for sale to the rest of the world.

The Crow benefit simply recognizes that with the benefit all Canadians receive from the sale of Canadian grain into overseas markets, all Canadians will assist in the cost of getting that grain to its port of sale. Without the national subsidy, and I would argue it is an internal not an external subsidy, the revenue that would return to the prairies from the sale of grains would be much reduced. The cost of the loss of this transportation support to the prairies is therefore likely to be greater than the savings the Department of Transport and the federal government would accrue from the dismantling of the Crow benefit.

The Minister of Transport has toyed with prairie farmers about this issue for months. Last week he betrayed a long held Liberal commitment to prairie farmers and the communities that they support when he announced that it is no longer a question of whether the federal government plans to change the method of payment, it is only a question of how it will be changed.

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In making the announcement the minister argues that new GATT rules and the pending world trade organization requires that Canada make the change. This is shocking. At the same time as the Canadian Minister of Agriculture is abdicating Canada's role in making economic decisions for Canadians, the newspapers are running articles quoting American politicians saying that the GATT cannot be accepted there because (a) the treaty is a threat to its economic sovereignty and (b) the new trade organization will have the power to change its national law or regulation and impose fines and sanctions if it wants to.

Here we are in Canada blindly accepting the international treaty without challenge while one of our trading partners, one I might add which is hurting us in the marketplace, is openly resisting the imposition of the terms and the agreement on them.

Canada should be challenging the interpretation of the GATT deal affecting the Crow benefit and we should be resisting making unilateral changes until all the partners to the agreement have taken steps to ensure that a fair marketplace for all exists.

It is obvious to all of us involved in the grain trade that without the Crow benefit and without specific changes to the U.S. export enhancement program, Canadian farmers are left at a significant disadvantage in the international marketplace. I argue that it is an artificial marketplace.

The federal government should stop using the GATT deal as an excuse to cut the Crow benefit. As my friend Mr. Art Macklin the president of the National Farmer's Union has said: "It is apparent that the federal government's agenda is to cut the deficit and they view the Crow benefit as a large budget item".

Mr. Macklin has also said: "If the federal government really wanted to level with the people of the prairies, it would acknowledge that there does exist ways within the framework of the GATT agreement to retain the Crow benefit as a transportation subsidy".

In conclusion, late last week I asked the Minister of Agriculture if he has failed to understand the importance of the Crow benefit to the economic viability of the prairies or has he just decided to ignore the views of thousands of farmers who have made their views known at various times during the past 10 years? For the record, I ask again.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, this government is now examining how changes can be made to the Western Grain Transportation Act, which enable Canada to meet its international obligation and which result in the greatest possible benefits to prairie farmers and the prairie economy.

There are two compelling reasons we are talking about change. The new world trade agreement under the General

Agreement on Tariffs and Trade calls upon countries to reduce export subsidies. Those reductions must occur both in expenditures and volumes exported. The western grain transportation subsidy on shipments to west coast ports and Churchill is considered an export subsidy under the terms of the agreement.

Legislation which will enable Canada to implement the terms of the GATT was tabled in the House recently. The uncertainty that would result in the grain industry were we not to reform the WGTA in response to the new world trade agreement would be untenable. The WGTA must be reformed before there is any threat of the volume limits on export subsidies being exceeded.

The second compelling reason for change is exactly the concern expressed in the member's question. That is the viability of the prairie economy. It has long been argued that the current method of payment discourages high value production and processing in western Canada. The world is changing. The new world trade deal has opened new opportunities for Canadian products and specifically for higher valued consumer oriented products. We must ensure that our industry is equipped to compete and gain its share of these rapidly expanding world markets.

As the government considers the best means for reforming the WGTA the fiscal circumstances of the government cannot be ignored. Agriculture will, along with other departments of government, have to bear its fair share of the effort to put our fiscal house in order.

As we consider reform the views of farmers across Canada are being taken into account. Far from ignoring the views of farmers we are asking them very specific questions on how a new payment method for the WGTA might be designed.

The Minister of Agriculture and Agri-Food has had meetings with representatives of the major farm organizations and commodity groups from eastern and western Canada. They are being asked for their views on the two specific options that have recently come forward from the producer payment panel and from the governments of Saskatchewan and Alberta. At the same time consultations have been undertaken by the Minister of Transport on efficiency issues.

The end result will be reform for the grain transportation system that will meet our fiscal responsibilities and our international trading obligations. We also want to ensure that our Canadian farmers come out on the winning end of the issue.

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

(The House adjourned at 6.38 p.m.)

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