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**Monday, June 5, 1995**

**Speaker: The Honourable Gilbert Parent**

# HOUSE OF COMMONS

Monday, June 5, 1995

The House met at 11 a.m.

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*Prayers*

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## PRIVATE MEMBERS' BUSINESS

[*Translation*]

### MINING EXPLORATION AND DEVELOPMENT

**Mr. Benoît Serré (Timiskaming—French River, Lib.)** moved:

That, in the opinion of this House, the government should consider implementing a new program of mining incentives which would encourage exploration and development in Canada.

He said: Mr. Speaker, I am very happy to introduce in this House today a motion calling on the government to consider a program of mining incentives which would encourage exploration and development in Canada. First of all, allow me to commend the hon. Minister of Natural Resources for officially declaring a national mining week last month.

This shows that the government recognizes the mining sector's important contribution to the Canadian economy and partly fulfils our commitment to promote at the international level Canadian interests in this area.

[*English*]

I believe that the industry has also done a tremendous job in promoting mining through its Keep Mining in Canada campaign. I want to congratulate it on this important initiative.

I would also like to thank the Minister of Finance for implementing in his 1994 budget measures to allow the deductibility of reclamation funds. I recognize there has been a substantial increase in exploration throughout Canada in 1994 and there is a prediction of a further increase in 1995 to a level of approximately \$650 million. Despite this, major problems and impediments still exist to a sound and sustainable mining sector in the country.

(1105)

Some of the impediments that were identified both in the natural resources committee report, the Whitehorse mining initiative report and by the industry are as follows: insecurity of land tenure either because of the creation of new parks or because of native land claims; flight of exploration capital to third world countries, especially South America; complexity, duplication and delays in issuing permits and environmental assessments; and to a lesser degree, the effect of profit and non-profit based taxes and levies.

Canada needs a minimum of \$900 million to \$1 billion worth of exploration capital annually to rebuild our ore reserves which have been depleted to a dangerous level.

I would like to state a number of statistics which will clearly demonstrate the importance of mining to the Canadian economy. These facts are based on information from Statistics Canada and Natural Resources Canada.

The mining and mineral related industries employ 335,000 Canadians. Of these, roughly 57,000 were employed in mining, including coal mining, 57,000 in smelting and refining, 85,000 in metal semi-fabrication and 129,000 in metal fabrication.

Mining is the mainstay of employment for over 150 communities. Canada is the world's largest mineral exporter. Mining provides 14.6 per cent of total exports and contributes \$11.7 billion to the trade balance. Canada produces some 60 commodities, leading the world in the production of uranium, 28 per cent; zinc, 15 per cent and potash, 34 per cent.

Canada is the world's second largest producer of nickel at 22 per cent; cadmium, 11 per cent; asbestos, 17 per cent; elemental sulphur, 22 per cent; and ranks among the top five producers of platinum, group metals, gypsum, aluminium, copper, lead, cobalt, titanium, molybdenum and gold.

Mining, and resource industries generally, lead all other industrial sectors in productivity. During the last decade labour productivity increased by 103 per cent in mining and concentration, by 87 per cent in smelting and refining and by 32 per cent in metal semi-fabrication. In 1993 mining added \$20 billion to the Canadian economy, equaling 4.2 per cent of the gross domestic product.

Canada is the third largest mining nation in the world. For every 10 jobs created in the mining industry, eight more spinoff jobs are

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created. Almost 80 per cent of Canada's mineral production is exported. Mining provides 14.8 per cent of Canada's total exports, contributing \$9.9 billion to the mineral trade balance.

Minerals and metals account for 60 per cent of the material transported in Canada by rail and through our ports. Ontario at 30 per cent; Quebec, 17 per cent and B.C., 16 per cent, account for more than 60 per cent of Canadian mineral production.

Mining stocks make up 55 to 60 per cent of trading on the Vancouver Stock Exchange; 20 to 30 per cent of trading on the Toronto Stock Exchange and 20 per cent of trading on the Montreal Stock Exchange.

The amount of land used for mining in Canada is less than half the size of P.E.I.

Let me now inform the House of the worrisome trends in the mining sector that forebodes a very uncertain future. Since 1991 Canada dropped from first place to fourth place in its ability to attract international investment in new mines according to the Metals Economics Group in Halifax.

(1110)

Between 1990 and 1993 Canada saw 44 mines close and only 24 mines open. Canada lost 19,579 mining jobs between 1990 and 1993. In 1970 mining contributed 6.4 per cent of the GDP and in 1993 4.2 per cent. In 1992 exploration expenditures were the lowest since 1967. Mine site investment reached \$6.7 billion in 1991 and by 1992 that number was cut in half.

In 1988 the amount of exploration and development money spent in Canada was about \$800 million, compared to less than \$400 million in Chile. These numbers were reversed in 1992. In 1993 Canadian companies spent almost as much if not more in Latin American as did the local companies.

In 1993 employment in the mineral industry was 335,000, about 2.5 per cent of the total national employment. This is a 3.5 per cent drop from the 1992 figure of 347,000. In 1992 mine investment in Canada was about \$3.1 billion, down from 1991 figures by 18 per cent. In 1993 Canada's mineral production totalled \$14.9 billion, a decline of 10.8 per cent from the 1992 amount of \$16.7 billion.

Canadian companies with budgets of more than \$1 million spent close to \$260 million on exploration outside Canada in 1993, almost half of their total budgets. This is an increase over 1992 when they spent 40 per cent on their exploration budgets abroad.

Since World War II the cost of fine based metal deposits in Canada rose from \$6 million to about \$150 million, a 25 per cent increase as corrected for inflation in 1989 dollars.

My motion calls on the government to implement a new program of mining incentives which would encourage exploration and development in Canada. What do we mean by mining incentives? Most people would automatically equate incentives with grants or tax based measures but there are incentives that are much more important than that.

The mining industry does not want grants. It wants a level playing field and a tax system which is truly competitive with the rest of the world. It wants security of land tenure and a certainty of continuity in the rules of the game in terms of issuing permits and doing environmental assessments.

How can the mining industry interest investors when the goal posts keep moving all the time? How can it convince investors to spend hundreds of millions of dollars only to have the property declared a park, as it was done recently in British Columbia with the Windy Craggy property?

Although I recognize that most of these rules fall under provincial jurisdiction, I believe the federal government must play a leading role in bringing all parties involved together. If we want to create more parks in the country, let us do it now and declare them off limits. However, let us also ensure the industry that the rest of the country is open for business and that if it spends exploration dollars it will be permitted to develop its discovery and reap the benefits.

The Standing Committee on Natural Resources conducted extensive hearings with all the stakeholders. The result was nine key recommendations on mining incentives which were almost entirely present in the Whitehorse mining initiative report.

I would like at the present time to present the House with those recommendations:

Recommendation 1: That the federal government, in conjunction with its provincial counterparts, work to remove the structural impediments to mineral investment outlined in the Whitehorse mining initiative final report by the year 2000.

Recommendation 2: That, on recognition of the uncertain long term prospects of the mining sector, the need for a more attractive exploration investment regime for junior companies and the positive impact of mineral exploration activity on regional development and job creation, the federal government implement tax measures in its February 1995 budget to encourage Canadian mineral exploration.

Recommendation 3: That, subsequent to recommendation 2, the federal government introduce a mineral exploration incentive by modifying the Income Tax Act to incorporate a change in the adjusted cost base of flow-through shares from a value of zero to the actual cost of the shares—

Recommendation 4: That in order to enhance the effectiveness of exploration work financed by means of flow-through shares, the federal government enable the exploration activity funded through such shares to be carried out over a period of one full year after financing.

Recommendation 5: That, to assist junior and/or single mine companies, the federal government exempt mineral exploration and development companies without revenue from mineral production, from application of the Large Corporations Tax.

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Recommendation 6: That in order to enhance the effectiveness of mineral exploration, core geoscientific funding under existing federal-provincial mineral development agreements, MDA, be preserved under alternative programming.

Recommendation 7: That once initial steps have been taken to improve the investment climate in Canadian mining, the federal government, its provincial and territorial counterparts and the domestic mining industry develop, through consultation, an integrated approach to communicate the positive features of the Canadian mining sector to potential investors.

Recommendation 8: That Natural Resources Canada, together with its partners in the provinces and the industry, establish a national database on active and orphaned mining sites and reclamation work that must be undertaken on those sites.

Recommendation 9: That the Minister of Finance amend the Income Tax Act so as to defer taxation of income generated within mine reclamation trusts until the funds within these trusts are finally allocated for reclamation purposes and that the minister make an announcement to that effect in the next federal budget.

(1115)

The main thrust of the last federal budget was deficit reduction. It was about putting our financial house in order. It was about getting the fundamentals right so that all sectors of the economy including mining could regain confidence in Canada. I agree 100 per cent with the Minister of Finance.

It would have been very difficult to justify tax breaks or expenditures in one sector of the economy while cutting all other sectors dramatically. However, we must look at the next budget and beyond. While I realise it would be next to impossible to implement all the measures recommended in the natural resources committee report in the short term, there is much we can do without breaking the bank.

Some of these measures are included in the keep mining in Canada 10 point program: establish a process for land use planning that respects mineral tenure to ensure both the protection of Canada's natural heritage and access for mineral resource development; streamline federal-provincial environmental regulations to avoid costly duplication and delays; implement an appropriate incentive to stimulate grassroots mineral exploration; change tax laws on mine reclamation funding to encourage investment in new mines; launch a national initiative to build necessary infrastructure for northern Canada's economic self-reliance.

[*Translation*]

In conclusion, there are still many Hemlos and Boisla Bays in this country. It is up to us as a government, to the mining industry, to the First Nations, and to environmentalists to join forces in a spirit of co-operation and compromise so that mining can become once again the cornerstone of the Canadian economy.

(1120)

**Mr. Bernard Deshaies (Abitibi, BQ):** Mr. Speaker, I would like to congratulate my colleague, the hon. member for Timiskaming—French River, on presenting Motion M-292, which reads as follows:

That, in the opinion of this House, the government should consider implementing a new program of mining incentives which would encourage exploration and development in Canada.

After sitting on the Standing Committee on Natural Resources with my hon. colleague for nearly four months to review the Canadian mining industry, I would say that the government is well aware of the situation of this industry, which is confronted with one of the greatest challenges it has had to face in years.

The fact is that base metal reserves have been dwindling since the 1980s, and these are unlikely to be replenished quickly in the near future, as mineral exploration has declined in Canada in recent years.

The mining industry has repeatedly expressed its concerns to the Government of Canada, which, instead of making the adjustment process easier, is in fact making matters worse by letting the investment climate deteriorate in the mining industry in Canada, as compared with rival countries.

More specifically, the mining industry claims that recent trends in mining taxation have caused a decline in exploration and other investment activities in the Canadian mining industry.

A mining exploration incentive program similar to the one put in place in the 1980s should be implemented, but with stricter controls. In spite of the depletion of base metal reserves, Canada's geological potential is still enormous.

Just to show how great this potential is and how much interest it generates, suffice it to say that, on April 25, more than 700 people, VIPs, guests and employees, attended the official opening ceremony of the Louvicourt mine, near Val d'Or, 2,000 feet beneath the surface of the earth.

This mine, which was started up with \$300 million in investments and will provide more than 350 direct jobs for a minimum of 15 years, is the result of a joint federal-provincial initiative, the province being in this case Quebec, to conduct exploration around old mining sites that had already been mined out and were therefore not considered as likely to offer sufficient prospects.

New technologies and adequate financing made it possible to open this mine containing copper, zinc, gold and silver, with an estimated capacity of approximately 4,000 tonnes of ore per day for the next 15 years. Recent finds in adjacent zones could extend the life of the mine to 25 years; it is the largest underground copper mine in Quebec at this time.

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In addition, three other major mines will open in the next two years as a result of flow-through incentives from the 1980s that promoted a surge of mine exploration.

This is proof that federal tax incentives must be enhanced by adapting them to those of the provinces, so as to encourage preliminary mining exploration and replace the base metal reserves, in Quebec and in Canada, being depleted.

Such a measure would also limit the impact of the developing countries which, through aggressive promotion campaigns, managed to convince many Canadian companies to concentrate their efforts on mining opportunities at the international level.

Because of this, the Canadian mining sector is getting smaller. This, in turn, has a major impact on the Canadian economy as a whole, as well as on many regional economies which rely heavily on the mining sector.

Mining incentives provided in Canada are not less attractive than those existing in most other competing countries. Yet, these incentives do not generate enough preliminary mining exploration activities to replace the reserves of base metals being depleted.

In the meantime, some developing countries have many high quality mining projects on the go, either on the surface or just under it, and they currently do not need incentives to promote their preliminary mining activities.

It is therefore necessary to intensify preliminary mining exploration in Quebec and in Canada. The solution could be to improve the overall international competitiveness of mining investments in Canada.

(1125)

To that end, it is essential that all levels of government strive to create a favourable investment climate. This includes the following measures: first, improving environmental regulations and the time required to deliver mining licences; second, improving land access and land use, as well as the tax provisions which relate to income and which are not based on profits; third, having a positive impact on the other costs relating to the operation of a company.

The time has come to take into account the economic impact of the restrictions and prohibitions which were imposed in the eighties regarding land use, and which adversely affect Canada's image as a place to invest. We must look at the economic benefits related to our mineral resources, and we must make major improvements to the process for designating protected areas, as well as to the industry's ability to have a significant impact on that process.

As early as September 1992, in its report on the mineral industry, the intergovernmental working group on the mineral industry identified five urgent issues necessitating government interven-

tion. They were the following: first, stopping the erosion of Canadian producers' competitiveness in certain key sectors of mineral production, including copper and nickel; second, increasing reserves of base metals in Canada; third, finding new ideas and developing technology, policies and programs to make grassroots prospecting more efficient, so that new high calibre mineral deposits can be discovered, like the one at Louvicourt, close to Val d'Or; fourth, reversing the obvious trend among mining investors, including Canadian mining multinationals, of passing Canada over in favour of developing countries in Latin America, Asia, or the Pacific with rich resources; fifth, in general, implementing a policy and regulatory framework that is more conducive to maintaining the viability of the industry and stimulating investment in the exploration and development of minerals in Canada.

Regarding the production costs associated with the main metals, Canada is very competitive on the metal market because of the low cost of operating its mines, which is mostly the result of high productivity levels in the industry.

In fact, the Canadian mineral industry was able to considerably increase its productivity because of the rationalization caused by the recession in the 1980s. The productivity of all sectors of the industry markedly increased as a result of new technologies and new mining methods, which were developed in Canada for the most part.

We must consider future generations. We must prevent the decline of base metal reserves by planning now for the exploration and mining of new deposits to replace those that will eventually be depleted.

I would like to point out that financial incentives, sometimes offered by provincial governments and sometimes by the federal government, exist or should exist, but they should be properly co-ordinated. For instance, assistance for the purchase of mining equipment. In this case, the company should be given a tax holiday of two or three years—the time it takes to build a mine. Quebec does this in the case of new mines but the federal government does not.

There are also regional investment funds. In fact, it costs at least \$10 million to do the exploration work on a site that may yield \$100 million. However, if there is no money to dig, this does not create jobs. We need regional investment funds to develop local sites.

We also need a consortium. The Fonds de solidarité des travailleurs du Québec wants to invest money in mining development. We are glad this is happening in Quebec, but it could be done in other provinces as well. Mr. Speaker, since you say I have only a few minutes left, I will drop the list of suggestions. I can take them to the natural resources committee.

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In concluding, I want to mention very briefly the main points we discussed on the Standing Committee on Natural Resources, namely that the mining industry merits immediate tax relief to help offset the existing structural impediments, to restore some of the fiscal advantages taken away during previous rounds of tax reform, and to boost sagging levels of domestic exploration.

Finally, to enhance investor attraction to flow through shares, historically an important source of investment capital for junior mining firms, it was proposed that the adjusted cost base of such shares should be changed from zero to the actual cost of the shares.

(1130)

This incentive should be available for five years, allowing time for structural reform to be completed.

Finally, these tax changes, together with the measures I mentioned earlier, would help create a climate more conducive to investment in the mining sector in Quebec and Canada and would help to create jobs.

*[English]*

**Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.):** Mr. Speaker, I must confess that I approached the debate this morning with some trepidation because I saw the words mining incentives in the motion of the hon. member for Timiskaming—French River.

My immediate thought was he wants some lollipops for the mining industry. However, having heard the hon. member speak and explain that what he is really seeking is a more sensible and sane regime of mining taxation, a more reasonable regulatory regime both federally and provincially, I support the hon. member's motion and I am pleased to do so.

I would draw the attention of the House to the fact that the natural resources committee held extensive hearings last fall on this very question and came up with nine recommendations that were endorsed by all parties in the committee. Of course the government chose to ignore all the work that was done and all the witnesses we heard in that committee. Perhaps we have learned to accept that. That is the way Parliament works.

Maybe we can revisit some of these things. On the federal side, I would particularly like to see a revisitation of recommendations 4, 5, and 9, all of which deal with taxation and which would not cost the government a great deal of money in terms of revenue forgone but would send a message to the mining industry to indicate that we are in business here to do mining and the mining companies are welcome.

On recommendation 4, which deals with the way flow-through funds are spent, under existing regulations if one raises money

through a flow-through issue the schedule of spending is tied to the taxation year. The result of that is that if a company gets its underwriting complete and gets its money right near the end of the taxation year, they then have to rush out and spend it madly before the taxation year has ended. This causes all sorts of grief for the people in the field and it causes huge amounts of money to be wasted.

I have had personal experience with this on several occasions. We must get away from that and allow companies, as was recommended by the committee, the possibility of having a full year to spend the funds once they are raised. This is extremely important, and it would cost the government nothing. It only means a small change in the way the regulations are enforced.

I would urge that we look again at the current taxation system of applying the large corporations tax to mining companies that have no income. There are quite a few of them out there, and if they are doing exploration work and have no income they are obviously either raising more money in the capital market or they are going into debt. This is not recognized when you make them pay a tax on their assets. This does not make sense. It is not good for the companies and it is not good for the country.

The final one that I would like to see brought in, and I hope it will be brought in next year, is our recommendation for changes to the Income Tax Act with regard to the deferring of taxation on income generated in mine reclamation trusts.

If a company is obliged to put money into a trust in order to satisfy future obligations for mine reclamation, surely to heavens they should not be taxed for the income on the money that they do not have, which is what we have now. Let those things be treated like an RRSP, which is what the committee recommended. Again, it would cost the government very little, but it could get us a few new mines and it certainly would encourage the mining industry.

(1135)

Getting on to some more general matters, away from taxation, we all know that we are witnessing and have been witnessing a progressive decline in investment, employment, and mining exploration over the last five years. On an average, we are losing 6,000 employees per year in the industry and have been for the past five years. Part of it is due to taxation, but most of it unfortunately is due to land use policies, regulatory policies, and the lack of security of tenure. I would put a great big exclamation mark beside that lack of security of tenure.

It is no fun to go out and spend many millions of dollars developing a mining property and then find that because the rules have changed you are not going to be allowed to develop it. The classic example, of course, was the Tatsenshini case in northern

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British Columbia, the Windy Craggy deposit, where it was almost absent-mindedly decided by the Government of British Columbia to abandon the traditional Canadian principle of multiple land use and to tell a company that had spent huge amounts of money developing what would have been a mine that would have contributed billions of dollars of economic activity to Canada: "No, you cannot put that into production. It is gone. It is going to be inside of a vast park. We are going to forgo all this potential economic activity and take away your property rights to provide a playground for a few well-heeled tourists". This is economic madness.

Of course the federal government also is not without guilt in regulatory nonsense. When the Kluane Park in the Yukon was set up some 20 years ago, they were advised by their own Geological Survey of Canada that the area had considerable mineral potential and that some of it should be left out for future development. And the government said no, we are going to have it all reserve. First it was turned into a land reserve and it has since been turned into a park. There are potential mineral deposits there, and they are locked away from beneficial use for Canada for untold years to come.

Federal regulations also impinge on a minor scale, which can be very irritating. I can cite a personal experience I had a few years ago in northwestern Ontario. I had to build a bridge across a creek in order to move a drill rig onto a property. I got all the necessary permits from the forestry department and the environmental people. I was ready to go when someone said, "Oh, by the way, you have to have a permit from the coast guard". I thought they were joking, but they were not. This was a little creek about 50 feet wide and about 12 inches deep and I was told that the coast guard had jurisdiction because this was navigable water. I said they were mad. Yes, it is navigable. You can paddle a canoe up that creek; therefore it is navigable water so you need a permit from the coast guard to build your bridge. Surely we can have some changes to that type of regulation to make this a more attractive country to work in.

I could on with this sort of anecdotal material probably for the next couple of hours, but I think members are getting my general message. I do support the hon. member for Timiskaming—French River in his initiative and I do hope the House will ultimately give approval to his motion.

**Mr. Brent St. Denis (Algoma, Lib.):** Mr. Speaker, it is indeed a pleasure for me to participate in the debate on the motion of the member for Timiskaming—French River. I am very, very pleased to support the motion.

The motion calls upon the government to look at the mining industry and what it can do to support it. This motion calls on all sectors of our economy that deal with mining to work together to keep mining in Canada, as the slogan of the Mining Association of Canada reminds us.

(1140)

On a personal note, I would like to mention that mining is part of my family and part of my personal history. My father was a part time prospector and mine developer. I have fond memories of days up near Shining Tree on his small gold claim. You would probably be interested to know, Mr. Speaker, that the very first mine in Canada was in Bruce Mines, Ontario, in my riding, on the north shore of Lake Huron. It was a copper mine, which was established in 1850. It may not be a fact that everybody knows, but everybody should know this. I thank my colleague for that piece of history.

I also want to say that my home is in Elliot Lake, Ontario, which once was the uranium capital of the world. There is now just one uranium mine left, but it is still very much an active part of the mining community. Even though this mine may possibly close next June, the fact is that mine rehabilitation, which I will cover a bit later in my comments, will keep Elliot Lake in the mining industry for many years to come.

One of the most important things this debate allows us to do, apart from calling on the government to work with industry to make sure that mining remains a strong part of our economy, is to make sure Canadians understand how important mining is to our economy and to our communities.

There are a number of myths about mining. I appreciate the attempts by the Mining Association of Canada to deal with the myths and I would like to help them in that regard. There is a myth that mining has an impact only on remote areas of our country. The fact is that yes, mines tend to be opened up where there are not very many people around, but there are 300,000-plus jobs that are directly related to mining and another 300,000-plus jobs that are indirectly relating to mining. A significant percentage of those jobs, possibly even a majority, are in our cities. Our economy is significantly impacted by mining. We just need to look at the papers every day and see how active the trade is in metals and minerals.

Another myth I would like to dispense is that mining will always be here and will always be part of our economy. However, that is only true if we continue to look for new reserves of metals and minerals. It is not the kind of thing we can just ignore and pretend that sometime in the future we need not worry about our reserves of these natural resources. We must always work diligently to maintain our inventories.

There is the mythology that mining is environmentally damaging and that the industry is irresponsible. This is also not true. Tremendous strides have been made in the mining sector and in mining communities to deal with the sometimes temporary damage that must necessarily take place in the landscape. The Canadian mining sector and miners have made a commitment to preserve the environment and to make sure that when a mine is closed down reclamation is put in place to return the land to a near natural state. Those initiatives have been tremendous in Canada. Canadian

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mining companies and miners, who are among the best in the world in their business and work, have done a great service to our country and to the world in terms of leading in environmental protection.

Another myth I would like to deal with is that mining is a low-tech industry. Well in fact mining is very high tech. I mentioned a moment ago that Canadian miners are among the best in the world. They are among the best in the world because the mining sector is very high tech. In fact, innovation is taking place all the time.

Members might be interested to know that for the output of a million dollars of product it takes half the manpower resources in the mining sector compared to the manufacturing sector at large. This is an indication that in order to compete in the world and to produce metals and minerals at prices that are competitive we have to utilize and invest in high technology. We have done that in this country.

I would like to come to what the federal government is trying to do in its efforts to support the mining sector. There are many programs. I know we are being called upon at various times to put more money into the sector through tax incentives. This motion today does not call for those specific measures. We do hear from time to time that there should be more tax measures in support of the industry.

(1145)

In fact much leadership is now provided by the federal government in terms of support for the mining sector. That leadership has led to partnerships which set an example for the entire world. In my own community of Elliot Lake the CANMET laboratory is doing some leading edge research on mine rehabilitation.

Under CANMET and in partnership with stakeholders in the mining community we have MEND, the mine environmental neutral drainage program. This is a major partnership to ensure that the acid produced from mine tailings is minimized and that there is no damage to the environment. This kind of research can help the world. There is mining development around the world and Canada is a leader in terms of protecting the environment. We must show to the rest of the world that there is a way to mine properly and to preserve the earth.

The federal government is also involved in the aquatic effects technology evaluation program. This program determines through our satellite technology what kind of impact mining is having on the environment. It helps industry in terms of preparing environmental assessments and resolving problems.

The leadership we are seeing in the mining sector in co-operation with the federal and provincial governments is quite amazing. I was at the Sudbury 95 Mining and the Environment conference just last week. I was impressed. The conference was sold out.

People came from all over Canada and around the world. Every continent was represented. The interest in responsible and sustainable mining truly impressed me.

This leads me to the one single point I would like to make in all of this. The Mining Association of Canada in its outline of what kinds of things the federal government can do to assist says that an important first step is a sound mine reclamation policy. It is interesting that the first thing it says is mine reclamation. It is not saying the finding of more minerals and metals or tax incentives to assist in the milling and processing of metals and minerals. No, it is saying the most important thing is mine reclamation and I have to agree. Mine reclamation and mine rehabilitation is the way to go.

My colleague, the member for Timiskaming—French River, mentioned that we have been asked to consider the tax status of interest earned on the mine reclamation funds. I know this is a touchy issue. While the Minister of Finance has not committed himself or the government to make moves now on this or any other tax measure, his mind and ears are open. He is listening. We have an ongoing dialogue with him and the Minister of Natural Resources to ensure that the tax regime that impacts the mining sector is proper, appropriate and productive.

I want to commend the Mining Association of Canada for putting reclamation first. This government did respond, as I would like to remind the House, in the 1994 budget by providing that funds put into a mine reclamation fund would create a tax deferred situation so that taxes would not be paid right now on funds invested in mine reclamation. How we treat the interest in those funds is a debate that we would want to continue with the industry. I would point out that the interest saved by the industry because of the tax deferral is something that is a benefit in its hands.

What is the future of mining in this country? Fundamentally it is based on the prices out there for metals and minerals. My colleague beside me knows about farming and perhaps a little bit about mining too. He knows in farming that it is the prices which really count the most at the end of the day and at the end of the season. It is the same thing in mining.

We have seen a tremendous increase in mining investment over the last few years. In 1993 it was some \$500 million of investment. We expect this year to be up into the mid or high \$600 million of investment. We are not as high yet as we were in the early 1980s but the trend line is right.

(1150)

We can compete with the rest of the world. We can compete because we have the best miners in the world. We have the best mining companies in the world. We have an attitude toward mining and the environment which is a kind of leadership that makes me proud to be a Canadian, to have a little connection to the mining

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industry through my community, my father and my own few summers at Inco in Sudbury.

In conclusion, I too call on my colleagues in this government to pay attention to the mining industry, to continue partnerships, to continue finding ways that will ensure that mining is an integral part of our national economy for generations to come and, I would suggest, indefinitely. We need those jobs. We need the economic benefits for the communities involved. I am very pleased to be able to say a few words and encourage my colleagues in this House and all Canadians to be supportive of the mining industry in this country.

**Mr. Bob Wood (Nipissing, Lib.):** Mr. Speaker, I am pleased to rise today to add my support to the motion put before this House by the hon. member for Timiskaming—French River.

The major topic we are addressing today is the importance of the mine manufacturing industry in our nation. Like my other colleagues, I feel it is necessary to point out the importance of the mining industry to the Canadian economy.

I suspect that a number of hon. members in the House, particularly those from urban areas, do not realize the impact that the mining industry has on our economy. The facts clearly show that the industry is a key component of the national economy.

In 1993 mining products represented 15 per cent of Canada's total exports which resulted in a \$10 million trade surplus. This industry contributes approximately 4 per cent to the gross domestic product of the nation. In addition it may surprise many members of the House that 60 per cent of all Canada's rail and sea freight is directly related to the mining industry. While these economic statistics are very impressive, it is also important to look at the central role this industry plays in the lives of individual Canadians.

The industry directly supports approximately 100,000 high paying skilled jobs in mines across Canada. The future of about 150 Canadian communities is dependent on the success of their local mines. These single industry cities and towns are reliant on the continued development of the mining industry to ensure their very existence. Hundreds of thousands of Canadians live in these communities. They are keenly aware of the importance of preserving our mining industry.

Having stated the importance of mining to so many communities in the country, it may interest those present today that there are no mines operating in my riding of Nipissing. Northern Ontario is rich in mineral deposits. However my riding does rely on an abundance of subsidiary industries. There are no ore deposits and that is why I am speaking in favour of the motion designed to assist the expansion of the mining industry.

The answer is that the manufacturing spinoffs from other mines in the region are a driving force to the riding of Nipissing. Those familiar with the industry may recognize some of the major manufacturing exploration companies in my riding, such as Boart Longyear, Warren Equipment Ltd., JKS Boyles Ltd., and J. S. Redpath Ltd. These companies are all located within the city of North Bay and employ a large portion of the local workforce. However the importance of the continued success of the mining industry extends beyond these big players.

The database of the Mining Association of Canada lists no less than 25 companies within the city of North Bay that manufacture or supply products related to mining. These products range from diesel electric locomotives to specialized spare parts, to core drilling and drill bit supplies.

The point I am trying to make is that there does not need to be a mine in one's community to benefit from the mining industry. I suspect that virtually every member of this House has a company within their constituency that directly or indirectly has business within this industry. In Ontario specifically, the 1994 study of Ernst & Young found that about 72,500 people are employed by direct or spinoff jobs resulting from mining.

(1155)

I believe the facts which I have presented illustrate the importance of the mining industry to Canada. It has become necessary to act to protect this crucial industry.

As others have stated, the mining industry has suffered serious setbacks in recent years. Low mineral prices and a worldwide recession caused job loss and restructuring within the industry. To stay productive, many engineering manufacturers and exploration companies expanded their operations to foreign markets. The initial pain which resulted from the changes has been offset by the benefits of exporting to new markets. Nonetheless, these companies cannot survive on exports alone.

The key market for most of these companies is and will continue to be the domestic market. Canadian mines are the primary buyer of Canadian mine manufacturing products. This is due to the natural advantage of proximity and the fact that many of these Canadian products are technically superior.

This design and engineering superiority is the result of years of research and development which occurred during more prosperous times. In order to maintain the advantage especially in cutting edge technology, we must ensure the future viability of the Canadian ore reserves.

The motion and the recommendation suggested here today by the hon. member for Timiskaming—French River addresses many of the issues needed to revitalize the Canadian mining industry. Foreign mines are not necessarily prospering because they have larger or better ore reserves. They are prospering because the

*Private Members' Business*

investment climate in those countries is such that the mines can be developed and exploited with a higher expectation of profit.

Many foreign governments have acted to attract investment dollars through tax breaks and incentives. In Canada one of the chief disincentives to investing in mining is the high non-profit taxes and other charges which artificially increase the cost of doing business here. This has hindered our ability to attract new investors while at the same time companies operating here have had to make cuts to other areas in order to ensure their profitability.

One of the key areas that has suffered is exploration. This is a grave tragedy because without exploration there will be fewer discoveries of ore deposits and therefore fewer new mines. If this continues, the mining industry in Canada will die a slow and painful death along with most of the associated manufacturing industries.

The motion before the House today asks us to consider making changes to the investment climate as it relates to the mining industry, particularly in the area of mine exploration. What is proposed is not radical. It calls for the implementation of the majority of the recommendations put forward by the natural resources committee of the House.

In truth, by encouraging the exploration for and the development of mines the government will be creating jobs and stimulating the economy which can only serve to increase revenues. Most important, by encouraging exploration we will be increasing the probability of finding new ore deposits. These undiscovered resources represent the future of the Canadian mining industry. They will be the mines of the next century.

If we do not prepare the way for its future then I fear our mining industry will falter. If the mines fail then I expect the small and medium size companies manufacturing and supplying mining materials will not survive. These are the companies which support the local economy in my riding of Nipissing and it is for this reason that I speak in favour of the motion today.

We as parliamentarians must act to ensure the future viability of the mining industry in Canada. Motion No. 292 represents an effort to address the fundamental problems facing the industry today. If we make it more attractive for investors to bring their money here or to keep it here, then we will be assured that the process of the exploration and development of mineral resources will become healthy once again.

Canada is a world leader in mining and mining technology, but this position has been challenged in the last decade. I am supporting the motion today because I believe it represents one of the steps we need to take to recapture a position we have rightfully earned.

(1200)

**Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.):** Mr. Speaker, as chairman of the northern Ontario caucus I am very pleased to have the opportunity to speak on Motion No. 292 put forward by my colleague from Timiskaming—French River.

Mining in northern Ontario is of historical significance. It has provided significant economic growth in northern Ontario and is the source of a significant number of jobs. It is a very important industry in northern Ontario. The motion talks to the need and the logic of government continuing to support the industry.

Canada's mining industry is the third largest in the world. It employs over 330,000 people and adds over \$20 billion to the Canadian economy. The Canadian shield which covers northern Ontario is one of the richest ore bodies in the world. We produce over 60 different commodities. We have almost 500 mines and quarries. Unlike many other industries, when jobs are created in the mining industry there is a spinoff effect of almost 6:1 as compared to several others where it is 2:1 or 3:1.

However, mining is different from many of our resource based industries. It is not a renewable resource. One thing that is known when a mine is open is that eventually it will close. That is why it is absolutely essential that we search out, seek and explore for new supplies.

Canada is fortunate to have the reserves. We can continue to mine far into the future but we need to take action. We need to provide the incentives that will enable our companies to go out there to search out these areas of new supplies. Government should and will create a climate in which the private sector will be able to do so. Government needs to invest in exploration and in development.

There are three broad areas in which we should be doing this. First, I mention creating an environment that allows the industry to prosper; second, creating a tax regime that is conducive to exploration; and, third, providing technological and other assistance to the industry.

In respect of the environment, creating the budgetary climate in which business and industry as a whole can prosper is important. Our budget of last February brought in government expenditure controls and brought in a firm plan to reduce the deficit. It will help not only the mining industry but all industries in Canada.

Trade must be encouraged and international barriers must be decreased and relaxed. The Ministry of Natural Resources program to encourage trade by going to Europe and Asia and explaining to the world what is available in Canada is an important initiative. We have to go out there to create an environment by co-ordinating environmental assessments between the federal government and the provinces and to provide certainty to companies so that they

*Government Orders*

know how long and exactly what is going to be necessary to develop a particular find.

We need to create a tax regime in the country that is competitive with the world so that when a company is deciding to invest in exploration it will choose Canada because it receives treatment that is equivalent or similar to that in the rest of the world. I am referring to things like accelerated depreciation, research and development tax credits on technical research, and moderate source deductions. We need to do something about source deductions such as our reduction in the UI premium. We need a competitive tax regime on profits. As was mentioned earlier by one of my colleagues, contributions to mine reclamation were made tax deductible in 1994. We need to look at the income earned within those funds being tax deductible.

We need to help the industry in terms of technology and other areas. Seeing as we are coming to a close of private members' hour, let me conclude by saying that we need to support the mining industry. It is a large employer and important source of international trade. For many areas of rural Canada, including northern Ontario, it is the backbone of our economies.

**The Acting Speaker (Mr. Kilger):** The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

(1205)

Orders of the day.

**Mr. Gray:** Mr. Speaker, I move—

**The Acting Speaker (Mr. Kilger):** Order, please. In terms of process I am calling for orders of the day. The table officer will indicate what those orders are and then I will deal with the matter of recognizing the government House leader.

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## GOVERNMENT ORDERS

[*English*]

### BUDGET IMPLEMENTATION ACT, 1995

The House resumed from May 31 consideration of Bill C-76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, as reported (with amendments) from the committee; and of Motions Nos. 20, 21, 22, 75, 76, 77 and 78.

#### TIME ALLOCATION MOTION

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

That, in relation to Bill C-76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, not more than one further sitting day shall be allotted to the consideration of the report stage of the bill and one sitting day shall be allotted to the third reading stage of the said bill and 15 minutes before the expiry of the time provided for government business on the day allotted to the consideration of the report stage and on the day allotted to the third reading stage of the said bill, any proceedings before the House shall be interrupted, if required for the purpose of this Order, and in turn every question necessary for the disposal of the stage of the bill then

under consideration shall be put forthwith and successively without further debate or amendment.

**The Acting Speaker (Mr. Kilger):** Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Kilger):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Kilger):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Kilger):** In my opinion the yeas have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Kilger):** Call in the members.

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

(*Division No. 228*)

### YEAS

#### Members

Alcock	Anderson
Assadourian	Axworthy (Winnipeg South Centre)
Barnes	Bellemare
Bertrand	Bevilacqua
Blondin-Andrew	Bodnar
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bélair	Bélanger
Calder	Campbell
Catterall	Chan
Clancy	Cohen
Collins	Cowling
Crawford	DeVillers
Dhaliwal	Dingwall
Dromisky	Duhamel
Dupuy	Easter
English	Fewchuk
Finestone	Finlay
Fontana	Galloway
Gerrard	Godfrey
Goodale	Gray (Windsor West)
Guarnieri	Harb
Harvard	Hickey
Hopkins	Iftody
Irwin	Jackson
Jordan	Keys
Knudson	Kraft Sloan
Lastewka	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Marchi
Marleau	Martin (LaSalle—Émard)
Massé	McCormick
McKinnon	Mifflin
Milliken	Minna
Mitchell	Murphy
Murray	O'Brien
O'Reilly	Pagtakhan

*Government Orders*

Parrish  
Peters  
Phinney  
Pillitteri  
Regan  
Ringuelette-Maltais  
Rompkey  
Serré  
St. Denis  
Stewart (Brant)  
Telegdi  
Torsney  
Valeri  
Walker  
Wood—105

Peric  
Peterson  
Pickard (Essex—Kent)  
Reed  
Richardson  
Rock  
Scott (Fredericton—York—Sunbury)  
Shepherd  
Steckle  
Szabo  
Thalheimer  
Ur  
Vanclief  
Wappel

(1245)

[*Translation*]

**The Acting Speaker (Mr. Kilger):** I declare the motion carried.

(Motion agreed to.)

## MOTIONS IN AMENDMENT

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, the problem, with Bill C-76, is in the section dealing with transfer payments—

**The Acting Speaker (Mr. Kilger):** Order. I would like to check something with the officers at the Table, and I will get back to the hon. member for Saint-Hyacinthe—Bagot.

The debate is on Motion No. 3 at the moment. I understand that the hon. member has already participated in the debate on this motion. He cannot therefore speak again on Motion No. 3.

[*English*]

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.):** Mr. Speaker, it is a pleasure to speak on Bill C-76 and on the motions in group No. 3.

One of the biggest threats we have to all aspects of society is the budget brought down last February. Nothing else will have a greater effect on social programs, health care, education, RCMP and in the House than the budget. Decades of irresponsible overspending by Liberals and Conservatives alike have put the things we cherish in grave danger.

Briefly summarizing the situation, we now find ourselves federally with a debt of \$570 billion and provincially with a debt of some \$240 billion.

We proposed a long time ago, before the budget came down, that we would have a balanced budget and we shared with the government our views on how to do that. Unfortunately the government did not heed us. What we will see in three years' time with the budget proposed by the government is a debt which will be \$100 billion greater than what it is now and an interest payment which will go from \$40 billion to \$50 billion per year.

The money we have to spend on the programs I mentioned will decrease from \$120 billion to \$102 billion. How will the government fulfil its responsibilities to the Canadian public? Those are responsibilities on which Canadians rely. The reality is that the government simply cannot do it.

We must prioritise our spending. We must define that which is most valuable to the Canadian people by listening to them to discover what they value the most. We must have the courage to cut where cuts are required. The cuts must be fair and be sensitive. They must ensure the people who cannot take care of themselves will be taken care of. The programs which are to be preserved, those meant to take care of individuals in need, will be com-

## NAYS

## Members

Abbott  
Allmand  
Brown (Calgary Southeast)  
Crête  
Duceppe  
Frazier  
Gauthier (Roberval)  
Gouk  
Hanrahan  
Harper (Simcoe Centre)  
Hayes  
Hill (Prince George—Peace River)  
Jennings  
Landry  
Lavigne (Beauharnois—Salaberry)  
Marchand  
McLaughlin  
Mills (Red Deer)  
Nunez  
Ringma  
Sauvageau  
Silye  
Speaker  
Thompson  
Tremblay (Rosemont)  
White (Fraser Valley West)

Ablonczy  
Bridgman  
Chrétien (Frontenac)  
Deshaies  
Fillion  
Gagnon (Québec)  
Gilmour  
Guimond  
Harper (Calgary West)  
Harris  
Hermanson  
Jacob  
Kerpan  
Langlois  
Loubier  
Martin (Esquimalt—Juan de Fuca)  
Meredith  
Morrison  
Ramsay  
Rocheleau  
Schmidt  
Solberg  
St-Laurent  
Tremblay (Rimouski—Témiscouata)  
Venne  
White (North Vancouver)—52

## PAIRED MEMBERS

Asselin  
Bellehumeur  
Bernier (Gaspé)  
Brien  
Bélisle  
Caron  
Chamberlain  
Coppes  
Debien  
Fry  
Godin  
Guay  
Lavigne (Verdun—Saint-Paul)  
Lefebvre  
Leroux (Shefford)  
MacDonald  
Ménard  
Paradis  
Patry  
Picard (Drummond)  
Rideout  
Skoke  
Terrana  
Wells  
Young

Bachand  
Bergeron  
Bernier (Mégantic—Compton—Stanstead)  
Bryden  
Canuel  
Cauchon  
Collenette  
Davialt  
Flis  
Gaffney  
Graham  
Laurin  
Leblanc (Longueuil)  
Leroux (Richmond—Wolfe)  
Lincoln  
Mercier  
Ouellet  
Paré  
Payne  
Pomerleau  
Robichaud  
Stewart (Northumberland)  
Verran  
Whelan  
de Savoye

*Government Orders*

promised. Those individuals who are least able to take care of themselves will bear the brunt of the budget.

We introduced a plan which would reduce our deficit to zero in three years. Our plan would also attack the real ogre in the equation, our debt.

Two areas I will focus on are health care and aboriginal affairs. The government claimed it was actually cutting spending but the reality is it took \$6 billion out of its \$11 billion in cuts from transfer payments to the provinces. That will compromise two areas integral to our society, health care and education.

The government is saying it will take money away from the provinces but that they must provide the same services which they did before and in a timely fashion. The government also said to the provinces that because of the Canada Health Act they could not raise the funds themselves. It would hamstring them. Therefore, the provinces are now forced and have been forced for some time to ration health care.

(1255)

Tragically what we saw this past weekend was the manifestation of rationing in health care. At the Ottawa Heart Institute 25 people died while awaiting surgery. These were 25 deaths that need not have happened if there had been enough money to pay for them. That is what is happening. Ironic in this is that the head of the heart institute is Senator Keon. He substantiated this claim by saying part of the problem is there is not enough money to pay for what we ask for in health care.

We must understand this is one example of many. In British Columbia one can wait 13 months even if in severe pain to get a new hip. I ask members to put themselves in the shoes of an elderly person in severe pain needing to get a hip replacement but could not. What a tragedy to endure those months of pain.

Prince George wanted to ensure a safe and effective blood transfusion system and so patients were given the option of getting their own blood by withdrawing it before surgery and then having it put back in during surgery. It would cost \$150 per unit. The government refused to pay for it, which was fine because the patients were prepared to pay for it. It was a much safer way of providing blood transfusions. Within one month the provincial government said no to this because it goes against the Canada Health Act. The government will forbid Canadians from receiving their own blood, blood that would be free of HIV, hepatitis B and other disorders. The hospital now has to pay \$500 a unit in order to get blood for transfusions. What a waste.

We need to amend the Canada Health Act. Let us get a new Canada Health Act, one made in Canada, one unlike that in the United States and unlike that in the United Kingdom. We must define essential services and ensure those services are covered for

every Canadian regardless of income. The rest can be done through private insurance and such.

We should allow the provinces to raise their own money and allow private clinics to occur, assuming essential services will be covered. This is not a threat to public health care at all because it would enable individuals to pay for health care where they need it. Some individuals would go off the public system into the private system which would provide more money on a per capita basis for people in the public. This would enable them to get health access particularly for essential services in a timely fashion. What is happening now is the Canadian public is not getting it done in a timely fashion.

The next thing I will look at is the Department of Indian affairs and the sad state of affairs among some of the aboriginal peoples. I need not talk about the litany of problems they are having right now. I ask each member to visit a few reserves and see for themselves the tragedy many aboriginal people are facing today within their society. Even though we are cutting money from many segments of our budget, one area that is increasing and will increase by 12 per cent over the next three years, about \$600 million, is the department of Indian affairs.

Despite a decrease in the civil service we found the Indian industry of lawyers, negotiators and advisers is actually increasing. This increase in growth rate is the largest Ottawa dependent industry we have right now. Is this valid?

We are trying to redress the tragedy we see in many social circles on native reserves; substance abuse, unemployment, general malaise and sexual abuse are rampant. This needs to be rectified immediately. However, it will not be solved by pouring money into the system as we have done before and continue to do. This does a terrible disservice.

The aboriginal leadership cries for more land. However, will this really help the aboriginal people? I think not. Claims have been put forward, such as Nishga claim, in the amount of over \$400 million. The government has to pay for this and it amounts to \$97,000 per person. Is this really going to help native people on reserves who will not receive any help? I think not.

(1300)

We are trying to help the native people to help themselves. I maintain that our current programs will not do this. We must, therefore, go back to first principles, the basics of human need, the basics of human condition.

Natives and non-natives alike need to have a sense of purpose, a sense of destiny and of control. With our current policies we have created an institutionalized welfare state of internalized dependency. People ask not what they can do for themselves but what we can

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do for them. There is a terrible malaise of the soul which current spending practices will not rectify.

I propose taking a new look at the situation. In order to do this, people must have a sense of self-respect and destiny. People have to be provided with the skills to take care of themselves, provided with employment. This is the only way they will be able to take care of themselves in the future.

External assistance is not a substitute for the fundamental need for people to provide for themselves and make valuable contributions to society.

In closing, I would strongly urge the government to invest in policies that will enable native people to take care of themselves in a sustainable way in the future. Land claims are not the answer.

**Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, most members have had an opportunity to speak to the motions in group No. 3.

I would like to refer to the motions presented by the opposition members and to put on record the government's response to them and why we are not voting in support of them.

Motions Nos. 20, 21, and 22, as proposed by the member for Kamloops and I believe supported by the NDP, propose that the WGTA would remain in force. The government is committed to changing the WGTA because it feels that after years of discussions on the prairies, the time has come to transform the grain handling system in western Canada. Liberals are very confident that the way the Minister of Agriculture and Agri-Food, the Minister of Transport and the Minister of Finance have developed this legislation is correct, that the proper consultations have taken place and now the country is ready to proceed.

Motions Nos. 75 and 76 are proposed by the member for Lethbridge. Motion No. 75 would reverse the government amendment adopted by the Standing Committee on Finance on May 18 of this year. The purpose of the government's amendment is to ensure that an equitable arrangement with respect to the transition payment is made by a landowner and his tenant. Many farm groups have specifically requested that the government make the amendment to the WGTA in the legislation known as Bill C-76.

Motion No. 76, also proposed by the member for Lethbridge, would reverse the government's amendment adopted by the Standing Committee on Finance on May 18 of this year. The purpose of the government amendment is to ensure that an equitable arrangement with respect to the transition payment is made by a landowner and his tenant as requested by many farm groups. The government's amendment to subsection 4(4)(c) is to provide for the tax

treatment to be given to that portion of a transition payment made by an owner to his tenant.

The government in amending the WGTA to provide that an equitable arrangement is reached between an owner and his tenant is being responsive to the concerns expressed by many producers.

Motion No. 77, also proposed by the member for Lethbridge on behalf of his party, proposes that subsection 6(c) be deleted. That section allows the minister of agriculture to make regulations prescribing conditions that must be met by an applicant in order for him to receive a transition payment, including the condition that an equitable arrangement be reached between the applicant and tenant. This would reverse the government amendment adopted by the Standing Committee on Finance on May 18. The purpose of the amendment is to ensure an equitable arrangement with respect to the transition payment is made by a landowner and his tenant as requested by many farm groups.

(1305)

Finally, in this group of motions, the finance critic for the official opposition has not proposed that clause 26 of Bill C-76 be deleted. The effect of this motion would be to repeal the Western Grain Transportation Act but no compensation would be payable to owners of the prairie farmland.

This motion would preclude the government from making any payments to owners of land in recognition of loss in land value that may result from the termination of transportation subsidies. A cornerstone of this legislation is to provide compensation.

**The Acting Speaker (Mr. Kilger):** Is the House ready for the question?

**Some hon. members:** Question.

**The Acting Speaker (Mr. Kilger):** The question is on Motion No. 20. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Kilger):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Kilger):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Kilger):** On division?

**Some hon. members:** On division.

**The Acting Speaker (Mr. Kilger):** I declare the motion negatived on division. Therefore Motions Nos. 20, 21, 22 and 78 negatived on division.

*Government Orders*

The vote just taken negated on division Motion No. 20. The question must now be put on Motion No. 75. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Kilger):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Kilger):** All those opposed will please say nay.

**Some hon. members:** Nay.

**Some hon. members:** On division.

**The Acting Speaker (Mr. Kilger):** I declare Motion No. 75 negated on division.

(1310)

We will now proceed to debating group No. 4, Motions Nos. 23 to 45.

**Mr. Boudria:** Mr. Speaker, a point of order. I wonder if there would be unanimous consent that Motions Nos. 23 to 45 inclusive be deemed to have been read, so that Mr. Speaker will not have to read or ask for us to dispense on every single one.

**The Acting Speaker (Mr. Kilger):** The House has heard the recommendation of the chief government whip. Is it agreed?

**Some hon. members:** Agreed.

**Hon. Warren Allmand (Notre-Dame-de-Grâce, Lib.) moved:**

Motion No. 23

That Bill C-76 be amended by deleting Clause 30.

Motion No. 24

That Bill C-76 be amended by deleting Clause 31.

Motion No. 25

That Bill C-76 be amended by deleting Clause 32.

Motion No. 26

That Bill C-76 be amended by deleting Clause 33.

Motion No. 27

That Bill C-76 be amended by deleting Clause 34.

**Mr. Ray Speaker (Lethbridge, Ref.) moved:**

Motion No. 28

That Bill C-76, in Clause 35, be amended by replacing lines 31 and 32, on page 18, with the following:

"must exist before any part of a cash contribution may be withheld."

**Hon. Warren Allmand (Notre-Dame-de-Grâce, Lib.) moved:**

Motion No. 29

That Bill C-76 be amended by deleting Clause 35.

Motion No. 30

That Bill C-76 be amended by deleting Clause 36.

**Mr. Ray Speaker (Lethbridge, Ref.) moved:**

Motion No. 31

That Bill C-76, in Clause 37, be amended by replacing lines 12 to 24, on page 19, with the following:

"the government of the province shall, at the times and in the manner prescribed by the regulations, provide the Minister with such information, of a type prescribed by the regulations, as the Minister may reasonably require for the purposes of this Act."

**Hon. Warren Allmand (Notre-Dame-de-Grâce, Lib.) moved:**

Motion No. 32

That Bill C-76 be amended by deleting Clause 37.

**Mr. Ray Speaker (Lethbridge, Ref.) moved:**

Motion No. 33

That Bill C-76, in Clause 38, be amended by replacing lines 27 to 36, on page 19, with the following:

"direct that any cash contribution under the Canada Health and Social Transfer to that province for a fiscal year be reduced, in respect of each default, by an amount determined by the Federal Court to be appropriate having regard to the gravity of the default pursuant to an application by the Minister, where the Federal Court determines that a default has occurred."

**Hon. Warren Allmand (Notre-Dame-de-Grâce, Lib.) moved:**

Motion No. 34

That Bill C-76 be amended by deleting Clause 38.

**Mr. Ray Speaker (Lethbridge, Ref.) moved:**

Motion No. 35

That Bill C-76, in Clause 39, be amended by replacing lines 7 to 10, on page 20, with the following:

"for each succeeding fiscal year where the Federal Court determines that the default is continuing."

**Hon. Warren Allmand (Notre-Dame-de-Grâce, Lib.) moved:**

Motion No. 36

That Bill C-76 be amended by deleting Clause 39.

Motion No. 37

That Bill C-76 be amended by deleting Clause 40.

Motion No. 38

That Bill C-76 be amended by deleting Clause 41.

Motion No. 39

That Bill C-76 be amended by deleting Clause 42.

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.) moved:**

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Motion No. 40

That Bill C-76, in Clause 43, be amended by replacing lines 1 and 2, on page 21 with the following:

"43. The Department of Foreign Affairs and International Trade Act is amended by adding the following".

**Hon. Warren Allmand (Notre-Dame-de-Grâce, Lib.)** moved:

Motion No. 41

That Bill C-76 be amended by deleting Clause 43.

Motion No. 42

That Bill C-76 be amended by deleting Clause 44.

Motion No. 43

That Bill C-76 be amended by deleting Clause 45.

Motion No. 44

That Bill C-76 be amended by deleting Clause 46.

Motion No. 45

That Bill C-76 be amended by deleting Clause 47.

He said: Mr. Speaker, in the budget of February 27 the Minister of Finance proposed cutting over the next two years \$7 billion from programs which transferred money to the provinces for health care, post-secondary education and social programs. With respect to social programs it would cut money for both for social services and social assistance. Bill C-76 is the bill which implements those and other budget measures.

My amendments in group No. 4 and those in group No. 5 attempt to stop, attempt to kill, those cuts by deleting all those sections which would implement them. As I said in the earlier budget debate this is no fun for me. It is with no joy that I have to do this, but I feel I have no alternative.

In my view these proposals in the budget are completely contrary to what we said in the red book during the election campaign. They are completely contrary to what we said during nine years in opposition. They are completely contrary to what we did when we were in government under Prime Minister Trudeau and Prime Minister Pearson.

My group four amendments would do three things. First, they would delete clauses 30, 31 and 32 of Bill C-76, which clauses would cut payments under the Canada assistance plan as of April 1, 1996. These payments would terminate the Canada assistance plan by the year 2000.

The Canada assistance plan is that federal law by which social services and social assistance are financed in the provinces. By that law shelters for abused women and children, day care centres, foster homes, care for the aged and different types of social assistance are financed.

(1315)

Secondly, my amendments in this group would delete clauses 33 to 41 inclusive of Bill C-76. These clauses would set up a new delivery system for reduced health care payments under the Canada Health Act.

Thirdly, my amendments in this group would delete clauses 44 to 47 inclusive, which would set up a new system for reduced payments to the provinces for post-secondary education and health care.

In effect, my amendments if carried would stop the cuts and stop the new delivery system for reduced payments and reduced national standards for social services.

Why am I doing this? I am doing it first of all because social programs in this country are not the cause of the deficit. In a question put to the Minister of Finance approximately two weeks before the budget in February, a member of this House asked him whether social programs were the cause of the deficit. The Minister of Finance said no. As a matter of fact he said that social programs were the same percentage of gross domestic product today that they were 20 years ago in 1975. Therefore, if social programs are not the cause of the deficit, why are they being attacked in the bill, whose goal it is to reduce the deficit?

Second, I am opposed to those provisions in the budget and in the budget bill because they would cause severe harm to those in need. They would widen the gap between rich and poor in this country and in my view lead to social unrest and increased crime.

Let me refer to a few recent articles. If members look at the business section of Saturday's *Ottawa Citizen*, June 3, they will see an article entitled "The Widening Gap" in which the former head of the Economic Council of Canada, Judith Maxwell, is warning that even if there is an improvement in the standard of living over the next few years, not everyone will share in it. She went on to say that we can expect increasing polarization in our society.

We can also look at a recent article in the *Citizen* dated April 6, 1995, in which the headline is "500,000 fall into poverty". This is an article on the annual report of the National Council on Welfare, entitled "Poverty Profile", in which they say that nearly half a million more Canadians became poor in 1993, even though the economy was pulling out of the recession.

Then we have the committee of the United Nations, which for the second time in three years is criticizing the Canadian government because the Canadian government is failing to meet its obligations under the International Covenant on Economic, Social and Cultural Rights. In particular, they refer to Bill C-76.

Finally, I would like to refer members of this House to an excellent book that has appeared recently. It is a book by Linda

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McQuaig called *Shooting the Hippo*, in which she deals at great length with many of the issues I am discussing today.

I am also opposed to those provisions in the budget because they are contrary to what we promised during the election campaign. I want to read once again what we said in our red book at page 74:

Since 1984, the Tories have systematically weakened the social support network that took generations to build. Not only have they taken billions of dollars from health care and from programs that support children, seniors, and people who have lost their jobs, but they have set us on the path to becoming a polarized society divided into rich and poor, educated and uneducated, with a shrinking middle class. This is not the kind of country most Canadians want to live in. In a polarized society, crime, violence, intolerance, and group hatred flourish.

That is what we said during the election campaign when we said that we would attack the deficit. I agreed with that, that we would reduce the deficit to 3 per cent of gross domestic product within three years of taking office. However, we said that we would not do it by reducing social programs. We said we would do it by cutting out waste in government, by getting rid of non-productive expenditure, by closing the gaps and holes in the tax system, and by providing for economic growth by providing for jobs so that people would be paying taxes instead of collecting unemployment insurance and social welfare, so that businesses would earn profits and pay taxes instead of going bankrupt. That is what we said during the election campaign.

(1320)

I am wondering what happened in this country to the doctrine of the living wage. When I was at St. Francis Xavier University in Antigonish during the fifties we studied two great encyclicals of the Catholic Church, *Rerum Novarum*, which was from the late 19th century, and *Quadregesimo Anno*, which came out during the 1930s, which taught the doctrine of a living wage. That doctrine was that everybody who works has the right to a wage to support themselves and their families with basic necessities. With the type of direction in which we are going today, with people working part-time, for minimum wages, with no unions and no support services, we are going completely contrary to that doctrine, which I thought was an excellent doctrine. I have supported it over the years. By the way, it was the philosophy by which I approached these sorts of problems in Parliament. That doctrine seems to have disappeared from the landscape of Canada.

I would like to say a word about affordability. Some people say that we cannot afford these programs today. However, we have an expanding number of consumer goods and services. Does it seem right that we can afford an expanding number of consumer goods and services but we cannot afford post-secondary education, health care, and social services at the level we set them at from the middle 1960s on? Is not the business community caught in a contradiction? They are saying on the one hand that we cannot afford these

very important services at the usual level. On the other hand, through advertising they are urging us to buy more and more consumer goods and services. They are urging us to take out loans so we can buy more and more. They are urging us to use our credit cards to the hilt. What can we afford?

Mr. Speaker, I note that you are indicating my time is coming to a close. I simply want to say in conclusion that I regret I have to make these sorts of interventions in the House. However, I cannot contribute to tearing down a system that for my 29 years in the House I helped build up with the Liberal Party, first under Mr. Pearson when he was Prime Minister, then Mr. Trudeau, and when we followed the same philosophy for nine years in opposition. I just cannot do it.

I ask my colleagues to look very carefully at the things we said in opposition and in the red book. I ask that we be honest and fair and follow through on those things.

[Translation]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, I think this time it is really my turn and I am much obliged to you for allowing me to speak on the fourth group of motions on Bill C-76.

Bill C-76, as it relates to the Canada social transfer, poses a major problem to Quebec. As the Leader of the Opposition mentioned again at second reading in particular, the problem is enormous. We said so during the finance committee clause by clause study of this bill. We, in Quebec, have a major problem with this bill on social transfers, because the federal government is cutting shamelessly in transfers to the provinces in the areas of social assistance, post-secondary education and health.

It is a disgrace to reduce these transfers on the backs of health care users, the underprivileged who have to rely on welfare or students, who are already among the most vulnerable groups in our society these days; just look at the number of students covered with degrees who are searching for jobs.

Quebec also has a major problem with this bill as it seems to reflect the intention to ultimately impose standards or general guidelines throughout Canada, including Quebec, in the areas of social assistance, health and post-secondary education.

(1325)

During the debate at second reading, we were a little surprised when the Minister of Finance announced, out of the blue, the amendments which he was going to table to satisfy Quebec and make sure that it does not have the impression of being again the victim of strong arm tactics, like in 1981, because that is what it is.

But this is yet another attempt to isolate Quebec. Indeed, Quebec will never fit into the mould imposed by Canada-wide standards,

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particularly in the education sector, which is the cornerstone of Quebecers' identity. Education is the cornerstone of the Quebec culture; it is the instrument which ensures its continuity. Consequently, Quebec will never accept to toe the line, to follow general guiding principles and even promote them, as asked by the other nine provinces and the federal government, in a sector as vital as education.

Let me go back to the Minister of Finance. He said that he was tabling amendments designed to make Bill C-76 acceptable to Quebec, as regards the implementation of Canada-wide standards. This is the last version of the bill, as tabled by the minister. It reads: "The Minister of Human Resources Development shall invite representatives of all the provinces to consult and work together to develop, through mutual consent,"—the expression "mutual consent" is never defined—"a set of shared principles and objectives for the other social programs"—these other social programs are post-secondary education and social assistance—"referred to in paragraph (1)(d) that could underlie the Canada Health and Social Transfer".

The first question that comes to mind, as I said while reading the clause, is what do we mean by mutual consent? Does it mean an amendment tabled by the Minister of Finance? If we look back at the recent past, the last 10 to 12 years of relations between Quebec, Canadian provinces and the federal government, we see that things were normally done by mutual consent, and that mutual consent could be, for example, the agreement of the federal government and seven provinces constituting 50 per cent of the population. That is what mutual consent could be, and it could be used to establish national education standards and to force Quebec to make the decision to either get in line and follow the guiding principles or national standards or to have the federal government cut off all funding. This is what it could come down to.

If that is what mutual consent means, to establish a national consensus, this bill settles nothing. On the contrary, the version revised by the Minister of Finance is even worse than the initial version, which said: "maintaining national standards, where appropriate". Now, appropriateness is not even in the picture. They will take the agreements signed by the provinces and the federal government and will impose them across Canada, without even giving Quebec a chance to say its two bits.

I must say that this is quite a sensitive issue for Quebecers, as Quebec has been strong-armed many times before, in particular in 1981, by the Prime Minister of the time who was a main player if not the band leader in the patriation of the constitution against Quebec's will, the person responsible for Quebec's isolation.

The national standards contained in Bill C-76, in the part on the Canada social transfer and research, are another example of the

Prime Minister of the day strong-arming Quebec. In the history of relations between Quebec and Canada, the Prime Minister has always specialized in strong-arm tactics against Quebec. It is not surprising to see a bill like this one introduced by a Minister of Finance whose boss is the present Prime Minister and a former lieutenant of Pierre Elliott Trudeau.

And it comes as no surprise to see another instance of strong arm tactics as the government tries to shove national standards down Quebec's throat, in a sector as crucial as education, when we know that the present Prime Minister led the second attempt to strong arm Quebec which led to the demise of Meech Lake in 1990. He was there with his cellular phone in the hallways on Parliament Hill, conferring with the leader of the opposition in Manitoba, Mrs. Carstairs. He was giving her his instructions on the Meech Lake Accord.

He instructed her to isolate Quebec, to make Quebecers feel they were left out. This comes as no surprise.

(1330)

We are not surprised but we are amazed that this government is so blatant in its approach. It makes no bones about it. They seem to think there is nothing wrong with calling this flexible federalism: giving the provinces full jurisdiction over areas which belong under their jurisdiction in any case. We are not surprised to see this third instance of strong arming in ten years, but we are surprised to see the government drop any pretence at diplomacy and do this openly, putting everything on the table and saying that if Quebec does not like it, its funding will be cut. That means up to \$7 billion could be cut annually, the equivalent of federal transfer payments for the three items I mentioned before.

Whether the government likes it or not, during clause by clause consideration of the bill in the Standing Committee on Finance, there were various representations. I would say that 90 per cent of those from the provinces, with the exception of Quebec, asked for national standards. However, all representations from Quebec, without exception, objected to setting national standards, especially in the ultra sensitive education sector.

Whether people like it or not, whether it was rejected or not in 1990, there is a distinct society in Quebec, and a distinct nation. And this people will never allow English Canada to decide what should constitute the objectives of a pillar of Quebec's cultural future. Never will Quebec permit this sort of policy to be imposed on the province on the pretext of establishing a coast to coast standard in Canada.

Never will we allow Bill C-76 to make Quebec toe the line, as the present Prime Minister has tried to do since 1980, by promising us all sorts of reforms following a "no" vote on Quebec sovereignty, but by doing the opposite. That is, he has worked to Quebec's

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disadvantage over the 15 years that followed. We will never agree to Bill C-76 in its present form.

We will never allow the Canada social transfer, which the federal government has already cut by \$2.5 billion, to be applied uniformly and despite Quebec's refusal to such sensitive sectors as education. We will never permit the present Prime Minister to continue his dirty deeds against Quebec, which began following the referendum in 1980, continued in 1981 with the patriation of the Canadian constitution, despite the wishes of the National Assembly, and carried on in 1990 in his work against the Meech Lake accord, which did not recognize Quebecers as a distinct people, but simply allowed us the strict minimum, a minor distinction as regards the distinct society.

We will fight the provisions of Bill C-76 with our last ounce of energy, as the purpose of this bill is to isolate Quebec as the Prime Minister has done since his arrival in politics.

[*English*]

**Mrs. Diane Ablonczy (Calgary North, Ref.):** Mr. Speaker, I listened very carefully to the hon. government member who spoke before the last member. I would like to commend this gentleman for his honesty in addressing squarely the fact that these new provisions under Bill C-76 for transfer of money from the federal government to the provinces to help pay for and support social programs are in total contradiction to the position taken and the promises made in the Liberal red book during the election. The member is to be commended for urging the government to show some integrity in the way it carries out the promises it made to Canadians.

The government knew or ought to have known that this country was in some financial difficulty. It should have been honest with the Canadian people during the election, as other parties were, and forthrightly suggested to them that changes would be made. However, it did not. In spite of that, changes were made by the government to funding for social programs, among them under Bill C-76.

(1335)

The unfortunate thing is that these changes were not made in a planned and managed way. They were not made in a way that would allow the provinces to properly and sensibly deal with the changes, the funding drops and the different rules the federal government unilaterally decided to play by and imposed on the provinces in Bill C-76.

This is causing a great deal of difficulty for the provinces, which are responsible for delivering these services to Canadians, and thereby to Canadians themselves. The difficulties of poor government leadership and planning really go right down to the bottom line which is where people are or are not being served.

With respect to the funding for the Canada assistance plan or welfare, the money for CAP is presently based on a per capita formula. The money which the federal government provides to the provinces for welfare payments is based upon the welfare rates and population of each province. The more money the province spends on welfare because of its rates or caseload, the more money is transferred.

What Bill C-76 does is to provide a new formula. There are at least two things wrong with the formula, maybe more. The first is that it was imposed without any consultation with the provinces. This is rather shocking when we think about the fact that people's lives are involved in this about which Liberal members always say they are so concerned. They are so concerned about compassion, fairness, equity and all of those good things yet without the slightest consultation with the people who are going to be affected, these kinds of changes are made. The provinces are rightly upset and unhappy that they were not consulted and had very little chance to prepare or have a say in what was going to happen to them.

The second problem with these changes is that the formula imposed provides a formula for transferring money only up until the 1996-97 fiscal year. After that there is no formula and no plan at all. That is a real difficulty. How are the provinces and the people dependent upon services supposed to plan for the future or have any sensible long term goals and strategies when the funding which is always the underpinning of a program has been so cavalierly dealt with?

On asking the department, as I did, what its long term projections were, its five-year or 10-year projections for the programs based on the changes it has made in Bill C-76 that we are debating here today, the department said it did not have any. This is an absolutely shocking admission from a department which is supposed to be running some of the most important programs in our country. There are people who genuinely need these services.

The provinces are struggling with their own debt, their own fiscal situation and with the bigger picture of the economy, which was caused by the debt and deficit situation of our federal government. Some people think Reformers tirelessly mention that but it is so critical. How are these entities supposed to deal with the responsibilities they have given this situation when there are these sudden unexpected and unexplained moves made on the provinces without consultation?

We have some real difficulty. Some of the most troubling things to the provinces and to Canadians are provisions in Bill C-76 which allow the federal government to make a unilateral imposition of standards and rules for the use of these funds. The words in the section are that there will be a mutual agreement about how the standards are imposed. Again, according to the department when questioned it had to admit that mutual agreement is not defined. Does it mean the federal government in one province? Does it mean the federal government in two provinces? Does it mean the

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federal government in seven of the 10 provinces with 50 per cent of the population? We do not know. It is not defined at all.

(1340)

The federal government is diminishing its support for these programs but has the gall to say it is going to say how the money will be spent. It is going to call the shots. It is going to call the tune even though it is not paying the piper. This is a recipe for disaster.

The provincial governments very rightly one of these days and probably sooner than later are going to tell the federal government to go take a hike, as they are already doing on health care. How can the federal government impose its own will on the provinces, especially when it very obviously is so poorly thought out and poorly managed when it is diminishing greatly the support it is giving the provinces for these programs?

We have a federal government that wants to decide everything but other people are going to pay for it. Not only that, other people are going to pay for it in an atmosphere under a regime that keeps changing unilaterally. This simply is not workable for our social programs and for the support that this country's needy, who truly are needy and need the support under the welfare program, are wanting to retain.

When we look at Bill C-76 and the changes in the payments made under it, especially to the whole area of CAP funding we need to look at the fact that there should be some real consultation with the provinces, some mutual agreement. This is supposed to be a co-operative federalism. Instead, we have a very haughty, a very arrogant, a very single minded national government changing the rules in the middle of the game. It is changing them in the short term without any long term plan. It even admits that and then expects the provinces to continue to deliver services on standards that the federal government insists upon and sets.

What happens if the provinces do not fall into line? Under this bill, any payment the federal government might be making to the provinces can be interfered with. This is simply financial blackmail. There is no other word for it. There are many payments the federal government makes to the provinces under a variety of agreements. Yet the federal government says it can and will abrogate any and all of those agreements if the provinces do not toe the line the way the federal government thinks they should on a number of service delivery issues such as CAP.

I would suggest to the Liberal government that this is no way to run a country. It is certainly no way to run a country where many levels of government, particularly the two main ones, are responsi-

ble for the well-being of citizens and for providing services and spending the citizens' money in a way that best benefits everyone.

When a federal government is so arrogant it actually stands and says that things must be done its way or any dollars it might have promised are at risk, what kind of management style is that? How is that going to get co-operation? How is that going to get interaction among levels of government that really will benefit all the citizens?

We very strongly condemn the way this has been done. We acknowledge and Canadians realize there have to be changes to the structure of funding programs. However, this kind of change and the way in which it has been done is totally unacceptable and totally against the best interests of our country.

**Hon. Audrey McLaughlin (Yukon, NDP):** Mr. Speaker, I am proud to second the motion of the hon. member for Notre-Dame-de-Grâce. It is true that the clauses in Bill C-76 which the member is proposing we delete, and I am in agreement with that, represent a fundamental restructuring of the social and health system of Canada.

(1345)

It certainly makes a mockery of the review done by the human resources minister in which many people participated thinking that they could have real input. It certainly makes a mockery of the national health forum that was supposedly established to set out more clearly a national system of health.

Most concerning about the clauses that are proposed to be deleted is that they change Canada in a very profound way. While social and health programs are of foremost importance to citizens of the country in their daily lives, there are important economic programs that provide a social infrastructure absolutely essential to the competitiveness of the country.

It is shocking the Liberals have joined with the Bloc and Reform parties to dismantle national programs. Rather than saying up front that they are prepared to dismantle the programs, the Liberals are prepared to do it as one article recently stated: "by erosion through stealth, by the death of a thousand cuts".

Even today the government has brought in limited debating time for an extremely serious issue. It suggests that not only are the Liberals not keeping their promises in the red book but they do not want it brought before Canadians who will look at it more carefully and see the real implications. The shift has come without a full public debate. That is why it is so important to have a full debate in the House.

On other issues, whether the use of drugs in sports or medicare, we had independent commissions. This is one proposal I have made because of the long term impact of the clauses we are now

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asking to be deleted. They should be deleted until there has been further in depth study of the long term social and economic implications to the country.

The Liberal government is sending a clear message to Canadians that it is willing to abandon its responsibility to promote economic and social equality. Canadians should be reminded once again that the Liberal Party won the last election on its promise to make job creation the number one priority of the federal government. Instead Bill C-76, a financial bill, kicks the legs out from under some of the supports that have softened recessions in the past and would do so in the future.

At a time when child poverty is at the highest rate we have had in history, when the United Nations is criticizing us for our lamentable record on poverty issues and when many young people are giving up hope, the government has all but abandoned the promises that brought it here.

Does the government have a national vision in terms of these important programs. We can only judge by its actions. When Canadians look at the clauses in Bill C-76, they will wonder about a government whose only goal seems to be to complete the downward spiral of social programs and encourage the lowering of wages and benefits for Canadian workers everywhere.

The \$7 billion cut to federal transfers for post-secondary education, health care and social assistance will have a profound effect in further creating the haves and have not provinces and territories. The Canadian Hospital Association and the Canadian Medical Association have expressed their concerns about specific clauses of the bill. They are experts in the field who know what the effect will be on health care should the clauses pass.

The bill is not about making a small change to social and health programs. It is about dismantling them. The block funding arrangement means that funding from the federal government will not be tied to specific programs. It suggests that the government no longer embodies a national vision of the programs. That is why I say the motion must be supported. There must be much more study and much more understanding by Canadians about very important decisions on the future of health care and social programs.

(1350)

My colleague from the Bloc Quebecois says that national standards are terrible. They have guaranteed, particularly under the Canada Health Act, some equity from sea to sea to sea. There is no guarantee it will continue. There is no guarantee at all. As the funding is not just reduced but no longer available from the federal government, the federal government will no longer have a say in implementation in the provinces and territories.

Under Bill C-76 the cash transfers to the provinces and territories will run out within the next decade. Without the power of enforcement the federal government will not be able to maintain medicare as a public not for profit system.

Even Liberal members of the finance committee who studied the bill opposed the plan, because it is a betrayal of everything the country has stood for. We are in a mad rush to the bottom. I am afraid we have not seen the end of it from the government.

The Prime Minister is on record as saying that we need to get our health care spending down and that maybe the Canada social transfer is one of the ways he will do it.

Let us look at the facts. We are spending about 10 per cent of GDP on health care. The Prime Minister says that is too much. The major increases in health care costs continue to come from increasing drug costs and private health insurance for extended health coverage. We spend only about 6.8 per cent of GDP on public insurance.

The Liberal government can do something to reduce health expenditures. It can rescind and repeal Bill C-91 that provided patent protection for multinational drug companies and dramatically increased drug costs and the costs to every health plan in every province and every territory.

The United States spends far more on health care than we do. It is precisely because it has a private system that is out of control. If one charts the statistics one can see that until the late 1960s when Canada introduced its public system health care costs were rising at about the same rate in the United States and in Canada. We spent about the same proportion of GDP on health. However when our public system was introduced we began to save money. The growth rate in the United States has continued to skyrocket where ours has levelled off. Now the United States looks to us for solutions.

The government promised that it would not withdraw from or abandon the health care field but the bill breaks the promise. The government is abandoning every Canadian who trusted the government. It is abandoning poor Canadians and the unemployed. It is abandoning the ill.

I despair for the country when the government has turned its back on the people. I strongly oppose Bill C-76. I strongly support the motion of the hon. member for Notre-Dame-de-Grâce. I urge and indeed plead with the government to delete the clauses so there may be further discussion, public debate and open debate on the serious and fundamental restructuring of the social and health care plans.

Should the government choose to do so, it would have praise from many parts of the country. This is the opportunity for government members to vote for the motion to delete the clauses

and allow time for Canadians, not just the Liberal Party, to have a say about the future of health care and social programs.

I urge all colleagues in the House of Commons to support the motion to delete the clauses.

[*Translation*]

**The Speaker:** The hon. member for Bourassa has two or three minutes before we go to members' statements.

**Mr. Osvaldo Nunez (Bourassa, BQ):** Mr. Speaker, I rise today to take part in the debate at report stage of Bill C-76, an Act to implement certain provisions of the budget tabled in Parliament on February 27, 1995.

(1355)

I oppose this bill, which maintains national standards in the health field and provides for the introduction of new national standards with respect to social assistance and post-secondary education. These measures fly in the face of the provinces' autonomy and jurisdiction. If the provinces did not comply with these national standards, the federal government would impose sanctions by cutting transfer payments, having already cut benefits to the unemployed and those receiving social assistance and planning to target seniors next.

This bill will affect the education sector, a sector of exclusive provincial jurisdiction and one that is vital to Quebec's cultural identity. These Canada-wide standards will reflect the interests of the majority of English speaking provinces, not the reality of the special situation in Quebec, which is a distinct society.

In my opinion, this bill has two fundamental objectives: first, to steam roller over the legitimate claims of the government of Quebec in its own areas of jurisdiction; and second, to introduce unprecedented cuts in provincial transfer payments and, consequently, in social programs.

The first federal budget in 1994 began by offloading \$5.5 billion in cuts onto the backs of the unemployed and \$2 billion in cuts onto the backs of welfare recipients and the education system for the period from 1994 to 1997. The February 1995 budget announced additional cuts of \$7 billion in transfer payments for social assistance, education and health, and another \$700 million in cuts to unemployment insurance. Is this is the much touted flexible federalism of the Liberals?

In addition, the Minister of Finance announced in his last budget that the government will review the old age pension plan. Seniors, including the 15 per cent of the population in my riding of Bourassa who are aged 65 or over, can now expect to see their cheques further eroded. I hope that seniors will again rise up and protest, as they did under the Mulroney government, against the deterioration in their living conditions, particularly with respect to pensions.

*S. O. 31*

**The Speaker:** My dear colleague, as it is almost 2 p.m., you will complete your remarks after Question Period.

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

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## STATEMENTS BY MEMBERS

[*English*]

### ENVIRONMENT WEEK

**Mr. Pat O'Brien (London—Middlesex, Lib.):** Mr. Speaker, on the occasion of Environment Week 1995, I extend an invitation to hon. members and to all Canadians to do more and to find more ways to protect and preserve our country's environment.

As a result of numerous activities and exhibitions being held nationwide, Canadians will have an opportunity to familiarize themselves with healthy environmental practices. I encourage all Canadians to take part in the activities.

We can do a great deal. We could build a composter, join an environmental organization, install water saving devices at home, car pool or use public transport.

[*Translation*]

In the spirit of Environment Week, let us keep in mind that preservation of the environment is an ongoing commitment. The initiatives taken are important not only this week but throughout the year.

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### FRANCOPHONE AND ACADIAN COMMUNITIES

**Mr. Jean Landry (Lotbinière, BQ):** Mr. Speaker, francophone minorities outside Quebec still face multiple frustrations ranging from the violation of their education rights to the lack of adequate government services in French at both the provincial and federal levels. Yet, instead of helping Acadian and other francophone communities, the Liberals prefer to lend a hand to their gravediggers.

This weekend, the leader of the Liberal Party in Ontario confirmed her opposition to any plan to establish a French language university in Ontario. Mrs. McLeod did not hesitate to violate the constitutional rights of francophones in her province by delaying the creation of a French school board. At the same time, the Government of the Northwest Territories is following in the footsteps of the Ontario Liberals by refusing to recognize the education rights of the French speaking minority in its new education law. In the meantime, the federal Liberals are greeting this infringement of francophones' rights with silence.

S. O. 31

[English]

**HUMAN RIGHTS**

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.):** Mr. Speaker, when the Liberals were in opposition they roundly castigated the Conservative government for not speaking out against human rights abuses in China. In their red book of broken promises they said: "We will continue to support democracy and respect for human rights worldwide". Yet in government the Liberals have done an about face.

The sixth anniversary of the Tiananmen Square massacre passed yesterday without a whimper from this government. Yet the people of China are still under the boot of a repressive regime. Human rights abuses abound and democratic principles are squashed.

In the face of this the government has said: "Give us your money and we will turn a blind eye", saying that trade should take precedence regardless of a country's poor human rights record. In the same vein, Canada is one of the world's leading suppliers of arms to the third world.

In the red book it said: "Canada will help develop greater international and intercultural collaboration in the interests of peace, justice and humankind". Sadly, the red book promise has shown once again that it is a book of hypocrisy.

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**TRANSPORTATION**

**Mrs. Bonnie Hickey (St. John's East, Lib.):** Mr. Speaker, it is appropriate that the inauguration of this year's National Transportation Week took place in St. John's, Newfoundland, the first time the kick-off has ever been held in our province. It gave us the opportunity to focus on our important local and provincial transportation issues.

The organization committee provided the delegates with a taste of Newfoundland life that included a harbour tour and a seminar at the Marine Institute, St. John's world class marine science research facility.

As islanders, Newfoundlanders understand the value of transportation. We rely on marine transport to take our products to market and bring back to us the goods we need.

The theme of this year's National Transportation Week is "Careers in Transportation: Opportunities, Training, Skills". It is a reminder that the modern national transportation system requires highly skilled and dedicated people. We all have a stake in seeing that the transportation sector continues to attract the best candidates possible. A successful transportation sector will keep the country moving into the next century.

**GLENN GILLESPIE**

**Ms. Paddy Torsney (Burlington, Lib.):** Mr. Speaker, I am proud to rise today to recognize the outstandingly heroic initiative of Glenn Gillespie of Burlington, Ontario.

On June 2 Glenn began his River of Hope kayak marathon for cancer research. Glenn's journey will take him from Fredericton, along the Gulf of St. Lawrence in New Brunswick, through the St. Lawrence River in Quebec and Ontario, until he reaches Burlington in August.

Years ago Glenn met Terry Fox jogging along the side of the road through New Brunswick during his Marathon of Hope. Glenn ran with Terry Fox and was inspired to take up Terry's challenge to raise funds for cancer research. This chance encounter with a truly remarkable young Canadian inspired Glenn to take up this adventure.

Mr. Speaker, fellow members of Parliament, please join me in saluting Glenn Gillespie of Burlington as he begins travelling along his River of Hope and wish him the best of luck.

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**HEALTH CARE**

**Ms. Bonnie Brown (Oakville—Milton, Lib.):** Mr. Speaker, a Canadian company that recently brought jobs and investment to Oakville is also bringing sensible cost savings to Canadian hospitals without harming patient care.

In May, Livingston Healthcare Services Inc., an Ontario based health products distributor, opened a new logistics facility in Oakville. This company has introduced to Canadian hospitals a cost saving innovation: just in time delivery. The result is that hospitals no longer need to keep large, expensive inventories.

Mount Sinai Hospital in Toronto has saved over \$200,000 in its first year using this system. While the Toronto hospital anticipates savings of over \$1 million annually, these savings have no negative impact on patient care and in fact can allow money to be reallocated to improve it. The latest investment and expansion has the potential to benefit all Canadians.

Clearly this is welcome news for Canada's health care system.

\* \* \*

(1405)

[Translation]

**PRIVATIZATION OF CANADIAN NATIONAL**

**Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ):** Mr. Speaker, to make CN more attractive to potential buyers, the

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Minister of Transport is about to spend between \$600 million and \$1 billion in public funds to reduce this corporation's debt.

This squandering of public funds for the benefit of CN's future buyers is unacceptable, especially since the minister has refused to make a commitment to ensure the survival of AMF Technotransport. The minister himself admits that this CN subsidiary, which employs 1,300 people in Pointe-Saint-Charles, a Montreal neighbourhood which is one of the poorest in Canada, faces an uncertain future. The closing of this company would have serious consequences for Montreal and a disastrous impact on the Pointe-Saint-Charles area.

Instead of sweetening the deal for the eventual buyers, the minister should try to help AMF workers, who live in an area already afflicted by poverty.

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[English]

#### ONTARIO ELECTION

**Mr. Ed Harper (Simcoe Centre, Ref.):** Mr. Speaker, the Ontario polls show a clear preference for Mike Harris and his common sense revolution. Voters give every indication they will reject the Ontario Liberals' daughter of red book on Thursday.

This election is not about right versus left, it is about right versus wrong. Ontarians are saying that employment equity is wrong, that MPP pensions are wrong, and ever increasing taxes are wrong. Ontario is saying that hiring on merit alone is right, workfare is right, and balancing the budget by a fixed date is right. Like Alberta, Ontario is saying that the Reform agenda is right.

It proves clearly that popularity polls are meaningless until the rubber hits the road. Once the Ontario election was called, the common sense revolution destroyed the Liberal mirage.

This Thursday, what is wrong in Ontario will be rejected and replaced with the only party with the Reform message, which knows what is right, Mike Harris—

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#### HUMAN RIGHTS

**Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.):** Mr. Speaker, this week marks the 11th anniversary of Operation Blue Star, in which the Indian army stormed the Golden Temple in Amritsar.

The sanctity of the most holy place of the Sikh religion, the Golden Temple, was dishonoured. Many innocent men, women and children who were there to mark a holy day were killed in the ensuing battle for the Golden Temple. Religious freedom, which is

protected here in Canada and in many other democratic countries around the world, was violated.

The Sikh community continues to tell its sad story of sacrifice to the world. Today, I ask you to honour the sacrifice of many innocent people who died in this senseless, ruthless tragedy.

We must remember the victims of Operation Blue Star and ensure that such a tragedy never happens again.

\* \* \*

#### HUMAN RIGHTS

**Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.):** Mr. Speaker, the first week of June marks remembrance for two of the darkest incidents in recent times. I am speaking of course of Operation Blue Star, the attack on the Golden Temple, one of the Sikhs' holiest shrines, and the Tiananmen Square massacre.

On June 3, 1984, the Indian army stormed the Golden Temple, injuring and killing hundreds and perhaps thousands in the process. The invasion of the Golden Temple was more than an assault on the shrine itself; it was an assault on the human rights of Indian people.

On June 4, 1989, Tiananmen Square was the site of a brutal attack on students by the Chinese army. Television cameras around the world recorded the horror of students being shot and run down by tanks.

In China as in India, the attack on the students was not only a savage murder of innocent people but also a vicious attack on human rights and democracy.

As parliamentarians, I believe it is incumbent on us to raise the awareness of human rights abuses and to speak out forcefully against them wherever they may occur.

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[Translation]

#### QUEBEC SOVEREIGNTY

**Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.):** Mr. Speaker, a new propaganda tool has recently been added to the list of separatist gadgets. Last Thursday, the PQ government in Quebec activated a new toll-free line to answer questions from the public on the future of an independent Quebec.

Listening to the answers provided to any question dealing with a sovereign Quebec, the caller soon starts to wonder if he or she did not make a mistake and dial the number for Cheerful Anonymous instead.

This latest gimmick, which will cost Quebec taxpayers the modest sum of \$200,000 for a single month of use, gives a historic advantage to the PQ and the Bloc Québécois.

(1410)

This way, they can claim that every "Yes, hello" is another vote in support of their plans for separation.

*S. O. 31*

[English]

### TIME ALLOCATION

**Mr. Jim Silye (Calgary Centre, Ref.):** Mr. Speaker, in opposition the Liberals howled at Brian Mulroney with righteous indignation over his government's use of time allocation to ram through legislation. With such sincere compassion for democracy, one would expect this Liberal government's record in the use of time allocation to be squeaky clean compared to Mulroney. Let us compare.

Mulroney used time allocation 35 times to pass 200 bills. That is 17 per cent of his bills. Shame on him. Counting today's time allocation motion, the little guy from Shawinigan has used time allocation an unprecedented 11 times in only 59 bills. That is 19 per cent of his bills passed using time allocation, 2 per cent more than Mulroney.

Congratulations, Liberals. A parliamentary record. Does this mean that this Prime Minister is less democratic and even more arrogant than Brian Mulroney? Is that possible?

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[Translation]

### POVERTY

**Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ):** Mr. Speaker, yesterday afternoon, as nearly 20,000 Quebecers applauded, the march against poverty ended in a rally in front of the Quebec National Assembly building. Many things were achieved through this march. Not only did the Quebec government respond to most of the women's demands, but the march stirred solidarity and social involvement.

These women from all regions of Quebec won over their fellow Quebecers and put to shame those who had predicted a resounding flop. Women's poverty impoverishes the whole community; it must be fought with all available means.

That is the message conveyed by these women to the Quebec government and the challenge the Bloc Québécois is putting out to the federal government, which for the past 18 months has been washing its hands of social matters and attacking the most vulnerable in our society.

\* \* \*

[English]

### ONTARIO ELECTION

**Mr. John English (Kitchener, Lib.):** Mr. Speaker, George Orwell once said that most revolutionaries are potential Tories because they imagine that everything can be put to rights by altering the shape of society.

It seems that Mike Harris and his Tories are making every effort to alter our health care system with the doublespeak of their so-called common sense revolution. Tory economic policies will never work without dire consequences to the province's health care system. The common sense revolution is really the nonsense revolution.

The Ontario Tories are promising something they cannot deliver. If they are prepared to impose a \$400 million health care tax hike to cover just one of their tax promises, imagine what will remain of our health care system when the revolution is complete.

This government and the Ontario Liberal Party are committed to preserving an accessible, universal, and affordable health care system, one that does not require tax grabs or taking us into uncharted waters. We do not want and will never accept a Canada and an Ontario where there is one health care system for the rich and one for the poor.

Mike Harris' revolution is—

**The Speaker:** The hon. member for Brant.

\* \* \*

### ONTARIO ELECTION

**Mrs. Jane Stewart (Brant, Lib.):** Mr. Speaker, in the final days of the Ontario campaign voters are starting to ask very tough questions of the simple answers that are being proffered by the Conservatives.

The Conservatives say work for welfare. Ontarians are asking: "How will this work? What about single mothers? What about their children?" The simple Mike Harris answer: "Send them to the foster homes".

The Conservatives have said that they can cut taxes by 30 per cent, balance the budget, and indeed not touch health care. Ontarians ask: "How can this possibly be?" Mike Harris says: "With our new individual health care tax, of course".

The Conservatives say their plan is common sense for all, but Ontarians ask: "Who will benefit most from these tax cuts?" The simple Mike Harris answer: "Those making over \$250,000".

I am glad to see that the people of Ontario are finally asking these tough questions. On June 8 the decision we make will determine our future as a province, and now is no time to give up on our Ontarian values of equity, fairness, and compassion.

\* \* \*

### PRISONS

**Mr. Randy White (Fraser Valley West, Ref.):** Mr. Speaker, the results are in from the inquest into the death of Patricia Williams, the young lady who was murdered at Kent Institution by a killer who had her there on a conjugal visit.

*Oral Questions*

Among the 14 recommendations were that private family visits should not be a right but an earned privilege, and offenders in maximum security institutions who have committed acts of murder due to sexually related crimes shall not be eligible for private family visits.

(1415)

Perhaps the Liberals could tell us dumbfounded Canadians why in the same prison Terry Burlingham, a killer of two young women who were found murdered, raped and shot twice in the head, is privileged to have a pen pal girlfriend from another country on conjugal visits.

This is the poorest excuse for a government I have seen in decades. When will we start considering the safety of law-abiding citizens ahead of the rights of convicted criminals?

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## ORAL QUESTION PERIOD

*[Translation]***POVERTY**

**Hon. Lucien Bouchard (Leader of the Opposition, BQ):** Mr. Speaker, yesterday in Quebec City, nearly 20,000 people were there to welcome working women who took part in the bread and roses march. These women marched to demonstrate against poverty. For the past few weeks I was visiting various regions in Quebec, and I must say that wherever you go now, poverty is very much a fact of life. According to the official statistics, more than 800,000 Quebecers live on welfare.

My question is directed to the Prime Minister. After seeing thousands of people who joined yesterday in a demonstration against poverty in Quebec, and now that 23 per cent of the labour force in Quebec is out of work, would the Prime Minister agree that his government's job creation policy has been an abysmal failure and is a clear example of inaction?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, when the Canadian economy creates 430,000 jobs over a period of 17 months, one can hardly call this a monumental failure. We brought unemployment down from 11.5 per cent to 9.4 per cent. That does not mean we are satisfied. We have to keep trying to create more and more jobs. I think the budget we brought down in February showed that we intend to put public finances on a sound footing and make it very attractive to invest in Canada.

That is also why the Minister of Human Resources Development is preparing an income security reform proposals, so that we can combine our job creation programs and the way we operate our social services so the poor in Quebec and elsewhere will again have the dignity of a job, as soon as possible.

**Hon. Lucien Bouchard (Leader of the Opposition, BQ):** Mr. Speaker, these artificial figures cannot hide the fact that for the past five months there has been no net job creation in Canada. And that is the truth.

**Some hon. members:** Hear, hear.

**Mr. Bouchard:** I may remind the Prime Minister that the worst city in Canada in terms of poverty and dependence on government funds is Shawinigan, in his riding, and the fourth is Grand-Mère, in his riding as well.

Jobs are becoming harder and harder to find, and because of repeated cuts in unemployment insurance, fewer than 50 per cent of the unemployed today are entitled to unemployment insurance benefits, compared with nearly 80 per cent five years ago.

That being the case, could the leader of the government tell us whether his government intends to suspend the new cuts in unemployment insurance, especially those announced by his Minister of Finance in the last budget?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, as I just said, the Minister of Human Resources Development is working on draft proposals to ensure that resources earmarked for unemployment insurance and welfare payments can be used to create jobs or subsidize certain jobs that could not be created without government intervention.

That is precisely the focus of the government's activities at this time. We will bring legislation before Parliament this fall, and we hope the opposition will help us pass it as soon as possible.

**Hon. Lucien Bouchard (Leader of the Opposition, BQ):** Mr. Speaker, if it is progressive legislation to take care of the needy in our society, we will support it, but if it is more of the same, we will vote against it, even if we are alone in our defence of the needy in this Parliament.

**Some hon. members:** Hear, hear.

**Mr. Bouchard:** Since the unemployment rate in Quebec still varies very little, between 11.5 per cent and 12.5 per cent, and the employment rate has not moved for five months, and considering that 50,000 more people in Quebec are living on welfare and thousands of unemployed workers have now been excluded from unemployment insurance, does the leader of the government, does the Prime Minister realize that his government's record on unemployment during the first 18 months has been dismal?

(1420)

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, since October 1993, 173,000 new jobs were created for women in Quebec, and the unemployment rate for women in Quebec has gone down from 12.1 per cent to 10.8 per cent. That is a substantial improvement.

*Oral Questions*

I must say I am delighted to see the opposition take an interest in the real problems of this country, instead of talking about separation, cunning decisions, and sharp shifts and mirages. We want to work with everyone, with the governments of the provinces, including the Government of Quebec, to improve the social and economic situation of this country. The best way would be to stop talking about the constitution and separation and talk about employment every day, the way we are doing today.

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**UNEMPLOYMENT INSURANCE**

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, allow me to remind the Prime Minister that, over the past nine years, the Canada that produced so many unemployed and welfare recipients was managed by federalists, as was the province of Quebec. This is the result of their policies. They should not try to muddle the issue: this is their legacy, and Quebecers are increasingly aware of that.

Currently, more than half of Canada's unemployed are not even eligible to UI benefits any more. No question about it: this is the result of this government's actions. This situation shows how the government targeted the unemployed, rather than unemployment.

Last year alone, the UI fund generated a \$4 billion surplus, yet the government still intends to cut another \$700 million. Given that surplus, and the fact that over half of the unemployed are no longer eligible to the UI program, will the government agree to not go ahead with this unacceptable cut of \$700 million?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, we have to take into account the fact that, before us, there was another government, in which the Leader of the Opposition was a very prominent minister. That government left us with a \$6 billion deficit in the UI fund, and we have to pay it off.

Indeed, if the Conservative Party, which included a very prominent minister and lieutenant for Quebec, generated such a deficit in the UI fund, we, as a responsible government, must pay that deficit, as we are doing, and re-establish a UI fund which will truly serve in difficult situations. That would be an easy thing to do now if the Conservatives, including the Leader of the Opposition, had not been in office for so long.

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, when there is a reference to the plight of poor people, it is the separatists' fault, and when there is a reference to the government's UI cuts over a three year period, it is the Conservatives' fault. Enough is enough.

Will the Prime Minister agree to stop being irresponsible, as he has been since the beginning, and will he recognize, as does the Quebec minister for income security, that 43 per cent, a percentage which reflects a tragic situation, of the new households joining the welfare rolls in Quebec have been excluded from the UI program

because of the cuts made by this government? Will the Prime Minister finally admit that?

*[English]*

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I explained a minute ago that we are working on it. Since we formed the government the economy has created more than 430,000 new jobs in Canada. We would like to see the situation improve more. The problem was put in our lap when we came here; 11.5 per cent were not working and were on unemployment insurance. At the moment we are trying to solve it.

I am delighted to see the Bloc Québécois talking about jobs today. At long last it is not talking about separation, the tournage and the virage and tricky questions. It is talking about real problems. I am delighted to see the leader of the Bloc Québécois today having another virage; he is getting preoccupied with job creation. I am happy today.

\* \* \*

(1425)

**GOVERNMENT APPOINTMENTS**

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, both the justice minister and the revenue minister continue to trot out words like competence and merit with respect to the government's latest patronage appointments in the B.C. justice system.

There is no possible justification for turning aside a firm with 20 years experience in narcotics prosecution in favour of inexperienced political friends.

Can the justice minister explain to the House specifically how the new firms in the revenue minister's Victoria riding have more competence and merit than the firm the government terminated?

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, I note with satisfaction nothing in the hon. member's question suggests the new agent is not competent. The new agent is competent.

The premise of the hon. member's question is the appointments were somehow motivated by patronage. Of the new agents supported by the government, 38 per cent had acted as agents under the previous government. In British Columbia of the 38 agents whose mandate has been confirmed, 47 per cent had acted as agents for the previous government. We appoint agents on the basis of competence.

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, that is really interesting. According to the news reports we are getting there is serious concern on the part of law enforcement people. One report from Victoria says a judge last week examined a charge and

*Oral Questions*

commented he hoped the new drug prosecutor learned how to spell marijuana correctly.

Was the justice minister made aware of the very close political ties between the revenue minister and the Victoria law firms before the appointments were made?

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, if we were to determine who was to continue as an agent for the government based on the stripe of the party that appointed them, it seems to me that 20 years ago the government in office was a Liberal government. Surely the premise of the hon. member's question is faulty.

As we find agents to represent the federal interest in court we look for people competent for the task. That is the approach we have taken in British Columbia and across the country.

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, I am speaking specifically about the situation in Victoria and the three firms there with absolute ties to the revenue minister.

Will the minister now do the right thing and rescind these obvious patronage, political appointments and award the contracts on the basis of merit alone?

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, these agents were appointed because they are competent to do the work they have been asked to do.

The hon. member should also observe as he looks at the government's record of appointing legal agents the changes we have made with respect to training new agents, the clarity in the terms and conditions governing their appointment, and that we are addressing the issue of conflicts which has never before been regulated by government. We are ensuring the people who represent the government in court abide by those standards in respect of not only competence but also conflict of interest. That is a stride forward.

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[Translation]

### MANPOWER TRAINING

**Mrs. Francine Lalonde (Mercier, BQ):** Mr. Speaker, my question is for the Minister of Human Resources Development.

One of the nine demands made by the Quebec women who marched against poverty was the creation of an accessible manpower training network. As all stakeholders in the labour market in Quebec know, Quebec's labour sector has unanimously demanded exclusive control over job training for the past six years.

(1430)

Does the minister realize that this extraordinary march against poverty organized by Quebec women clearly and dramatically

demonstrates the effects of the federal government's repeated refusal to give Quebec exclusive power over manpower training?

[English]

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.):** Mr. Speaker, the hon. member draws a somewhat curious conclusion. The fact is that in the past year alone, over 50,000 women in the province of Quebec have benefited directly from federal employment training programs. It is the largest training program being offered to women throughout the country. We are making a very serious effort to respond to the real needs of women not just in Quebec but across Canada.

In this effort it would be much more important if we could find the ways to work together. I am sure the women who were in the march this weekend would want governments to work together to co-operate and collaborate, not to work in terms of setting up separate jurisdictions, separate kinds of identity but to co-operate. That really is the spirit by which we can conquer poverty in this country.

[Translation]

**Mrs. Francine Lalonde (Mercier, BQ):** Mr. Speaker, I repeat, Quebec has unanimously demanded power over manpower training. And women, some of them single parents, some of them stuck in low paying jobs, some of them re-entering the workforce after having raised their families, made the statement yesterday that they need a co-ordinated job training policy and they are asking Quebec to provide it.

Will the minister acknowledge that until Quebec receives exclusive power over manpower training, women will continue to be cruelly disadvantaged?

[English]

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.):** Mr. Speaker, it is too bad the hon. member twists the really deep and sincere interest and emotion of the women to try to turn it into an argument for separatism.

What we offered a year ago is exactly what the member said. We offered to the province of Quebec, as we did to all provinces, a fully co-ordinated labour market program. We would do the planning together. We would have the guichets unques together. We would work out the programs together. The province of Quebec has yet to respond.

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### HIGHWAYS

**Mr. Randy White (Fraser Valley West, Ref.):** Mr. Speaker, in the last Parliament a Tory minister diverted money from a federal-provincial program to a road in his riding. I would like to quote from *Hansard*: "The \$20 million gift of federal taxpayers' money spent on a project not even related to the purposes of the

*Oral Questions*

fund in the riding of the minister responsible for the Atlantic Canada Opportunities Agency is appalling”.

Since these words were spoken by the current public works minister six years ago, I would like to ask the minister to stand and explain what has changed. Why is Liberal pork barrelling acceptable to him on highway 104 but appalling when the Tories did it?

**Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.):** Mr. Speaker, the government and the Minister of Transport have answered this question time and time again.

Highways are under provincial jurisdiction. It is up to the provincial minister of transport to determine the priorities of where he wants to put those highway funds. This government obliges what the province asks for and that is what we have essentially done.

**Mr. Randy White (Fraser Valley West, Ref.):** Mr. Speaker, I guess we are not going to get that fellow up here to talk about this. Let me quote the public works minister once again. This is a recent quote: “Drivers had better get used to the idea of toll booths on the Trans-Canada if they expect major highway projects to proceed”.

My question is for the Prime Minister if he would like to get up. In addition to the recent tax increases on gas, are we to expect these tolls on the Trans-Canada because his ministers are using the highway improvement money to buy votes in their own ridings?

**Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.):** Mr. Speaker, once again to educate the Reform Party, highways are under provincial jurisdiction. To toll a highway is the responsibility of the provincial government. Not to toll a highway is the responsibility of the provincial government. Surely the Reform Party, which calls for more autonomy for the provinces, would not want this federal government to intrude on provincial jurisdiction.

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(1435)

[Translation]

**CHILD POVERTY**

**Mrs. Christiane Gagnon (Quebec, BQ):** Mr. Speaker, my question is for the Prime Minister.

In 1993, Canada's child poverty rate was the second highest among industrialized countries. Last year, more than one in five Canadian children were poor. And all that the federal government has on its social program reform agenda are cuts, cuts, cuts.

Will the Prime Minister admit that the problem of child poverty is caused by their parents' poverty and that the measures taken by the government since it was elected only push families closer to the brink of poverty, in particular by making many of them ineligible for unemployment insurance?

[English]

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.):** Mr. Speaker, we have said right from the beginning that one of the real purposes for undertaking a major modernization of our social programs is to tackle the whole problem of poverty faced by women and children. The beginning of that was to create the proper economic climate.

I would like to point out to the hon. member that in the past year alone there has been an increase in employment in the province of Quebec. Over 42,000 new jobs have been created for women in Quebec. That is one important way to provide economic security. At the same time, as the hon. member well knows, we have put forward an offer and a willingness to engage in the cost sharing of a new child care program to enable women to more easily get back into the workforce.

We are certainly open and willing to have discussions with the provinces. We have already set in motion a program with the aboriginal First Nations of this country to start a child care program. We would certainly like to continue that work in discussions with the provinces. We are making an effort.

The most important way the hon. member can help in the question of getting a combined collaborative effort on the issue of poverty for both women and children is to work to make sure that the social reform goes ahead in the quickest, most effective way possible.

[Translation]

**Mrs. Christiane Gagnon (Quebec, BQ):** Mr. Speaker, in Quebec, 245,000 children currently live in families drawing social assistance benefits. Will the Prime Minister admit that his \$7 billion in cuts to transfer payments and the relentless cuts to the unemployment insurance system, which push more and more families on to social assistance, exacerbate the already glaring problem we have with poverty?

[English]

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.):** Mr. Speaker, this is the same question. As the hon. member will probably know, in the House of Commons report which was tabled in the House just last fall, it was indicated that one way of tackling that problem was to give the provinces more flexibility.

*Oral Questions*

They could then establish a broader range of incentives and support particularly for single mothers who want to get back into the workforce.

I can indicate to the hon. member that we have been discussing with Quebec government officials the undertaking of strategic initiatives by which we could help with the APPORT program, a very successful program in Quebec, to aid and abet in those areas. We are simply waiting for a reply, again on our willingness to co-operate in those areas.

We are making efforts. Fundamentally, we have to recognize that to bring about a real attack against the question of poverty is going to require the efforts of all levels of government, business, labour, social groups and women's groups. No one single jurisdiction can do it alone. We must work together, as an ensemble.

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**GOVERNMENT CONTRACTS**

**Mrs. Jan Brown (Calgary Southeast, Ref.):** Mr. Speaker, my question is for the Minister of Canadian Heritage.

Since he was appointed to the cabinet, the minister has attended a number of fundraising dinners organized by Richard Gervais, a lobbyist and Liberal bagman. As payback for his fundraising efforts, the minister has rewarded Gervais with departmental contracts.

Having helped pay off the minister's election debts, how many untendered contracts has Gervais or his company received as a reward and at what cost to Canadian taxpayers?

[*Translation*]

**Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.):** Mr. Speaker, I am not quite sure whether this question concerns the responsibilities of my portfolio. Of course, in recent years, I have participated in many fundraising events, as we all do, and I will continue to do so.

However, I can assure you that the rest is allegation. I would be happy to respond and provide our colleague with all the details, if she wants information on Mr. Gervais's contracts.

(1440)

[*English*]

**Mrs. Jan Brown (Calgary Southeast, Ref.):** Mr. Speaker, Gervais has received no less than two contracts from the minister. As a lobbyist, Gervais has at least one client who receives grants from the Department of Canadian Heritage. It is a blatant conflict of interest for the minister to be issuing contracts to his bagman and grants to the clients of his bagman.

Why is the government shamelessly allowing its ministers to hand out untendered contracts to Liberal fundraisers?

[*Translation*]

**Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.):** Mr. Speaker, our colleague knows very well that Elections Canada has a system set up to provide this type of information and establish the rules of the game. These rules have consistently been followed to the letter.

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**BOSNIA**

**Mr. Jean-Marc Jacob (Charlesbourg, BQ):** Mr. Speaker, my question is for the Prime Minister.

Over the weekend, NATO decided to establish a rapid reaction force under UN command, which, for now, could include up to 10,000 men. France and Great Britain, among others, have already offered to participate. In Bosnia, the Serbs continue to hold more than 250 peacekeepers hostage, including 12 Canadians.

Would the Prime Minister bring us up to date on the situation of the Canadian peacekeepers held hostage and on the status of the negotiations toward their release?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, we were delighted to learn over the weekend of the release of many of the hostages. A number of hostages remain, including one being held outside Pale. The others are near Visoko, and we are in contact with them. We are talking with local Serb and Bosnian Serb authorities in the hopes that these hostages will be freed as quickly as possible, like the others. However, I have nothing else to report on this at the moment.

As regards the decision by the defence ministers of the countries involved, the ministers met in Paris, and Canada's Minister of National Defence and Chief of the Defence Staff, John de Chastelain, were present. The proposal was made. However, the Government of Canada has not yet decided to take part. We will see whether our participation would be beneficial or required, in the coming days and weeks.

**Mr. Jean-Marc Jacob (Charlesbourg, BQ):** Mr. Speaker, we learned this morning that Canada is preparing an operation for the withdrawal of 800 Canadian peacekeepers from Bosnia.

Are we to understand that Canada does not intend to participate in the rapid reaction force, preferring to withdraw its peacekeepers from Bosnia unilaterally under operation Cobra?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the Government of Canada has joined with the other governments that have troops in Bosnia, Croatia or elsewhere in the former Yugoslavia, to draw up plans for the troops to be withdrawn safely, should their withdrawal be required at some point.

This weekend, the President of the United States sought the support of Congress and the American people for the possible

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intervention of American troops to help the peacekeeping forces in Yugoslavia in the event of a withdrawal operation.

There is no question of withdrawing at the moment. We must, however, always be prepared, should we have to withdraw, and this is what we are doing at the moment. There are no plans for a unilateral withdrawal from Bosnia at the moment. Our troops are in Bosnia because we were given a mandate by the United Nations. As I have said in this House, we complete our United Nations mandates. In this instance, we are beginning a six-month mandate.

\* \* \*

[English]

**PUBLIC SERVICE**

**Mr. Ian Murray (Lanark—Carleton, Lib.):** Mr. Speaker, my question is for the President of the Treasury Board.

The minister has announced changes in the way term employees in the public service will be treated by the government in the downsizing period. This appears to be unfair to term employees who have close to five years of service and would otherwise be eligible to become permanent public servants.

Can the minister tell us how the government will ensure that term employees are protected?

**Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.):** Mr. Speaker, the government wants to ensure there is a level playing field between determinate and indeterminate employees. It wants to be fair and up front.

For the first time there will be a formal written notice given in cases of layoff or end of employment. Also for the first time there will be access to transition services for employees with two years of service or more. That will help them in relocating and finding other employment.

(1445)

When a term employee nears five years of service there will be less probability of losing employment because of it. That is all in the spirit of fairness and ensuring a level playing field for everyone.

\* \* \*

**ABORIGINAL AFFAIRS**

**Mr. Dick Harris (Prince George—Bulkley Valley, Ref.):** Mr. Speaker, the illegal Indian blockade of the Douglas Lake ranch continues today despite the fact that the RCMP has had an injunction enforcement order for several days now.

It appears the only significant thing, as we have read, the RCMP has done has been to offer the band's chief as of yesterday an eagle feather and some tobacco.

While non-natives continue to be held hostage by the illegal blockade, maybe the Solicitor General could tell the House exactly

who has directed the RCMP not to enforce the injunction order and remove the illegal blockade?

**Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.):** Mr. Speaker, in this matter the RCMP is acting as the provincial police service pursuant to an agreement between the federal government and the Government of British Columbia whereby the RCMP acts as the provincial police. This is a matter for the attorney general of British Columbia.

**Mr. Dick Harris (Prince George—Bulkley Valley, Ref.):** Mr. Speaker, the attorney general of British Columbia has told the people that he will not interfere with the job the RCMP has to do.

If the attorney general of B.C. is not giving direction to the RCMP, someone is and is telling it not to enforce the injunction to remove the illegal blockade. I am sure the people of Canada, particularly the people of British Columbia and those who are involved with having equipment behind the barricades and are being kept from going into Douglas Lake ranch, would like to know exactly why the RCMP is not enforcing its mandate. Who is telling it not to?

**Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.):** Mr. Speaker, in this matter the RCMP is not acting on behalf of the federal government when it comes to enforcing an order of the courts in British Columbia. The RCMP is acting as the provincial police service pursuant to an agreement with the Government of British Columbia.

Therefore I again suggest to my hon. friend that he direct his question to the attorney general of British Columbia. I understand my hon. friend's concern about the matter, but it is not one under which the RCMP is acting under the direction of the federal government.

\* \* \*

[Translation]

**UNEMPLOYMENT INSURANCE**

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, my question is for the Prime Minister.

The federal government is abandoning the regions as it plans to close several employment centres, withdraw from air and rail transport infrastructure, cut regional development funds, and increase the number of weeks of work required to qualify for unemployment insurance in the regions with the highest unemployment rates.

Does the Prime Minister realize that his government's actions are hitting the regions hard and that thousands of people from Shawinigan to Saint-Siméon are directly affected by Ottawa's desertion?

*Oral Questions**[English]*

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.):** Mr. Speaker, I do not know where the hon. member gets his information, but no decisions have been taken on the reorganization of the department.

I assure the hon. member that when we complete the reorganization there will be more points of service available to more small communities in Canada than there are today.

*[Translation]*

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, I get my information not only from the people in the region but also from employment centre staff, who are very concerned about the situation.

**Some hon. members:** Hear, hear.

**Mr. Crête:** Is the Prime Minister aware that, by restricting access to unemployment insurance and reducing the duration of benefits, his government launched a direct attack against workers in resource regions who work on a seasonal basis in sectors such as fishing, forestry and tourism?

*[English]*

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.):** Mr. Speaker, I remind the hon. member that in this government ministers make decisions, not people at the local level, in terms of the basic reorganization of the department.

I will be glad to share any information with the hon. member, but I do not think it is particularly prudent for him to be responding to rumours or suggestions or recommendations. He should wait to deal with the facts.

\* \* \*

(1450)

**BABBAR KHALSA**

**Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.):** Mr. Speaker, on May 4 the Minister of National Revenue challenged me to provide him with information that the Babbar Khalsa was a terrorist organization.

On Wednesday, May 31, the RCMP named the late Talwinder Singh Parmar and six colleagues as suspects in the Air-India bombing.

Today I have provided the minister with a copy of a 1989 newspaper photo of Parmar holding a rocket launcher surrounded by dozens of machine guns and rockets. At that time Parmar stated that if anyone wanted to commit suicide he should board an

Air-India plane. He also stated that then Indian Prime Minister Rajiv Gandhi would not be allowed to live beyond 1990.

I have a question for the Minister of National Revenue. Which of the above items does he believe qualifies the Babbar Khalsa society for charitable status?

**Hon. David Anderson (Minister of National Revenue, Lib.):** Mr. Speaker, I thank the hon. member for sending over a copy of the document, which was on my desk when I arrived in the House. Unfortunately I do not speak Punjabi and it has been a little difficult for me to understand the true import of her question, but I thank her for the effort.

It is the policy of the Government of Canada not to support terrorist organizations of any type, whether on the Indian subcontinent, in the former Yugoslavia, in Ireland or wherever. We provide no support with respect to charitable status.

Where we have reason to believe a charitable organisation is not living up to its charitable status, which requires it to be promoting religion, education or certain social services, we launch an investigation. Any organization could be looked at, depending on the information we receive. Twenty organizations are now appealing their denials of charitable status in the federal court. We follow it up closely.

**Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.):** Mr. Speaker, I wonder just how much evidence the minister will require before he realizes that the Babbar Khalsa is a terrorist organisation and not a social club.

While I do not expect the minister to listen to members of the opposition, could he explain what rationale his ministry used to ignore a protest from CSIS made over a year ago that the Babbar Khalsa should be denied charitable status?

**Hon. David Anderson (Minister of National Revenue, Lib.):** Mr. Speaker, the denial of charitable status is something which I have suggested can be appealed in the courts. It is something we do on the basis of proper investigation and information.

We are quite willing to accept the views of the hon. member that a picture of a member with guns surrounding him is evidence, but I suggest it is totally contradictory to the Reform Party's gun policy that the mere presence of a photograph with weapons causes one to be investigated and causes one to lose charitable status.

\* \* \*

**FOREST FIRES**

**Mrs. Marlene Cowling (Dauphin—Swan River, Lib.):** Mr. Speaker, my question is for the Minister of Natural Resources.

Recognizing that forest fires fall under provincial jurisdiction we nevertheless find ourselves faced with one of the worst outbreaks of fires in recent history. What are we doing federally to help thousands of Canadians affected by this horrible situation, not to

*Oral Questions*

mention the preservation of the vast forest so important to rural communities?

**Hon. Anne McLellan (Minister of Natural Resources, Lib.):** Mr. Speaker, I would like to update the House with respect to the situation right now in the country.

While the forest fire season got off to a slow start, unfortunately we are now seeing the destruction of many thousands of hectares of Canada's forests in the western part of the country. For example, in British Columbia 112 fires are burning; in Alberta, 24 fires; in Saskatchewan, 54; and in Manitoba, 27.

Very briefly let me say again that what we are doing at the federal level—

**Some hon. members:** Order.

**Ms. McLellan:** Perhaps they might be interested in listening to the answer considering that it deals with the economy of provinces like British Columbia and Alberta.

**Some hon. members:** Hear, hear.

**The Speaker:** I would ask the hon. minister to make her final point.

**Ms. McLellan:** Let me simply say that we work in co-operation with the provinces and in particular through the inter-agency forest fire centre which ensures that the federal government and the provinces make the best use of their resources to fight forest fires.

\* \* \*

(1455)

[*Translation*]

**SOCIAL HOUSING**

**Mr. Jean-Paul Marchand (Québec-Est, BQ):** Mr. Speaker, the amounts allocated to social housing by the federal government have been falling at an alarming rate since 1992. Last March, the Minister of Finance cut the CMHC's budget by \$307 million, effectively killing any hope of new social housing initiatives. Yesterday, 20,000 people demonstrated in Quebec City to remind the government that social housing was one of their nine key demands.

Does the Minister of Public Works not agree that his cuts to social housing subsidies are a direct attack against the essential needs of the most vulnerable families in our society, despite Liberal election promises that these people would enjoy an acceptable standard of living—

**The Speaker:** My dear colleagues, I agree that this is a long preamble. The hon. member will please put his question.

**Mr. Marchand:** Does the minister not agree that his cuts to social housing subsidies are a direct attack against the essential

needs of the most vulnerable families in our society, despite Liberal election promises that these people would enjoy an acceptable standard of living in conditions of dignity and respect?

[*English*]

**Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.):** Mr. Speaker, I think the hon. member will know each department and each agency of the Government of Canada has had to undergo an extensive review of its programs. Canada Mortgage and Housing has been no exception.

The hon. member will know the Government of Canada provides on an annual basis \$2 billion for approximately 140,000 units across the country. Furthermore, the government was able to provide \$100 million under the auspices of RRAP. There have been a number of other initiatives too long to mention.

Perhaps I could conclude with a final one. Under the auspices of the private-public partnership centre of Canada Mortgage and Housing and the private sector, 49 projects creating over 2,500 units in the country have been put in place.

\* \* \*

**YOUNG OFFENDERS ACT**

**Mr. Myron Thompson (Wild Rose, Ref.):** Mr. Speaker, in amendments to the Young Offenders Act the justice minister included a provision to have 16 and 17 year olds tried in adult court.

Provisions in the Criminal Code and carried on in Bill C-41 stipulate persons under 18 convicted of first degree murder are eligible for parole after serving between 5 and 10 years. Adults convicted of first degree are not eligible for parole until serving a 25-year sentence.

I have a question for the Minister of Justice. What is the purpose of having 16 and 17 year olds in adult court if they are not going to receive adult sentences?

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, the hon. member knows as a member of the justice committee which considered Bill C-37 including these specific provisions that the proposal is that for 16 and 17 year olds transferred to adult court and convicted of first degree murder the period of parole ineligibility would be 10 years. That was arrived at, as the evidence before the committee demonstrated, because it was thought to be the appropriate balance between recognizing the age of the young person convicted of the offence and recognizing the need to protect society.

The provision in that bill which came out of committee has now been passed by the House.

**HEALTH CARE**

**Hon. Audrey McLaughlin (Yukon, NDP):** Mr. Speaker, my question is for the Prime Minister.

Today the Canadian Hospital Association will be opening its annual meeting with a call to arms against the government's plan to dismantle the national health care system.

(1500)

The plan to group funding for health, social assistance and education and to gradually deplete the cash portion of the transfer has been roundly denounced by the Canadian Medical Association, the Canadian Hospital Association, labour organizations, the provinces and territories. Even the nine Liberal members on the finance committee have said the cash portion must be retained.

Will the Prime Minister finally listen to Canadians and set out plans to ensure that the cash transfer portions for social and health programs will continue past the year 2000?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, that is exactly what we are trying to achieve in the bill. If we do not pass the legislation, there would be no cash transfers for health purposes within two or three years in some provinces.

That is why we changed the system, so there would always be cash transfers and we can ensure that the five conditions the House supports for medicare is respected. The only way to achieve it is by making these changes.

If we were to follow the advice of the leader of the NDP, within a couple of years provinces like Quebec, for example, would not receive any cash payments and we would have absolutely no more influence.

**The Speaker:** Colleagues, that brings question period to a conclusion.

\* \* \*

**PRESENCE IN GALLERY**

**The Speaker:** I draw the attention of hon. members to the presence in the gallery of His Excellency, Dr. Tarmizi Taher, Indonesian Minister for Religious Affairs.

**Some hon. members:** Hear, hear.

**ROUTINE PROCEEDINGS**

[Translation]

**GOVERNMENT RESPONSE TO PETITIONS**

**Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.):** Mr. Speaker, pursuant to Standing

*Routine Proceedings*

Order 36(8), I have the honour to table, in both official languages, the government's response to 22 petitions.

\* \* \*

[English]

**PETITIONS**

## SEXUAL ASSAULT

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, it is my privilege to present to the House a petition of 153 pages which was put together by the Fernie Resource Centre for Women. It is an interesting petition and I support it completely.

The final conclusion of the petition is that your petitioners pray and request that Parliament amend section 271 of the Criminal Code to include a minimum sentence of five years where a person pleads guilty to or is found guilty of level one sexual assault.

I concur totally with the petition.

BILL C-240

**Mr. Jack Frazer (Saanich—Gulf Islands, Ref.):** Mr. Speaker, pursuant to Standing Order 36, it is my duty and honour to rise in the House to present a petition duly certified by the clerk of petitions on behalf of 60 individuals from the riding of Saanich—Gulf Islands and surrounding area.

The petitioners call on Parliament to enact legislation against serious personal injury crimes being committed by high risk offenders, by permitting the use of post-sentence detention orders and specifically by passing Bill C-240.

BILL C-42

**Mr. Dick Harris (Prince George—Bulkley Valley, Ref.):** Mr. Speaker, pursuant to Standing Order 36, I am pleased to present a petition from Susan Sudernman of Prince George.

The petitioners humbly pray that section 718.2 not be passed and specifically that Bill C-41 not include the undefined phrase, sexual orientation.

FIREARMS

**Mr. Dick Harris (Prince George—Bulkley Valley, Ref.):** Mr. Speaker, I have another petition from John Lombardi of Houston, B.C. in my riding. The petitioners pray that Bill C-68, concerning the registration of firearms by law-abiding firearms owners not be passed by the House.

ASSISTED SUICIDE

**Mr. Dick Harris (Prince George—Bulkley Valley, Ref.):** Mr. Speaker, I have another petition from Northside Christian School in Vanderhoof, B.C.

(1505)

The petitioners pray for Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted

*Routine Proceedings*

suicide be enforced vigorously and that Parliament make no changes in the law that would sanction assisted suicide.

## REFORM PARTY

**Mr. Dick Harris (Prince George—Bulkley Valley, Ref.):** Finally, Mr. Speaker, I have a petition from Prince George, B.C.

The petitioners call on Parliament to preserve Canadian unity, parliamentary tradition and to protect the rights of all the people of Canada by prevailing on the Speaker of the House to recognize the Reform Party of Canada as the official opposition during the remainder of the 35th Parliament.

I personally support all of these petitions.

## HUMAN RIGHTS

**Ms. Maria Minna (Beaches—Woodbine, Lib.):** Mr. Speaker, I have five petitions with 188 signatures in which the petitioners call on the Parliament of Canada to act quickly to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation and to adopt all necessary measures to recognize the full equality of same sex relationships in federal law.

**Mr. Bernie Collins (Souris—Moose Mountain, Lib.):** Mr. Speaker, I have the privilege to rise this afternoon under Standing Order 36. I have 187 names concerning Bill C-41.

The petitioners pray and request that Parliament not amend the human rights code, the Canadian Human Rights Act, the charter of human rights and freedoms in any way with regard to this bill.

**Mr. Alex Shepherd (Durham, Lib.):** Mr. Speaker, I am happy to present a petition from 51 of my constituents who request that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or homosexuality, including amending the human rights code to include in the prohibited grounds for discrimination the undefined phrase of sexual orientation.

## YOUNG OFFENDERS ACT

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.):** Mr. Speaker, under Standing Order 36 it is a privilege to present this petition with 179 names plus that of Mr. Castet whose son was murdered in Victoria.

The petition calls for changes to the Young Offenders Act and calls for the government to enact legislation to reform the justice system and the Corrections and Conditional Release Act according to eight principles.

## ASSISTED SUICIDE

**Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.):** Mr. Speaker, I have three petitions to present under Standing Order

36. The first petition has 25 signatures and comes from the Elrose area of my constituency.

The petitioners 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.

## INCOME TAX

**Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.):** Mr. Speaker, I have a second petition with 43 signatures coming primarily from the Lloydminster area of my constituency.

It states that whereas Canadians are already overburdened with taxation due to a high spending government they pray and request that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

## OFFICIAL LANGUAGES

**Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.):** Mr. Speaker, the third petition has 36 signatures.

It states that Canada has enacted legislation providing for two official languages, English and French, in Canada and it calls on Parliament to provide for a referendum of the people, binding on Parliament to accept or reject two official languages, English and French, for the government and people of Canada, the acceptance or rejection of the proposed amendment to be determined by a majority vote of the total votes cast in the whole of Canada, together with a majority vote in the majority of provinces with the territories being given the status of one province.

## THE FAMILY

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, pursuant to Standing Order 36 I wish to present a petition that has been circulating across Canada. This particular portion of the petition comes from the Sarnia, Ontario region.

(1510)

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

They also state that the Income Tax Act discriminates against families that make the choice to provide care in the home for preschool children, the disabled, the chronically ill or the aged.

The petitioners, therefore, pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home for preschool children, the disabled, the chronically ill and the aged.

*Government Orders*

[Translation]

**QUESTIONS PASSED AS ORDERS FOR RETURNS**

**Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.):** Mr. Speaker, if question No. 135 could be made an order for return, that return would be tabled immediately.

**The Deputy Speaker:** Is it agreed?

**Some hon. members:** Agreed.

[Text]

Question No. 135—**Mrs. Ablonczy:**

With respect to all communications-related initiatives within the Department of Human Resources from January 1, 1994 to December 31, 1994 (a) how much money will be spent through public and private agencies, (b) what is the description of each project, (c) to whom were the contracts awarded and (d) what was the amount of each contract?

Return tabled.

[Translation]

**Mr. Gagnon:** Mr. Speaker, I would ask that the remaining questions be allowed to stand.

**The Deputy Speaker:** Is it agreed?

**Some hon. members:** Agreed.

**GOVERNMENT ORDERS**

[Translation]

**BUDGET IMPLEMENTATION ACT, 1995**

The House resumed consideration of motions 23 to 45.

**The Deputy Speaker:** The hon. member for Bourassa has seven minutes remaining.

**Mr. Osvaldo Nunez (Bourassa, BQ):** Mr. Speaker, I will conclude my remarks on Bill C-76. It should be noted that the Liberal government has already reduced the net income of seniors by approximately \$500 million with the tax credit cuts imposed in the 1994 budget.

The freezes and cuts imposed by the federal government since 1984 currently translate into a \$9.7 billion shortfall in the funding of social programs in Quebec. We have more than 808,000 people on welfare in Quebec today; in Ontario, they are more than a million.

In 1980, about half of the social programs in Quebec were funded through federal contributions. By 1997, only 27 per cent of these programs will receive federal funding, while Quebec sends \$29 billion in taxes to Ottawa every year. Since the Liberals took

office in 1993, the number of welfare recipients has increased by 53,000 mainly because of UI cuts.

That is the kind of compassion demonstrated by the Liberals for the most disadvantaged segment of our society. These cuts fly in the face of red book promises and everything the Liberals stood for in the last election campaign.

The federal government only manages to increase the problem of poverty, instead of alleviating it. The Chrétien government is the largest producer of welfare recipients in Canada.

Close to 500 Quebec women took part in the march to denounce poverty and the plight of children, and also to promote a better world. The 200 kilometre march, which I enthusiastically supported, started from Montreal, Longueuil and Rivière-du-Loup, lasted 10 days, and ended yesterday in Quebec City with a demonstration, in front of the National Assembly, in which 15,000 people participated.

There are still too many women affected by poverty because of their family situation, their age, their training, or the fact that they are unemployed or on welfare. Yet, federal cuts to social programs only make the situation worse for these women.

I want to pay tribute to these marchers for their courage and for their cause, which also concerns men and the population as a whole. This march is a giant step in the fight against poverty in Quebec and in Canada.

I want to point out that Mr. Parizeau's government reacted positively to the claims of these women. For example, minimum wage will increase by 45 cents on October 1st, going from \$6 to \$6.45. At the federal level, minimum wage is only \$4. It is a disgrace.

(1515)

The federal government should know that the vast majority of minimum wage workers in Canada are women. This march had other positive results: housing for homeless women, training for welfare recipients and the automatic collection of child support payments.

In addition, the sponsorship period for immigrant women is reduced from ten years to three. As a result, immigrant women will be able to free themselves from abusive or violent husbands without too much trouble, I hope. At the federal level, however, this sponsorship period is still 10 years. This is a disgrace.

As far as the preventative withdrawal of pregnant women from work and parental leave are concerned, Quebec is way ahead of the federal government. The federal government must act quickly to improve its social legislation in order to protect women instead of cutting everywhere, except where necessary, especially in defence spending. I just found out that the Liberal government has decided to purchase 15 search and rescue helicopters and 32 helicopters for the navy at the astronomical cost of \$2.6 billion.

*Government Orders*

It is outrageous that this government is spending billions on military equipment at a time when it is cutting social programs, UI benefits and social transfers. This decision is all the more disturbing since upon taking office in 1993 the Liberal Prime Minister cancelled the contract to purchase 50 helicopters that had been signed by the old Tory government. I am accusing this government of not keeping its word in this matter.

I am asking the federal government to withdraw Bill C-76 and enter into negotiations with the Quebec government. The federal government must withdraw completely from social programs, education and other areas under Quebec jurisdiction. In return, it should give Quebec full fiscal compensation by transferring tax points.

The time has come to end federal interference in areas of provincial jurisdiction. Quebec has the right to give itself job creation, manpower training, education, health and welfare policies in line with its own needs and priorities.

For all these reasons, I am against Bill C-76.

[*English*]

**Mr. Jim Silye (Calgary Centre, Ref.):** Mr. Speaker, I am pleased to rise to discuss the Bill C-76 motions that deal with provincial transfer payments and more specifically the Canada health and social transfer.

A number of Reform motions are designed to remove the government's ability to unilaterally decide what constitutes the violation of national standards, for instance in the Canada Health Act, and to unilaterally decide what the financial penalty should be.

The Reform Party has proposed amendments that would force the federal government to take provincial governments to court for alleged violations of national program standards and would subsequently allow the courts, not cabinet, to determine any penalties.

Our second goal is to prevent the federal government from imposing additional unilateral national standards like cross-country welfare rates without the consent of all the provinces. Clause 48, for example, uses the phrase "by mutual consent" in the context of additional national standards and criteria for services. This would in effect permit the Minister of Human Resources Development to proclaim new standards in welfare without the consent of the province of Alberta or Quebec, for instance.

In committee both Reform and Bloc members questioned government witnesses as to the intent of the mutual consent clause and how it would work. Would the government, for example, seek unanimous consent from the provinces when it changed national

standards, or would it use the seven out of ten provinces rule representing over 50 per cent?

(1520)

What does this mutual consent clause really mean? Mr. Speaker, with the bank of lawyers we have working for the government you would think this clause would be made more clear. I guess that is why we have a justice lawyer suing the government for boredom for lack of work.

The bottom line is that Reform's amendments ensure Canadians that clause 48 will not be brought in as an excuse by any cabinet minister to set out national standards unilaterally without the consent and co-operation of the provinces.

Another concern of ours is that the motive underlying many of these changes and the creation of the Canada health and social transfer is to provide the federal government with a bigger stick to whip dissident provinces into line. For example, in Motion No. 57 we propose to delete a section of clause 51 that would allow the federal government to withhold equalization payments and other provincial transfers for violations of the Canada health and social transfer conditions. In other words, this clause would allow the federal government to withhold cash from other programs even after the cash component of the Canada health and social transfer has been exhausted.

Reform wants to move in the other direction, toward unconditional provincial transfers. Let us move control over our social programs closest to the level that administers them. Let us rethink the way the federal government provides services to Canadians.

This Liberal government promised to provide a new blueprint for social reform. That promise, like so many, was broken when the Minister of Human Resources Development failed to deliver on his green paper. There was a promise not to increase the tax load on the long-suffering, overtaxed Canadian taxpayer. It was broken to the tune of \$500 million a year with the imposition of a 1.5 cent per litre tax on gasoline and the elimination of PUITTA, the public utilities income tax transfer, also in Bill C-76.

There was a promise of a more open Parliament where MPs would be free from party discipline. This was broken when Liberal MPs who voted against the government's gun control bill were stripped of their committee positions.

Now we are debating a bill that continues the trend of breaking promises that have been made to Canadians. In 1960 Prime Minister Pearson promised the provinces the federal government would pay 50 per cent of the costs of national health care. This was the condition insisted on by the provinces and promised by the federal government. Without this promise the provinces would not have agreed to national medicare. For example, the 1966 medical

*Government Orders*

care act clearly states that “the amount of the contribution payable by Canada to a province in respect to a medical care insurance plan is an amount equal to 50 per cent”. That is still in the act.

What is the state of that sacred promise today? Today the federal government’s contribution to health care funding is not 50 per cent, as promised; it is now less than 23 per cent and falling. Because it is breaking its fundamental financial promise, the federal government is slowly undermining the other principles of medicare: it undermines accessibility as waiting lists get longer and longer; it undermines comprehensiveness as more and more health services are delisted from provincial insurance plans; it undermines universality as the system evolves into a multi-tier system with access to the various tiers being tied increasingly to ability to pay.

The fact is that Canada already has a multi-tiered health care system, which the Minister of Health chooses to ignore, access to which has been made more restricted by rising health care costs and declining federal support. The challenge is to reform medicare so that one of those tiers can contain all the essential health services required by Canadians, financed by sufficient federal and provincial funding so that no Canadian is denied access because of inability to pay.

Canadians are asking and will continue to ask when real health care and social reform are going to come, and from where? This is not going to come from this federal government under the current Prime Minister, Minister of Health, or Minister of Human Resources Development. They resist every proposal for change. They charge anyone who advocates change with being an enemy of medicare or in favour of social programs that favour the rich.

The Liberals were only dragged into the discussion of health and social reforms because their officials kept telling them that if they did not do something the system was going to collapse and they would carry the blame.

Like all previous governments, all they have done is study the issue. That fiasco held by the social reform people of the human resources development commission who went across the country loaded with paid people to show up and private interest groups presenting their points of view was a complete scam and sham. Nothing fruitful has come from that.

(1525)

As well, the 1995 federal budget is a perfect example of the fact that the government has no real vision for our social programs and therefore picks the simplest route. It cuts funding to the provinces while at the same time failing to give them more flexibility in administering the lesser amounts it is granting to the provinces. What a simple solution: give less, say less, let the provinces handle the problem. That is not the kind of leadership the Reform Party feels Canadians want, nor is it the kind of leadership the Reform Party will provide when it becomes the government.

Quite simply, the Liberals want to have their cake and eat it too. The provinces are no longer buying this. In fact, I believe that if in 1960 the provinces and Canadians could have foreseen the monopoly Ottawa has today on setting the terms and conditions of health care services and financing, then the present medicare system would not have come into being in the first place.

The provinces need to be given more control over their affairs. If they do not then our social system will continue in a downward spiral to a point where fundamental programs like universal health care can no longer be afforded by or provided to Canadians by any government.

My concerns are very simple. When this bill was in the standing committee on finance being reviewed, the officials and the minister appeared at that committee. We were discussing this very clause, clause 48. We asked the minister what his officials determined was meant by mutual consent. The Canada Health Act is in place. The five principles are there and they are a sacred trust. Everybody in Canada believes in those five principles. We are not going to quibble about those five principles. However, by denying the provinces the flexibility to determine how to pay for some of these, as I pointed out in my speech, the government is hurting them, not helping them. By insisting that we still need universality and by insisting that the provinces have to follow these rules and Alberta has to close some clinics that people pay for, it certainly means to me that the Liberals do not want solutions, they just want control, for no reason.

Now we have something called the Canada health and social transfer, which means downloading the problems to the provinces and giving them less money. The government can now cut its budget, solve its problems and look good. In the meantime, the provinces will struggle.

In the standing committee we pointed out that there will have to be new social programs in order to address our spending on welfare and unemployment because the needs of the Canadian people are important. When we do discuss those and the provinces then look at the money and funds they have available, what are they to do? Are they to then decide what they want to do, with one province doing this and another doing that, and then the federal government tells them it will not give them the money because it calls the shots and it decides what the principles are they have to follow?

If the government does not like the principles it does not have to give to the provinces. If the provinces breach any of the rules in the program, for instance in health care, it is not only not going to give that amount of money for health care but it will cut the provinces off on other programs. That is way too much power. It is ridiculous and unnecessary.

What the Liberals said in committee was that their intent of mutual consent was that the provinces agree. They will not force anything onto the provinces that the provinces do not agree to. Is that really what the federal government means and what it wants done? I asked this in the standing committee and the government

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turned it down. Therefore, I question if that is really what this government wants.

This is what the government turned down. If verbally the government is promising to Canadians in a standing committee that nobody knows or hears about that mutual consent means that the provinces have to agree, then why not change the one word mutual to unanimous? If the government intends for all the provinces to agree, change the word mutual to unanimous.

With unanimous consent, now the government has the written agreement that goes along with the verbal agreement of this government and a solution to the problem. In this way, Quebec is happy, Alberta is happy, Ontario is happy, all the provinces are happy. But this government does not want to do that. This just points out to me that it will say something verbally, and a verbal promise is as strong as a written promise. It is on the record.

(1530)

We voiced our concerns about that clause, that amendment. We will use the quotation of the Parliamentary Secretary to the Minister of Finance in which he promised mutual consent means the provinces must agree. In the future if the provinces do not agree and the government forces them, it will once again have broken another promise.

[*Translation*]

**Mr. Jean Landry (Lotbinière, BQ):** Mr. Speaker, it is my duty today to denounce one of the worst incursions in the history of federalism into provincial jurisdiction. Bill C-76, an act to implement certain provisions of the last federal budget, opens the door to all kinds of federal interventionism in jurisdictions belonging to Quebec and the other provinces, and also widens the scope of its incursions.

As far as deficit-fighting measures go, we have seen better. All that the federal government could dream up was a merger of all of its transfer payments for health, social services and post-secondary education into one payment: the Canada social transfer. They hope to take on the deficit by offloading to the provinces.

For 1995-96, the transfer to the provinces will effectively be reduced by \$2.5 billion; for 1997-98, it will be cut by \$4.5 billion. If this transpires, Quebec's shortfall could be in the neighbourhood of \$1.9 billion, if the distribution of the Canada social transfer is determined by the criterion of population. That, at least, is the criterion which would be most favourable to the government, as it would result in Quebec having to shoulder close to 42 per cent of the cuts in transfer payments for 1997-98. If the federal govern-

ment were to continue using the current distribution method, Quebec's shortfall would still be approximately \$1.2 billion.

The federal government would use these centralizing measures to relegate Quebec and the other provinces to a purely consultative role. At first glance it seemed as though the Canada social transfer would give the provinces the transfer money they needed to carry out their responsibilities, since the federal government would be withdrawing from areas of provincial jurisdiction, or so the government wanted us to believe.

In reality, the bill maintains the national health standards and provides for the addition of new standards in the areas of social welfare and post-secondary education. What happens if the provinces do not meet these standards? The government hits where it hurts, in the wallet. It will cut off their rations, like it did for our society's most disadvantaged: the unemployed and welfare recipients.

This is the point we have reached in this country. The government wants to impose national standards unilaterally in areas of provincial jurisdiction. The provinces—imagine that—will be consulted. Nothing in this bill requires provincial approval for the implementation of standards imposed by the federal government. This means that, in areas as sensitive as health and education, the federal government will be entitled to say to the provinces: "Your program does not meet national standards. If you do not arrange it the way we want, we will cut off funding". Not only is this government making unprecedented cuts to social programs, but it is imposing national standards in areas of provincial jurisdiction. I wonder whether Pierre Elliott Trudeau ever went so far? And this is no compliment to the current government.

Bill C-76 will enable the federal government to tell Quebec and the other provinces, at the end of unsuccessful negotiations, for example, that it is cutting them off if they do not accept its standards. It is just that subtle. In Quebec, the message will be understood as: "Toe the line or you are dead". Quebecers will choose this fall to suffer such humiliation or to form a country. Elsewhere in the country, people are not thrilled about the bill either.

Take for instance the Canadian Council which criticized Bill C-76 in these terms when it appeared before the finance committee: "If the federal government tries to impose national standards without giving the money that goes with it, it will simply get negative responses from the provinces".

This bill will have numerous deplorable effects. Let us take manpower development in Quebec for example. Bill C-76 will allow the Minister of Human Resources Development to go forward with his intention to grab the savings coming from his unemployment insurance reform in order to create a human resources investment fund.

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(1535)

And this fund will be used, among other things, for manpower training programs, a jurisdiction that Quebec has been claiming for many years under governments from all political allegiances. Students also will be hit. Since their grants will be reduced, universities will have no other choice but to increase tuition fees, which will force students to borrow even more.

I suggest that this government is a past master in the art of getting into debt. Yet, as far as I know, the federal government can no longer afford to interfere in provincial jurisdictions. Following the last budget, the government has made it clear that it intends to reduce its participation in the funding of Quebec social programs to about 28 per cent.

While footing only 28 per cent of the bill, the government still wants to assume the right to interfere in our business by imposing its national standards. Fortunately, by 1998, Quebec will have taken its own destiny into its hands. The Bloc Québécois knows exactly what the Minister of Finance and this government are up to.

The bill has two objectives: first, to obliterate Quebec's claims in its own jurisdictions and, second, to hide from the people the truth about transfer cuts to the provinces and the effects that these cuts will have, especially two years from now.

Federal transfers to Quebec, and I want to specify here that this is Quebecers' money, taken from the \$30 billion in taxes they sent to Ottawa, will be reduced by 32 per cent between 1994-95 and 1997-98.

The bill is a perfect example of what motivates us to want to become sovereign; this is plain interference, except that this time the government is going further than any other centralizing government has ever gone. We denounce that and the people will hear us.

**Mr. Pierre Brien (Témiscamingue, BQ):** Mr. Speaker, I wish to thank the Reform Party member who allowed me to take the floor now, since I have to leave in a few minutes.

I am happy to address the House today on Bill C-76 at report stage. Since our arrival here in Parliament, we have seen this bill take shape. It reflects the whole approach of the government to transfer payments to provinces.

The government introduced over time a series of measures which affected and reshaped its approach. It started with a cap on equalization last year, which affects mainly Quebec. The amount has been estimated at \$1.5 billion over the next five years.

Last year's budget contained cuts to unemployment insurance and also to what we call shared costs programs, that is post-secondary education and health. Cuts estimated at \$2 billion had already

been announced in last years' budget, and this years' budget brings further reductions totalling \$7 billion, which will come into effect in the next two years, that is \$2.5 billion next year and \$4.5 billion the following year.

This year's reductions come on top of last year's cuts. The whole area of transfer or transfer payments to provinces has therefore been hit with massive cuts.

The government also tried to conceal the whole thing in the budget by presenting transfers to provinces, tax points and equalization payments all together. It mixed them all up in such a way as to give only global amounts and summarized data. From now on, the federal government will administer a new Canada social transfer that will combine all the amounts it contributed to CAP and the Established Programs Financing for post-secondary education and health. By these cuts, or the merging of these three fields in order to make one global cut, the government is hiding its true intentions.

(1540)

The Minister of Human Resources Development had given some hints with his consultations and the rainbow series of papers he distributed. At that time, it was supposed to affect post-secondary education, among others. There was also mention of other sectors such as health, but that was still to come, since there were also consultations on that issue.

Now, in order to avoid debates such as this and not wanting to be seen as the culprit for having made all these cuts, the federal government says: "Let us add everything up and cut the envelope". This way, we can shift the blame to the provinces". We have a fine example of this in Quebec with the whole debate we are having about health care reform, which is aimed of course at improving delivery but is also motivated by cuts imposed by the federal government.

Because of these cuts, the provinces are forced to choose. The federal government did leave them some leeway. That is what they call decentralized federalism: "You must cut, but you get to choose where these cuts will be made". This is easier said than done, because at the same time the government is telling us: "You will be required to comply with a number of principles arising from the Canada Health Act and, regarding social assistance, residency requirements will be excluded as grounds for denying assistance to an applicant". Basically, we are told that these are the only two conditions that will be maintained, the only two national standards that will apply to the Canada social transfer.

At the same time, the provinces are expected to develop other standards together. Upon further analysis, one realizes what the government means, and reads in the committee's report that it

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recognizes the responsibility of the Minister of Human Resources Development to develop standards "through mutual consent". Also stated in the same report is the need to maintain an element of cash payment in transfer payments as part of the Canada social transfer because, in time, these could be reduced to nil. It says that a portion of the federal transfer payments must remain in the form of cash payments, so that it remains possible to tell the provinces how to apply these standards.

So, they have just confirmed what we suspected all along: there is indeed a strong desire to maintain national standards through this new Canada social transfer. The bottom line is that the federal government will reduce transfer payments and that there may be more federal standards than before, since the federal government may now impose post-secondary education standards.

We know very well what happens during these discussions, when 10 or 11 people sit around a table to try to define national criteria. There is often a lot of energy spent with few results and, at the end of the day, the federal government prevails through financial blackmail. Other decisions will have to be made by the federal government in coming years.

We are still waiting for the reform of the goods and services tax, the notorious GST. The federal government still leaves itself a way out and room to manoeuvre so that it can impose its vision in future talks with the provinces. I remember being a guest on a radio show the day after the budget. Since the Minister of Human Resources Development was interviewed just before me, I was able to hear what he said. He candidly told the host—who was asking him if he was sorry that the federal government would no longer exercise control and impose standards in sectors affected by transfer payments—that, on the contrary, they would have more control than ever. This shows that what Liberals say here in this House and what they tell other people are two different things. I tend to believe what the minister said on the radio, that he did want more control and that the federal government would have more control in the long run.

I want to link this to a number of things, to a speech by the Prime Minister that has been somewhat forgotten. I remember when the Liberal Party held its convention in Trois-Rivières, in eastern Quebec. At that time, the Prime Minister accused the Quebec government of not caring about poverty, once again using his old theme about how that government was only concerned about separation. The fact is that we care a great deal about poverty and we ask: Who will be affected by these cuts? Think about it for a moment. Who will be affected by these cuts to social assistance, to post-secondary education and to health care, which come on top of cuts affecting the UI program? We have to take a close look at this issue.

The government waxes eloquently about job creation, but it takes measures which will adversely affect people.

(1545)

These measures will hit Quebecers even harder, because of a series of decisions made over the years by the federal government regarding spending in a number of sectors, including research and development. As we often said in this House, we feel that, because Quebec did not get its fair share in these sectors, it was forced to become more dependent on welfare assistance and unemployment insurance.

I am not proud to say that Quebec has the largest number of welfare recipients or unemployed. We are not proud of that, and this is not the kind of financial assistance which we seek from the federal government. If another approach had been used in the past, the situation might be different now.

But this is not the case, since we were adversely affected by a series of decisions on structuring expenditures. In the past, at least the federal government would say: "We know what we did to you, but we will compensate you for that". Now, this government says: "In addition to that, we will cut the compensation which you used to receive". This is not the kind of money which we want, without increasing the rest and without giving us the means to do something about it. Just think of manpower training and the fact, as was mentioned earlier today, that the federal government will simply not let Quebec assume control of that sector.

This is a strange approach. There are also other financial cuts which will have an impact. For example, in the first year, that is next year, transfers through the Canada social transfer will be reduced by \$2.5 billion, which means that Quebec will be deprived of some \$650 million. In the House, ministers and the Prime Minister himself said it would probably be \$300 million or \$325 million. Officials who came before the committee said it would be \$625 million, which is much closer to the \$650 million that has been mentioned since the beginning.

If that is another illustration of this government's mathematics, it is easy to understand why people are often suspicious of its management and decision-making processes. They have their own way of calculating things, as ministers and the Prime Minister showed when they talked about \$325 million for Quebec, while everybody knew that it was really \$625 million for the first year.

As regards the \$4.5 billion in the following year, the criteria for the breakdown of these cuts are still to be negotiated. Otherwise, Quebec would have to contribute \$1.2 billion. But we will renegotiate, and one approach that is strongly favoured is a breakdown according to population. Under this approach, Quebec's share would be \$1.9 billion.

So, the criteria change will most probably penalize Quebec. It will certainly not favour it, given that the provinces requesting this change are complaining that Quebec is overcompensated in comparison to them, Ontario in particular, which will come to the

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table, according to what is reported these days, with a Conservative government, whether liberal members like it or not, which could seriously complicate the picture. So, that is how things stand right now.

In short, I will resume my speech by saying that we will end up with less money, provinces will get less money, standards will be forced on them, some pretty high standards that they will have to observe under difficult economic conditions. No doubt about it, this is shifting the financial burden to the provinces.

When the taxpayer takes a look at the federal government's books, he will find at first sight that there is a slight improvement, but he will feel a deterioration elsewhere. Either he will have to pay more for some services, or he will be hit by the cuts made by provincial governments. The situation will be a real headache for the provinces because they will always be caught with this whole intractable approach imposed on them, the compliance with national standards.

That being said, I understand there is some concern in Canada because of the rise of the right in the area of social policy. We see it in Alberta, and even here in Ontario now. In Quebec, we do not have that problem, so people there are not afraid, and are not asking the federal government for national standards.

If this system were flexible enough, we would have an asymmetrical solution that would be different for Quebec than for the rest of Canada, but here we have a Canadian vision which does not give much recognition to the specificity of Quebec on that issue.

The time to decide will soon be here. Quebecers will be able to choose other models and other approaches in a public debate, even though our mind is already made up in that regard. The Prime Minister says he is concerned with the neediest, but if he wants to keep some credibility when his government tables its record, he will have to explain why he attacked mostly the unemployed, the welfare recipients and the students since he took office.

(1550)

I can hardly believe he really feels any compassion. We have his words, and then we have the facts. Here, we are faced with facts; that is what we are looking at, and we are very disappointed.

[*English*]

**Ms. Margaret Bridgman (Surrey North, Ref.):** Mr. Speaker, I appreciate the accommodation in switching the speaking order.

The motions I am addressing today relate to the Canadian health and social transfer. This transfer was one of the more controversial aspects of the latest budget as it transformed the whole system of federal transfers to the provinces.

The transfers were represented by the finance minister as being more flexible in approach. In his budget speech the finance minister stated: "Provinces will now be able to design more innovative social programs, programs that respond to the needs of the people today rather than inflexible rules".

When that statement is considered on its own, it almost seems as if anyone can identify that as being something positive, constructive, et cetera. The provinces will be allowed to be more innovative and will indeed have fewer rules, therefore becoming more flexible.

I wonder what definitions are meant by innovation and flexible and how they are actually applied. Does it suggest it will allow the provinces to have more control over management of the programs and be able to adapt programs to meet the specific needs of residents in their area? Of course, innovative would be to create the programs.

The minister goes on to state: "However, flexibility does not mean a free for all. There are national goals and principles we believe must still apply and which the vast majority of Canadians support. Our goal must be to combine greater flexibility with continued fidelity to those principles".

This suggests that the government will still be making and interpreting the rules and that the provinces will abide by the decisions and interpretations. Therefore, they will have to be flexible to adapt to less money because this is very suggestive that there will still be federal control over it. Yes, they will become flexible in that they will have to adapt to providing innovative programs on less money.

We cannot have it both ways, especially based on this approach. On the one hand the federal government says it will allow greater flexibility, but on the other hand it is going to enforce the national standards.

The finance minister continued his speech with a commitment to maintain the five conditions of the Canada Health Act: universality, comprehensiveness, accessibility, portability and public administration. Then the minister proceeded to outline the cuts in the transfers to the provinces under the new Canada health and social transfer. This is an excellent illustration of how the federal government is failing to address the fundamental problem now facing health care in Canada: declining federal financing combined with a lack of provincial manoeuvrability.

Also in the red book there is the statement: "The Liberal government will not withdraw from or abandon the health care field". We are talking about semantics or the meanings of words. We talk about flexibility. Flexibility how? We talk about being innovative. How? Here we talk about withdrawal as well. Withdrawing or reducing finances can be interpreted as withdrawing

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from the program as we knew it in 1993. Therefore, we have another broken promise if we interpret the word withdraw that way.

At this time I would like to provide a little background on the subject. Under the Canada health and social transfer, the funding to the provinces will be reduced from what it otherwise would have been in 1996-97 by \$2.5 billion. It will go down to \$26.9 billion. That tends to suggest to me a withdrawal of funds from health care. Of course, it is going to make the provinces innovative and flexible in trying to find programs which will meet the needs of the provinces based on less money. It is going to be further reduced from what it otherwise would have been in 1997-98 by \$4.5 billion, bringing it down to \$25.1 billion.

(1555)

That is not a complete representation of the total effects of the cuts in the last budget. When discussing the value of the transfers to the provinces under CAP and EPF, the government decided to include the value of the tax points which were transferred in 1977. This component of the transfer is not and never has been a budgetary item. The value of the tax point transfer is not included in the budgetary expenditures, nor is the forgone tax revenue deducted from the budgetary revenues. We begin to wonder whether the tax point transfer was included in this whole process just to mask the depth and the significance the reductions which are proposed in this transfer to the provinces will actually be.

The cash transfers to the provinces are scheduled to fall from their 1994-95 level of \$25.2 billion to a 1997-98 level of \$19.9 billion. Included in the cash transfers are two components: the equalization component and the CHST component. Over three years the equalization payment will continue to grow. It will actually grow from approximately \$8.3 billion in 1994-95 to \$9.6 billion in 1997-98. On the other hand, funding for Canada health and social transfers will be reduced by \$6.6 billion, from \$16.9 billion in 1994-95 to \$10.3 billion in 1997-98.

When we get through all the jargon and the process of what is actually happening and try to figure out what the bottom line is, and when we consider the components of cash transfers, tax points, the CHST component, the equalization component, the CAP component and the EPF component, what is actually going to happen? I sat down and tried to pull this all together. It looks like this will represent a 39 per cent cut over this period of time to 1998 in federal cash transfers for health, advanced education and social assistance as they are now being lumped into a block program.

When we start to think of the diminishing cash contributions, the key question which comes to mind is: How does the federal government hope to enforce the national standards in health care if the cash contributions are diminishing every year and what will happen when they get down to zero? That is where clause 51 comes

into play. It allows the government to withhold any transfers, such as those going to advanced education or social services, based on its interpretation of the province's behaviour in relation to health care, or whatever it is. That is a threat to the provinces.

In any given year, based on a judgment of the government, transfers can be withheld from the provinces. Again, it must be flexible because now it will affect the other two components as well. Of course, there will be more people upset, which will also apply pressure.

The whole process is totally unacceptable because the control is being kept by the federal government instead of being decentralized to the provinces and closer to the people who are actually receiving the care. That is why my hon. colleague from Lethbridge has introduced the amendments which would prevent these kinds of contradictions and I fully support them.

**Mr. Ken Epp (Elk Island, Ref.):** Mr. Speaker, I usually start my speeches by saying that I am very happy to get up to participate in the debate, but I would like to begin my speech today by saying that I am downright annoyed. This is the worst time we could have in Parliament; we are given a limitation of time to speak about the things that are the most important to Canadians.

(1600)

I was asked not long ago what is wrong with Quebec. I said nothing. I was asked if we have a problem with Quebec, whether it wants to leave. We really do not have a Quebec problem; we have an Ottawa problem. That is the essence of the whole debate today. The federal government is intruding on these areas of provincial jurisdiction by our Constitution and by its use of the spending power intruding on our freedoms right across the country in all provinces.

I even admire Quebec for bringing the issue to a head to this degree by saying Ottawa should wake up and listen to the people of Canada. We are being asked today to give formal assent to a budget which perpetuates the problems Ottawa has been imposing on Canadian citizens, taxpayers, for several decades now. It is time for this to be corrected.

Does not the Constitution clearly say health care is a provincial jurisdiction? I believe so. The history of health care shows that originally, undoubtedly with good motives, the federal government felt it should tax all Canadians and then give the money back to the provinces based on their populations. There was a new plan put out.

In the same year I was married Saskatchewan started a provincially funded health care system. At that time doctors in Saskatchewan were striking because they did not want to have government intrusion into the health care system. It started in Saskatchewan. On our marriage my wife and I moved to Alberta. At that time Alberta had its own private insurance which was inexpensive and

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very thorough. We had moderate medical costs covered by medical services incorporated. We were very happy.

However, this virus of thinking that only the government can do things well continued to spread across the country until finally Canadians have now come to accept that we want to have government funded health care. Somehow there is a transition. When governments cause something to become legal and required by law, it then gains a certain degree of public acceptance.

Now we have accepted that all of us will pay through taxes, and in places like Alberta through health care premiums, for our health care coverage. We also expect that if we need health care it will be available for us, just like in the old days before the government was involved. Is that happening? No.

More and more we are hearing from our constituents about long waiting lists, certain procedures that are deinsured. The elderly, who certainly have paid taxes and participated in our country all of their lives, surely as contributors to that degree are now entitled to their share of what they have provided for others. They are now being denied even to the point at which there are some people suggesting older people ought to be put away because they are too much of a drain on the health care system. What a shame.

In this bill we find an intrusion by the federal government, thinking it can tax all of us and then limit not only what it is providing for us but also our ability as individuals in our provinces to do what we can with the diminishing resources.

(1605)

Both those premises are wrong. Both fail the test of common sense. Both fail what Canadians want, an efficient health care system funded publicly but under the control of provinces. They would have better control.

I always say to people in Elk Island and generally in Alberta that whenever they want to favour government funding to think about the fact that probably—I do not have the exact numbers here—for many of these programs we are fortunate if we get back 10 or 20 cents on the dollar of what we send to Ottawa. We would be a lot better off without Ottawa intrusion. We would be a lot better off if Ottawa butts out of this problem. It is not solving the problem, it is the problem.

I strongly endorse the amendments my hon. colleague has promoted in order to fix the flaws in this bill. I am very concerned that in our society we need to meet the needs of those who cannot look after themselves. To a great extent that includes people who are ill. When people are ill or when they become aged usually they are unable to continue working. Many do not have a portfolio of investments to provide income.

I agree with the consensus of Canadians that we are a compassionate society and we will help to meet needs, whether social welfare needs or health care needs.

Certainly we can pull together in meeting the needs of those who are needy. It is an absolutely false assumption that the best way of doing that is to set up two, three and in some cases four levels of bureaucracy in government that eat into our tax dollars and deliver but a portion of that in benefits to citizens needing it.

We need to do this job much better. We need to become efficient. We need to reduce the amount of bureaucracy and control from the federal government. I am not convinced at all that as we decentralize things will get worse, as the Liberals claim. Things will get better because there will be a smaller financial drain on us in total, there will be closer control with more local politicians and more local bureaucrats basically forced to listen to the people. In total we will have a much more efficient system and the needs of people will be met better at less cost. That will also have a positive spin on our total economy.

I could continue to wax eloquent on this for some time because it is an issue that concerns me greatly, one that needs real changes by the government. I will not hold my breath waiting because I know if I hold it too long health care may not be there to help me.

[*Translation*]

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, the bill on the Canada social transfer calls up the image of an old spent horse on its last show. It has been very useful and appreciated in the circus, but it is on its last legs. Yet, the owner wants to keep it going a little longer with some garish costume.

Throughout the sixties and the seventies, the whole issue of interregional equity was at the center of the public debate. I think a very big mistake was made from the start, with the confusion between the provision of a safety net for all Canadians and the real need underlying the goal we should have had, which is to provide an adequate economic and social development so that all Canadians can have a decent life in their own regions.

(1610)

Unfortunately, with the decisions we have made and the fact that we have been living beyond our means, we reached a point where the Canadian government had only two alternatives in a federal context. The first one, which was chosen, was to announce cuts and offload them to the provinces, while saying: "Let them handle the problem. They are on the front line. We are going to save our political hide".

Second, the Liberals have been unable to carry their argument to the limit and to say: "If we cut provincial transfers, we cannot set national standards, because we cannot reduce our financial assistance and still impose national standards". But the current government has not been able to come to that conclusion, because it is actually made up of many, many members who greatly miss

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Trudeau and the years when the Liberal government believed that, by borrowing money right and left, it could solve problems throughout the country. We now realize that foreign lenders can no longer wait and they urge the government to take a stand.

So, in order to satisfy foreign lenders, the government is cutting its spending, even though it still argues, on a philosophical and political level, that national standards are needed. This would perpetuate one of the most significant costs of federalism, linked to all the quarrels and the bickering between the two levels of government. Some people say that the province of Quebec is always complaining about this situation, but look at what is happening in Alberta. Over there, the provincial government is making choices, even though its direction is controversial, and at this end, we have the federal government telling Alberta: "No, you cannot make these kinds of decisions; they go against the national standards".

The province of Alberta has a valid argument. It maintains that, since the federal government is investing less and less money, it does not have such a strong say in the matter any more. The federal government should realize this and change its attitude. The people who are watching and also the members of the government and of the other opposition party should carefully consider what the position of the Bloc Québécois is.

The Bloc Québécois suggests that the federal government withdraw from areas of jurisdiction in which it systematically intervened for many years by injecting large amounts of money and by creating false expectations. The federal government should withdraw, but, at the same time, it should fully compensate the provinces by means of a tax point transfer. This would be a positive incentive for each province to make the most of the little it receives, and keep some for other activities, thereby ensuring better regional development.

Of course, this suggestion is made with a federalist vision of Canada's future. If we wished to maintain this old federation, for a few more years at least, this is the type of solution we should adopt. I believe we should at least try to save something from the wreckage. In Quebec, unfortunately for the Canadian federal system, we have had it with these partial solutions and we believe that the real solution is for Quebecers to have full control over their tax money, which now goes to Ottawa but which, in the context of sovereignty, would go to one place only, Quebec City. With full control, the Government of Quebec would be able to develop much more structured programs better able to reach their objectives.

We are often asked this about the bills on which we vote: "You make beautiful speeches on policy issues but how are we affected by this?" I would like to take the opportunity—I feel compelled to because of the time allocation forced on us by the government—to draw the hon. members' attention to a rather treacherous aspect of Bill C-76, which is an omnibus bill. With clause 69, 3,000

resistance veterans will lose their eligibility to some pension benefits.

(1615)

What is even more devious is that there will no longer be compensation for those who want to be heard by a review panel. Just imagine in what situation veterans will find themselves. Today, most of them are getting on in years and their physical and mental health has been seriously affected by their years in service. Their country wanted to give proper recognition to their contribution by trying to compensate them for what they did for the nation. But today, surreptitiously, the government is going after these people through an omnibus bill. Remember, they are not millionaires.

For example, I met elderly couples in La Pocatière or in Pohénégamook, in my riding. These people do not necessarily have access to a physician close to their home and often have to travel considerable distances when required to undergo a physical. The cost of a medical examination used to be covered by the Department of Veterans Affairs. But, when Bill C-76 is implemented, we will have a situation where these people will no longer be entitled to the partial reimbursement of some of these costs. It will become strictly a regulatory matter. Once again, Canadians who are in a somewhat difficult situation will have to pay for the financial pressures that the government is under.

I think that the government could have been more open-minded and could have realized that, on top of what they did for their country, veterans are in the last stage of their life. I find it very petty to put such a burden on these people who are not necessarily used to finding their way through the bureaucracy in which we work. It shows a total lack of respect for human dignity.

I wanted to use this example so that members would realize that Bill C-76 will have repercussions on the daily life of Canadians. And I am talking about ordinary people. I used veterans as an example, but the cuts that will be made with regard to the Canada health and social transfer—some \$560 million next year in Quebec alone—will have an impact on all kinds of people. There will be repercussions of this kind on students, seniors, and social assistance recipients, because these programs were partially funded by the federal government in the past, and if the federal government cuts its contributions, the provinces will be forced to take a much more restrictive stance.

It is important for Canadians to know that the decisions that the provinces may have to make will only be the fruit of the mismanagement by the federal government, which opened up the floodgate for years, using borrowed funds, and imposed duplicate programs on provinces. The result of this today is that we must face a new, very simple reality, which is that Canada no longer has the means to support all of the social programs it used to offer, not necessarily

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because the programs were inherently irrelevant, but because they were superimposed on programs that the provinces were already offering. Many useless expenditures on overlaps could have been eliminated had the federal government only reached an agreement with the provinces, ensuring that the changes were made in co-operation with them.

In conclusion, I would like to cite the example of the summit on health. This would have been a good opportunity for the federal government to ensure that the provinces would participate in the debates on health care, instead of imposing cuts and leaving each province ultimately to fend for itself. This is also an example of the current system's downfall. People are unable to pinpoint where their tax money is actually going. This is one of the reasons that I think that, after judging Bill C-76, Quebecers will see very clearly that their only solution is to opt out of the Canadian system.

(1620)

**Mrs. Francine Lalonde (Mercier, BQ):** Mr. Speaker, the Canada social transfer is the very expression of a budget that shows two faces: what it says and what it does. The government boasted that it had kept its spending under control. There was some applause, and some people said the government "showed courage".

In fact, the government merely made a couple of transfers—not money but budget cuts—and above all, it transferred its problems to the people. It has to be said. It has to be said that after all the speeches and boasting, what it comes down to is that there are people who will suffer as a result of these cuts.

So was the debate about finding out whether these were the right places to cut? No. The federal government looks after its own budget and leaves the provinces to look after theirs, with the results depending on whether they are rich or poor. This year, Quebec had the doubtful privilege of having the highest poverty rate, and it can look forward to being severely hit by the cuts in the Canada social transfer.

In what way? It will suffer the effects of more than \$50 million in cutbacks for the coming year and the year after, perhaps at least \$1.9 billion. Who will be affected in the long run? People will be affected because they are sick or have fewer social services. Because fewer services will be available, some people's education will suffer because it will cost more. People on welfare will be affected as well. And if a province does not want to transfer these cuts to its citizens because it feels they are too substantial, it may have to ask its people to pay more. That will be up to the provinces.

The Canada social transfer is typical of this budget because the central government can say it has done its share to bring down the

deficit, while the provinces are stuck with the real cuts and their people are stuck with the problems. Meanwhile, the central government is making sure that the UI fund is running a surplus. The government expects a surplus of \$5 billion, \$5 billion more in premiums than benefits.

With its Canada social transfer, the central government, after cutting funding to the provinces to the bone, creates problems to the extent that individuals and the provinces will have no choice but to try and deal with the situation and then the UI fund can be used as a powerful tool by the federal government to intrude in provincial jurisdictions, because the provinces will be pushed to the limit.

(1625)

This is why I say the budget is two-faced. The government says it is giving provinces flexibility. What flexibility exactly? I would like to know what sort of flexibility it is, when the provinces are forced essentially to slash all programs.

And I have yet to discuss national standards. I will conclude on this point. Not only is the central government cutting, plunging the most disadvantaged provinces into an utterly impossible situation, not only is it positioning itself to anticipate the next recession and force the provinces to come and eat out of its hand, it is quite simply announcing that it will continue to impose common goals and principles and that it will use these transfers to impose, to promote—and that is the word it uses—its common goals and principles.

When the government talks of promoting goals and principles under the Canada social transfer in federal legislation, legislation that will in all likelihood never come before the courts because it is short term, we can assume it has powerful ways of imposing standards.

What is more distressing is that, up to now, no conditions of any sort were ever attached to post-secondary education. It was so clearly a matter of provincial jurisdiction close the heart of Quebec that there had been nothing like federal standards, which seemed unthinkable, out of the question, impossible. Yet, this so-called flexible bill provides that the federal government will encourage the provinces to establish common goals and principles in health care, post-secondary education, welfare and social services.

What is not said is that, for these goals and principles to receive federal approval, they must be reached unanimously. The government has refused to say that unanimity was required, and we did ask repeatedly.

We find ourselves with a government which tells us that it will ask one of its ministers to bring together the provincial ministers to

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try to agree on common principles and objectives and to use the transfers to promote these common principles and objectives.

When we say that, the government gets very emotional and argues that we are mistaken, that it simply wants to be flexible. Nobody can believe that it is flexibility that the government has in mind. Nobody believes it because each time the government has been blasted by the rest of Canada which wants national standards, its answer has always been: "Yes, we have asked Mr. Axworthy to meet with the provinces and we want national standards".

To conclude, I will say that this is a two-faced budget, that the government has two objectives: to smother the provinces and to dip deeper into the unemployment fund, which comes from the pockets of workers and businesses. The government claims that it wants to promote flexibility for Quebec in order to soften us Quebecers before the referendum, while in fact it is getting ready to use the Canada social transfer to promote its own principles and objectives.

(1630)

In so doing, the government will reach both of its goals, which are certainly not aimed at decentralization but rather at the development of a new Canada, made in Ottawa and without any consultation. Step by step, bit by bit and bill by bill, even though it denies any intention of changing the constitution—it killed the Meech Lake agreement after all—the government is preparing a new Canada nonetheless. And, judging by what is happening in Quebec, where the Quebec government must make painful cuts in health care services, education, social services and welfare, in this new Canada, the central government will receive loads of money coming from unemployment insurance premiums, from the citizens in fact, and it will use this money against the citizens of Quebec.

[*English*]

**Mr. Dick Harris (Prince George—Bulkley Valley, Ref.):** Mr. Speaker, I will be sharing my time with my colleague from Esquimalt—Juan de Fuca. We will speak for approximately 10 minutes each.

**The Deputy Speaker:** The hon. member, being a grandfather-to-be, may not realize that there is no sharing of time. They are 10-minute speeches. There is an agreement between the two parties to have two speakers from each party.

**Mr. Harris:** I stand corrected. I am pleased to rise today to speak to Bill C-76 regarding the implementation of certain provisions of the budget tabled last February. The areas I want to speak to primarily deal with the motions we put forward concerning provincial transfer payments, the health act, social transfers and transfers in support of post-secondary education. They are contained in Motions Nos. 28, 31, 33, 35, 46, 49 to 55 and 57.

The motions are broken down into basically three categories. It is fair to begin by talking about the government's ability to continue to fund programs in the way it has in the past.

Unlike the Bloc Québécois, Reformers realize that the government is having some severe cash problems. We are not asking the government to start borrowing a whole bunch more money to continue the funding of the programs at the levels we were accustomed to in the past.

We owe about \$500 billion and our interest payments are far more than all the programs put together, but the government is cutting back its transfer payments in support of the programs. There is no doubt about it. Transfer payments in support of health care to the provinces have been declining. There is no reason to believe that sooner or later it will come to the point where there will be no federal money going to the provinces.

I suppose this would be all right if the provinces were allowed, as the funds were withdrawn or diminished, to have a say in how the health care systems within their provinces were to be run. That would include the provinces having some flexibility to come up with creative funding plans to make up for the moneys they will not be receiving from the federal government.

(1635)

In some provinces, particularly Alberta, private enterprises have gone into the health care business. The most well known is the Gimble eye clinic in Alberta, a much needed service. It is a very busy place. People are going to the clinic because they cannot get the same kind of treatment on a timely basis through the public health care system.

Now the federal government looks at the private enterprise, this much needed and much used service, and says that it is against the Canada Health Act, that it cannot operate any more, and that if it does the government will cut back on funding.

In B.C. there are a few people making movements to provide portions of private health care in different areas. The federal government is pulling back the transfer payments and funding. I know it has to do it because it does not have any money. It disturbs me that at the same time, notwithstanding that it will not be giving the money, they cannot do anything about it to replace the services they will not have any more. This is grossly unfair to the provinces.

Another part of the bill that really disturbs me is that the government has decided to put itself above what we would consider a judicious procedure in determining whether a province has violated a portion of the Canada Health Act. In other words it is giving itself unilateral powers in the bill to determine whether a province is allowing something to go on that violates stipulations in the Canada Health Act.

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It has given itself the unilateral power to decide what the financial penalty shall be. This is placing itself above what we normally would expect would take place in all fairness in a court of law.

Our amendments would force the government, if it believes a violation has taken place, to put the case before a court of law to let a judge decide whether or not there was a violation and if there was exactly what penalty would be payable.

I get concerned when I see such words in government bills, orders in council, governors in council and orders in cabinet. The Liberal government, as did the Tory government, introduced legislation that made it boss. Notwithstanding the arguments that could be put forward by the opposition parties representing their constituents and protecting the interests of the people of Canada against unfair legislation, and notwithstanding that this is supposed to be a House of debate, the government is constantly slipping in provisions in the bill that would allow it to unilaterally make decisions affecting all citizens of Canada.

Where there is no provision for the people of Canada to be protected against bad legislation or bad judgment on behalf of the government of the day, it is treading on democracy. We really object to the fact the government can make not only unilateral decisions but arbitrary decisions that in many cases may not be sound. The decisions may have a profound effect on Canadian people so we have put forth some amendments to deal with it.

(1640)

We also have a problem with clause 48 that uses the phrase by mutual consent in the context of additional national standards and criteria. The bill would permit the government through discussions with some or all of the provinces to come to a mutual consent with some of them. It would allow them to create a national standard which could be imposed on provinces that did not provide mutual consent to the national standard.

We have introduced some amendments to prevent the federal government from imposing national standards, for example in the case of welfare, without the consent of all provinces. It is simply not fair that a government can arrive at an agreement with some provinces and impose the agreement on all provinces.

My last point deals with the creation of the Canada health and social transfer. The government has put all health funding, welfare funding, Canada assistance plan funding and post-secondary education funding in one basket. It is saying that it will be considered as a lump sum. It has done this for a particular reason. It knows the problems it is running into with the Canada Health Act. It knows the Canada Health Act is redundant at this point. It is

simply not working because there is not enough money to fund the plan we have come to know and love and now cannot afford.

As funding for health care in Canada is diminished, I believe to a point of zero in the future, the government will have no stick left to impose a demand on the provinces that they stick to the Canada Health Act. Provinces like Alberta, B.C. and Quebec or any other province might want to be creative in raising funding to raise the quality of health care in their provinces to a level people want. With no funds left in the Canada health transfer payments the government cannot impose any penalties because they are not paying it any money.

It has taken the Canada health payments, the Canada assistance plan payments, the welfare payments, and the post-secondary education payments and put them all into one big basket. If a province wants to get a little creative and flexible in providing health care and in the eyes of the government violates the Canada Health Act in some way, the government makes a unilateral decision that the province is in violation of the sacred Canada Health Act which does not work any more in any event.

The government will have the power to withhold funds from the Canada health and social transfer that now includes post-secondary education, social welfare and the Canada assistance plan. In other words if the province violates a provision of the Canada Health Act in the eyes of the government, the government can hold back money for education and welfare.

We may wonder whether the government has any sense of fairness. We are hearing the same old story: the group wants to keep control in Ottawa and anyone outside Ottawa is considered an additional player and made to toe the line.

(1645)

We really oppose the fact that the government has purposely put in these clauses in order to get a bigger stick to keep the provinces in line under the Canada Health Act.

We propose to delete a section of clause 51 that would allow the federal government to withhold equalization payments and other provincial transfers for violations under the Canada health and social transfer programs. In other words, the amendments we are proposing to the clause would take away this big stick that the government is so conveniently putting together.

I have spoken about the three areas of my concern on some of these amendments I am putting through. The thing I want to close on is the fact that our social safety net is in deep trouble in this country. The Liberal government under Prime Minister Trudeau introduced a social safety net that was the Cadillac of all plans. We started out driving a Cadillac in our social safety—

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**The Deputy Speaker:** The fault is that of the Speaker. I did not realize the time had expired. I am thankful that members reminded me that his time had expired.

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.):** Mr. Speaker, it is a pleasure to speak on group four of the motions on Bill C-76, the report stage. A lot of this has to do primarily with provincial transfer payments for health care and education.

I would like to point out to the House something that is perhaps not recognized: we do have a serious problem in health care in Canada today. Recently in the news it was stated that medicare is essential to the identity of the government. That is good, because it is essential to the identity of all Canadians. Unfortunately, this government does not recognize that in this country health care is in dire straits.

Recently we have seen some tragic statistics of people dying while on waiting lists, waiting for essential health care services that this government and governments across this country should be providing to the Canadian public. Just this last weekend we heard about 25 individuals who died while on waiting lists awaiting surgery at the Ottawa Heart Institute.

In my province of British Columbia, if you have prostate cancer you can wait over a year to get ultrasound therapy. As a result of this, patients in British Columbia go to the United States in order to get this essential service. In fact, what we see in the United States is a whole industry built up around Canadian people who cannot have their essential health care services met and therefore are forced to go to the United States. It is in fact the Canadian taxpayer, through the medical services plan of British Columbia, who pays for that.

This is completely unnecessary, as we have the skilled individuals in this country who can do this. It is just a question of changing our priorities.

One of the sad things that happened as a result of the last budget was that over \$6 billion was ripped out of the heart of education and health care by the federal government. As a result of that, the provinces are now somehow going to have to make up the shortfall. The result is an impossible quandary. You simply cannot pay for what the taxpayers are asking for and the demands of health care in this country through the moneys that are now provided.

What we are going to see in the future are many more tragic cases of Canadians who are dying while on waiting lists, waiting for essential health care services to occur.

We in the Reform Party propose a number of motions relating to Bill C-76. First is that we remove the government's ability to unilaterally decide what constitutes a violation of national standards and to unilaterally decide what the financial penalty should be. To remedy this we have proposed amendments that would force the federal government to take provincial governments to court in

order to determine what the violations are and whether there should be any penalties. Second, we have put forth motions to prevent the federal government from imposing additional national standards without the consent of the provinces. Last, we are trying to move towards a situation where we have unconditional transfers of health care and education dollars.

(1650)

I reiterate that it is impossible for Parliament to unconditionally remove money from the provinces and expect them to meet the demands of their citizens. It simply cannot be done. Tragically, the Canadian people do not realize this. Unfortunately, in the next federal election this will haunt all of us, because people who are on waiting lists are going to die.

We propose a different solution, which will meet the needs and the objectives of having a medicare system for all Canadians and put it on firm financial ground.

We do not want to destroy health care in the country. We do not want to destroy medicare. We want a new Canada Health Act, unlike what they have in the States, unlike what is in the United Kingdom—one made in Canada. It would entail defining essential health care services and ensuring that all Canadians across the country will have their health care services covered, regardless of income.

Second, we must amend the Canada Health Act and allow the provinces to get their health care dollars under control. It is very simple. If we allow private clinics it creates a two-tiered system. But what happens if as a patient you want to pay for an MRI on your knee or your neck? You go to a private clinic and private dollars are exchanged into private hands. Not a cent of taxpayers' dollars goes into this. Sure people will get services perhaps faster than in the public system, but that would enable you to get off the public system into the private system. So those people in the public system would receive health care faster and more efficiently because they would move up the waiting list. There would also be more money in the system on a per capita basis.

This is not a threat to medicare. Rather, this an adjunct to medicare, which will help it. Would it be a two-tiered system? Yes. But is it not better to have an unequal system that provides better and more timely access for all Canadians than a relatively equal system that provides poor access to essential health care services? The choice is very easy.

Another aspect I would like to address is to ask the federal government to take a leadership role in health care in analysing the determinants of health care in Canada. We often put forward grandiose plans of studies on many things, but nobody actually takes the bull by the horns and tells us what makes up health care in the country.

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I will give some solutions. One thing that is in greatest neglect is the fact that in early childhood education, children aged from two to five years, the pillars of a normal psyche are developed. The pillars of good health are also developed. We do not put enough emphasis on that area. The emphasis we can put on that area will actually pay off in spades later on in the health and welfare of the adults.

I would argue that we should put more emphasis on teaching children, at that age, not only their ABC's, but also teaching them about self-respect, pride, respect for other people, and appropriate conflict resolution. These things can be done. Although we take it for granted that many people know this, we would perhaps be very surprised to find out that in some dysfunctional families and in the lower echelons of the socio-economic groups, these things are actually unknown. Some children have not grown up with this, and some have grown up in very tragic situations indeed, where the givens of a normal psyche are not there. Many children and parents do not know this.

I would ask the government to look at an interesting experiment that was done at Columbia University. It took over an inner-city school board that was wracked by violence, sexual abuse, drug abuse, teen drop-out rates. It focused on the aspects of teaching self-respect, et cetera, in the early years and found out that it paid off in spades when the children grew up.

(1655)

The other aspect I would like to focus on is something on aboriginal health care. I would seek to support some of the ideas I have had on aboriginal health.

We have created an institutionalized welfare state in many aboriginal reserves. By continually pouring money into the aboriginal reserves we have not succeeded in addressing some of the underlying problems that are actually behind the sexual abuse, violence, and the general malaise of the soul that we see on many reserves.

I would say let us focus on enabling the aboriginal people to take care of themselves. Let us put the responsibility for their destiny back on their shoulders. Let us help them to do that. Let us help them to call their own shots. Let us put an end to the institutionalized welfare state that we have set up.

More money is not the answer. Giving people the tools to help themselves is. I would strongly urge this government to do this in the name of health care for all aboriginal people.

[*Translation*]

**The Deputy Speaker:** It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the

time of the adjournment is as follows: the hon. member for Frontenac—bovine somatotropin.

Debate resumes with the hon. member for Quebec.

**Mrs. Christiane Gagnon (Quebec, BQ):** Mr. Speaker, the present federal government is obviously trying to lead people astray. To illustrate this, I will, if I may, quote from a statement made by the Minister of Intergovernmental Affairs, on March 31, during Question Period.

Answering a question by my colleague, the member for Saint-Hyacinthe—Bagot, on the Canada social transfer, the minister said this:

The Bloc Quebecois just keeps stating a position contradicted by facts, by the budget and by reality.

I can only repeat what I said earlier, namely that the budget is clear, that the requirements for social assistance have been reduced, that, if any standards are established, they will be established by mutual consent. It is very unfortunate that the opposition informs the people of Quebec so poorly on such major issues.

Several aspects of this statement deserve that we go back to them. The first one is that the minister, the member for Hull—Aylmer, blamed the Bloc Quebecois for misinforming the people. Let us keep this in mind, as I will mention it again in my conclusion.

The second aspect is that requirements for social assistance have been reduced. The third one is that, if standards are established, they will be by mutual consent. Let us analyze these two points before we deal with the Canada social transfer.

As far as requirements for social assistance are concerned, the minister said that they would be reduced. Let us see what is happening under Bill C-76. Clause 48 is key to the bill as it creates the Canada Health and Social Transfer. It provides for the terms of application of the transfer. Under subclause (1), it states the three objectives of the Canada social transfer, namely: financing social programs, maintaining national conditions relating to health care, and maintaining national standards relating to other social programs.

It should be pointed out at this point that clause 53, which applies to clause 48 I just mentioned, states that social programs include programs in respect of health, post-secondary education, social assistance and social services.

The Minister of Intergovernmental Affairs had the nerve to say in this House that requirements for social services would be reduced. This is what I call deceiving people. Far from being reduced, their number is increased. There are new constraints, new national standards being imposed, to be developed in accordance with clause 48, paragraph 3.

This provision clearly states, and I quote:

The minister of Human Resources Development shall invite representatives of all the provinces to consult and work together to develop, through mutual consent, a set of

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shared principles and objectives for the other social programs referred to in paragraph (1)(d) that could underlie the Canada Health and Social Transfer.

It could not be put any plainer than that. There will be national standards and these national standards will concern post-secondary education, social assistance and social services.

(1700)

We already had national health standards; now, standards will be introduced in the other areas I just mentioned. This is what the minister calls a relaxation of rules or requirements. This is not an interpretation given by the Bloc Québécois. The words were taken straight out of the legislation before this House, and there is a blatant contradiction between these and what the Minister of Intergovernmental Affairs said. The Bloc Québécois is not misinforming the public; the government is.

Let us look at the third question covered in the hon. minister's statement, namely the development of principles through mutual consent. I read you the third paragraph of clause 48, which provides for what was referred to as dialogue. That is certainly the finest euphemism I have heard in a long time. I repeat, the bill itself provides for a dialogue to be established between the provinces to develop objectives and principles through mutual consent.

Very few Quebecers will not shudder at this prospect. Quebec's history has demonstrated beyond the shadow of a doubt the pitfalls associated with interprovincial dialogue, especially when the federal government demands such co-operation and has the power to punish any province refusing to get along nicely with the others.

History is repeating itself. In terms of manpower training, social programs and education, Quebec wants full control over its programs. Yet the federal government is about to systematically invade these areas of provincial jurisdiction.

How can anyone reasonably expect Quebec to agree with this approach? How can anyone expect Quebec, which is calling on the federal government to simply withdraw from all sectors under provincial jurisdiction, to come to an agreement with the other provinces? Everyone knows that this is impossible.

History is repeating itself. Because of their majority, the English speaking provinces will decide what standards they want for all of Canada. These standards will then be imposed on Quebec, which will be forced to respect them because otherwise its share of federal funds will be reduced.

This is what they refer to as mutual consent? This is the kind of flexible federalism they are offering us? No thanks. In this case, it is not the Bloc Québécois but the government that is trying to misinform the public.

My colleague from Saint-Hyacinthe—Bagot is proposing that all clauses dealing with the Canada social transfer be deleted, and he has my full support. Instead of passing the bill before us, the federal government would do much better to withdraw completely from areas of provincial jurisdiction such as health, education, job training and social services.

It would be much better for the federal government to withdraw from this costly duplication and encroachment and transfer related tax points to the provinces, as the Quebec government demanded again very recently. A cleanup is in order.

Government officials must stop misleading the public on our intentions, which are always so transparent in the end. The Bloc Québécois is saying no to the Canada social transfer as proposed by the federal government.

**Mr. Jean-Paul Marchand (Québec-Est, BQ):** Mr. Speaker, Bill C-76 is a direct attack on the poor. We already know that, and we said it several times in this House, but we must repeat it again: it is a direct attack on the most vulnerable members of our society.

The government wants to cut \$7 billion, next year and the following year, in social programs. We are talking about a \$7 billion cut in programs designed to help sick people, welfare recipients and students. This is in addition to all the other cuts made since the government took office. Over the last two years, these cuts have totalled \$10 billion in Quebec alone. They affect the unemployed, as well as sick people, students and welfare recipients. The government even cut seniors' benefits.

This legislation targets the poor. The government does not take the issue of poverty seriously. On the contrary, the situation has worsened since the Liberals took office. Not only does the government target the poor, it also seeks, through this bill, to protect rich people, large corporations, etc.

(1705)

If the federal government really wanted to save money, it could take some very simple measures. First, it could withdraw completely from social programs and transfer its responsibilities, along with the tax points, to the provinces. This would only make sense, considering that health, education and social programs fall under provincial jurisdiction. By insisting on remaining involved in these areas, the federal government violates its own constitution.

If the federal government were serious and really wanted to respect provincial jurisdiction, it would withdraw from health, education and welfare programs. Not only would it then abide by the constitution, it would also make astronomical savings. If the federal government really wanted to save money, it would simply withdraw from these programs, where there is duplication and overlap, at present.

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Think about it. Operating costs at the federal Department of Health reach about \$1 billion every year. By eliminating this department, we would save \$1 billion a year. The same thing goes for the Department of Human Resources Development, where operating costs probably reach up to \$2 billion a year. There are savings to be made in every duplicated program. The federal government would save a lot of money if it withdrew from such programs as health, social services and education. But also it would not interfere and prevent provinces from working properly.

For example, we know that the Quebec government has been asking for exclusive jurisdiction over training, but the federal government will not yield. Because of this conflict between Ottawa and the provincial government, training is not adequate, and losses could be as high as \$250 million.

If the federal government were to withdraw from social programs, from provincial areas of jurisdiction, it would save a lot of money. If it really wanted to reduce the deficit, this solution would be the most logical one to opt for, particularly as it is constitutionally correct and takes into account the diversity of Canadian society. For example, imposing national standards across the country not only for social programs, but also for services, education and health, reduces flexibility and the capacity to adapt and to innovate in these sectors. If the provinces were given control of these areas, they may be able to find solutions to these critical and serious problems.

The very serious problems Quebec is currently experiencing in the health care sector are a cause of concern for many people. We are in the process of closing a certain number of hospitals in Quebec. In my riding, Québec-Est, people are particularly concerned. Last week, 10,000 people protested about what is happening at the Christ-Roi hospital.

These concerns and cuts are due to the fact that the federal government is reducing its transfer payments—to Quebec and to the other provinces as well—while trying to maintain national standards which no longer meet our needs.

(1710)

The federal government is increasingly heading toward a form of bankruptcy. We already expect that, before the turn of the century, it will not have any money left to support social programs. It is already trying to maintain national standards, criteria that it imposes upon the provinces not because it worries about savings, obviously, but mostly because it wants to take over these areas of provincial jurisdiction.

It is unfortunate that the federal government did not care more about the poor because, clearly, the situation is deteriorating in Canada and in Quebec. Indeed, the federal government is playing politics on the back of the poor.

In Quebec, we would like to repatriate powers concerning social programs, because the provincial government is basically in a better position to deal with problems in health and education. The provincial government is in a better position to meet these needs. So far, the federal government has not properly met the needs of the people of Quebec; this is one of the reasons why we want to achieve sovereignty, because we fundamentally need those powers to create full employment policies and family policies, as well.

We need those powers to integrate all the elements of training, education, job creation and family policy, and to create a full employment policy in Quebec. Quebec fundamentally needs those powers. In fact, it is one of the reasons why Quebec wants to achieve sovereignty. Not only because it would save money but because we want to give young people and the not so young some hope of getting a job.

We also know that in Quebec we have the expertise. We have the know-how. We have certain projects we can develop that will help us do a better job than is now the case. In fact, we could hardly do worse, because as long as Quebec remains part of Canada, the situation is likely to deteriorate and surely will, because basically, the federal government has less and less money to contribute to social programs, while it tries to maintain national standards.

This patently absurd situation will make things increasingly difficult for Quebecers, and that is why Bill C-76 is a genuine attack against the vulnerable in our society and shows no real interest in saving money, on the contrary. The government wants to reduce its deficit but, in the process, it mercilessly attacks the poor, the unemployed, the sick, people on welfare, students and senior citizens, while it could save a lot of money by simply withdrawing from all social programs and giving these powers to the provinces, in compensation for tax points.

(1715)

*[English]*

**Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.):** Mr. Speaker, some time ago a group of young children were standing in a small ball field. They were not yet playing; they were awaiting the arrival of little Lloyd and little Diane. These were the two kids, a brother and a sister, brats though they were, who had the bat and ball so the game could not start until they got there. The father of little Lloyd and little Diane was quite wealthy. In fact, he had got most of his wealth from the parents of the other children who were waiting to play ball. He took so much money from them that they could not afford to buy their own bat and ball.

Finally little Lloyd and little Diane showed up at the field and the kids were ready to play. Knowing all the positions and all the rules they were ready to start but little Lloyd and little Diane said: "No, just hold it a minute. We cannot play until we explain the

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rules of the game to you". The kids said: "But we already know the rules of the game and we know how to play", to which they replied: "Yes, but it is our bat and ball, so you are going to play by our rules".

Sections 91 and 92 of the Constitution lay out the federal and provincial responsibilities. In the Constitution it is the provincial responsibility, not federal, to provide health care. It is the provincial responsibility, not the federal responsibility to provide welfare. This applies to many of the other areas as well that the federal government seems so anxious to interfere with. It is the old story of it is my bat and my ball and I make the rules once again.

The federal government recognizes it has absolutely no authority to interfere in the actual operation of the health care system for example. It has its own brand of rules it wants to place on the various provinces, so it says: "It is our money. If you want it, you will play by our rules". In essence it is perverting the very acts contained in the Constitution of Canada creating many problems in our social services.

Saskatchewan solutions are not necessarily the solutions for New Brunswick. Ontario solutions are not necessarily the solutions for British Columbia.

I would say to my colleagues in the Bloc Quebecois, some of whom I have talked to at length: Stop talking of and working toward separation. We have to make some changes but instead of changing the boundaries of Canada we should be changing the government itself. We should get rid of the last bastion of the old traditional political parties of the past that have neither served them nor any other province well in these areas.

For some strange reason members of the federal government seem to think they have this divine power, this extreme knowledge that in coming to Ottawa, they know better than the people in the provinces, that know better than the Canadian citizens. They think that Canadian citizens are not smart enough within their own provinces to tell their provincial governments what they want, what solution is going to work in their province.

We have the same old problem coming to the provinces. It is in the form of the Minister of Human Resources Development and the Minister of Health who say the same thing as those two spoiled brats with the rich father: "It is my bat and ball, so I am going to make the rules". Those rules do not work.

We agree with the concept that we have to have a devolution of many of the authorities from the federal government simply because we are not getting the solutions that work. We are duplicating the services. We are getting many problems that could be resolved better at the local level.

Last summer I attended the official opening in my riding of a new water treatment plant. As I stepped up to the microphone to say a few words of greeting to the people gathered, the mayor of the town was sitting beside me. As I went to speak he whispered to me: "Give us money, give us money, give us money". I said a few words and then said: "Your mayor is sitting beside me saying money, money, money. He sounds like Liza Minelli in an old movie".

One thing the mayor did not realize, and maybe some others at this point still do not, was that I do not see my mandate as going to Ottawa to try to get federal money for the riding. I see it as trying to get the federal government to stop giving so much money to other ridings and ultimately to stop taking so much of our money in the first place.

(1720)

There is something inherently wrong with a system that takes away all one's money at the beginning of the year in taxes and then has one begging and pleading to get some of that money back. That is the way social transfers are working. It is not the federal government's money. It is our money. It is the Canadian taxpayers' money. The federal government takes it out of the pockets of taxpayers. It takes it away from the jurisdiction of the provinces which have the constitutional responsibility for most of these programs and then says the same old adage of it is my bat and my ball: "You still must play by our rules or we will not give you your own money back".

That is unacceptable. It does not work. It is leading to debt. It is leading to the erosion of the very programs the Liberal government would have us believe it is trying to save. It is not saving the health care system by overtaxing, making rules that do not work in various regions of the country. It is creating the very problem it claims to be trying to resolve. The sooner the government stops doing that, the sooner it gets away from the rules and regulations it is trying to entrench with Bill C-76, the better off all Canadians will be.

**Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, as this part of the debate draws to a close, I would like to review some of the amendments supported by the Bloc and later supported by the Reform Party.

Dealing first with the motions of the member for Notre-Dame-de-Grâce, these proposed amendments would remove all references to the Canada health and social transfer in the bill, in effect killing the Canada health and social transfer. The amendments would also keep in place the intrusive cost sharing rules of the Canada assistance plan that have limited the provinces' ability to innovate and improve their social programs to better meet the needs of Canadians.

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The Canada health and social transfer replaces the Canada assistance plan, which currently contributes to provincial social assistance and social services, as well as the established programs financing, which currently contributes to health and post-secondary education. The CHST combines existing federal transfers into a single block fund. It provides the provinces with the ability to better explore the linkages and synergies between health, post-secondary education and social assistance. This completes the gradual evolution away from cost sharing to block funding of programs in areas of provincial jurisdiction.

The Canada health and social transfer provides the provinces with the flexibility they need to experiment and improve social programs. There are many concrete examples of what this greater flexibility could entail in practice.

These amendments would delete such clauses as clause 32 which repeals the Canada assistance plan. The effect of this amendment would be to leave in place the cumbersome and intrusive system of cost sharing social assistance and social services which has stymied provincial efforts to innovate and improve social programs. Moreover this amendment would perpetuate the administrative burden associated with cost sharing.

Another clause that would be deleted would be clause 48. This clause puts in place many of the building blocks of the Canada health and social transfer. It includes the process in which the Minister of Human Resources Development will invite all provincial governments to work together in developing through mutual consent a set of shared principles and objectives that could underline the Canada health and social transfer and thus allow all governments to reaffirm their commitment to the social well-being of Canadians.

The amendment would also derail the government's fiscal plan to reduce the burden of debt and put social programs on a more sustainable basis, a fiscal plan that has been designed to ensure the survival of social programs in the future. In this regard the proposed amendments would cost the government \$7 billion over the next two years.

Turning now to the motions of the member for Lethbridge from the Reform Party, these amendments would have the effect of reducing the power of the government and this House to protect the access of Canadians to health care and the basic protection of social assistance. To this end, they must be defeated.

(1725)

The main thrust of these amendments is to change the enforcement mechanisms that can be used to protect the criteria and conditions in the legislation, namely the five criteria and two conditions of the Canada Health Act and the condition that there be no residency requirement for provincial social assistance. The

enforcement mechanism put forward in the bill is modelled on the Canada Health Act which has worked very well for Canadians over the past 11 years.

This enforcement mechanism requires the relevant minister, the Minister of Health in the case of the Canada Health Act, and the Minister of Human Resources Development in the case of social assistance, to determine whether a violation has occurred and to act. The legislation sets out exactly how these ministers should proceed in terms of notifying the province, making a report to the province within 90 days and if they are not satisfied that the violation has stopped that they refer the matter of penalties to the governor in council.

What the amendments put forward by the hon. member propose is to take the ministers and the cabinet out of the process and to give the power to the federal court. In spite of our respect for the federal court and its role, it is not the appropriate place for the enforcement of the criteria and conditions governing the Canada health and social transfer.

It is essential that these ministers, as elected members of this House and as members of the cabinet with particular responsibilities for the health care system and the social security system, have the discretion to determine whether the provinces are in compliance with the Canada health and social transfer.

One of the main purposes of the Canada health and social transfer is to encourage innovation and experimentation by the provinces in the delivery of their programs, for example to find more efficient and effective methods of helping people to find and keep jobs and to become more self-reliant. The determination of whether these new approaches respect the standards set in the legislation must be made by a minister with a broad perspective on policy and the ability to use discretion and diplomacy in order to protect the integrity of our health and social programs. The federal court is simply not the best place to do this.

Equally, it is cabinet that should use its broad perspective to determine the appropriate penalty in the case of a violation by the withholding of cash transfers. This bill will give the governor in council the ability to set the appropriate penalty having regard to the gravity of the non-compliance. The amendment would give this power to the federal court which would lack this broader perspective.

Finally, I will deal with Motion No. 46. This motion would drop the reference that one of the purposes of the Canada health and social transfer is to promote the shared principles and objectives that are to be developed by the Minister of Human Resources Development in consultation with provincial governments and with mutual consent. This is of central importance to the government's social policy. Canadians expect their governments to reflect their expectations for social programs, that they will protect the most

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vulnerable, that they will improve the situation of people by helping them to help—

**The Deputy Speaker:** The parliamentary secretary may not realize it but we are not dealing with Motion No. 46 at the moment. That will be part of the next grouping.

Is the House ready for the question?

**Some hon. members:** Yes.

**Some hon. members:** No.

**Mr. Len Taylor (The Battlefords—Meadow Lake, NDP):** Mr. Speaker, I listened carefully to the debate on these groupings at report stage debate of Bill C-76. I have listened very carefully because I am quite concerned about the government's lack of intention to continue to hear the debate in front of us today.

When I learned that the government was invoking time allocation and that this closure motion by government was going to shut down debate on a bill that essentially, for all intents and purposes, is one of the most important—

(1730)

**Mr. Walker:** Mr. Speaker, a point of order. There is great sensitivity among Canadians to the word "closure". The government is very proud of the fact that it has not used closure. The hon. member slipped up by describing time allocation as closure.

**The Deputy Speaker:** The parliamentary secretary will realize that is a point of debate rather than a point of order.

**Mr. Taylor:** Mr. Speaker, I realize the parliamentary secretary is engaging in debate. He knows that time allocation is a closure motion no matter what it is called.

Members of Parliament from various parts of Canada will not be allowed to say what they want if there is not enough time allocated in which to say it.

I listened very carefully today because the speeches made on this grouping of motions in particular and on the groupings that occurred earlier in the debate last week when I was here, were very thoughtful, researched presentations. The research and thoughtful actions should have been undertaken by the government in its own time before preparing this bill, which as I indicated earlier but did not quite complete saying because of the interruption on this fundamental and most important bill.

Members are aware that the grouping in front of us today deals with health care. We have also dealt with issues relating to the elimination of the Crow rate and we still have other matters before us for debate. Because of time allocation and the closure motion, some of the motions will not even make it to the floor for debate before time runs out. Members who have given a great deal of thought and a lot of effort to preparing amendments will not even

have the opportunity to present them for debate because we will run out of time.

This is a complete outrage. We are debating a matter that completely changes the way in which education and health care are financed, completely changes the way in which the transport of grain on the prairies is financed, completely changes the way in which Canada operates from coast to coast to coast.

I cannot say it enough. I am completely outraged by this matter. It really disturbs me that when I talk about the government not wanting to listen—and they are sitting babbling over there, obviously not prepared to listen, just giving credence to the point that I am trying to make.

One of the members earlier in his comments talked about Saskatchewan having been a founding part of medicare and our health care system. I speak with some credibility when I say that Canadians very much value their health care system. They do not want to see it tampered with.

There is great evidence that the actions of the Liberals in other parts of the country, particularly when it relates to the provincial election held in Manitoba, the provincial election that is under way here in Ontario, the provincial election that is under way in the province of Saskatchewan, that people regard their health care system as being very important. They are indicating first in the electoral polls and second in the public opinion polls that they do not trust the federal Liberal government in this regard. They are translating that into their electoral votes at the provincial level.

Some weeks ago some of the designers of Canada's health care system from Saskatchewan indicated to the government that it was on the wrong path, that if implemented the aspects that we most value in our health care system would be seriously eroded. The government heard the words of those wise individuals who spoke before the finance committee. Each of these wise people have indicated that the present system will result in the erosion of the health care system as we know it today.

Certainly the government should be listening to those wise voices whether it be some of those who participated in the designing of the system out in Saskatchewan or whether it be those who are presently delivering the system, whether it be the Canadian Medical Association or as quoted today in the *Globe and Mail*, the Canadian Hospital Association.

(1735)

If I can quote from the *Globe and Mail* of today, it indicates how important this is, not only to the Canadian public but to those who are involved directly in the system. The article reads:

When the Canadian Hospital Association opens its annual meeting in Calgary today, it will issue a "call to arms" against the federal government's plans for health care.

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Surely to goodness when an organization as credible and as astute as the Canadian Hospital Association issues a call to arms the government must be prepared to listen. It is incredible that instead of listening not only to the fine speeches of members of the House of Commons but to people across the country who want to see their health care system protected that the government should be moving to cut off the debate and not listen to what is being said anywhere in Canada. To barrel ahead as the government is on this matter is clearly incredible and outrageous.

In addition to the health care bill I earlier spoke on the Crow legislation. The government has not demonstrated at committee stage or in the House that it is prepared to understand the long term implications of the bill, whether they apply to health care or assistance in getting grain to port. The immediate loss of \$400 million in grain transportation in the province of Saskatchewan alone is quite significant. I am quite appalled and amazed that the government has not taken the time to consider the long term implications in that regard.

As the House leader of the New Democratic Party I am very mindful of the words of the government and the actions which it takes. I recall reading in the local Ottawa media last week when the House was not sitting that the government House leader indicated that 32 pieces of legislation would have to be passed before the government adjourns the House for the summer recess on June 23. I cannot help thinking that the government is wanting to get home for the summer holidays—

**The Deputy Speaker:** Order, please. I am sorry to inform the hon. member that his time has expired.

Is the House ready for the question?

**Some hon. members:** Question.

**The Deputy Speaker:** The question is on Motion No. 23. 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 will please say yea.

**Some hon. members:** Yea.

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

**Some hon. members:** Nay.

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

*And more than five members having risen:*

**The Deputy Speaker:** Pursuant to Standing Order 76.1(8), the recorded division on the motion stands deferred.

[*Translation*]

The recorded vote shall apply to Motions Nos. 23 to 45.

I will now put group No. 5 to the House.

[*English*]

**Mr. Boudria:** Mr. Speaker, perhaps if you would seek it you would find consent that Motions Nos. 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62 and 63 be deemed to have been read.

**The Deputy Speaker:** Is there unanimous consent?

**Some hon. members:** Agreed.

**The Deputy Speaker:** I assume it is understood that Motion No. 47 would be moved by Mr. Loubier.

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ)** moved:

Motion No. 47

That Bill C-76 be amended by deleting Clause 48.

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ)** moved:

Motion No. 48

That Bill C-76 be amended by deleting Clause 49.

**Mr. Herb Grubel (Capilano—Howe Sound, Ref.)** moved:

Motion No. 49

That Bill C-76, in Clause 50, be amended by replacing lines 23 and 24, on page 26, with the following:

“(a) any order made by the Federal Court in respect of the province under”.

Motion No. 50

That Bill C-76, in Clause 50, be amended by replacing lines 19 and 20, on page 27, with the following:

“province has not given an undertaking conforming to the provisions of this Act to remedy the non-”.

Motion No. 51

That Bill C-76, in Clause 50, be amended by replacing line 23, on page 27, with the following:

“the matter to the Federal Court.”

Motion No. 52

That Bill C-76, in Clause 50, be amended by replacing lines 24 and 25, on page 27, with substituting the following:

“(2) Before referring a matter to the Federal Court under subsection (1) in respect”.

Motion No. 53

That Bill C-76, in Clause 50, be amended by deleting lines 39 to 44, on page 27.

Motion No. 54

That Bill C-76, in Clause 50, be amended by replacing lines 2 to 15, on page 28, with the following:

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"under section 20, the Federal Court is of the opinion that the province does not or has ceased to comply with section 19, the Court may, by order, direct that any cash contribution under the Canada Health and Social Transfer to that province for a fiscal year be reduced, in respect of each non-compliance, by an amount that the Court considers to be appropriate, having regard to the gravity of the non-compliance."

Motion No. 55

That Bill C-76, in Clause 50, be amended by replacing lines 40 to 42, on page 28, with the following:

"year when the Federal Court determines that the".

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ)** moved:

Motion No. 56

That Bill C-76 be amended by deleting Clause 50.

**Mr. Herb Grubel (Capilano—Howe Sound, Ref.)** moved:

Motion No. 57

That Bill C-76, in Clause 51, be amended by replacing lines 7 to 26, on page 29, with the following:

"51. Subsection 23.2(2) of the Act is repealed."

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ)** moved:

Motion No. 58

That Bill C-76 be amended by deleting Clause 51.

Motion No. 59

That Bill C-76 be amended by deleting Clause 52.

Motion No. 60

That Bill C-76 be amended by deleting Clause 53.

Motion No. 61

That Bill C-76 be amended by deleting Clause 54.

Motion No. 62

That Bill C-76 be amended by deleting Clause 55.

Motion No. 63

That Bill C-76 be amended by deleting Clause 56.

(1740)

[*Translation*]

**The Deputy Speaker:** I believe this includes all the motions in this group. Is that correct?

**Some hon. members:** Yes.

[*English*]

**Mr. Herb Grubel (Capilano—Howe Sound, Ref.):** Mr. Speaker, before I turn to the main contents of my remarks, I would like to remind members of the House that in the last 24 hours the debt of the Government of Canada rose by \$100 million. It now has reached a total of \$556 billion. This is a very severe indictment of the budget, of which Bill C-76 is merely a method for implementing its contents.

We should periodically recall that Canada is in severe difficulties. We have to do more to eliminate the deficit, especially now that the economy seems to be slowing down and there are some indications of inflation raising its ugly head. I had hoped and wished that the government had cut spending more but obviously it was not to be.

Bill C-76 implements the budget. I am here to discuss the amendments which the Reform Party has proposed with respect to the maintenance of national standards of social programs.

The Government of Canada has a severe problem because it has switched from the traditional granting of cash to the provinces to a system which ultimately will lead to the elimination of all cash transfers. The reason is that along with the cash transfers used to come the opportunity to impose national standards on welfare and health and other programs which were financed. When this is eliminated the government will have difficulties because it will not have leverage over the provinces.

How has the government attempted to resolve the problem? The problem has been resolved by having the opportunity, without consent from the provinces, to impose standards. This is an interpretation we have put on what is in the bill. The government is acting without the consent of the provinces to impose standards. The Reform Party believes this is a very serious matter.

It is a pulling of power toward the centre that is unprecedented in Canada and we wish to oppose it. We have proposed some amendments which would clarify the point. No minister, no agent of the crown, can simply impose standards. They can be imposed only with the mutual consent of all of the provinces.

The second method which is very disturbing to Reformers is the decision whether certain standards have been violated by any province can be decided by cabinet in a closed session. We believe it is a similarly usurpation of power which is not suitable for the federal state. Third, there is a clause which we find unfortunate in that the power to withhold finances will not just be limited to the program, the standards of which were alleged to have been violated, but the ability to withhold money applies to other transfer payments. That is also an unfortunate development.

All of these approaches to try to maintain standards from the centre under the new Canada health and social transfers program are fundamentally against the current trend in Canadian society. What we have seen during the election campaign is the desire for devolution of power, to have smaller government.

(1745)

I find it ironic that the parliamentary secretary a minute ago was praising that his government's program would lead to devolution.

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At the same time there is this attempt to grab it back by trying to have clauses which restore and maintain the ability to set national standards.

I find it interesting to consider how we got those national standards. I remind the House that many years ago there was the obligation of individuals to look after themselves and if they could not do it families did.

We know when this is the case, cheating and excesses are not possible the way they are today. The closer programs are in their administration and design to the people they serve and who pay for them in the end, the more efficient and better they are.

The family alone historically was not able to maintain those services. When society became more complex churches, fraternal associations and all kinds of decentralized but slightly collective organizations took very good care of society.

How did it all happen? It happened in the post-war years when an intellectual, political and media elite imposed itself on Canada. It had a love affair with socialism, if not communism. The people who opposed these things thought the socialist experiment that had been undertaken in some of the industrial countries, especially the Soviet union, were a great success and that we should emulate them. This is how it came about. The initiation of those standards had their roots in a fundamental distrust in the wisdom of the people. They thought the people could not be trusted, that it took a political media elite to establish the kind of standards it thought were appropriate.

To me the most unbelievable thing was that this elite was able to persuade the media and others of the merit of its program. It introduced in a major public relations coup the idea that national standards are needed for national identity.

In the finance committee we heard a concerted effort of the political left discussing continuously on how a removal of these national standards means a destruction of Canadian national identity.

I am appalled by the ease with which this idea is still accepted. There is not one person questioning it. Is anyone saying that before we had national standards there was no Canada? Would anyone wish to ask the Prime Ministers governing up to the 1950s if they did not preside over Canada? That in my judgment is a lot of bunk. It was not the kind of Canada which the socialist dreamers wanted but it certainly had a national identity. I think that is absolutely silly.

In Europe the arguments are going in the opposite direction. Countries are attempting to integrate and unify their programs. For a long time the argument was there cannot be a united Europe, a European Union, because of different social programs. That is bunk also.

When a person grows up in a country with low taxes and low social programs, especially retirement benefits, they cannot when they retire or get sick move from that country of low cost in terms of taxes and the low quality benefits and say it is now their right as a member of the European Union to go into a country in Europe in which the taxes are high and the benefits are high.

(1750)

I can understand how that would result in a breakdown of the system. We pay the low insurance rate when we do not need it. Then when we have the need to draw on the system, we go where the rates are high. It is very easy to avoid this kind of thing both in Europe and in Canada. We will be able to move from a province with low benefits and costs to one with higher ones, except that the benefits we get have to come from the province in which we have made our payments when they were low. It is as simple as that.

The ideas that we need national standards for national identity and that the system would break down because of different tastes, different levels of benefits and costs in individual provinces are a fabrication of people who were out there in the post-war years to persuade Canadians by any means possible that it takes people in Ottawa of obviously superior intellectual and moral standards to say what is the right level of welfare benefits, of health care and of unemployment insurance and various other goodies the state provides.

The amendments the Reform Party has proposed try to deal with this. We have done so with the conviction that it is in the interest of Canada in the long run to continue the process of devolution. We have gone through a very noble experiment of centralization, of national standards, which has obviously failed. The programs are all in financial difficulties and there are more people needing these kinds of systems simply because they were not administered properly.

[*Translation*]

**The Deputy Speaker:** Before I give the floor to the hon. member for Chicoutimi, I think that there is unanimous consent to allow the member to speak, as long as it is about group No. 7. Is that agreed?

**Some hon. members:** Agreed.

**Mr. Gilbert Fillion (Chicoutimi, BQ):** Mr. Speaker, I would like to thank the House for allowing me to discuss motions from the last group: the six motions moved by my colleague from Châteauguay. These motions are aimed at preventing the government from slashing veterans' grants and allowances programs.

Need I remind the federal government that veterans are under its responsibility? Yet, I think that the government is abandoning some of its obligations and commitments toward them, despite some historical and solemn promises.

Support to poor people, widows and senior citizens is already being cut. The government knows very well that these cuts merely

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shift these needs for assistance to other public services, both federal and provincial. The only real savings that can result from this operation will be in the envelope for Veterans Affairs Canada.

As usual, the government will have succeeded in passing the bill on to other federal departments or to the provinces. We agree with the hon. member for Notre-Dame-de-Grâce who had also moved amendments in this regard.

(1755)

His amendments are totally in line with the Bloc Québécois's efforts to oppose this government's proposed attack against veterans. We are therefore calling for the deletion of certain clauses affecting veterans, including clause 42, which amends the Children of Deceased Veterans Education Assistance Act.

This amendment starts the gradual elimination of the benefits allowing the children of deceased veterans to pursue their studies. There are not thousands of them. This does not affect 6 million Canadians. Only 85 orphans currently receive these benefits. With one or two exceptions, they are the children of deceased members of the military who had the courage to participate in Canadian peacekeeping missions.

The government is quick to act in this matter but very slow to do anything about family trusts and big business, for example. The government will now take away from these people, whose fathers died while serving their country, what may be their only chance to get an education.

Under Bill C-76, those students who were receiving these benefits on budget day will continue to receive them, but the department will no longer take applications although some students might be eligible. In 1993-94, this program cost only \$315,000. So this is the finance minister's great initiative. Not only does he attack the most vulnerable, but he now goes after the children of those who lost their lives while serving their country. What for? To save a drop in this ocean of expenditures. What is \$315,000 in a budget of an amount you know as well as I do.

Clauses 68 to 72 inclusively amend the War Veterans Allowance Act to discontinue the payment of allowances to veterans who served with the resistance. These provisions also provide for the phasing out of allowances awarded to allied veterans who immigrated to Canada after their service and resided in Canada for a period of at least ten years before applying for government assistance. This is another stupid initiative that will save very little money, while making life impossible for them when applying for allowances or even welfare.

Clauses 68 and 71 also repeal provisions so that allied veterans who immigrate to Canada after their service will no longer be eligible for these allowances. This amounts to a pure and simple

cut. Under clause 69, allowances will no longer be paid to at least 3,000 veterans. At the same time, this clause will have the effect of taking allowances away from another 1,000 resistance veterans whose old age security and CPP benefits place just above the normal threshold for certain health benefits, just at the limit.

This will affect some 4,000 individuals, two thirds of whom live in Quebec. Today, they are told as offhandedly as can be to go and stand in line for other social programs from now on. The message is that they are no longer recognized by Veterans Affairs Canada and that barely making it back was not good enough.

(1800)

The government is showing them that it has no respect for the sacrifice they made. Sure, you may argue that, since the Minister of Finance is not a veteran, he cannot really understand what goes on or what these people are going through. However, if he spent some time in a theatre of operations, as a participant and not merely a spectator, he might review his bill immediately upon his return here.

This federal abdication of responsibilities toward our veterans is yet another example of the arrogance displayed by this government. It also shows why we have to get out of that system. The government cannot keep to its word; it goes all out against the poor, while looking after the interests of its friends. It will never manage to eliminate its huge deficit with such a policy. Of the more than 4,000 people affected by these measures, I ask the two thirds who live in Quebec to think about this when the time comes to choose between the status quo, represented by a centralist and controlling federalism, and the sovereignty of a normal country, for a normal people, which will recognize their rights.

[English]

**Mr. Ted White (North Vancouver, Ref.):** Mr. Speaker, I am pleased to speak on the motion in relation to the Canada social transfer because the Liberal government is simply not facing up to the reality of the situation in Canada regarding health care. It is trying to hide the reality by disguising it with a large lump sum transfer to the provinces and leaving the provinces to deal with the problems while at the same time continuing to apply, certainly at the moral level, a very restricted Canada Health Act.

In the *Globe and Mail* today there was a quote I can read to illustrate the problem very well. It is a quote from an adviser in the Prime Minister's office of all places who said:

My view is we don't really have a problem per se. We have an incipient potentially harmful issue. We are not freaked by it. We just have to keep a eye over the horizon.

It is obvious that somebody is a bit worried at least. It really bothers me that the government is acting as if we are back 20 years

*Government Orders*

when it had control of the media and propaganda and could tell people things and they actually believed it.

Today in the information age with freedom of information and all the information available to people they see through the charade of the government. Everyone in my riding knows that the health care system is in trouble. All the bleating and discussion from the other side of the House about the Canada Health Act being maintained forever does not mean anything. The average person on the street knows there are problems.

I cite a couple of examples in my riding to illustrate problems exist that will only get worse unless the government admits there is a problem and deals with it. For example, a lady in her early seventies late last fall badly twisted her shoulder lifting something. She tore the tendons away from the bone in her shoulder. She went to the doctor who told her that because the tendons had been torn away the only way to fix them was by reattaching them in surgery; they will not heal. She was put on the waiting list and in the meantime given some pain killers.

Five months later the woman was still taking more and more pain killers. Because it is a muscle and tendons are joined to it, the muscle had shrunk back and it became more of a major job to reattach the tendons. Toward the end of February the woman's husband said that they could not wait any longer. Still the doctors could not give any date for the woman to go to hospital to have the tendons reattached.

(1805)

Luckily Vancouver is very close to the border of the United States. The gentleman arranged to take his wife to Seattle where she had surgery within two days of arriving there. The surgeons there said they could not understand what type of health care system there could be in Canada that would allow a woman to go for six months with that sort of condition. It was unbelievable and unheard of that it would happen in a place like Washington state.

That is one example and I will give another example of a gentleman back in 1989 who noticed a bit of a problem with some blood. He went along to see his doctor who said it was a pretty bad situation and sent him to a specialist for a second opinion. The gentleman asked how long it would take me to get an appointment. The doctor said that it would be approximately 10 weeks.

Anyone in the House who has ever been to a doctor and has subsequently had to go to a specialist knows that what I say is true. I certainly know in this case it was true. It takes anywhere from 10 weeks or more to see a specialist. I know it is true in this case because the story is about me.

When I found out that I would have to wait 10 weeks to see a specialist for what appeared to be a fairly serious problem, I said: "No, thank you. Please make arrangements for me to go to the

United States. I do not care if it costs me money because we are talking about a very serious problem".

The doctor said: "Listen, let me make a few phone calls and see what I can do". The doctor managed to get me in to see a specialist the same day. Because I threatened to go to the United States, I was queue jumped, which is wrong in itself. I admit that it is wrong. It should not be that way.

Luckily for me I saw the specialist the same day and within a few days by also threatening to go to the United States for tests I was able to have a colonoscopy. I was diagnosed with colon cancer and given approximately six months to live. This was back in 1989.

When they discovered the problem and there was a suggestion that there would be a waiting list for surgery, I had to raise the point that I was not prepared to wait, that I would go to the United States. Again I was queue jumped. That was not the only operation I had. After having part of my colon removed in 1989 I was put on chemotherapy, which is a devastating experience. Luckily the service was available in my riding.

About six months later I required a second operation and again I was queue jumped. I was admitted through the emergency department of the hospital because the doctors knew that I would go to the United States.

They said to me: "The surgeon is on duty on Saturday. Why don't you come to the hospital, admit yourself through the emergency department, and we will take care of you?" That was wrong but I believe I am here today because of the action I took to go to the United States for some tests and to make sure I was queue jumped for the rest.

There is something wrong with a system that allows that sort of thing to happen. I had some of my tests done in the United States because I needed MRI, magnetic resonance imaging. I would have had to wait 10 weeks in Vancouver to go to St. Paul's Hospital which had an MRI. However it was only doing five scans a day, four of which were cranial, for brain tumours and things like that. There was only one per day for the rest of the body.

The unit could easily do probably 20 scans a day but there was no budget. People could take a pet dog or cat and have it scanned by the MRI at St. Paul's Hospital because they could pay for it to have an MRI. However we are not allowed to pay for our own MRI; it is against the Canada Health Act.

I went to Seattle and paid \$1,000 U.S. for an MRI. It only took two days to get in. I went there and was treated like a client, not like a number on a medical services plan. I had my MRI. Incidentally nobody asked me how I was going to pay for it. They just admitted me and did the tests. They said: "Mr. White, why don't you have a cup of coffee, come back in two hours and we will give you the radiologist's report?" Three hours later I was on my way back to

*Government Orders*

Vancouver with the radiologist's report and all the X-rays to take to my doctor.

(1810)

Everyone in Canada who has been through the process asks when the results will be ready after the test is done, only to be told that the doctor will call in two weeks if there is a problem. That is unacceptable. The quality of care is so much better in my experience when people are accountable to the system that there is no comparison. We have to start admitting there is something wrong with the system the way it stands.

I use the New Zealand experience from time to time. I would like to mention briefly an experience with my mother who is in her eighties. She needed a cataract operation. She had to wait under the old system in New Zealand for up to six years at 80 years of age. By paying for herself she quickly got the service because in New Zealand people are allowed to pay for themselves. In a two-year period the waiting list was reduced from six years to six weeks because people could pay in what the government would call a two-tier system.

In the long run admitting there are problems and dealing with them make it better for everybody. We should not be afraid of a two-tier system that enables some wealthy people to pay and in the end reduces waiting lists for everybody.

[*Translation*]

**Mr. Yves Rocheleau (Trois-Rivières, BQ):** Mr. Speaker, I am very happy to speak on Bill C-76, an act to implement various provisions of the last budget tabled by the Minister of Finance. The main purpose of this bill, as everyone knows, is to create the Canada social transfer which will have many repercussions.

The new Canada social transfer will, first of all, lead to cuts in the federal transfers to provinces in the upcoming years. As we mentioned over and over again in order to show how serious the situation is, we can expect during the next three years \$3 billion in cuts in all of Canada, including \$2.5 billion in cuts in Quebec alone.

Let me digress here. It is hard to talk about figures and statistics when we know that behind these figures are the harsh realities of life some people have to face. For example, in the province of Quebec, some hospitals will have to be closed, even though an increasingly significant portion of the Quebec population is having some serious problems, especially in Montreal where there is talk of a broken Quebec, and where life for some of our fellow Quebecers will only get tougher.

I am both somewhat surprised and disappointed to have so little time to address this issue, because I would have had a lot to say. I would like to respond to a statement made last week by our colleague from Edmonton Southwest who, in response to the debate initiated by the Bloc Québécois on the rationale for Bills

C-76, C-46, C-88 and C-91, referred to the Bloc members' behaviour as tribalism. I find it most deplorable.

By acting this way, we are assuming our responsibilities as the official opposition, and the Reform Party should, but does not, do the same at least to protect Canadian provinces against this unprecedented attack by the federal government which quietly forges ahead, bit by bit, to build tomorrow's Canada.

We are talking about it not only because Quebec is affected, but because if the answer to the referendum happens to be no, which would be most unfortunate, all Quebecers would wake up the next day as part of a new Canada that would have been built behind their backs. It is the very notion of a distinct nation that is at stake, the survival of the Quebec people, but it is tomorrow's Canada that is being built here, piece by piece, by people like the whip who refuse to admit what is really going on.

**The Deputy Speaker:** I regret to have to interrupt the hon. member for Trois-Rivières, but there is an order of the House.

It being 6.15 p.m., pursuant to order adopted earlier today, it is my duty to interrupt the proceedings and put forthwith all questions necessary to dispose of the report stage of the bill now before the House.

The question is on Motion No. 47. 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 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:*

[*English*]

**The Deputy Speaker:** The division is deferred. Under the order the recorded division will also apply to Motions Nos. 48, 56, 58, 59, 60, 61, 62 and 63.

The next question is on Group No. 6, Motion No. 64. 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.

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**Some hon. members:** Nay.

(1820)

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

*[English]*

*And more than five members having risen*

**The Deputy Speaker:** The division is deferred. The recorded division will also apply to Motions Nos. 65, 66 and 67.

**The Deputy Speaker:** The recorded division on Motion No. 68 stands deferred. This also applies to Motions Nos. 69, 70, 71, 72 and 73.

*[Translation]**[Translation]*

Apparently, Mr. Godin is not here. I give the floor to the hon. member for Saint-Hyacinthe—Bagot, on a point of order.

The House will now proceed to the taking of the deferred division on the report stage of the bill now before the House.

**Mr. Loubier:** Mr. Speaker, in the absence of my hon. colleague for Châteauguay, I ask the House to give unanimous consent for my hon. colleague for Chicoutimi to propose the motion.

The first question is on Motion No. 3. Call in the members.

**The Deputy Speaker:** Is there unanimous consent for the motion to be moved by someone else?

*(Division No. 229)*

**Some hon. members:** Agreed.

## YEAS

**Mr. Gilbert Filion (Chicoutimi, BQ)** moved:

## Members

Motion No. 68

That Bill C-76 be amended by deleting Clause 68.

Abbott  
Althouse  
Blaikie  
Breitkreuz (Yorkton—Melville)  
Brown (Calgary Southeast)  
Crête  
Deshaies  
Duceppe  
Fillion  
Gagnon (Québec)  
Gilmour  
Grey (Beaver River)  
Guimond  
Harper (Calgary West)  
Harris  
Hermanson  
Jacob  
Kerpan  
Landry  
Lavigne (Beauharnois—Salaberry)  
Loubier  
Marchand  
Mills (Red Deer)  
Nunez  
Ramsay  
Ringma  
Sauvageau  
Scott (Skeena)  
Solberg  
St-Laurent  
Thompson  
Tremblay (Rosemont)  
White (North Vancouver)—65

Ablonczy  
Axworthy (Saskatoon—Clark's Crossing)  
Bouchard  
Bridgman  
Chrétien (Frontenac)  
Dalphond-Guiral  
Dubé  
Epp  
Frazer  
Gauthier (Roberval)  
Gouk  
Grubel  
Hanrahan  
Harper (Simcoe Centre)  
Hayes  
Hill (Prince George—Peace River)  
Jennings  
Lalonde  
Langlois  
Lebel  
Manning  
Meredith  
Morrison  
Plamondon  
Riis  
Rocheleau  
Schmidt  
Silye  
Speaker  
Taylor  
Tremblay (Rimouski—Témiscouata)  
White (Fraser Valley West)

Motion No. 69

That Bill C-76 be amended by deleting Clause 69.

Motion No. 70

That Bill C-76 be amended by deleting Clause 70.

Motion No. 71

That Bill C-76 be amended by deleting Clause 71.

Motion No. 72

That Bill C-76 be amended by deleting Clause 72.

Motion No. 73

That Bill C-76 be amended by deleting Clause 73.

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

**Some hon. members:** Question.

**The Deputy Speaker:** The question is on Motion No. 68. 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 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:*

Alcock  
Anderson  
Augustine  
Barnes  
Bertrand  
Bodnar  
Boudria  
Brushett  
Bélanger  
Campbell  
Catterall  
Clancy  
Collins  
DeVillers  
Dingwall

Allmand  
Assadourian  
Bakopanos  
Bellemare  
Blondin-Andrew  
Bonin  
Brown (Oakville—Milton)  
Bélair  
Calder  
Cannis  
Chan  
Cohen  
Crawford  
Dhaliwal  
Discepola

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Dromisky	Duhamel
Dupuy	Easter
English	Fewchuk
Finestone	Finlay
Fontana	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Galloway
Gerrard	Godfrey
Goodale	Gray (Windsor West)
Guarnieri	Harb
Harvard	Hickey
Hopkins	Irwin
Jackson	Jordan
Karygiannis	Knutson
Kraft Sloan	Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Loney	MacLaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Malhi
Maloney	Manley
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McKinnon
McLellan (Edmonton Northwest)	McTeague
McWhinney	Mifflin
Milliken	Minna
Mitchell	Murphy
Murray	Nunziata
O'Brien	O'Reilly
Pagtakhan	Parrish
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Pillitteri
Proud	Reed
Regan	Richardson
Ringuette-Maltais	Rompkey
Scott (Fredericton—York—Sunbury)	Serré
Shepherd	Speller
St. Denis	Steckle
Stewart (Brant)	Szabo
Telegdi	Terrana
Thalheimer	Torsney
Ur	Valeri
Vanclief	Walker
Wappel	Wood—116

## PAIRED MEMBERS

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Brien	Bryden
Bélisle	Canuel
Caron	Cauchon
Chamberlain	Collenette
Copps	Daviault
Debien	Flis
Fry	Gaffney
Godin	Graham
Guay	Laurin
Lavigne (Verdun—Saint-Paul)	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Lincoln
MacDonald	Mercier
Ménard	Ouellet
Paradis	Paré
Patry	Payne
Picard (Drummond)	Pomerleau
Rideout	Robichaud
Skoke	Stewart (Northumberland)
Terrana	Verran
Wells	Whelan
Young	de Savoye

(1845 )

*[English]***The Speaker:** I declare Motion No. 3 defeated.

The next question is on Motion No. 4.

**Mr. Boudria:** Mr. Speaker, if you were to seek it I believe you would find unanimous consent that those members who have voted on the motion immediately preceding this one be recorded as having voted on the motion now before the House and in the following manner: the Liberal MPs will be voting nay.

*[Translation]*

**Mr. Duceppe:** Members of the Bloc Québécois will also vote nay on this motion.

*[English]*

**Mr. Silye:** Mr. Speaker, the Reform Party members will vote yea except for those members who wish to vote otherwise.

**Mr. Taylor:** Mr. Speaker, the New Democrats will vote yea.

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

*(Division No. 230)*

## YEAS

## Members

Abbott	Ablonczy
Althouse	Axworthy (Saskatoon—Clark's Crossing)
Blaikie	Breitkreuz (Yorkton—Melville)
Bridgman	Brown (Calgary Southeast)
Epp	Frazer
Gilmour	Gouk
Grey (Beaver River)	Grubel
Hanrahan	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Hayes	Hermanson
Hill (Prince George—Peace River)	Jennings
Kerpan	Manning
Meredith	Mills (Red Deer)
Morrison	Ramsay
Riis	Ringma
Schmidt	Scott (Skeena)
Silye	Solberg
Speaker	Taylor
Thompson	White (Fraser Valley West)
White (North Vancouver)—39	

## NAYS

## Members

Alcock	Allmand
Anderson	Assadourian
Augustine	Bakopanos
Barnes	Bellemare
Bertrand	Blondin-Andrew
Bodnar	Bonin
Bouchard	Boudria
Brown (Oakville—Milton)	Brushett
Bélair	Bélanger
Calder	Campbell
Cannis	Catterall
Chan	Chrétien (Frontenac)
Clancy	Cohen

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Collins	Crawford
Crête	Dalphondu-Guiral
Deshaies	DeVillers
Dhaliwal	Dingwall
Discepola	Dromisky
Dubé	Duceppe
Duhamel	Dupuy
Easter	English
Fewchuk	Fillion
Finestone	Finlay
Fontana	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gagnon (Québec)
Galloway	Gauthier (Roberval)
Gerrard	Godfrey
Goodale	Gray (Windsor West)
Guarnieri	Guimond
Harb	Harvard
Hickey	Hopkins
Irwin	Jackson
Jacob	Jordan
Karygiannis	Knutson
Kraft Sloan	Lalonde
Landry	Langlois
Lastewka	Lavigne (Beauharnois—Salaberry)
Lebel	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	Loney
Loubier	MacLaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Malhi
Maloney	Manley
Marchand	Marchi
Marleau	Martin (LaSalle—Émard)
Massé	McCormick
McKinnon	McLellan (Edmonton Northwest)
McTeague	McWhinney
Mifflin	Milliken
Minna	Mitchell
Murphy	Murray
Nunez	Nunziata
O'Brien	O'Reilly
Pagtakhan	Parrish
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Pillitteri
Plamondon	Proud
Reed	Regan
Richardson	Ringuette-Maltais
Rocheleau	Rompkey
Sauvageau	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Speller	St-Laurent
St. Denis	Steckle
Stewart (Brant)	Szabo
Telegdi	Terrana
Thalheimer	Torsney
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Ur	Valeri
Vanclief	Walker
Wappel	Wood—142

## PAIRED MEMBERS

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Brien	Bryden
Bélisle	Canuel
Caron	Cauchon
Chamberlain	Collenette
Copps	Daviault
Debien	Flis
Fry	Gaffney
Godin	Graham
Guay	Laurin
Lavigne (Verdun—Saint-Paul)	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)

Leroux (Shefford)	Lincoln
MacDonald	Mercier
Ménard	Ouellet
Paradis	Paré
Patry	Payne
Picard (Drummond)	Pomerleau
Rideout	Robichaud
Skoke	Stewart (Northumberland)
Terrana	Verran
Wells	Whelan
Young	de Savoye

**The Speaker:** I declare Motion No. 4 defeated.

The next question is on Motion No. 5. A vote on Motion No. 5 also applies to Motions Nos. 6, 7, 8, 9, 10, 11, 18, 19 and 74.

(1850)

[*Translation*]

**Mr. Boudria:** Mr. Speaker, if you seek it, I believe you will find there is unanimous consent for members who voted on the previous motion to be recorded as having voted on the motion now before the House, in the following manner: Liberal members will be voting nay.

**Mr. Duceppe:** Mr. Speaker, members of the Bloc Québécois support this motion.

[*English*]

**Mr. Silye:** Mr. Speaker, the Reform Party members vote no except for those members who wish to vote otherwise.

**Mr. Taylor:** Mr. Speaker, the New Democrats vote yea.

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

(*Division No. 231*)

## YEAS

## Members

Althouse	Axworthy (Saskatoon—Clark's Crossing)
Blaikie	Bouchard
Chrétien (Frontenac)	Crête
Dalphondu-Guiral	Deshaies
Dubé	Duceppe
Fillion	Gagnon (Québec)
Gauthier (Roberval)	Guimond
Jacob	Lalonde
Landry	Langlois
Lavigne (Beauharnois—Salaberry)	Lebel
Loubier	Marchand
Nunez	Plamondon
Riis	Rocheleau
Sauvageau	St-Laurent
Taylor	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)—31	

## NAYS

## Members

Abbott	Ablonczy
Alcock	Allmand
Anderson	Assadourian
Augustine	Bakopanos
Barnes	Bellemare
Bertrand	Blondin-Andrew
Bodnar	Bonin

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Boudria	Breitkreuz (Yorkton—Melville)	Copps	Daviault
Bridgman	Brown (Calgary Southeast)	Debien	Flis
Brown (Oakville—Milton)	Brushett	Fry	Gaffney
Bélaïr	Bélanger	Godin	Graham
Calder	Campbell	Guay	Laurin
Cannis	Catterall	Lavigne (Verdun—Saint-Paul)	Leblanc (Longueuil)
Chan	Clancy	Lefebvre	Leroux (Richmond—Wolfe)
Cohen	Collins	Leroux (Shefford)	Lincoln
Crawford	DeVillers	MacDonald	Mercier
Dhaliwal	Dingwall	Ménard	Ouellet
Discepola	Dromisky	Paradis	Paré
Duhamel	Dupuy	Patry	Payne
Easter	English	Picard (Drummond)	Pomerleau
Epp	Fewchuk	Rideout	Robichaud
Finestone	Finlay	Skoke	Stewart (Northumberland)
Fontana	Frazier	Terrana	Verran
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)	Wells	Whelan
Galloway	Gerrard	Young	de Savoye
Gilmour	Godfrey		
Goodale	Gouk		
Gray (Windsor West)	Grey (Beaver River)		
Grubel	Guarnieri		
Hanrahan	Harb		
Harper (Calgary West)	Harper (Simcoe Centre)		
Harris	Harvard		
Hayes	Hermanson		
Hickey	Hill (Prince George—Peace River)		
Hopkins	Irwin		
Jackson	Jennings		
Jordan	Karygiannis		
Kerpan	Knutson		
Kraft Sloan	Lastewka		
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee		
Loney	MacLaren		
MacLellan (Cape/Cap-Breton—The Sydneys)	Malhi		
Maloney	Manley		
Manning	Marchi		
Marleau	Martin (LaSalle—Émard)		
Massé	McCormick		
McKinnon	McLellan (Edmonton Northwest)		
McTeague	McWhinney		
Meredith	Mifflin		
Milliken	Mills (Red Deer)		
Minna	Mitchell		
Morrison	Murphy		
Murray	Nunziata		
O'Brien	O'Reilly		
Pagtakhan	Parrish		
Peric	Peters		
Peterson	Phinney		
Pickard (Essex—Kent)	Pillitteri		
Proud	Ramsay		
Reed	Regan		
Richardson	Ringma		
Ringuette-Maltais	Rompkey		
Schmidt	Scott (Fredericton—York—Sunbury)		
Scott (Skeena)	Serré		
Shepherd	Silye		
Solberg	Speaker		
Speller	St. Denis		
Steckle	Stewart (Brant)		
Szabo	Telegdi		
Terrana	Thalheimer		
Thompson	Torsney		
Ur	Valeri		
Vanclief	Walker		
Wappel	White (Fraser Valley West)		
White (North Vancouver)	Wood—150		

**The Speaker:** I declare Motion No. 5 defeated. I therefore declare Motions Nos. 6, 7, 8, 9, 10, 11, 18, 19 and 74 defeated.

The next question is on Motion No. 17. An affirmative vote on Motion No. 17 obviates the necessity of putting the question on Motions Nos. 12 and 14.

[*Translation*]

A negative vote on Motion No. 17 requires the question to be put on Motions Nos. 12 and 14.

[*English*]

**Mr. Boudria:** Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that members who have voted on the motion immediately prior to this one be recorded as having voted on the motion now before the House, with Liberal MPs voting nay.

[*Translation*]

**Mr. Duceppe:** Mr. Speaker, members of the Bloc Québécois support this motion.

**Mr. Silye:** Mr. Speaker, Reform Party members vote no, except for those members who wish to vote otherwise.

[*English*]

**Mr. Taylor:** Mr. Speaker, on this motion New Democrats vote nay.

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

(*Division No. 232*)

## PAIRED MEMBERS

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Brien	Bryden
Bélisle	Canuel
Caron	Cauchon
Chamberlain	Collenette

## YEAS

Members	
Bouchard	Chrétien (Frontenac)
Crête	Dalphond-Guiral
Deshaies	Dubé Duceppe
Fillion	Gagnon (Québec)
Gauthier (Roberval)	Guimond
Jacob	Lalonde
Landry	Langlois
Lavigne (Beauharnois—Salaberry)	Lebel

*Government Orders*

Loubier  
Nunez  
Rocheleau  
St-Laurent  
Tremblay (Rosemont)—26

Marchand  
Plamondon  
Sauvageau  
Tremblay (Rimouski—Témiscouata)

Speller  
Steckle  
Szabo  
Telegdi  
Thalheimer  
Torsney  
Valeri  
Walker  
White (Fraser Valley West)  
Wood—155

St. Denis  
Stewart (Brant)  
Taylor  
Terrana  
Thompson  
Ur  
Vanclief  
Wappel  
White (North Vancouver)

## NAYS

## Members

Abbott  
Alcock  
Althouse  
Assadourian  
Axworthy (Saskatoon—Clark's Crossing)  
Barnes  
Bertrand  
Blondin-Andrew  
Bonin  
Breitkreuz (Yorkton—Melville)  
Brown (Calgary Southeast)  
Brushett  
Bélanger  
Campbell  
Catterall  
Clancy  
Collins  
DeVillers  
Dingwall  
Dromisky  
Dupuy  
English  
Fewchuk  
Finlay  
Frazer  
Gagnon (Bonaventure—Îles-de-la-Madeleine)  
Gerrard  
Godfrey  
Gouk  
Grey (Beaver River)  
Guarnieri  
Harb  
Harper (Simcoe Centre)  
Harvard  
Hermanson  
Hill (Prince George—Peace River)  
Irwin  
Jennings  
Karygiannis  
Knutson  
Lastewka  
Lee  
MacLaren  
Malhi  
Manley  
Marchi  
Martin (LaSalle—Émard)  
McCormick  
McLellan (Edmonton Northwest)  
McWhinney  
Mifflin  
Mills (Red Deer)  
Mitchell  
Murphy  
Nunziata  
O'Reilly  
Parrish  
Peters  
Phinney  
Pillitteri  
Ramsay  
Regan  
Riis  
Ringnette-Maltais  
Schmidt  
Scott (Skeena)  
Shepherd  
Solberg

Ablonczy  
Allmand  
Anderson  
Augustine  
Bakopanos  
Bellemare  
Blaikie  
Bodnar  
Boudria  
Bridgman  
Brown (Oakville—Milton)  
Bélaïr  
Calder  
Cannis  
Chan  
Cohen  
Crawford  
Dhaliwal  
Discepolo  
Duhamel  
Easter  
Epp  
Finestone  
Fontana  
Gagliano  
Galloway  
Gilmour  
Goodale  
Gray (Windsor West)  
Grubel  
Hanrahan  
Harper (Calgary West)  
Harris  
Hayes  
Hickey  
Hopkins  
Jackson  
Jordan  
Kerpan  
Kraft Sloan  
LeBlanc (Cape/Cap-Breton Highlands—Canso)  
Loney  
MacLellan (Cape/Cap-Breton—The Sydneys)  
Maloney  
Manning  
Marleau  
Massé  
McKinnon  
McTeague  
Meredith  
Milliken  
Minna  
Morrison  
Murray  
O'Brien  
Pagtakhan  
Peric  
Peterson  
Pickard (Essex—Kent)  
Proud  
Reed  
Richardson  
Ringma  
Rompkey  
Scott (Fredericton—York—Sunbury)  
Serré  
Silye  
Speaker

## PAIRED MEMBERS

Asselin  
Bellehumeur  
Bernier (Gaspé)  
Brien  
Bélisle  
Caron  
Chamberlain  
Copps  
Debien  
Fry  
Godin  
Guay  
Lavigne (Verdun—Saint-Paul)  
Lefebvre  
Leroux (Shefford)  
MacDonald  
Ménard  
Paradis  
Patry  
Picard (Drummond)  
Rideout  
Skoke  
Terrana  
Wells  
Young

Bachand  
Bergeron  
Bernier (Mégantic—Compton—Stanstead)  
Bryden  
Canuel  
Cauchon  
Collenette  
Davidault  
Flis  
Gaffney  
Graham  
Laurin  
Leblanc (Longueuil)  
Leroux (Richmond—Wolfe)  
Lincoln  
Mercier  
Ouellet  
Paré  
Payne  
Pomerleau  
Robichaud  
Stewart (Northumberland)  
Verran  
Whelan  
de Savoye

**The Speaker:** I declare Motion No. 17 defeated.

The next question is on Motion No. 12.

**Mr. Boudria:** Mr. Speaker, if you would seek it, I believe you would find unanimous consent that the vote on this motion be the one that was voted on report stage Motion No. 3 but in reverse. In other words, the vote on report stage Motion No. 3 will be applied to the motion now before the House in reverse.

**The Speaker:** Is it agreed?

**Some hon. members:** Agreed.

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

(Division No. 233)

## YEAS

## Members

Alcock  
Anderson  
Augustine  
Barnes  
Bertrand  
Bodnar  
Boudria  
Brushett  
Bélanger  
Campbell  
Catterall  
Clancy  
Collins  
DeVillers

Allmand  
Assadourian  
Bakopanos  
Bellemare  
Blondin-Andrew  
Bonin  
Brown (Oakville—Milton)  
Bélaïr  
Calder  
Cannis  
Chan  
Cohen  
Crawford  
Dhaliwal

*Government Orders*

Dingwall	Discepolo
Dromisky	Duhamel
Dupuy	Easter
English	Fewchuk
Finestone	Finlay
Fontana	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Galloway
Gerrard	Godfrey
Goodale	Gray (Windsor West)
Guarnieri	Harb
Harvard	Hickey
Hopkins	Irwin
Jackson	Jordan
Karygiannis	Knutson
Kraft Sloan	Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Loney	MacLaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Malhi
Maloney	Manley
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McKinnon
McLellan (Edmonton Northwest)	McTeague
McWhinney	Mifflin
Milliken	Minna
Mitchell	Murphy
Murray	Nunziata
O'Brien	O'Reilly
Pagtakhan	Parrish
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Pillitteri
Proud	Reed
Regan	Richardson
Ringuette-Maltais	Rompkey
Scott (Fredericton—York—Sunbury)	Serré
Shepherd	Speller
St. Denis	Steckle
Stewart (Brant)	Szabo
Telegdi	Terrana
Thalheimer	Torsney
Ur	Valeri
Vanclief	Walker
Wappel	Wood—116

Thompson  
Tremblay (Rosemont)  
White (North Vancouver)—65

Tremblay (Rimouski—Témiscouata)  
White (Fraser Valley West)

## PAIRED MEMBERS

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Brien	Bryden
Bélisle	Canuel
Caron	Cauchon
Chamberlain	Collenette
Copps	Daviault
Debien	Fliis
Fry	Gaffney
Godin	Graham
Guay	Laurin
Lavigne (Verdun—Saint-Paul)	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Lincoln
MacDonald	Mercier
Ménard	Ouellet
Paradis	Paré
Patry	Payne
Picard (Drummond)	Pomerleau
Rideout	Robichaud
Skoke	Stewart (Northumberland)
Terrana	Verran
Wells	Whelan
Young	de Savoye

**The Speaker:** I declare Motion No. 12 agreed to.

The next question is on Motion 14.

(1855)

**Mr. Boudria:** Mr. Speaker, I believe you would find unanimous consent that the vote taken on Motion No. 12 be applied to the motion now before the House.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

[*Editor's Note: See list under Division No. 233.*]

**The Speaker:** I declare the motion carried.

The next question is on Motion No. 23. A vote on Motion No. 23 also applies to Motions Nos. 24, 25, 26, 27, 29, 30, 32, 34, 36, 37, 38, 39, 41, 42, 43, 44 and 45.

[*Translation*]

An affirmative vote on Motion No. 23 obviates the necessity of putting the question on Motions Nos. 28, 31, 33, 35 and 40.

[*English*]

A negative vote on Motion No. 23 necessitates the question being put on Motions Nos. 28, 31, 33 and 40.

[*Translation*]

The vote taken on Motion No. 33 also applies to Motion No. 35.

## NAYS

## Members

Abbott	Ablonczy
Althous	Axworthy (Saskatoon—Clark's Crossing)
Blaikie	Bouchard
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast)	Chrétien (Frontenac)
Crête	Dalphond-Guiral
Deshais	Dubé
Duceppe	Epp
Fillion	Frazier
Gagnon (Québec)	Gauthier (Roberval)
Gilmour	Gouk
Grey (Beaver River)	Grubel
Guimond	Hanrahan
Harper (Calgary West)	Harper (Simcoe Centre)
Harris	Hayes
Hermanson	Hill (Prince George—Peace River)
Jacob	Jennings
Kerpan	Lalonde
Landry	Langlois
Lavigne (Beauharnois—Salaberry)	Lebel
Loubier	Manning
Marchand	Meredith
Mills (Red Deer)	Morrison
Nunez	Plamondon
Ramsay	Riis
Ringma	Rocheleau
Sauvageau	Schmidt
Scott (Skeena)	Silye
Solberg	Speaker
St-Laurent	Taylor

*Government Orders*

[English]

**Mr. Boudria:** Mr. Speaker, perhaps one member will rise on this, but I believe you would find unanimous consent that the vote on report stage Motion No. 5 by the member for Saint-Hyacinthe—Bagot be applied to the motion now before the House.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

**Mr. Allmand:** Mr. Speaker, on a point of order, I will be voting for Motion No. 23 in this case.

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

*(Division No. 234)***YEAS**

## Members

Allmand	Althouse
Axworthy (Saskatoon—Clark's Crossing)	Blaikie
Bouchard	Chrétien (Frontenac)
Crête	Dalphond-Guiral
Deshaies	Dubé
Duceppe	Fillion
Gagnon (Québec)	Gauthier (Roberval)
Guimond	Jacob
Lalonde	Landry
Langlois	Lavigne (Beauharnois—Salaberry)
Lebel	Loubier
Marchand	Nunez
Plamondon	Riis
Rocheleau	Sauvageau
St-Laurent	Taylor
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)—32

**NAYS**

## Members

Abbott	Ablonczy
Alcock	Anderson
Assadourian	Augustine
Bakopanos	Barnes
Bellemare	Bertrand
Blondin-Andrew	Bodnar
Bonin	Boudria
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast)	Brown (Oakville—Milton)
Brushett	Bélair
Bélangier	Calder
Campbell	Cannis
Catterall	Chan
Clancy	Cohen
Collins	Crawford
DeVillers	Dhaliwal
Dingwall	Discepolo
Dromisky	Duhamel
Dupuy	Easter
English	Epp
Fewchuk	Finestone
Finlay	Fontana
Frazer	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Galloway
Gerrard	Gilmour
Godfrey	Goodale
Gouk	Gray (Windsor West)
Grey (Beaver River)	Grubel
Guarnieri	Hanrahan
Harb	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Harvard	Hayes
Hermanson	Hickey

Hill (Prince George—Peace River)	Hopkins
Irwin	Jackson
Jennings	Jordan
Karygiannis	Kerpan
Knutson	Kraft Sloan
Lastewka	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	Loney
MacLaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Manning
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McKinnon
McLellan (Edmonton Northwest)	McTeague
McWhinney	Meredith
Mifflin	Milliken
Mills (Red Deer)	Minna
Mitchell	Morrison
Murphy	Murray
Nunziata	O'Brien
O'Reilly	Pagtakhan
Parrish	Peric
Peters	Peterson
Phinney	Pickard (Essex—Kent)
Pillitteri	Proud
Ramsay	Reed
Regan	Richardson
Ringma	Ringuette-Maltais
Rompkey	Schmidt
Scott (Fredericton—York—Sunbury)	Scott (Skeena)
Serré	Shepherd
Silye	Solberg
Speaker	Speller
St. Denis	Steckle
Stewart (Brant)	Szabo
Telegdi	Terrana
Thalheimer	Thompson
Torsney	Ur
Valeri	Vanclief
Walker	Wappel
White (Fraser Valley West)	White (North Vancouver)
Wood—149	

**PAIRED MEMBERS**

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Brien	Bryden
Bélisle	Canuel
Caron	Cauchon
Chamberlain	Collette
Copps	Daviault
Debien	Flis
Fry	Gaffney
Godin	Graham
Guay	Laurin
Lavigne (Verdun—Saint-Paul)	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Lincoln
MacDonald	Mercier
Ménard	Ouellet
Paradis	Paré
Patry	Payne
Picard (Drummond)	Pomerleau
Rideout	Robichaud
Skoke	Stewart (Northumberland)
Terrana	Verran
Wells	Whelan
Young	de Savoye

*Government Orders*

**The Speaker:** I declare Motion No. 23 defeated. I therefore declare Motions Nos. 24, 25, 26, 27, 29, 30, 32, 34, 36, 37, 38, 39, 41, 42, 43, 44 and 45 defeated.

The next question is on Motion No. 28.

[*Translation*]

**Mr. Boudria:** Mr. Speaker, if you seek it, I believe you will find there is unanimous consent for members who voted on the previous motion to be recorded as having voted on the motion now before the House, as follows: Liberal members will vote nay.

**Mr. Duceppe:** Bloc Quebecois members will also vote nay.

**Mr. Silye:** Mr. Speaker, Reform Party members will vote yea, except for members who wish to vote otherwise.

[*English*]

**Mr. Taylor:** Mr. Speaker, New Democrats vote nay.

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

*(Division No. 235)*

## YEAS

## Members

Abbott	Ablonczy
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast)	Epp
Frazier	Gilmour
Gouk	Grey (Beaver River)
Grubel	Hanrahan
Harper (Calgary West)	Harper (Simcoe Centre)
Harris	Hayes
Hermanson	Hill (Prince George—Peace River)
Jennings	Kerpan
Manning	Meredith
Mills (Red Deer)	Morrison
Ramsay	Ringma
Schmidt	Scott (Skeena)
Silye	Solberg
Speaker	Thompson
White (Fraser Valley West)	White (North Vancouver)—34

## NAYS

## Members

Alcock	Allmand
Althouse	Anderson
Assadourian	Augustine
Axworthy (Saskatoon—Clark's Crossing)	Bakopanos
Barnes	Bellemare
Bertrand	Blaikie
Blondin-Andrew	Bodnar
Bonin	Bouchard
Boudria	Brown (Oakville—Milton)
Brushett	Bélair
Bélanger	Calder
Campbell	Cannis
Catterall	Chan
Chrétien (Frontenac)	Clancy
Cohen	Collins
Crawford	Crête
Dalphond-Guiral	Deshais
DeVillers	Dhaliwal
Dingwall	Discepolo
Dromisky	Dubé
Duceppe	Duhamel
Dupuy	Easter

English	Fewchuk
Fillion	Finestone
Finlay	Fontana
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gagnon (Québec)	Galloway
Gauthier (Roberval)	Gerrard
Godfrey	Goodale
Gray (Windsor West)	Guarnieri
Guimond	Harb
Harvard	Hickey
Hopkins	Irwin
Jackson	Jacob
Jordan	Karygiannis
Knutson	Kraft Sloan
Lalonde	Landry
Langlois	Lastewka
Lavigne (Beauharnois—Salaberry)	Lebel
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Loney	Loubier
MacLaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Marchand
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McKinnon
McLellan (Edmonton Northwest)	McTeague
McWhinney	Mifflin
Milliken	Minna
Mitchell	Murphy
Murray	Nunez
Nunziata	O'Brien
O'Reilly	Pagtakhan
Parrish	Peric
Peters	Peterson
Phinney	Pickard (Essex—Kent)
Pillitteri	Plamondon
Proud	Reed
Regan	Richardson
Riis	Ringuette-Maltais
Rocheleau	Rompkey
Sauvageau	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Speller	St-Laurent
St. Denis	Steckle
Stewart (Brant)	Szabo
Taylor	Telegdi
Terrana	Thalheimer
Torsney	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Ur
Valeri	Vanclief
Walker	Wappel
Wood—147	

## PAIRED MEMBERS

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Brien	Bryden
Bélisle	Canuel
Caron	Cauchon
Chamberlain	Collenette
Copps	Daviault
Debien	Flis
Fry	Gaffney
Godin	Graham
Guay	Laurin
Lavigne (Verdun—Saint-Paul)	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Lincoln
MacDonald	Mercier
Ménard	Ouellet
Paradis	Paré
Patry	Payne
Picard (Drummond)	Pomerleau

## Government Orders

Rideout  
Skoke  
Terrana  
Wells  
Young

Robichaud  
Stewart (Northumberland)  
Verran  
Whelan  
de Savoye

## NAYS

## Members

(1900)

**The Speaker:** I declare Motion No. 28 defeated.

The next question is on Motion No. 31.

**Mr. Boudria:** Mr. Speaker, if you were to seek it I believe you would find unanimous consent that members who voted on the previous motion be now recorded as having voted on the motion now before the House with Liberal MPs voting nay.

[*Translation*]

**Mr. Duceppe:** Mr. Speaker, Bloc members will be voting yea on this motion.

[*English*]

**Mr. Silye:** Mr. Speaker, the Reform Party members will vote yea, except for those members who wish to vote otherwise.

**Mr. Taylor:** Mr. Speaker, the New Democratic Party members vote nay.

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

(*Division No. 236*)

## YEAS

## Members

Abbott  
Bouchard  
Bridgman  
Chrétien (Frontenac)  
Dalphond-Guiral  
Dubé  
Epp  
Frazer  
Gauthier (Roberval)  
Gouk  
Grubel  
Hanrahan  
Harper (Simcoe Centre)  
Hayes  
Hill (Prince George—Peace River)  
Jennings  
Lalonde  
Langlois  
Lebel  
Manning  
Meredith  
Morrison  
Plamondon  
Ringma  
Sauvageau  
Scott (Skeena)  
Solberg  
St-Laurent  
Tremblay (Rimouski—Témiscouata)  
White (Fraser Valley West)

Ablonczy  
Breitkreuz (Yorkton—Melville)  
Brown (Calgary Southeast)  
Crête  
Deshaies  
Duceppe  
Fillion  
Gagnon (Québec)  
Gilmour  
Grey (Beaver River)  
Guimond  
Harper (Calgary West)  
Harris  
Hermanson  
Jacob  
Kerpan  
Landry  
Lavigne (Beauharnois—Salaberry)  
Loubier  
Marchand  
Mills (Red Deer)  
Nunez  
Ramsay  
Rocheleau  
Schmidt  
Silye  
Speaker  
Thompson  
Tremblay (Rosemont)  
White (North Vancouver)—60

Alcock  
Althouse  
Assadourian  
Axworthy (Saskatoon—Clark's Crossing)  
Barnes  
Bertrand  
Blondin-Andrew  
Bonin  
Brown (Oakville—Milton)  
Bélair  
Calder  
Cannis  
Chan  
Cohen  
Crawford  
Dhaliwal  
Discepola  
Duhamel  
Easter  
Fewchuk  
Finlay  
Gagliano  
Galloway  
Godfrey  
Gray (Windsor West)  
Harb  
Hickey  
Irwin  
Jordan  
Knutson  
Lastewka  
Lee  
MacLaren  
Malhi  
Manley  
Marleau  
Massé  
McKinnon  
McTeague  
Mifflin  
Minna  
Murphy  
Nunziata  
O'Reilly  
Parrish  
Peters  
Phinney  
Pillitteri  
Reed  
Richardson  
Ringuette-Maltais  
Scott (Fredericton—York—Sunbury)  
Shepherd  
St. Denis  
Stewart (Brant)  
Taylor  
Terrana  
Torsney  
Valeri  
Walker  
Wood—121

Allmand  
Anderson  
Augustine  
Bakopanos  
Bellemare  
Blaikie  
Bodnar  
Boudria  
Brushett  
Bélanger  
Campbell  
Catterall  
Clancy  
Collins  
De Villers  
Dingwall  
Dromisky  
Dupuy  
English  
Finestone  
Fontana  
Gagnon (Bonaventure—Îles-de-la-Madeleine)  
Gerrard  
Goodale  
Guarnieri  
Harvard  
Hopkins  
Jackson  
Karygiannis  
Kraft Sloan  
LeBlanc (Cape/Cap-Breton Highlands—Canso)  
Loney  
MacLellan (Cape/Cap-Breton—The Sydneys)  
Maloney  
Marchi  
Martin (LaSalle—Émard)  
McCormick  
McLellan (Edmonton Northwest)  
McWhinney  
Milliken  
Mitchell  
Murray  
O'Brien  
Pagtakhan  
Peric  
Peterson  
Pickard (Essex—Kent)  
Proud  
Regan  
Riis  
Rompkey  
Serré  
Speller  
Steckle  
Szabo  
Telegdi  
Thalheimer  
Ur  
Vanclief  
Wappel

## PAIRED MEMBERS

Asselin  
Bellehumeur  
Bernier (Gaspé)  
Brien  
Bélisle

Bachand  
Bergeron  
Bernier (Mégantic—Compton—Stanstead)  
Bryden  
Canuel

*Government Orders*

Caron	Cauchon	Discepolo	Dromisky
Chamberlain	Collenette	Duhamel	Dupuy
Copps	Daviault	Easter	English
Debien	Flis	Epp	Fewchuk
Fry	Gaffney	Finestone	Finlay
Godin	Graham	Fontana	Frazer
Guay	Laurin	Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Lavigne (Verdun—Saint-Paul)	Leblanc (Longueuil)	Galloway	Gerrard
Lefebvre	Leroux (Richmond—Wolfe)	Gilmour	Godfrey
Leroux (Shefford)	Lincoln	Goodale	Gouk
MacDonald	Mercier	Gray (Windsor West)	Grey (Beaver River)
Ménard	Ouellet	Grubel	Guarnieri
Paradis	Paré	Hanrahan	Harb
Patry	Payne	Harper (Calgary West)	Harper (Simcoe Centre)
Picard (Drummond)	Pomerleau	Harris	Harvard
Rideout	Robichaud	Hayes	Hermanson
Skoke	Stewart (Northumberland)	Hickey	Hill (Prince George—Peace River)
Terrana	Verran	Hopkins	Irwin
Wells	Whelan	Jackson	Jennings
Young	de Savoye	Jordan	Karygiannis
		Kerpan	Knutson
		Kraft Sloan	Lastewka
		LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
		Loney	MacLaren
		MacLellan (Cape/Cap-Breton—The Sydneys)	Malhi
		Maloney	Manley
		Manning	Marchi
		Marleau	Martin (LaSalle—Émard)
		Massé	McCormick
		McKinnon	McLellan (Edmonton Northwest)
		McTeague	McWhinney
		Meredith	Mifflin
		Milliken	Mills (Red Deer)
		Minna	Mitchell
		Morrison	Murphy
		Murray	Nunziata
		O'Brien	O'Reilly
		Pagtakhan	Parrish
		Peric	Peters
		Peterson	Phinney
		Pickard (Essex—Kent)	Pillitteri
		Proud	Ramsay
		Reed	Regan
		Richardson	Ringma
		Ringette-Maltais	Rompkey
		Schmidt	Scott (Fredericton—York—Sunbury)
		Scott (Skeena)	Serré
		Shepherd	Silye
		Solberg	Speaker
		Speller	St. Denis
		Steckle	Stewart (Brant)
		Szabo	Telegdi
		Terrana	Thalheimer
		Thompson	Torsney
		Ur	Valeri
		Vanclief	Walker
		Wappel	White (Fraser Valley West)
		White (North Vancouver)	Wood—150

**The Speaker:** I declare Motion No. 31 defeated.

The next question is on Motion No. 33.

[*Translation*]

The vote on this motion also applies to Motion No. 35.

[*English*]

**Mr. Boudria:** Mr. Speaker, I believe that you would find unanimous consent that the vote taken on report stage Motion No. 28 be applied to the motion now before the House.

**The Speaker:** Is it agreed?

**Some hon. members:** Agreed.

[*Editor's Note: See list under Division No. 235.*]

**The Speaker:** I declare Motion No. 33 defeated.

The next question is on Motion No. 40.

**Mr. Boudria:** Mr. Speaker, I believe you would find unanimous consent to apply the vote taken on report stage Motion No. 5 to the motion now before the House, except in reverse.

**The Speaker:** Is it agreed?

**Some hon. members:** Agreed.

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

*(Division No. 237)***YEAS**

## Members

Abbott	Ablonczy
Alcock	Allmand
Anderson	Assadourian
Augustine	Bakopanos
Barnes	Bellemare
Bertrand	Blondin-Andrew
Bodnar	Bonin
Boudria	Breitkreuz (Yorkton—Melville)
Bridgman	Brown (Calgary Southeast)
Brown (Oakville—Milton)	Brushett
Bélair	Bélangier
Calder	Campbell
Cannis	Catterall
Chan	Clancy
Cohen	Collins
Crawford	DeVillers
Dhaliwal	Dingwall

**NAYS**

## Members

Althouse	Axworthy (Saskatoon—Clark's Crossing)
Blaikie	Bouchard
Chrétien (Frontenac)	Crête
Dalphondu-Guiral	Deshais
Dubé	Duceppe
Fillion	Gagnon (Québec)
Gauthier (Roberval)	Guimond
Jacob	Lalonde
Landry	Langlois
Lavigne (Beauharnois—Salaberry)	Lebel
Loubier	Marchand
Nunez	Plamondon
Riis	Rocheleau
Sauvageau	St-Laurent

*Government Orders*

Taylor  
Tremblay (Rosemont)—31

Tremblay (Rimouski—Témiscouata)

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

## PAIRED MEMBERS

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Brien	Bryden
Bélisle	Canuel
Caron	Cauchon
Chamberlain	Collenette
Copps	Daviault
Debin	Flis
Fry	Gaffney
Godin	Graham
Guay	Laurin
Lavigne (Verdun—Saint-Paul)	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Lincoln
MacDonald	Mercier
Ménard	Ouellet
Paradis	Paré
Patry	Payne
Picard (Drummond)	Pomerleau
Rideout	Robichaud
Skoke	Stewart (Northumberland)
Terrana	Verran
Wells	Whelan
Young	de Savoye

**The Speaker:** I declare Motion No. 40 carried.

The next question is on Motion No. 47. A vote on Motion No. 47 also applies to Motions Nos. 48, 56, 58, 59, 60, 61, 62 and 63.

[*Translation*]

An affirmative vote on Motion No. 47 will obviate the question being put on Motions Nos. 46, 49, 50, 51, 52, 53, 54, 55, and 57.

[*English*]

A negative vote on Motion No. 47 necessitates the question being put on Motions Nos. 46 and 49.

[*Translation*]

The vote on Motion No. 49 applies to Motions Nos. 50, 51, 52, 53, 54, 55, and 57.

(1905)

[*English*]

**Mr. Allmand:** Mr. Speaker, I rise on a point of order. I thought we were voting on Motion No. 47.

**The Speaker:** We are voting on Motion No. 47. Because the hon. member for Notre-Dame-de-Grâce was not in the House, we put it in the name of the hon. member for Saint-Hyacinthe—Bagot.

**Mr. Allmand:** Mr. Speaker, on a further point of order, I will be voting in favour of Motion No. 47.

**The Speaker:** I believe we are going to have a recorded vote. The question is on Motion No. 47.

(*Division No. 238*)

## YEAS

## Members

Allmand	Althouse
Axworthy (Saskatoon—Clark's Crossing)	Blaikie
Bouchard	Chrétien (Frontenac)
Crête	Dalphond-Guiral
Deshaies	Dubé
Duceppe	Fillion
Gagnon (Québec)	Gauthier (Roberval)
Guimond	Jacob
Lalonde	Landry
Langlois	Lavigne (Beauharnois—Salaberry)
Lebel	Loubier
Marchand	Nunez
Plamondon	Riis
Rocheleau	Sauvageau
St-Laurent	Taylor
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)—32

## NAYS

## Members

Abbott	Ablonczy
Alcock	Anderson
Assadourian	Augustine
Bakopanos	Barnes
Bellemare	Bertrand
Blondin-Andrew	Bodnar
Bonin	Boudria
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast)	Brown (Oakville—Milton)
Brushett	Bélair
Bélanger	Calder
Campbell	Cannis
Catterall	Chan
Clancy	Cohen
Collins	Crawford
DeVillers	Dhaliwal
Dingwall	Discepola
Dromisky	Duhamel
Dupuy	Easter
English	Epp
Fewchuk	Finestone
Finlay	Fontana
Frazer	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Galloway
Gerrard	Gilmour
Godfrey	Goodale
Gouk	Gray (Windsor West)
Grey (Beaver River)	Grubel
Guarnieri	Hanrahan
Harb	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Harvard	Hayes
Hermanson	Hickey
Hill (Prince George—Peace River)	Hopkins
Irwin	Jackson
Jennings	Jordan
Karygiannis	Kerpan
Knutson	Kraft Sloan
Lastewka	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	Loney
MacLaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Manning
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McKinnon
McLellan (Edmonton Northwest)	McTeague
McWhinney	Meredith
Mifflin	Milliken
Mills (Red Deer)	Minna
Mitchell	Morrison

*Government Orders*

Murphy	Murray
Nunziata	O'Brien
O'Reilly	Pagtakhan
Parrish	Peric
Peters	Peterson
Phinney	Pickard (Essex—Kent)
Pillitteri	Proud
Ramsay	Reed
Regan	Richardson
Ringma	Ringuette-Maltais
Rompkey	Schmidt
Scott (Fredericton—York—Sunbury)	Scott (Skeena)
Serré	Shepherd
Silye	Solberg
Speaker	Speller
St. Denis	Steckle
Stewart (Brant)	Szabo
Telegdi	Terrana
Thalheimer	Thompson
Torsney	Ur
Valeri	Vanclief
Walker	Wappel
White (Fraser Valley West)	White (North Vancouver)
Wood—149	

*[Translation]*

**Mr. Duceppe:** Mr. Speaker, the members of the Bloc will support this motion, with the name of the member for Saint-Hubert being added from this point on.

*[English]*

**Mr. Silye:** The Reform Party members support both Motion No. 46 and Motion No. 64, except for those members who wish to vote otherwise.

**Mr. Taylor:** Mr. Speaker, we accept what the government House leader has brought forward and we are voting nay on these two motions.

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

(Division No. 239)

## PAIRED MEMBERS

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Brien	Bryden
Bélisle	Canuel
Caron	Cauchon
Chamberlain	Collenette
Copps	Daviault
Debien	Flis
Fry	Gaffney
Godin	Graham
Guay	Laurin
Lavigne (Verdun—Saint-Paul)	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Lincoln
MacDonald	Mercier
Ménard	Ouellet
Paradis	Paré
Patry	Payne
Picard (Drummond)	Pomerleau
Rideout	Robichaud
Skoke	Stewart (Northumberland)
Terrana	Verran
Wells	Whelan
Young	de Savoye

(1910)

**The Speaker:** I declare Motion No. 47 defeated. I therefore declare Motions Nos. 48, 56, 58, 59, 60, 61, 62 and 63 defeated.

The next question is on Motion No. 46.

**Mr. Boudria:** Mr. Speaker, I believe you will find unanimous consent that the vote taken on report stage Motion No. 31 be applied to the motion now before the House.

As well, Mr. Speaker, if you were to seek it I believe you would find consent that the same vote be applied to report stage Motion No. 64 as well as all other motions applying to that.

## YEAS

## Members

Abbott	Ablonczy
Bouchard	Breitkreuz (Yorkton—Melville)
Bridgman	Brown (Calgary Southeast)
Chrétien (Frontenac)	Crête
Dalphond-Guiral	Deshaies
Dubé	Duceppe
Epp	Fillion
Frazer	Gagnon (Québec)
Gauthier (Roberval)	Gilmour
Gouk	Grey (Beaver River)
Grubel	Guimond
Hanrahan	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Hayes	Hermanson
Hill (Prince George—Peace River)	Jacob
Jennings	Kerpan
Lalonde	Landry
Langlois	Lavigne (Beauharnois—Salaberry)
Lebel	Loubier
Manning	Marchand
Meredith	Mills (Red Deer)
Morrison	Nunez
Plamondon	Ramsay
Ringma	Rocheleau
Sauvageau	Schmidt
Scott (Skeena)	Silye
Solberg	Speaker
St-Laurent	Thompson
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Venne	White (Fraser Valley West)
White (North Vancouver)—61	

## NAYS

## Members

Alcock	Allmand
Althouse	Anderson
Assadourian	Augustine
Axworthy (Saskatoon—Clark's Crossing)	Bakopanos
Barnes	Bellemare
Bertrand	Blaikie
Blondin-Andrew	Bodnar
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bélair	Bélanger
Calder	Campbell
Cannis	Catterall
Chan	Clancy
Cohen	Collins
Crawford	DeVillers

*Government Orders*

Dhaliwal  
Discepolo  
Duhamel  
Easter  
Fewchuk  
Finlay  
Gagliano  
Galloway  
Godfrey  
Gray (Windsor West)  
Harb  
Hickey  
Irwin  
Jordan  
Knutson  
Lastewka  
Lee  
MacLaren  
Malhi  
Manley  
Marleau  
Massé  
McKinnon  
McTeague  
Mifflin  
Minna  
Murphy  
Nunziata  
O'Reilly  
Parrish  
Peters  
Phinney  
Pillitteri  
Reed  
Richardson  
Ringuette-Maltais  
Scott (Fredericton—York—Sunbury)  
Shepherd  
St. Denis  
Stewart (Brant)  
Taylor  
Terrana  
Torsney  
Valeri  
Walker  
Wood—121

Dingwall  
Dromisky  
Dupuy  
English  
Finestone  
Fontana  
Gagnon (Bonaventure—Îles-de-la-Madeleine)  
Gerrard  
Goodale  
Guarnieri  
Harvard  
Hopkins  
Jackson  
Karygiannis  
Kraft Sloan  
LeBlanc (Cape/Cap-Breton Highlands—Canso)  
Loney  
MacLellan (Cape/Cap -Breton—The Sydneys)  
Maloney  
Marchi  
Martin (LaSalle—Émard)  
McCormick  
McLellan (Edmonton Northwest)  
McWhinney  
Milliken  
Mitchell  
Murray  
O'Brien  
Pagtakhan  
Peric  
Peterson  
Pickard (Essex—Kent)  
Proud  
Regan  
Riis  
Rompkey  
Serré  
Speller  
Steckle  
Szabo  
Telegdi  
Thalheimer  
Ur  
Vanclief  
Wappel

## PAIRED MEMBERS

Asselin  
Bellehumeur  
Bernier (Gaspé)  
Brien  
Bélisle  
Caron  
Chamberlain  
Coppes  
Debien  
Fry  
Godin  
Guay  
Lavigne (Verdun—Saint-Paul)  
Lefebvre  
Leroux (Shefford)  
MacDonald  
Ménard  
Paradis  
Patry  
Picard (Drummond)  
Rideout  
Skoke  
Terrana  
Wells  
Young

Bachand  
Bergeron  
Bernier (Mégantic—Compton—Stanstead)  
Bryden  
Canuel  
Cauchon  
Collenette  
Davialt  
Flis  
Gaffney  
Graham  
Laurin  
Leblanc (Longueuil)  
Leroux (Richmond—Wolfe)  
Lincoln  
Mercier  
Ouellet  
Paré  
Payne  
Pomerleau  
Robichaud  
Stewart (Northumberland)  
Verran  
Whelan  
de Savoye

**The Speaker:** I declare Motion No. 46 defeated and I declare Motion No. 64 defeated.

[*Editor's Note: For vote on Motion No. 64, see list under Division No. 239.*]

[*Translation*]

**The Speaker:** I therefore declare Motions Nos. 65, 66, and 67 lost.

[*English*]

The next question is on Motion No. 49.

[*Translation*]

The vote on Motion No. 49 will also apply to Motions Nos. 50, 51, 52, 53, 54, 55, and 57.

**Mr. Boudria:** Mr. Speaker, if you were to ask it, I think you would find unanimous consent to apply the vote taken on report stage Motion No. 28 to Motion No. 49.

[*English*]

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

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

(*Division No. 240*)

## YEAS

## Members

Abbott  
Breitkreuz (Yorkton—Melville)  
Brown (Calgary Southeast)  
Frazer  
Gouk  
Grubel  
Harper (Calgary West)  
Harris  
Hermanson  
Jennings  
Manning  
Mills (Red Deer)  
Ramsay  
Schmidt  
Silye  
Speaker  
White (Fraser Valley West)

Ablonczy  
Bridgman  
Epp  
Gilmour  
Grey (Beaver River)  
Hanrahan  
Harper (Simcoe Centre)  
Hayes  
Hill (Prince George—Peace River)  
Kerpan  
Meredith  
Morrison  
Ringma  
Scott (Skeena)  
Solberg  
Thompson  
White (North Vancouver)—34

## NAYS

## Members

Alcock  
Althouse  
Assadourian  
Axworthy (Saskatoon—Clark's Crossing)  
Barnes  
Bertrand  
Blondin-Andrew  
Bonin  
Boudria  
Brushett  
Bélanger  
Campbell  
Catterall  
Chrétien (Frontenac)  
Cohen  
Crawford  
Dalphond-Guiral

Allmand  
Anderson  
Augustine  
Bakopanos  
Bellemare  
Blaikie  
Bodnar  
Bouchard  
Brown (Oakville—Milton)  
Bélair  
Calder  
Cannis  
Chan  
Clancy  
Collins  
Crête  
Deshaies

*Government Orders*

DeVillers	Dhaliwal
Dingwall	Discepola
Dromiskiy	Dubé
Duceppe	Duhamel
Dupuy	Easter
English	Fewchuk
Fillion	Finestone
Finlay	Fontana
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gagnon (Québec)	Galloway
Gauthier (Roberval)	Gerrard
Godfrey	Goodale
Gray (Windsor West)	Guarnieri
Guimond	Harb
Harvard	Hickey
Hopkins	Irwin
Jackson	Jacob
Jordan	Karygiannis
Knutson	Kraft Sloan
Lalonde	Landry
Langlois	Lastewka
Lavigne (Beauharnois—Salaberry)	Lebel
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Loney	Loubier
MacLaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Marchand
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McKinnon
McLellan (Edmonton Northwest)	McTeague
McWhinney	Mifflin
Milliken	Minna
Mitchell	Murphy
Murray	Nunez
Nunziata	O'Brien
O'Reilly	Pagtakhan
Parrish	Peric
Peters	Peterson
Phinney	Pickard (Essex—Kent)
Pillitteri	Plamondon
Proud	Reed
Regan	Richardson
Riis	Ringuette-Maltais
Rocheleau	Rompkey
Sauvageau	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Speller	St-Laurent
St. Denis	Steckle
Stewart (Brant)	Szabo
Taylor	Telegdi
Terrana	Thalheimer
Torsney	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Ur
Valeri	Vanclief
Venne	Walker
Wappel	Wood—148

MacDonald	Mercier
Ménard	Ouellet
Paradis	Paré
Patry	Payne
Picard (Drummond)	Pomerleau
Rideout	Robichaud
Skoke	Stewart (Northumberland)
Terrana	Verran
Wells	Whelan
Young	de Savoye

**The Speaker:** I declare Motion No. 49 defeated. I therefore declare Motions Nos. 50, 51, 52, 53, 54, 55 and 57 defeated.

The next question is on Motion No. 68. The vote on this motion also applies to Motions Nos. 69, 70, 71, 72 and 73.

**Mr. Boudria:** Mr. Speaker, if you were to seek it I believe you would find unanimous consent to apply the vote taken on report stage Motion No. 17 to the vote now before the House. I should add it is with the addition of the hon. member for Saint-Hubert voting on the yea side for that motion.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

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

(Division No. 241)

**YEAS**

## Members

Bouchard	Chrétien (Frontenac)
Crête	Dalphond-Guiral
Deshaies	Dubé
Duceppe	Fillion
Gagnon (Québec)	Gauthier (Roberval)
Guimond	Jacob
Lalonde	Landry
Langlois	Lavigne (Beauharnois—Salaberry)
Lebel	Loubier
Marchand	Nunez
Plamondon	Rocheleau
Sauvageau	St-Laurent
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Venne—27	

**PAIRED MEMBERS**

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Brien	Bryden
Bélisle	Canuel
Caron	Cauchon
Chamberlain	Collenette
Copps	Daviault
Debien	Flis
Fry	Gaffney
Godin	Graham
Guay	Laurin
Lavigne (Verdun—Saint-Paul)	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Lincoln

**NAYS**

## Members

Abbott	Ablonczy
Alcock	Allmand
Althouse	Anderson
Assadourian	Augustine
Axworthy (Saskatoon—Clark's Crossing)	Bakopanos
Barnes	Bellemare
Bertrand	Blaikie
Blondin-Andrew	Bodnar
Bonin	Boudria
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast)	Brown (Oakville—Milton)
Brushett	Bélaïr
Bélanger	Calder
Campbell	Canniss
Catterall	Chan
Clancy	Cohen
Collins	Crawford
DeVillers	Dhaliwal

*Government Orders*

Dingwall	Discepolo
Dromisky	Duhamel
Dupuy	Easter
English	Epp
Fewchuk	Finestone
Finlay	Fontana
Frazer	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Galloway
Gerrard	Gilmour
Godfrey	Goodale
Gouk	Gray (Windsor West)
Grey (Beaver River)	Grubel
Guarnieri	Hanrahan
Harb	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Harvard	Hayes
Hermanson	Hickey
Hill (Prince George—Peace River)	Hopkins
Irwin	Jackson
Jennings	Jordan
Karygiannis	Kerpan
Knutson	Kraft Sloan
Lastewka	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	Loney
MacLaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Manning
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McKinnon
McLellan (Edmonton Northwest)	McTeague
McWhinney	Meredith
Mifflin	Milliken
Mills (Red Deer)	Minna
Mitchell	Morrison
Murphy	Murray
Nunziata	O'Brien
O'Reilly	Pagtakhan
Parrish	Peric
Peters	Peterson
Phinney	Pickard (Essex—Kent)
Pillitteri	Proud
Ramsay	Reed
Regan	Richardson
Riis	Ringma
Ringette-Maltais	Rompkey
Schmidt	Scott (Fredericton—York—Sunbury)
Scott (Skeena)	Serré
Shepherd	Silye
Solberg	Speaker
Speller	St. Denis
Steckle	Stewart (Brant)
Szabo	Taylor
Telegdi	Terrana
Thalheimer	Thompson
Torsney	Ur
Valeri	Vanclief
Walker	Wappel
White (Fraser Valley West)	White (North Vancouver)
Wood—155	

Guay	Laurin
Lavigne (Verdun—Saint-Paul)	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Lincoln
MacDonald	Mercier
Ménard	Ouellet
Paradis	Paré
Patry	Payne
Picard (Drummond)	Pomerleau
Rideout	Robichaud
Skoke	Stewart (Northumberland)
Terrana	Verran
Wells	Whelan
Young	de Savoye

**The Speaker:** I declare Motion No. 68 defeated.

[*Translation*]

(1920)

[*English*]

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.)** moved that the bill, as amended, be concurred in.

**Mr. Boudria:** Mr. Speaker, I wish to seek unanimous consent that the vote taken on report stage Motion No. 3, the first vote taken today, be applied in reverse to the motion now before the House, adding the hon. member for Saint-Hubert on the nay side.

**The Speaker:** Is it agreed?

**Some hon. members:** Agreed.

**Mr. Allmand:** Mr. Speaker, I will be voting against the motion.

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

(*Division No. 242*)

**YEAS**

**Members**

Alcock	Anderson
Assadourian	Augustine
Bakopanos	Barnes
Bellemare	Bertrand
Blondin-Andrew	Bodnar
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bélair	Bélanger
Calder	Campbell
Cannis	Catterall
Chan	Clancy
Cohen	Collins
Crawford	DeVillers
Dhaliwal	Dingwall
Discepolo	Dromisky
Duhamel	Dupuy
Easter	English
Fewchuk	Finestone
Finlay	Fontana
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Galloway	Gerrard
Godfrey	Goodale
Gray (Windsor West)	Guarnieri
Harb	Harvard
Hickey	Hopkins
Irwin	Jackson
Jordan	Karygiannis
Knutson	Kraft Sloan

**PAIRED MEMBERS**

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Brien	Bryden
Bélisle	Canuel
Caron	Cauchon
Chamberlain	Collenette
Copps	Daviault
Debien	Flis
Fry	Gaffney
Godin	Graham

*Adjournment Debate*

Lastewka	LeBlanc (Cape/Cap-Breton Highlands—Canso)	Caron	Cauchon
Lee	Loney	Chamberlain	Collenette
MacLellan	MacLellan (Cape/Cap-Breton—The Sydneys)	Copps	Daviault
Malhi	Maloney	Debien	Flis
Manley	Marchi	Fry	Gaffney
Marleau	Martin (LaSalle—Émard)	Godin	Graham
Massé	McCormick	Guay	Laurin
McKinnon	McLellan (Edmonton Northwest)	Lavigne (Verdun—Saint-Paul)	Leblanc (Longueuil)
McTeague	McWhinney	Lefebvre	Leroux (Richmond—Wolfe)
Mifflin	Milliken	Leroux (Shefford)	Lincoln
Minna	Mitchell	MacDonald	Mercier
Murphy	Murray	Ménard	Ouellet
Nunziata	O'Brien	Paradis	Paré
O'Reilly	Pagtakhan	Patry	Payne
Parrish	Peric	Picard (Drummond)	Pomerleau
Peters	Peterson	Rideout	Robichaud
Phinney	Pickard (Essex—Kent)	Skoke	Stewart (Northumberland)
Pillitteri	Proud	Terrana	Verran
Reed	Regan	Wells	Whelan
Richardson	Ringuette-Maltais	Young	de Savoye
Rompkey	Scott (Fredericton—York—Sunbury)		
Serré	Shepherd		
Speller	St. Denis		
Steckle	Stewart (Brant)		
Szabo	Telegdi		
Terrana	Thalheimer		
Torsney	Ur		
Valeri	Vanclief		
Walker	Wappel		
Wood—115			

**The Speaker:** I declare the motion carried.

## NAYS

## Members

Abbott	Ablonczy
Allmand	Althouse
Axworthy (Saskatoon—Clark's Crossing)	Blaikie
Bouchard	Breitkreuz (Yorkton—Melville)
Bridgman	Brown (Calgary Southeast)
Chrétien (Frontenac)	Crête
Dalphond-Guiral	Deshaiies
Dubé	Duceppe
Epp	Fillion
Frazier	Gagnon (Québec)
Gauthier (Roberval)	Gilmour
Gouk	Grey (Beaver River)
Grubel	Guimond
Hanrahan	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Hayes	Hermanson
Hill (Prince George—Peace River)	Jacob
Jennings	Kerpan
Lalonde	Landry
Langlois	Lavigne (Beauharnois—Salaberry)
Lebel	Loubier
Manning	Marchand
Meredith	Mills (Red Deer)
Morrison	Nunez
Plamondon	Ramsay
Riis	Ringma
Rocheleau	Sauvageau
Schmidt	Scott (Skeena)
Silye	Solberg
Speaker	St-Laurent
Taylor	Thompson
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Venne	White (Fraser Valley West)
White (North Vancouver)—67	

## PAIRED MEMBERS

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Brien	Bryden
Bélisle	Canuel

## ADJOURNMENT PROCEEDINGS

[Translation]

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

## BOVINE SOMATOTROPIN

**Mr. Jean-Guy Chrétien (Frontenac, BQ):** Mr. Speaker, On May 16, I asked a question to the Minister of Agriculture about an article published in the Montreal daily *La Presse*, in which it was claimed that some dairy producers were illegally using recombinant bovine somatotropin. The minister tried to be reassuring by saying that his officials were investigating the allegations, and that he would inform me of their findings.

That was over three weeks ago, and I have yet to hear from the Minister of Agriculture or his parliamentary secretary. When the minister is asked what he intends to do to solve the issue, he points out that it is not the manufacturers of the product who do not comply with the moratorium, but the producers who dismiss the directive.

That answer clearly shows that the minister's primary concern is neither the reputation of dairy producers, nor the safety of consumers. The overriding consideration is big money.

It is very sad to see that no one will protect the producers and the consumers in this most important debate.

*Adjournment Debate*

(1925)

The minister clearly told us that he did not care by repeating for the umpteenth time that it is his colleague, the Minister of Health, who will make the final decision. It is too easy to just pass the buck. The Minister of Agriculture has a responsibility to dairy producers, not to rich pharmaceutical companies.

Why does the government leave a doubt as to the quality of our dairy products, considering that our producers must slow down their production and that the quality of our milk is recognized worldwide?

In my opinion, there is absolutely no reason for a Minister of Agriculture to close his eyes to acts that tarnish the excellent reputation the Quebec and Canadian dairy industry has built for itself over the years. Why does the minister allow companies like Monsanto and Ely Lilly to continue in the hope of making a fortune and having us drink milk containing a synthetic hormone?

What is on one side of the scales is becoming increasingly clear. Consumers do not want to drink milk containing recombinant bovine somatotropin at the moment, producers see no need to use the hormone and studies on the safety of the product are not conclusive.

Why put off extending the moratorium, then? Our guess is that there is no clear, explainable or public reason on the other side of the scales. Try explaining to a parent that his or her children are drinking milk that is more or less safe for purely economic reasons.

Statistics obtained in a study by Optima Research indicate very clearly that a high percentage of consumers will stop buying milk if it contains recombinant bovine somatotropin. Why in this case is the minister not protecting the interests of producers by putting pressure on his colleague in the health portfolio to put an end to the hopes of the pharmaceutical companies? I know very well that this whole matter is one of big bucks. Are there politicians or perhaps senior public servants with hidden interests?

Past certifications by Health Canada provide no assurance. They include breast implants, urea formaldehyde and thalidomide.

If it approves the use of recombinant bovine somatotropin for dairy herds, will Health Canada agree to compensate dairy producers for all consumer claims as the result of health problems arising through the consumption of dairy products?

In closing, I would ask why this government does not follow the example of the European Community and declare a moratorium until independent studies can really examine this hormone in depth? Should they ever come out in favour of its use, then and only then, could we start using recombinant bovine somatotropin.

*[English]*

**Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.):** Mr. Speaker, I am pleased to provide the hon. member for Frontenac and the House with information regarding the alleged importation and use of rBST or recombinant bovine somatotropin, as well as an update on various related issues.

It is important to stress that the high standards and integrity of both the regulatory system and the Canadian dairy industry continue to be maintained.

First and foremost, no decision has yet been made regarding the approval and licensing of rBST for use in Canada. This decision, I repeat again for the member, is the responsibility of Health Canada. Its review is being administered under the Food and Drugs Act, which sets out the standards for the safety of food and drugs used in Canada.

A notice of compliance must be received in order to sell rBST in Canada. This means that the sale of rBST is prohibited and importation of this product is controlled at the border by Revenue Canada. Therefore the sale, distribution, or importation of rBST in Canada at this time is illegal and subject to criminal prosecution.

I would like to also take the opportunity to highlight some of the key events that have occurred over the past year.

In response to recommendations of the Standing Committee on Agriculture and Agri-food, the government has negotiated a one-year delay with the manufacturers, until July 1 of this year. Also, the government commissioned a task force report, which provides more information on costs and benefits to the Canadian dairy industry, animal genetics, U.S. consumer reactions, and human and animal health issues.

In addition, Health Canada has developed a document outlining how veterinary drugs are licensed in Canada. Also, both Agriculture and Agri-Food Canada and Health Canada have completed a document outlining consistent procedures for the handling of biotechnology products. All documentation is publicly available.

I hope this addresses the concerns on importation, as it provides the most up-to-date information that is available on this issue.

**The Speaker:** Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted.

*[Translation]*

Accordingly, this House stands adjourned until tomorrow at 10.00 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.32 p.m.)

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