

**CANADA** 

# House of Commons Debates

VOLUME 133 • NUMBER 269 • 1st SESSION • 35th PARLIAMENT

OFFICIAL REPORT (HANSARD)

Friday, December 1, 1995

**Speaker: The Honourable Gilbert Parent** 

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### **HOUSE OF COMMONS**

### Friday, December 1, 1995

The House met at 10 a.m. (Division No. 387) YEAS

Prayers

### **GOVERNMENT ORDERS**

[Translation]

### CONSTITUTIONAL AMENDMENTS ACT

BILL C-110-MOTION FOR TIME ALLOCATION

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.) moved:

That in relation to Bill C-110, an act respecting constitutional amendments, not more than one further sitting day shall be allotted to the consideration of the second reading stage of the bill and, fifteen minutes before the expiry of the time provided for government business on the allotted day of the second reading consideration 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 second reading stage of the bill shall be put forthwith and successively without further debate or amendment.

[English]

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

Some hon. members: Agreed. Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nav.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Speaker: Call in the members.

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

Members

Anderson Arseneault Assad Assadourian Assad
Axworthy (Winnipeg South Centre/Sud-Centre) Bakopanos
Beaumier Bélair Bélanger Bellemare Blondin-Andrew Bevilacqua

Bonin Brown (Oakville—Milton) Boudria Calder Cannis

Catterall Clancy Cowling Cohen Crawford DeVillers Dhaliwal Dromisky Dupuy Eggleton Duhamel Easter Finestone Flis Gaffney

Gagnon (Bonaventure—Îles-de-la-Madeleine) Goodale Gagliano Gallaway

Gray (Windsor West/Ouest) Graham

Guarnieri Harvard Harb Hopkins Hubbard Jackson Irwin Jordan Keyes Kirkby Knutson

Kraft Sloan LeBlanc (Cape/Cap-Breton Highlands—Canso) Lavigne (Verdun—Saint-Paul)

Lincoln Maclaren

Loney MacLellan (Cape/Cap-Breton—The Sydneys) Malhi

Maloney Marchi Manley Martin (LaSalle—Émard) McCormick Marleau Massé McGuire McKinnon McWhinney

Mills (Broadview-Greenwood) Milliken

Mitchell Minna Murphy Nault Murray O'Brien O'Reilly Pagtakhan Patry Paradis Payne Phinney Peric

Pickard (Essex—Kent) Regan Rideout Reed Richardson Ringuette-Maltais Rock Scott (Fredericton—York—Sunbury) Simmons

Skoke Steckle Stewart (Brant) Stewart (Northumberland)

Szabo Telegdi Thalheimer Tobin Valeri Torsner Vanclief Wells Whelan Young—120

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### **NAYS**

### Members

Axworthy (Saskatoon-Clark's Crossing) Bergeron Dalphond-Guiral

Debien Dumas Gilmour

Godin Harper (Calgary West/Ouest) Hermanson

Hill (Prince George—Peace River) Johnston

Leroux (Richmond—Wolfe)

Martin (Esquimalt-Juan de Fuca) Mayfield McLaughlin Ménard Meredith Mercier Morrison Ramsav Ringma

Speaker-27

### **PAIRED MEMBERS**

Adams Asselin Bélisle Bachand Bernier (Gaspé) Bellehumeur Bernier (Mégantic-Compton-Stanstead) Bethel Bouchard Brien Brushett Campbell Canuel Cauchon Chamberlain Chan Collenette Chrétien (Frontenac) Collins Comuzzi Copps Crête Daviault de Savoye Deshaies Dingwall Dubé English Fewchuk Gagnon (Québec) Gauthier Gerrard Godfrey Guay Harper (Churchill) Guimond Iftody Lalonde Hickey

Lavigne (Beauharnois-Salaberry) Lastewka Lebel Leblanc (Longueuil)

Langlois

MacAulay Marchand McLellan (Edmonton Northwest/Nord-Ouest) Nunez Parrish Peters Peterson Picard (Drummond) Pillitteri Plamondon Pomerleau Proud Robichaud Robillard Rocheleau Sauvageau Shepherd Speller St. Denis Terrana

Tremblay (Rimouski-Témiscouata) Tremblay (Rosemont)

Walker Wavne

Zed

Jacob Landry

• (1045)

[Translation]

The Deputy Speaker: I declare the motion carried.

(Motion agreed to.)

[English]

### CONSIDERATION OF SECOND READING

The House resumed from November 30 consideration of the motion that Bill C-110, an act respecting constitutional amendments, be read the second time and referred to a committee.

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, a country is what citizens make it. Therefore we can take collective pride that Canada has been deemed by the United Nations as the number one country in the world in which to live.

Today we are challenged once more to reaffirm our faith in our country. We are asked to reaffirm our trust in each other. We are called to creative leadership. Either we are for Canada or we are not.

It is with great pride that I rise today during this historic debate to offer my full support of the unity package unveiled by the government and now before the House.

A key component of this package is Bill C-110, an act respecting constitutional amendments. The bill commits the Government of Canada to obtain the approval of all four regions of the country, namely, the western region comprising Manitoba, Saskatchewan, Alberta and British Columbia, the Atlantic region comprising Nova Scotia, Newfoundland, New Brunswick and Prince Edward Island, and the provinces of Ontario and Quebec as two separate regions.

Ottawa commits itself, before constitutional amendments can be proposed to Parliament, to first obtain the consent of at least six provinces, namely, Quebec, Ontario and two provinces from the Atlantic region representing more than 50 per cent of the region's population and two provinces from the western region representing more than 50 per cent of the west's population.

When Bill C-110 becomes law, the federal government could not proceed to table a constitutional amendment if any one of the four regions refused to give its consent, even if seven provinces representing 50 per cent of Canada's population pass resolutions in favour of such a constitutional amendment.

Although the present bill does not amend the Canadian Constitution which stipulates four legal amending processes as provided for in sections 38 to 44 of part V, it is as an act of the federal Parliament binding on current and succeeding governments.

The western region makes up nearly 30 per cent of Canada's population, larger than Quebec's and smaller than Ontario's. Taking into account the population of each of the four western provinces, the bill affects the western region in this fashion: first, Alberta would require either British Columbia or a combination of Saskatchewan and Manitoba to exercise the veto: second, Manitoba and Saskatchewan would require British Columbia or each other and Alberta to exercise the veto; third, British Columbia would require only one other western province to exercise its right to say no.

The regional veto envisioned in this bill gives greater strength to each of the western provinces than can be obtained under the existing amending formula.

It is a significant step forward. It illustrates the flexibility of federalism to which the government is committed. It is this sort of political creativity and ingenuity that should summon in us a sense of pride in our Canadian citizenship, which should be a forum for transcending differences and considering the common good of all.

Most Canadians became citizens by birth. For me, becoming Canadian was a conscious choice, a choice informed by a strong commitment to the values, goals and vision Canada has for herself in the world community.

In January 1968 I braved my first Canadian winter in Winnipeg as a new immigrant. Coming from the tropical climes of the Philippines, the country of my birth, the cold winds and bitter frost of the North American prairie seemed particularly harsh. But the chill of the winter was quickly offset by the warmth of the welcome I received from the people of Manitoba. Winnipeg was my Canadian city of entry, a friendly place where I felt at home instantly. But Canada is the country I adopted.

### • (1050)

My four sons were born on Canadian soil. Many of my dreams for my family and my career have been realized in Canada. My future goals, if they are achieved, will be achieved in this country.

This is a country which accommodates the dreams of individuals from all cultures, from all walks of life. This is a country that promotes and supports a fully integrated citizenship which takes these differences into account.

My constituency of Winnipeg North is a microcosm of Canada. People of aboriginal ancestry and people of Ukrainian, Jewish, Polish, Indian, Portuguese and Filipino origins, along with anglophone and francophones and many others, have made Winnipeg North their home. They are proud of their heritage and they are proud of their Canadian citizenship. These define our shared identity.

Beyond our shared identity, beyond our diversity there is a stronger force that socially binds us. It is a set of shared political values. Canadians share a belief in equality and fairness. They believe in consultation and dialogue. They share in the importance of accommodation and tolerance. They share compassion, generosity and an attachment to the natural environment. Together they support diversity. As a people we share a commitment to freedom, peace and non-violent change.

### Government Orders

Canadians from coast to coast to coast told us four years ago that we share these seven values. It is certainly true that we in different regions, provinces, cities, communities and households may feel like a minority with different priorities and goals. Sometimes those differences can make us feel alienated from the majority.

I know that feeling. As a Filipino Canadian, I know that being a member of a visible minority makes me sometimes feel like an outsider. Occasionally I feel a sense of aloneness. But those feeling pass whenever one stops to consider the policies which inform the real discourse of this country.

Nearly a quarter of a century ago in this House, then Prime Minister Trudeau introduced a ground breaking policy which formalized the very values of which I spoke earlier. One of the chief aims of that policy was to enhance every Canadian's sense of belonging, in the process fostering the ties that bind us all together.

The policy has showcased, in a very real sense, the creativity, the ingenuity of the Canadian people. It sent a clear message to me as a Canadian of Filipino origin that I was as welcome in Canada as anyone else. It confirmed my initial impressions of Canada formed that first winter a few years earlier. It made me understand that, yes, I am different from some, but I am equal to all.

The bill before us today is the fulfilment of a promise, part of the promise that includes recognizing Quebec as a distinct society within Canada. We all know and have known since Confederation that Quebec is a distinct society within Canada, a distinctiveness defined by her unique culture, French speaking majority and civil law tradition.

As I mentioned before, differences can lead one to a sense of alienation. With this motion introduced by the Prime Minister, Canadians are sending the clear message to Quebecers that we not only respect the differences in their traditions, history, language and culture, we celebrate and value them. They make Canada whole.

We are reawakened to the spirit of partnership and collaboration which brought us together more than a century and a quarter ago. We want Quebecers to know that by working together, we can develop a national vision to confront with resolute confidence the challenges of today and tomorrow just as we triumphed when we faced the challenges of the past.

Our historical achievements in building this nation rightly give us a sense of national pride.

### **●** (1055)

Our shared identity, our shared values, our collective sense of pride in the midst of our deep diversity, are the tools that shall preserve Canada as a nation, that shall propel us to prosperity. These are the tools that will translate our hope into reality.

### S. O. 31

The challenge before us today is whether we have the will to accommodate, the will to make sacrifices for our common national good, the goodwill to see us build on the partnership of the past 128 years. We cannot allow history to judge us harshly. We cannot allow the moment for national unity to pass. I therefore ask all colleagues to shed political partisanship for Canadian partnership. Long live Canada. Vive le Canada.

The Speaker: I wonder if rather than begin a speech, then break it up in the middle—

[Translation]

—we might proceed directly to members' statements.

### STATEMENTS BY MEMBERS

[English]

### WORLD AIDS DAY

**Ms. Hedy Fry (Vancouver Centre, Lib.):** Mr. Speaker, the number one cause of death in men aged 19 to 44 in the major metropolitan areas of Canada is AIDS.

Today is World AIDS Day. The World Health Organization's theme this year is shared rights and responsibilities. This theme highlights the need for equality and solidarity in global responses to AIDS. Its message is clear. Everyone has the right to information, preventive skills and tools, to avoid infection. Everyone has the right to access to appropriate care free from the burden of discrimination.

The World Health Organization message balances these rights with the responsibility of the individual to protect self and others from infection, the responsibilities of families and communities to educate the public about HIV prevention and to care for those infected with AIDS.

Themes are usually rhetoric unless followed by action. Let us in the House commit ourselves to actively ensure those rights and responsibilities become reality. AIDS creates too much tragic waste of human life and potential to do otherwise.

\* \* \*

[Translation]

# MINISTER OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, yesterday in the House the Minister of Indian Affairs was unable to reply to questions concerning certain highly paternalistic and disdainful comments about aboriginal people made by his ADM. His reason: the memorandum in question was not addressed to the minister himself. What a lame excuse.

The contents of this memo were released by the *Globe and Mail*. In addition to expressing doubts about the professionalism of the reporters on this respected daily newspaper, and to describing his ADM's comments as "pretty silly", the minister has insulted the intelligence of the members of this House and of his constituents by refusing to answer questions on his departmental policy for ridiculous reasons.

It does not matter to whom the memo was addressed; he was at the very least clearly remiss in his duties.

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[English]

### **FIREARMS**

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, violent home invasions are becoming a serious problem in Canada. The Liberals say that they want a safer society, but by protecting criminals from decent citizens they make life more dangerous for us all.

The Prime Minister has on various occasions stated that it is somehow un–Canadian to possess firearms for home protection. That is easy to say when one is protected by armed guards. However a few weeks ago when the system broke down, the Prime Minister discovered that even the mighty are vulnerable.

I have this vision of the Prime Minister shivering in his nightshirt, clutching his soapstone carving. I wonder if as the long minutes dragged by he would not have felt more comfortable if he had been holding a .38.

The rest of us do not even have sleeping policeman around-

The Speaker: The hon. member for Saint-Denis.

\* \* \*

[Translation]

### WORLD AIDS DAY

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, I would like to draw attention on this first day of December to World AIDS Day. This day brings to mind the significant numbers of individuals affected by this disease, one for which to this day there is still no cure. In North America it is a dramatic fact that AIDS is the top ranking cause of death for people between the ages of 25 and 44.

**●** (1100)

[English]

Health Canada reports that last year alone almost 3,000 Canadians were reported as having contracted the AIDS virus. That is about eight Canadians per day. It is indeed a shocking amount, but what is more shocking is that we are not doing enough to find a cure.

The federal government must strengthen its national AIDS strategy and do more to help researchers across the country who are working to develop an AIDS vaccine, researchers like Dr.

Christos Tsoukas of the Montreal General Hospital whose research is seriously jeopardized by this lack of funding.

We owe it to Canadians, especially to young people.

## TOURISM

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, in the riding of Parry Sound—Muskoka, as well as in many other areas of the country, constituents depend on tourism. The weather this week has reminded us that tourism is not just a summer business but a year round business.

Tourism is a very important industry in the country. It contributes about \$26 billion to our gross domestic product. It is estimated that every new \$1 million of tourism expenditure results in 39 person years of employment. In my riding almost one of every two jobs is dependent on this industry.

When it snows, and has it ever snowed, the small businessmen and women in my riding look forward to a good winter season. We have some of the best trail systems in Canada. We attract those who cross-country ski, snowshoe or snowmobile.

If November's record snowfall is any indication, it will be a great season for all winter activities. I invite all Canadians to share in the experience of the great Canadian winter in my riding and across the country.

\* \* \*

### PROVINCE OF ONTARIO

Mr. Janko Peric (Cambridge, Lib.): Mr. Speaker, on Wednesday the people of Ontario finally learned that Mike Harris and his Conservative government do not know the meaning of the words common sense.

Ontarians will now have to wait longer for hospital services, if they can find an open hospital; pay up to 22 per cent more for a university education; and learn to live with fewer locally provided services.

The Waterloo region, which takes in my riding of Cambridge, will be faced with \$9 million in hospital cuts. Those cuts will mean a reduction and possible elimination of services from three hospitals in the area.

The area will also see a cut of approximately \$10 million to schools. Libraries in Cambridge will lose \$120,000 and transit fares will go up.

While all Ontarians want to get their fiscal house in order, why is it that the sick, the elderly and children trying to get an education will be most hurt by the cuts? The premier's friends who have been promised a 30 per cent tax break will not.

S. O. 31

While it is nice to see that the premier-

The Speaker: The hon. member for Kindersley—Lloydminster.

### NATIONAL FARMERS UNION

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, last week I met with farm leaders in Atlantic Canada and attended the annual meeting of the National Farmers Union in Charlottetown.

The following resolution was carried by the NFU membership:

Whereas we supposedly live in a democratic country, and whereas much money is spent on getting MLAs and MPs elected to represent the people, therefore be it resolved that the NFU pressure all provincial premiers and the Prime Minister of Canada to allow elected officials to fairly represent the people who elected them by permitting free votes without fear of reprisal.

The hon, member for Malpeque seems to have forgotten what he did prior to being elected to the House. Let me think. Could it be the president of the National Farmers Union?

It appears as though there has been a change of mind for the hon. member for Malpeque since arriving in Ottawa. Instead of representing the wishes of his constituents, the member has decided to become a traditional politician, toe the Liberal Party line and become part of the Prime Minister's "Yes, whatever you say" club.

Now is the time for the hon. member for Malpeque and his seatmates to return to reality and recommit themselves to representing their constituents.

WORLD AIDS DAY

**Mr. Bill Graham (Rosedale, Lib.):** Mr. Speaker, today is World AIDS Day. Sadly thousands of Canadians are all too personally familiar with the tragedy of AIDS and HIV.

The human cost of AIDS is immeasurable. Each day our communities lose valuable and talented members to this disease. Right now AIDS is one of the primary causes of premature death of Canadian men. We must devote greater resources to its control and elimination.

AIDS has preyed particularly severely on Canada's artistic community and this impoverishes every Canadian. Museums, galleries and art shops across the country will be closed today in commemoration of a day without art to honour artists lost to AIDS.

[Translation]

Recently, there have been breakthroughs in the fight against this terrible disease, but we now have a responsibility to guarantee stable and adequate funding for research, and to assist individuals and their families.

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**●** (1105)

[English]

### THE LATE JOHN ANGUS RANKIN

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Mr. Speaker, last Monday hundreds of people gathered at the funeral of John Angus Rankin to say goodbye to this beloved parish priest and fiddler.

Born in Inverness, Reverend Rankin was ordained to the priesthood in 1946. In 1959 he became pastor of Saint Mary of the Angels Parish in Glendale and Holy Trinity Mission in Waycobah, where he stayed until his retirement in 1994.

During these years Reverend Rankin sparked a renaissance in Cape Breton fiddling and helped revive the Gaelic language. He combined an ear for fiddling with a genuine love for people, in particular the Micmac community of Cape Breton among whom he finally chose to lay at rest.

Reverend Rankin will be sorely missed by all, but his cultural and musical legacy will continue to live on long into the future.

\* \* \*

### LIBERATION OF HOLLAND

Mr. Rex Crawford (Kent, Lib.): Mr. Speaker, a monument erected this remembrance week in Chatham's Legion Memorial Gardens is a constant reminder of how lucky we are to be Canadians.

More than 500 veterans and Kent's Dutch community paid tribute to the Canadian soldiers who fought and died to liberate Holland 50 years ago.

We can never take our freedom for granted. It is important that future generations realize how fortunate we are in Canada. Our soldiers gave their lives, the supreme sacrifice, so each of us could speak and live freely.

Thanks to the efforts of the Dutch in my riding who raised \$12,000 to build the memorial, we have a permanent reminder of our soldiers' struggles. They did not die for a region or a province; they fought for Canada.

The Dutch community wanted me to point out that they are not hyphenated or distinct Canadians but Canadians only, true and proud. I salute their efforts at remembrance.

### THE ECONOMY

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, once again the federal government is the last to catch the winds of change.

Canadians from coast to coast are calling for the government to deal with the issues that are truly important. At the top of the list in every region of the country are balanced budgets and tax relief.

The provincial governments are answering the call. Nine have balanced their budgets or plan to do so. A number have developed debt repayment schedules just as Canadian families would pay off a mortgage. By doing so these governments are also putting themselves in a position to offer tax relief in the near future.

The message is clear. Canadians are now holding their elected officials to higher fiscal standards than ever before and the litmus test they are applying is a balanced budget plan. It is telling that there are only two governments in all Canada which fail this test: the separatist government in Quebec and the Liberal government in Ottawa.

\* \* \*

### WORLD AIDS DAY

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, today is World AIDS Day. As part of the national strategy, the national health research and development program budgets some \$5.5 million to researchers working outside Health Canada. The Medical Research Council contributes another \$2 million to this research.

Normally these programs issue calls for research applications twice each year. Because the federal government is not prepared to commit to funding AIDS research beyond March 1998, the two programs have decided to stop accepting applications. As a result, long term research will suffer and some of the best and brightest researchers may leave the field.

If the Minister of Health and the government are prepared to accept responsibility, it is essential that the Minister of Health and the Liberal government put their money where their mouth is. It takes money to do research. I call on the government to immediately introduce a funding base beyond 1998.

\* \* \*

[Translation]

### UNEMPLOYMENT INSURANCE REFORM

Mr. Philippe Paré (Louis-Hébert, BQ): Mr. Speaker, this government's performance on job creation is deplorable. This morning,

Statistics Canada announced that 44,000 jobs were lost in November. Employment has remained practically at a standstill in Canada for the past twelve months. Although jobs are the main focus of the government's program, it has failed utterly to do anything about the labour market situation.

Since the Liberals came to power, the unemployed have been asked to make big sacrifices. The government said that its objective was to put people back to work. There again, it has failed. The Minister of Human Resources Development will table his second set of unemployment insurance reforms today. Like last time, he will say they are intended to give Canadians the dignity of work. However, the figures are there to tell us that the job done on unemployment insurance will not create jobs. The minister is not giving Canadians the dignity of work. He is taking it away from the unemployed.

\* \* \*

**(1110)** 

[English]

### WORLD AIDS DAY

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, today, December 1, is the eighth annual World AIDS Day.

Since the global epidemic of this dreadful disease was first documented and up to the end of 1994, an estimated 19.5 million men, women and children have contacted HIV. The World Health Organization estimates that the total number could more than double by the year 2000.

AIDS is the most deadly scourge ever faced by humankind. Those who suffer with the ravages of this disease, their families and friends, indeed all of us can count ourselves among the victims of AIDS.

I urge all Canadians to continue to support the battle against this devastating illness. The efforts of every one of us are needed if we are ever to celebrate the last World AIDS Day, the day when we can finally claim victory over this deadly killer.

### ROYAL ROADS

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I state in the strongest possible terms my objection to the fact that some 484 acres of pristine crown lands on the Royal Roads property in my riding of Esquimalt—Juan de Fuca are on the table for future development.

The Department of National Defence has already paid the city of Colwood \$198,000 for a buy—in for 6,000 residential equivalency units of trunk sewer capacity with an application for a further 2,000 units. Plans for the development of the lands and the property are already under way by the Treasury Board.

S. O. 31

Given this fact we deserve to know what are the plans for Royal Roads, who has been consulted and what is the time frame for this development.

Since April 1994 I have continued to advocate a plan put forth by the Royal Roads committee that I started which would see the development of only 60 acres of the land with the rest held forever, in perpetuity. Rest assured I will fight tooth and nail alongside my constituents to ensure that these beautiful lands are not bulldozed and concretized in the name of development.

\* \* \*

[Translation]

### WORLD AIDS DAY

**Mr. Maurice Dumas (Argenteuil—Papineau, BQ):** Mr. Speaker, today is World AIDS Day, and I would like to make parliamentarians, Quebecers and Canadians more aware of the importance of this day.

No one should and no one can afford to remain indifferent to the seriousness of this disease and the physical and psychological suffering it causes.

Unknown until the end of the seventies, the AIDS virus has, in many western and developing countries, become public health problem number one. In 1993 the World Health Organization estimated that more than 14 million people throughout the world were or had been infected by HIV, and 7,000 people have died of AIDS in Canada.

It is still very important to educate the public about the risk of HIV infection. This terrible disease continues to strike down individuals of all ages, irrespective of gender or sexual orientation.

We must not give up in despair. We must persevere in our search for ways to wipe out this disease, because this is the only message of hope—

\* \* \*

[English]

### **BANKS**

**Mr. Paul Steckle (Huron—Bruce, Lib.):** Mr. Speaker, as a member of Parliament one of my greatest frustrations are banks and their limited interest in assisting small business.

My riding of Huron—Bruce thrives on the success of small and medium size businesses. Many Canadians are seizing the entrepreneurial spirit, some because it is their lifelong desire and others because they are unable to find employment. These people have skills, intelligence, energy and are willing to take risks to become financially independent.

Small businesses need to be given an opportunity. Canadian banks are making it difficult for entrepreneurs to realize their dreams. If entrepreneurs could afford to launch a new business

### Oral Questions

or if every mature business could afford to employ one more person, Canada's unemployment rate would decline drastically.

The government has taken the initiative to help small businesses with measures such as Bill C-99, an act to amend the Small Business Loans Act.

I encourage all bankers to help remedy our unemployment problems by taking an invested interest in our financial future and by ensuring that new and existing entrepreneurs are given a fair and equal chance to prove that they can contribute to the economy of the country.

### **ORAL QUESTION PERIOD**

**(1115)** 

[Translation]

### INDIAN AFFAIRS

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. A memo from Assistant Deputy Minister of Indian Affairs, Jack Stagg, recommends that Ottawa offer financial compensation to native peoples for supporting the federal system in the referendum and subsidies to try to silence the First Nations' constitutional claims while the so-called Quebec initiatives are announced.

When questioned yesterday, the Minister of Indian Affairs and Northern Development avoided the issue by saying that he had not read the memo, although the national media were talking about it.

How does the minister explain that, yesterday, not only did he not know what his own assistant deputy minister was doing, but he was unaware of what everyone else was fully aware of from reading the paper, namely the content of Mr. Stagg's memo.

[English]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, as I explained yesterday, I have 3,000 civil servants in my department alone. A lot of them do a lot of writing. I did not ask for that note, I did not want that note, and I do not agree with that note.

[Translation]

**Mr. Claude Bachand (Saint–Jean, BQ):** Mr. Speaker, I imagine the minister must have watched TV yesterday like everyone else; it was on all the networks.

Given the memo's unacceptable recommendations and its lack of respect for the First Nations, will the minister tell us clearly whether he and his government will dissociate themselves from the content of the memo by his assistant deputy minister? Let him say so clearly. [English]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I just did.

[Translation]

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, I understood the minister to say earlier that he was dissociating himself, and now he is saying it again. If this is true, since the memo was not well received by the various native groups and since the Department of Indian Affairs is supposed to protect the rights of these people, would the minister tell us if he plans to discipline his associate deputy minister for his fine memo?

[English]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the First Nation vote in Quebec does not have to be bought. They are standing up for Canada. When the Crees vote 96.3 per cent no against the separatists and the Inuit vote 95 per cent no against the separatists and the Montagnais vote 99 per cent no against the separatists, that should send a clearer message to the separatists than to the Liberal government.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, it is highly surprising that the minister would brag about accepting the results of referendums restricted to the Crees and Montagnais, an essentially ethnic referendum in which the other people living on these lands were not allowed to vote. That is a very interesting statement coming from this minister.

He was not asked whether or not referendums were held in Quebec. Rather, he was asked specifically whether he dissociates himself from his assistant deputy minister's memo. We are not talking about just anybody, about one of 3,000 public servants, but about the assistant deputy minister. Is the minister going to summon his ADM and take appropriate action? That is the question. We are not asking the minister for his life story. He should be responsible and answer the question.

[English]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I will associate myself with any civil servant in any department of the government who wants to help the aboriginal people of Quebec.

While I am on my feet, talking about association, there is a person called Pierre Blais who is a member of the separatist government in Quebec. He calls the aboriginal people of Quebec gypsies and nomads.

We are talking about disassociation. When the new leader of Quebec takes over as premier, and maybe when some of the A team go and leave the B team here, will the A team disassociate itself from comments like that?

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, we disavowed such comments as soon as they were uttered. I do not know any Pierre Blais, but I do know that this minister is skirting the issue. Perhaps he needs videotapes to understand the reality, just as the defence minister understands only when he can see the evidence on videotape.

• (1120)

I ask him again the same question. His assistant deputy minister made unacceptable comments, mostly about native people. Will he punish his assistant deputy minister or does he only have a problem with the fact that there was a leak? Is this his sense of responsibility, that a leak is serious? What he said shows his inability to take action. If this minister is incapable of taking action against an assistant deputy minister who made such comments about Quebec and its native people, he should not be a government minister.

[English]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I will correct that. Pierre Blais is a former minister of justice.

We are talking about disassociation. I will be clear. Any provincial or federal civil servant or any provincial or federal cabinet minister who wants to do the just and honourable thing with aboriginal people will be followed and admired by me.

While we are on the subject of disassociation, what is this party going to do about a former leader who talks about "ethics"? What is this party going to do about a former deputy premier who goes into a hotel and says the same thing? What is this party going to do about racism in Quebec vis—a—vis the ethnic community? It is important to me because I come from ethnic stock, from the Italians and the Irish. If I am offended, I wonder how the aboriginal people feel, who have to face fivefold what we had to face in this country. What is the member going to do about that?

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### UNEMPLOYMENTINSURANCE

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, after a year and a half of delays, flying trial balloons, and countless rewrites, the Minister of Human Resources Development is finally bringing down his watered down UI reform proposals. He has even promised job opportunities and more jobs. Unfortunately while he has been playing politics a very alarming circumstance has occurred. Statistics Canada reports that last month the number of working Canadians fell by 44,000. That is five months of job growth down the drain. I wonder what is happening here.

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My question to the minister is as follows. What if anything are the minister's UI proposals doing to stimulate job growth in the private sector?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, it is abundantly clear to those individuals who have been active participants in the debate about restructuring Canada's social security system that the Unemployment Insurance Act as it is today does not reflect the reality of the workplace. It is for this reason that the government embarked on a very ambitious project to modernize Canada's social security system with three major objectives.

The first objective is to help Canadians find and keep jobs by providing them with not only income support but also a set of tools that will allow them to get back to work quickly. The second objective is to provide protection for the most vulnerable in our society. I know how the Reform Party feels about that. The third objective is to develop a system that is sustainable.

The announcement the minister of human resources will make today will be something Canadians have been waiting for and it will address those three objectives.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, those objectives are certainly noble, but job growth has not occurred. When we saw the minister preparing his proposal, in the last few days he has been making political manipulation and changes instead of looking at sound policy.

If the minister is really serious about creating jobs and improving job opportunities in the country, why did he not slash the payroll taxes by more than the token five cents that was announced informally yesterday? My question is clear. The Minister of Finance has said in the House more than once that payroll taxes kill jobs. If that is true, why did the Minister of Human Resources Development not announce a slash greater than five cents?

• (1125)

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, it is becoming abundantly clear that the Reform Party simply does not understand even the measures taken in the past budget by the Minister of Finance.

The Minister of Finance has already reduced payroll taxes. Measures that will be announced later on by the minister will speak to the issue of job creation, which is an important and fundamental pillar of the jobs and growth agenda. Not only has the government created over 500,000 jobs, but we are modernizing the delivery services. We are engaging the private sector, working together in partnership with the government through things like national sectoral councils and youth internship

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programs, which have created over 30,000 jobs for young people.

We are modernizing the system and we are creating the climate that will speak to the issue of job creation.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, the Minister of Human Resources Development has promised that through the UI proposals there will be job opportunity and job growth. If you really look at it, what is the record?

Nothing in there will break the cycle of dependency. There will be nothing there for those 44,000 Canadians who just lost their jobs. There is going to be nothing there for the young people who are looking for jobs at the present time. There is a lot of politics, but not good, substantial policy.

My question is for the hon. parliamentary secretary. After a year and a half of dithering and political manoeuvring here and top down tinkering and made in Ottawa solutions, what is the government really going to do through this policy to reduce the number of unemployed in this country?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, the hon. member should be asking what the government has already done to create jobs in Canada. We have done a great deal. I have outlined a number of measures we have taken already.

I find it extremely surprising that a member of the Reform Party, the same party that does not support the summer job action plan of this government, which has created over 44,500 jobs, would get up and claim to be the defender of young people in this country.

It is abundantly clear to the people of Canada that the Reform members of the opposition have abdicated their responsibilities to give young people a chance.

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[Translation]

### INDIAN AFFAIRS

**Mr. André Caron (Jonquière, BQ):** Mr. Speaker, my question is for the Minister of Indian Affairs. In his memo, Indian Affairs assistant deputy minister Jack Stagg suggested that federal subsidies be granted to aboriginal people, first, as compensation for supporting the no side in the referendum and, second, as a way to silence native constitutional demands while the federal government is making pseudo-offers to Quebec.

In light of his ADM's memo, will the minister confirm that he did not commit and does not intend to commit any federal funds to cover the costs incurred by the Crees and the Inuit to hold their own referendums in October? [English]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, what I can guarantee is that in Quebec there will be a clear understanding that there is an 1898 line, that the northern two-thirds of Quebec was transferred to Quebec without the knowledge and consent of the aboriginal people.

What I will guarantee is that the people of Quebec and Canada will understand that there is a royal commission report. There is an opinion from Daniel Turp, which has been hidden by the Bloc, that states that the rights of the aboriginal people in Quebec are sovereign, that they are more important than even the rights of Europeans who came after they did. That is a fact that the separatists know and are hiding. They put a muzzle on their legal scholar who advised them of this.

What I will guarantee is that the voice of our Minister of Foreign Affairs will be heard in Quebec, as will the voices of the thousands of Canadians who came forward and said to Matthew Coon-Come and Zebedee Nungak and the Mohawk leaders: "We understand finally what you are saying and we are with you".

[Translation]

**Mr. André Caron (Jonquière, BQ):** In that case, Mr. Speaker, will the minister give us formal assurances that, contrary to what his ADM suggested, his government did not and will not try to buy the First Nations' silence on their constitutional demands while Ottawa is making its so-called offers to Quebec?

• (1130)

[English]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the silence or the voice of the aboriginal people is not for sale. Matthew Coon–Come said during the referendum: "We are not Canada's Crees; we are not Quebec's Crees. We are Crees and we are not cattle to be moved around indiscriminately by ideological separatists at will".

\* \* \*

### JUSTICE

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the federal–provincial financial agreements for the administration of justice expired over two and a half years ago. The Liberal justice minister has failed to renegotiate these agreements within that period.

I ask the justice minister: what is the status of these agreements? Are they in place and if not, why are they not?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, perhaps the hon. member would be good enough to tell me to which agreements he is referring. Is he referred to the firearms agreements? Is he

referring to the cost sharing agreements for young offenders or legal aid? If the hon. member would be more specific in his question, I have information I would be happy to share with him.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, last week we asked the justice minister the same question. Of course the solicitor general responded by saying he would get back to us. He has not got back to us with the information. At that time we were quite specific on what we were referring to.

I will ask the justice minister about the alternative measures program. The program as defined under Bills C-37 and C-41 will place a tremendous financial challenge on the provinces which are tasked with the administration of the program. What financial agreements if any has the justice minister devised in co-operation with the provinces, or is he just going to ignore the cost of this legislation to the provinces and force this legislation on them together with the financial requirement?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it is important that the hon. member refer specifically to the agreements he is asking about. There are many agreements between the federal government and the provinces by which we share the cost in the administration of justice.

The hon, member has now referred to one such program. I am proud to say that today happens to be the day when the provisions of Bill C-37 are proclaimed in force and come into effect across the country. The provisions make extremely important improvements to strengthen the Young Offenders Act, particularly in relation to violence.

As the solicitor general said in the House last week in response to the last question put by the hon. member on this subject, we are assembling detailed information for the member which we will give him in the coming days when it is ready. Many of the agreements which expired some 18 months or two years ago have since been renewed retroactively to the date of the expiry of the last set of agreements.

As always, we are continuing our efforts with the provinces to work toward a justice system that is properly financed, that works in co-ordination at the various levels of government and that serves the people of Canada.

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[Translation]

### **INDIAN AFFAIRS**

**Mrs. Maud Debien (Laval East, BQ):** Mr. Speaker, my question is for the Minister of Indian Affairs.

### Oral Questions

The Kahnawake band council has passed a resolution to expel Peter Jacobs, a resident of the reserve, simply because he is not of Indian blood, discriminating against him on essentially ethnic grounds. Mr. Jacobs was adopted when he was three weeks old and has been living on the reserve for 40 years.

Does the minister support the decision made by the Kahnawake band council to expel Mr. Jacobs for ethnic reasons?

[English]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, this is the same elitist strategy I heard during the referendum. This is back to blood quantum and the old Quebec. This is it again.

Let me talk about my experience in Kahnawake when I went there with Serge Ménard, David Cliche and the solicitor general. We could have walked in there in peace to sign a policing agreement but because there was so much animosity built up between the separatists and people at Kahnawake, the aerials were ripped off our cars. They jumped in our cars and tried to choke us. This tells me that the federal Liberals understand the aspirations of the Mohawk and are able to deal with them and that the path of elitism the separatists are going on will bring this country to destruction. These are the types of questions that are the strategies and policies of the separatist party.

• (1135)

[Translation]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, the minister has fiduciary obligations toward aboriginal people; he grants major subsidies to the various band councils. Therefore, he is duty-bound to take his responsibilities instead of throwing this kind of red herring at us.

Does the minister support the Kahnawake band council's decision and does he intend to take action to prevent Mr. Jacobs' expulsion, yes or no?

[English]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, now that I understand more about the Mohawks, I think this type of question is a shame. They are Quebecers who are part of the city of Montreal. Once again the separatist party wants to get on blood purity which is where we are heading with this type of question—

Mr. Leroux (Shefford): Yes or no?

Mr. Irwin: Yes or no.

If the Reform wants to go in there—I mean the Bloc, I mix them up these days; it was a Freudian slip—it should go in and talk to them and not do as the Bloc critic has done which is to surreptitiously go from door to door in the Mohawk community

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asking: "Are you happy? Do you have any guns?" He got kidnapped by the Mohawks until they found out who he was and then let him go.

\* \* \*

### YOUNG OFFENDERS ACT

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, Bill C-37 which amended the Young Offenders Act did not go far enough. Canadians said it and Reform said it, but the justice minister went ahead with it anyway. Bill C-37 just received royal assent and the committee is already off on another mission to uncover the inadequacies of his improved act.

For years Canadians have been telling governments what is wrong with the YOA but governments will not listen. The minister did not listen to witnesses appearing before the committee last time. What assurance can he give them that he will listen this time?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member demonstrates on this issue as on so many others his preference for volume over analysis and his preference for rhetoric over reality.

Bill C-37 is an effective and insightful advance for the youth justice system in this country. It helps us to deal far more appropriately with violence among young people especially in the 16 and 17-year old age group.

At the time we introduced Bill C–37 we said that it was only a beginning and that more was required. We asked the justice committee, on which the member's colleagues sit along with members of our party, to undertake across Canada a comprehensive full analysis of the youth justice system to see how else it could be improved. That is the work in which the committee is engaged. It is important work and will result in recommendations to which we will pay attention.

If the hon. member thinks there is some better way to go about it, I would like to hear from him.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the reason I might resort to volume from time to time is in the hope the message might get through to the minister.

The Minister of Justice has sent the justice committee packing. The committee is to cross the country seeking the opinions of Canadians on his new and improved Young Offenders Act. Will the justice minister commit today to the members of the standing committee, to all members of this House and more important, to all Canadians, that he will listen and pay attention to the recommendations of the committee, or will this be just another colossal waste of taxpayers' time and money?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member also demonstrates that he is unable to accept yes for an answer.

Had he spoken with members of his own party who were at the committee hearing when I addressed them two weeks ago, he would know that I told the committee that this is an open minded, no holds barred, top to bottom review of the youth justice system.

I have asked the committee members to speak to police officers, to parents, to school principals and to young people themselves. I have asked them to speak to the provinces to determine their experience with the Young Offenders Act and its administration and to return with recommendations for further change. That is the way the process works. That is the functioning of democracy. I urge the hon. member to take a responsible part in it.

\* \* \*

**(1140)** 

[Translation]

### FIGHT AGAINST AIDS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, my question is for the Minister of Health. Today is World AIDS Day. The epidemic, far from being under control, has reached unexpected proportions. From 1982 to 1995, 15,000 cases of AIDS were reported in Canada. Over the next five years, another 15,000 cases will be identified. In the meantime, the minister does nothing but make empty speeches and is incapable of pledging to maintain the national AIDS strategy.

Given the terrible ravages of that disease, how can the minister justify that she is contemplating saving \$40.7 million per year, at the expense of people living with AIDS, by giving up the national AIDS strategy? Such a decision would be shameful.

[English]

**Hon. Diane Marleau (Minister of Health, Lib.):** Mr. Speaker, the hon. member very well knows the answer to his question which is that HIV/AIDS and the battle against it remains a priority for the government.

Phase two of the strategy is scheduled to end in 1998. In the two years we have been here we have made dramatic cuts in every other program, but that is one program which has not been touched. We continue to spend \$40.7 million a year on this strategy. That being said, we will continue to think of this as a priority, but we must reorganize the financing.

At this time we are working out the ways by which we can continue financing this very worthwhile initiative. We have at least until the next budget to announce exactly how we will reallocate funds to continue to support these very worthwhile programs.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, the fact is that, in spite of the growing epidemic, the minister has not even managed to spend all the moneys allocated to her for the fight against AIDS. I ask her to rise in this House

and to promise on her honour to extend the strategy and to spend the funds allocated. This would be the best way for her to show solidarity with the victims, and I hope she will make that commitment.

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, every dollar is spent very carefully. As you know, the mere fact that we have a dollar in our pocket does not mean that we should waste it. This is why the government invests in good programs.

Mr. Speaker, I can tell you that the hon. member will be pleased to hear that at least half a million dollars will be allocated to programs in Quebec, including one in his riding. The hon. member should be thankful, instead of attacking us.

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[English]

### BANKRUPTCY AND INSOLVENCY ACT

**Mr. Reg Alcock (Winnipeg South, Lib.):** Mr. Speaker, I have a question for the Minister of Industry.

Recently Quebec's environment minister wrote to the federal Minister of the Environment suggesting amendments be made to the Bankruptcy and Insolvency Act to improve environmental protection. Can the minister tell me whether any action has been taken to prevent the dumping of contaminated buildings and worksites on local governments?

**Hon. John Manley (Minister of Industry, Lib.):** Mr. Speaker, last Friday I was very pleased to table a bill containing many amendments to the Bankruptcy and Insolvency Act, including ones that deal particularly with the issue the hon. member has mentioned.

This is the first time that the bankruptcy act has had provisions that have been intended to enable trustees in bankruptcy to take possession of assets that pose environmental risks.

We have given claims which stem from environmental damage priority over those of other creditors, both secured and unsecured, so that dealing with contaminated properties and properties that are adjacent to the property where the damage occurred and linked to the activity that caused the environmental damage will be able to be used as a priority claim in order to effect the clean—up. This will not only relieve some of the responsibility from local governments, but it will also ensure that trustees are willing to move in and take on some of these very difficult files.

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### **JUSTICE**

**Mr. Bill Gilmour (Comox—Alberni, Ref.):** Mr. Speaker, recently the Minister of Justice said that the primary objective of his department was for a fair and responsive system of justice.

**●** (1145)

It is over a year and a half since I asked the minister to review the Patrick Kelly case. Over two years ago the key witness in the case admitted she lied during the trial. This witness's false testimony put Mr. Kelly, a former RCMP officer, behind bars.

We could very well have put an innocent man in prison for the past 14 years. Now this witness, presently in the U.S., refuses to testify further.

What is the minister's department doing to ensure the interviews with this witness are completed in order that a section 690 review in the Kelly case can proceed?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I am grateful to the hon. member for his question, for his continuing interest in this case which I know is genuine, and for his interest in the administration of justice.

Throughout the past months I have been advised by independent counsel I retained to help me with the assessment of this case. That independent counsel working with lawyers for the applicant, Mr. Kelly, and the witness have participated in interviews. There have been three attendances for that purpose.

I believe the work with that witness has now been virtually completed. I am awaiting a final report and recommendations from the independent counsel. I am keenly aware that time has past since the application has been brought, but I will publish with the eventual disposition of the case a chronology of the developments so that the member and everybody else can see for themselves how this case has been dealt with. I will of course take responsibility for that.

**Mr. Bill Gilmour (Comox—Alberni, Ref.):** Mr. Speaker, I appreciate the minister's response.

The minister promised in response to my earlier questions in the House to release relevant files to Clayton Ruby, Mr. Kelly's lawyer. However, the justice minister has been stalling for two years and refuses to provide the files required for Mr. Kelly's defence.

There is little reason not to release the files as the information being withheld from Mr. Kelly's lawyer was collected at public expense by a public agency for use in a public prosecution.

The minister has stated that he wants a fair and responsive system of justice. Will the minister stop stalling and release the files to Mr. Kelly's lawyer?

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Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the release of those files has given rise to an issue with respect to the terms on which the release should take place. The files are not the property of the Department of Justice. They belong to the metropolitan Toronto police. They were made available to us on certain conditions.

The justice department has said in effect to Mr. Kelly's counsel: "We will allow you access to what we've been given but on certain conditions". Mr. Kelly's counsel has not found those conditions acceptable. He has taken another position. Quite properly he is acting for his client diligently. We are discussing the terms under which we will release the documents.

Our purpose is not to stall. Our purpose is to ensure that if and when we do release documents, we do it showing proper respect to their origin and to our obligations as custodian to the people who generated them. I am certain we will be able to work out terms acceptable to all parties and make them available soon.

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[Translation]

### **MARKETING OF 3TC**

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Mr. Speaker, my question is for the Minister of Health. The Food and Drug Administration has authorized the marketing of a drug, 3TC, in the U.S. before Canada has authorized it, although they both received applications at the same time and although the drug was discovered in Quebec, at Laval. Worse still, in both the U.S. and Canada, examination of the drug submission was fasttracked.

How can the minister explain that fasttracking of drugs moves faster in the United States than in Canada, and that the Canadian fast track looks more like a secondary road than a super highway?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I can tell you we are hoping for a decision on this in the near future.

There is one thing that ought to be pointed out, which is that the Government of Canada ought to be receiving praise, along with Health Canada, for providing substantial funding to help in the development of this product.

**●** (1150)

**Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ):** Mr. Speaker, the member speaks of hoping for a decision and I must point out to her that what she is hoping for, we are hoping for even more, but it is our impression that our hopes are often in vain.

Is the minister aware that the administrative slowness of her department has resulted in a mere 2,500 patients being able to benefit from this drug, whereas if 3TC obtained commercial

authorization from Health Canada all of the people living with AIDS, four times that figure, could have access to it?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I shall repeat what I said. The scientists of Health Canada are doing their job, and they will be giving us a decision shortly. I believe, however, that the hon. member may not have her facts exactly right. The companies applied for drug approval in the U.S. first, before Canada. The Americans have just now given approval. Some time is needed for decisions to be reached on protocols that are not favourable. I believe the hon. member will not be disappointed. Health Canada is doing its job, and doing it well.

[English]

### **GRAINS INDUSTRY**

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, unfortunately the Minister of Agriculture and Agri–Food is developing the reputation of being able to give nice, long, flowery speeches but not being able to make up his mind and he cannot meet his deadlines. Let us see if he can break this habit of indecision.

The minister's senior executive officer group, which is also called the May 16th group, has put forward a proposal to sell 13,000 hopper cars dedicated to the hauling of prairie grain by the railroads for \$100 million.

Has the minister made up his mind? If he has it will be earth shattering. Has he made up his mind to accept the offer or reject it?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, one of the difficulties in responding to questions from the Reform Party is that its members consistently get their facts wrong. Once again the hon. gentleman has done exactly that.

He refers to a group within the grains industry called the May 16th group. He also refers to an advisory group of grains industry executives called the SEO group. The hon. gentleman should know those are two quite separate things. They are not one and the same.

The SEO group has come forward with certain recommendations about grain car ownership and grain car allocation procedures. Those recommendations have been presented for consideration to the May 16th group, as well as to some western Canadian farm organizations.

Those farm organizations are still in the process of considering the set of recommendations from the SEO group. Until I have the considered opinion of the farm organizations it would be highly inappropriate to make a final decision before getting their advice.

The hon. gentleman talks about grassroots political consultation and discussion. He suggests that we should get advice from farm organizations, but in his question he suggests that we make a decision today which pre-empts the opportunity to get that advice through consultation, and that we will not do.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, we just saw an excellent example of the flowery speech and no decision whatsoever.

The minister is waffling. He is sending strange signals to the industry. He is not listening to those who have been putting input into the whole process. Maybe we can give him the benefit of the doubt. Maybe he is trying to get a better deal for farmers.

Is he proposing that if the railroads buy the cars, worth over \$300 million for the fire sale price of \$100 million, that the railroads will then agree not to increase the freight rates by the \$1 a tonne which they are currently proposing? Is that what he is working for? Why is he delaying?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, what the hon. gentleman fails to appreciate is that the set of recommendations put forward by the group of senior executive officers in the grains industry is a package proposal which involves a number of recommendations that move in a variety of different directions.

He has spoken, for example, about the recommendation relating to the possible sale of hopper cars. What he has not referred to is the fact that another recommendation from that very same group of senior executive officers proposes that there ought to be some kind of maximum ceiling with respect to freight rates extending over a period of 10 years.

It is significant that the Reform Party has consistently opposed that kind of protection for farmers.

### THE ENVIRONMENT

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of the Environment.

**•** (1155)

The UN weather agency reported this week that the hole in the earth's ozone shield covers an area twice the size of Europe. The hole grew again this year at the highest rate ever, threatening the globe with increased exposure to deadly ultraviolet radiation.

What is the Canadian government doing to prevent the deadly environmental catastrophe of ozone depletion?

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the

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Minister of the Environment will be attending the seventh meeting of the Montreal protocol which starts on Monday in Vienna.

She will be reinforcing Canada's commitment to an accelerated ozone layer program which has already been endorsed by the Council of Canadian Ministers of the Environment. This means working toward zero discharge of ozone depleting substances. It means phasing out HCFCs by the year 2010. It means continuing to work with Agriculture and Agri–food Canada on methyl bromide. Most important, it means a committed research program into alternatives to ozone depleting substances.

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[Translation]

### **PUBLIC SERVICE**

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

The first quarterly report on job cuts in the public service indicates that so far Quebec has received more than 28 per cent of federal job cuts. This situation discriminates against Quebec, which, before the cuts, had only 19.3 per cent of federal public service jobs.

Considering that Quebec's under-representation within the federal public service has already caused it to lose more than 22,500 full-time jobs, what justification does the minister have for letting Quebec absorb more than 28 per cent of the cuts in the federal public service?

[English]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the cuts are proportional right across the country.

The first quarterly report of early departures from the public service are by and large on a voluntary basis. Some people went out under the early retirement incentive program. I do not think those numbers can be taken as any disproportion across the system. Overall the program is going quite well right across the country.

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### **IMMIGRATION**

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, last October the deputy minister of immigration signed a memorandum of understanding in Vietnam which allowed for the return of criminal refugees and immigrants from that country.

However, this week when the *Vancouver Sun* requested a copy of that memorandum of understanding, the department refused to give it to them because it could potentially damage bilateral relations.

Will the Minister of Citizenship and Immigration assure the House that the agreement will be made public forthwith and

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explain to us what is in the memorandum of understanding which if it is made public might damage bilateral relationships?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the intent of the government is to seek as many removal agreements as possible so that individuals who are to be deported can be facilitated without any problems.

Through some diligent work, we have been able to obtain such agreements with Jamaica and Vietnam, among others. We were the first country to return individuals to Laos.

We have often heard from members of the third party about the whole question of trying to get these removal agreements and that we would never be able to obtain them. Now that we have them, they ask if they can see them.

In respect to the agreement we signed with Vietnam, it was at Vietnam's request that the agreement be kept confidential. The government and the department have no difficulty if the Vietnamese government agrees to make it public. We have no concerns whatsoever. It is at Vietnam's request and we have respected the confidentiality.

However, the question at the heart of this is the importance of removing individuals who should not be here in the first place. That is being done.

### **HEALTH CARE**

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

Today on World AIDS Day, she will know that there has been great concern about the prospects for long term research into the area of HIV and AIDS.

• (1200)

The funding at this point goes to 1998, but the minister will know that research has to be done in a longitudinal manner over a period of time. Would the minister today state specifically what her plans are to ensure that there is a long term plan and strategy in place for AIDS research?

**Hon. Diane Marleau (Minister of Health, Lib.):** Mr. Speaker, I appreciate the hon. member's question because it is a very serious matter, which we are working diligently to address.

We hope to have some resolution to that question and ensure there is ongoing funding within Health Canada for research and programs having to do with AIDS and HIV. It is something we will hopefully have resolved within the next few months.

### **FUEL ADDITIVES**

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of the Environment.

Next Monday, December 4, Ethyl Corporation in the United States is to start shipping MMT to American refiners for use in gasoline. Having regard for the fact that the environment department has talked of the absolute necessity of uniform gasoline standards between Canada and the United States, can the parliamentary secretary tell us what uniform standards we are going to follow in Canada? Is it going to be with MMT or without MMT?

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the reason we have proceeded with Bill C-94, which is presently in third reading in the House and which would ban MMT, is essentially an environmental reason. MMT impairs catalysts and sensors in modern automobiles, which are supposed to lead to cleaner fuel emissions.

We want to ban MMT and follow the lead of states such as California, New York, New Jersey and Illinois, which are using reformulated gasoline without MMT. This is the option we have chosen, to use cleaner burning fuels, to use reformulated gasoline. So we are going to be committed to working very hard to make sure Bill C–94 becomes a reality very soon.

### POINTS OF ORDER

DISTINCT SOCIETY MOTION

**Mr. Ray Speaker (Lethbridge, Ref.):** Mr. Speaker, I rise on a point of order with regard to the amendments relative to the distinct society motion. I am not pressing you for a timetable, but I was wondering if you could indicate to us whether you have a time line as to when you will be advising the House with regard to your ruling.

**The Speaker:** I have instructed the clerk of the House and our researchers to go over it. I wanted to take my time on this, as I believe it will be reintroduced next week. You will have my decision before we take up the debate again.

### **ROUTINE PROCEEDINGS**

[English]

# WESTERN ARCTIC INUVIALUIT CLAIM IMPLEMENTATION

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, under the provisions of Standing Order 32(2), I have the honour to table in both official languages copies of the 1993–1994 annual review of the Western Arctic Inuvialuit Claim Implementation Commission.

### GOVERNMENT RESPONSE TO PETITIONS

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

\* \* \*

### NUNAVUT IMPLEMENTATION COMMISSION

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, under the provisions of Standing Order 32(2), I have the honour to table in both official languages copies of the 1994–1995 annual report of the Nunavut Implementation Commission. Also under the provisions of Standing Order 32(2), I have the honour to table in both official languages copies of the comprehensive report of the Nunavut Implementation Commission, "Footprints in New Snow".

\* \* \*

(1205)

[Translation]

### COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 106th report of the Standing Committee on Procedure and House Affairs concerning the membership of the Standing Committee on Justice and Legal Affairs.

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

\* \* \*

### EMPLOYMENT INSURANCE ACT

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.) moved for leave to introduce Bill C-111, an act respecting employment insurance in Canada.

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

Routine Proceedings

[English]

### UNEMPLOYMENT INSURANCE ACT

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): moved for leave to introduce Bill C-112, an act to amend the Unemployment Insurance Act.

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

\* \* \*

### STANDARDS COUNCIL OF CANADA ACT

**Hon. John Manley (Minister of Industry, Lib.):** moved for leave to introduce Bill C-113, an act to amend the Standards Council of Canada Act.

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

\* \*

### COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the House gives its consent, I move:

That the 106th report of the Standing Committee on Procedure and House Affairs presented to the House earlier this day be concurred in.

(Motion agreed to.)

### **PETITIONS**

GOVERNMENT SERVICES

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, this petition is from movers or those involved with the industry.

They want the government to examine very carefully its policy with regard to household goods removal services. They obviously want to ensure a good deal for Canadian taxpayers. At the same time, they want a solution that will not destabilize their industry, their involvement, their small businesses.

### INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I present a petition that has been circulating all across Canada. This petition has been signed by a number of Canadians from Formosa, Ontario.

The petitioners draw to the attention of the House that managing the family home and caring for preschool children is

### Routine Proceedings

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 to preschool children, the disabled, the chronically ill or the aged.

### • (1210)

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.

### ALCOHOL

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I have a second petition which has also been circulating across Canada. It has been signed by a number of Canadians from Sarnia, Ontario.

The petitioners bring to the attention of the House that consumption of alcoholic beverages may cause health problems or impair ability, and specifically that fetal alcohol syndrome and other alcohol related birth defects are 100 per cent preventable by avoiding alcohol consumption during pregnancy.

The petitioners therefore pray and call on Parliament to enact legislation to require health warning labels to be placed on the containers of all alcoholic beverages to caution expectant mothers and others of the risk associated with alcohol consumption.

### YOUNG OFFENDERS ACT

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, pursuant to Standing Order 36, today I am pleased to present two petitions sponsored by Sun Hope in memory of André Castet, with over 500 signatures from the residents of British Columbia, many in my own riding of Port Moody—Coquitlam.

These Canadians express the need for substantial revisions to the Young Offenders Act and reject the tinkering and posturing of the government in legislation and its inactivity such as we see in Bill C-37.

### AIDS

**Mr. Bill Graham (Rosedale, Lib.):** Mr. Speaker, on this World AIDS Day I am honoured to present a petition signed by over 3,200 Canadians from every region of Canada.

The petitioners call on Parliament to consider a program of long term stabilized funding of AIDS research proportionate to the HIV population in Canada. Canada ranks third among G-7 countries in its incidence of HIV but ranks last in AIDS research funding.

I fully concur with the request of these petitioners.

### IMMIGRATION

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I have the honour, pursuant to Standing Order 36, to present the petitions of 1,000 Winnipegers from my constituency of Winnipeg North and beyond who pray that the surety bond be not imposed on applicants for immigration and as well to have the landing fee collected at the time of the issuance of the visas of applicants.

They remind members of the House that immigrants provide a strength for our economic and social fabric.

### BOVINE GROWTH HORMONE

Mr. Russell MacLellan (Cape Breton—The Sydneys, Lib.): Mr. Speaker, I would like to bring forward a petition from a great number of people in southern Ontario who are opposed to the approval of synthetic bovine growth hormone, the drug injected into cows to increase milk production.

They say there have not been sufficient studies to warrant this process, that there is a great risk to the health of people, not to mention the damage to the cows. Australia, New Zealand and the European Community have refused to approve BGH.

The petitioners want Parliament to take steps to keep BGH out of Canada through legislating a moratorium or stoppage of BGH use and sale until the year 2000 and to examine the outstanding health and economic questions through an independent and transparent review.

### HEALTH CARE

**Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.):** Mr. Speaker, I am pleased to present a petition signed by 182 residents of British Columbia, forwarded to me by Mrs. Margaret Wiens of 100 Mile House.

These petitioners call on the government to enact immediate legislation for freedom of choice in health care such as full integration of alternative practitioners, homoeopathic, herbal, naturopathic, et cetera, into the Canadian health care system with full and equal coverage for visits and necessary remedies.

\* \* \*

[Translation]

### QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

### **GOVERNMENT ORDERS**

(1215)

[Translation]

### CONSTITUTIONAL AMENDMENTS ACT

The House resumed consideration of the motion.

Mr. André Caron (Jonquière, BQ): Mr. Speaker, it is with pleasure that I rise today to speak to the House on Bill C-110.

I have heard in recent days the speeches of a number of our colleagues in the Liberal Party and the other opposition party. I realized that I should perhaps offer a somewhat broader criticism of the bill.

Those who spoke from the Bloc Quebecois very successfully pointed out the extremely limited nature and scope of what is being called a sort of veto power, which will be loaned to Quebec and certain regions in Canada, so we can say that the Prime Minister has begun to fulfil the promise he made to Quebecers in the final days of the campaign.

I would like to make clear that the issues of the veto, the distinct society and the transfers of jurisdiction, do not only involve constitutional change. These issues are at the heart of what we Quebecers see as Quebec's destiny.

This week a paper reported a survey. Canadians in Quebec and elsewhere were asked about their perception of Canada, their vision of its future. Basically, they were asked whether, in their opinion, Canada comprised two groups, was the union of two equal language groups or was the juxtaposition of 10 provinces forming a country. The results differ significantly according to whether they come from Quebec, the west, Ontario or the Atlantic provinces.

I think this survey takes us to the heart of the debate, which involves defining Canada What was it in the past? What is it now? We see that Canadians are not agreed on how they view their country. We see that 64 per cent of Canadians believe basically that Canada is the union of 10 provinces. Twenty–four per cent think it is the union of two equal language groups: anglophones and francophones.

These figures are surprising. Yet, when we look at the distribution by region and province, we see that the split is quite substantial, even dramatic. We see that 70 per cent of Ontarians, 73 per cent of Maritimers, and 76 per cent of the people in the prairies think that Canada is the union of 10 provinces. In Quebec, however, 42 per cent of the people see Canada as the union of 10 provinces, 37 per cent as the union of two equal linguistic groups, and 15 per cent as neither.

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These figures—42, 37 and 15 per cent—remind me of the results of some polls conducted during the referendum campaign. Some of the polls, perhaps those taken at the beginning of the campaign, showed that 42 per cent of respondents intended to vote no and 37 per cent to vote yes, with 15 or 20 per cent undecided.

As these figures demonstrate, the heart of the problem with Canada and Quebec is that Canadians and Quebecers do not see Canada in the same way. That is why we in Quebec talk about a veto, why we see this reality as important.

**(1220)** 

If we look at the people in the rest of Canada, we realize that they do not see all this as important. I have not heard people from B.C., Ontario or the Atlantic region say that they should have a veto on constitutional changes in Canada. Only Quebec makes this demand.

Why is Quebec making this demand? Because Quebec is basically a people who want to preserve their identity, who want to continue to be themselves. That is the reason why they want to have a say in any constitutional change. That is what lies at the heart of the debate on the right of veto.

It does not matter to us if this will be done this way or that way, if B.C. will have the same veto power as Ontario, if the Atlantic provinces will have a say, if Prince Edward Island will make special demands. To us, veto power is a matter of defending our distinctive culture, of defending what makes us a people. That is why, in the 30 years I have been following politics, Quebec has always had problems with respect to the right of veto. Not because we want to make trouble for Canada, but because it touches the very essence of who we are.

As you may recall, in the 1960s, there was the proposed constitutional amending formula called the Fulton–Favreau formula; there was the Victoria formula; there were the protests by certain Quebec movements when the Constitution was patriated. We were reminded yesterday that Quebec sovereignists voted against the Meech Lake accord. Just as well, since Meech was some kind of a reorganization of Canada designed to satisfy the very minimal demands put forward by the then Premier of Quebec, and those demands did not reflect in any way what I feel Quebec's basic needs are.

On the one hand, there were those who had a blueprint for nationhood and, on the other, there were those with nothing better to offer at the time than some vague revamping of the Canadian Constitution. In that context, I think that we sovereignists had a right—we did not have a choice really—to oppose this constitutional revamping.

I am puzzled about some of the attacks on us, when I hear people say about certain Bloc members: "So and so, who was sitting at the Quebec National Assembly at the time, voted

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against the Meech Lake accord". It is a good thing they did, because this accord was a way for the federalists, who do not recognize Quebec as a people, to revamp the Constitution in the hope that, slowly but surely, we would all die off and disappear.

That is why, when we Quebecers are offered amending formulas, our gut reflex is: "Watch out. Red alert. They are dealing with fundamental aspects that make us what we are". We want to remain what we are and, in the future, to develop our own identity, which makes us a part, as we see it, of the world community.

That is why, whenever the concept of a distinct society, a veto or administrative transfers are brought up, we consistently oppose them, because we believe that our future is in building in North America our own sovereign country, in order to be able to establish normal state—to—state relations with other peoples: the people of Canada, the people of the United States and the people of other sovereign countries of the world. That is the crux of the matter.

I can understand why many of our colleagues, members of both the government party or the third party, are tired of hearing our arguments because they take the same view of this issue as the other Canadians who tell us that Canada is a juxtaposition of ten provinces.

### • (1225)

I can understand that they are tired of our arguments, of listening to us. I hope that, in the years to come, an agreement can be negotiated on new terms so that, in a spirit of mutual respect, we in Quebec can remain who we are and English Canada can continue to develop as it pleases, without either of us interfering with each other's growth, as the people of Canada and the people of Quebec.

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, I am pleased to address Bill C-110, which I will refer to as the veto act. First, let us ask ourselves this basic question: Who speaks for whom, in Quebec? Let us look at that question in the context of the House of Commons.

Members of the Bloc Quebecois keep saying: "We are the ones speaking for Quebecers". I am sorry, but there are also Liberal members representing Quebec ridings. There are 20 of us here who speak for Quebec. Furthermore, an independent member, who sits next to me, as well as a Conservative member, also speak for Quebec. Therefore, Bloc members are not the only ones representing Quebec's interests in this House.

Let us not forget that Quebecers voted no in the referendum. Consequently, it is the Quebec Liberal members of this House, not the Bloc members, who won the referendum, albeit by a narrow margin. As member for Brome—Missisquoi, I can certainly speak on behalf of the majority of Quebecers who voted no.

It is true that those who voted no also expressed a strong desire for change. Not a desire to separate, but a desire for change. Even a leader of the yes side, Mr. Dumont, says so in today's issue of *La Presse*: "If Quebecers had said yes, we would be in the process of implementing the plan that had been drawn up. However, this is not the case. The no side won by pledging to make changes. Let us see what they have to offer. This is not my first choice, since I was on the opposite side during the referendum campaign".

The Leader of the Action Démocratique does not think that his party members will reject his position. He adds: "Our post-referendum strategy is simple. We must look after our economy and our public finances. As for Ottawa, it must define the changes promised during the campaign. We will let them work and, if they make a proposal, we will look at it". So, the desire for change expressed during the referendum campaign is definitely not a desire to separate.

The changes that people are asking for from their federal elected representatives are changes that affect them. They are not changes that would make Ottawa or Quebec bigger, but changes that reflect people's needs. This is what is important. Those who count are those who sent us here. We are accountable to them. But what changes do these people expect from us?

As I see it, there are two types. One year ago, I was campaigning to represent my party in Brome—Missisquoi. Then the by-election took place, followed by the referendum. In that one year, I spent more time campaigning in Quebec than I did in this House.

### • (1230)

I talked to a lot of people during the past year. What kind of changes do people want? There are two kinds. First, a change in the way we do things and second, recognition of our way of life.

First, the way we do things. When you go out and meet people, they tell you: "We are fed up with taxes. We are being taxed out of existence. We are fed up with bureaucracy and red tape. So why not let Quebec and Ottawa get together and see whether something can be done about getting rid of all this duplication? Why not give a little more power to the private citizen?" People want to be involved.

As for recognition of our way of life, I think that is what people want, along with recognition of Quebec's language, culture, legal traditions and institutions.

A resolution was presented in this House to recognize the people of Quebec as a distinct society. A bill was introduced more or less at the same time—the bill we are debating now—that gives veto powers to Quebec and other regions in Canada. It is not perfect, but is perfection possible in this world? Is it be better to entrench this in the Constitution than to have a bill? Yes, it would be better. Soon, in 1997, there will be a meeting of provincial premiers. Yes, it is better.

Would it be better to have more rather than fewer regions? I am not sure. But I do think the government has made a very good start by putting something on the table quickly after the referendum.

So what do we do now? What do we do? After the veto bill we are debating now is adopted, we will see if by 1997 we can reach a consensus within this country, within Canada. We will see whether we can constitutionalize, perhaps by 1997 or whenever, the concept of distinct society.

But, as I said earlier, the citizen comes first. We will have to prepare a package of changes, changes that are crucial and thorough, and we will have to do it now, but we should keep it simple: look at duplication, decentralize administrations and standardize paperwork. I think we should go for solutions that have a direct impact on the public.

We must also make the citizens of this country proud to be Canadians. And part of that is teaching Canadian history in our schools. Part of it is young people knowing the words of our national anthem. Part of it is flying our flag everywhere. Part of it is encouraging Quebecers to meet people and travel in other provinces and vice versa.

The veto powers we are discussing today are like the oil I put in the hydraulic system of my backhoe so I can raise the shovel.

It is important that all of us in this House, irrespective of our political affiliations, have only the interests of the citizen at heart.

[English]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, this speech is not directed at the individuals in the House. It is directed at the people of Canada. The crisis we face today supersedes politics. It supersedes the gamesmanship we see in the House. It supersedes what goes on in committee. It is an issue that affects the very soul of Canada.

**•** (1235)

Never in the past 50 years has there been such a crisis in our midst, a crisis that will change the face of the country we know and love. Never have we needed leadership more but never have we seen such a dearth of leadership. It almost caused the country to fracture last October 30.

The current proposals in Bill C-110 are ineffective. They are meant to appease the separatists within this House and they are meant to appease the separatist leaders in Quebec. The separatist leadership wants one thing and one thing alone: a separate, independent Quebec.

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Anything the government does is going to be ineffective. Therefore the proposals the government makes must not be addressed to the separatist leadership, not to the separatist party, but to the people of Quebec. That is the intent of what we are trying to accomplish here. We are trying to keep the country together, not for politicians, not for political parties, but for the people of Canada.

The fundamental overriding principle of being Canadian is equality for everyone. If we do not have equality for all of us then we have equality for no one. It is something that Canadians have fought for in two world wars, which the brave men and women in our armed forces fight for today, peace and equality in far off lands.

To the people of Quebec I say you are afraid of losing your culture, you are afraid of losing your language. You do not wish to become like the French culture in the southern United States. But your culture is important to us, your language is important to us. It enriches each and every one of us.

In the same vein our culture, our history and the culture and the history of the multiple ethnic groups that make up Canada must be important to you too. We in the Reform Party have proposed that culture and language be given to the provinces, all of the provinces, including Quebec. Here you can be the masters of your own cultural and linguistic destinies.

You are fed up with unnecessary duplication, you are fed up with unnecessary interventions by Ottawa. But so is the rest of the country. That is why in order to reduce waste and save taxpayers' money we have submitted proposals to decentralize various areas such as natural resources, manpower training, housing, tourism and such.

The people of Quebec are fed up with the high federal debt, but so is the rest of Canada. Understand one thing. If Quebecers leave Canada they must understand very clearly that they will walk away with their share of the national debt.

To the people of Quebec I say you are fed up with taxes which go to Ottawa and are wasted, but understand that so is the rest of Canada. The rest of Canada has the same interests that the vast majority of the people of Quebec have. It would be a shame to have the people of Quebec separate from Canada over an eventuality that will come to pass anyway. In most ways the same desires of the people of Quebec are shared by people in every province within our country. I ask them to work with everybody else in order to accomplish this.

The separatists want to secede to preserve the Quebec culture but they can only do this by preventing non–francophone people from coming into Quebec. That is why they want to control immigration. That is their intent. They want to create a pure laine population. Fantasy? Hardly. Bloc Quebecois members previous to the referendum

### Government Orders

said that the only true Quebecer is one that is a member of la pure laine.

This was confirmed by racist statements made by Mr. Parizeau and Mr. Landry that blamed them for the failure of Quebec to succeed in the referendum. They put that responsibility on the shoulders of hardworking immigrant populations in Quebec. Accidental? Not at all. They want to drive the immigrant population from Quebec to increase, relatively speaking, the yes vote for separation.

However, the people of Quebec do not want this. The people of Quebec are not xenophobes. They are not intolerant. They are not racist. Their leaders are but they are not. This is something they need remember. They would be embarrassed to know some of the things that have been said by some of their leaders.

### (1240)

I ask the people of Quebec why investors would want go to Quebec to start companies and create jobs in a climate of obsolete economic ideas, an enormously high debt and intolerance

This brings me to the motivation of the separatist leadership. They warp history. They lie about economic facts. They muzzle their own people which prevents them from getting the facts. Why are they doing this? They are doing it for their own gain and the gain is power. It is power for the separatist leadership in Quebec and has nothing to do with benefiting the average citizen in Quebec.

The pursuit of the separatist leadership in Quebec has very little to do with the people of Quebec. The leadership knows its actions and activities are just going to drag down the average citizen in Quebec. Those who will be hurt the most are those who are the poorest in that province.

We agree with the people of Quebec in wanting to be the masters of their own linguistic and cultural destinies for it is their culture and their language that enriches us all. We are, after all, a part of a multi-ethnic mélange of different groups. French history is a part of our history and is a fundamental, important and integral part of Canada.

Canada needs leadership and it needs it now. It needs leadership to put this issue of Canadian unity beyond the realm and the arena of politics. If this issue is left to the politicians it will be lethal for Canadian unity. All the people of Canada must understand that.

I implore and beseech the people of this country to come together, francophones, allophones, anglophones, all the ethnic groups, all the cultures and all the languages, under the umbrella of understanding and tolerance. It is something that all Canadians are proud of. From

outside Canada it is how we are seen. We are looked at as being a country that exhibits the best examples of culture and tolerance.

However, if ever there was a need for us to demonstrate this to its greatest extent it is now. We must all come together. Anglophones must travel to Quebec. Quebecers must travel into the rest of Canada to see the importance of having our cultures united, not separate.

There is no reason why the people of Quebec cannot have what they asked for in terms of preserving their culture and language in North America. The rest of Canada does not want that to be lost, it wants it to stay. It wants it to stay in the framework of equality, respect and tolerance for all Canadians.

Quite frankly, the policies that have been put forward in Bill C-110, rather than bringing people together, are actually divisive. The people in the rest of Canada see this as a way of making them second class citizens. I hope the people of Quebec understand this. They want nothing more than to be equal with Canadians and with Quebecers. They want nothing more and nothing less.

Canada is the greatest country in the world. It is a land of tolerance and unity. It is made up of a mélange of different ethnic groups of which the French Canadian heritage and culture is one of the most important. I ask the people of Quebec, not the politicians, to join us in unity to build a stronger, united Canada for all people.

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I am pleased to speak on the Prime Minister's unity initiative. I will address the distinct character of Quebec, the fact that it is different which is an obvious and inevitable reality. There are four simple and straightforward truths members of Parliament must keep in mind during this debate.

### • (1245)

The first truth is very clear and it must remain at the heart of our debate: Canada is the best country in the world in which to live. Today we are discussing our future. We are discussing evolution. Anyone can discuss whatever they want in this land because we live in the most free and democratic country in which all of us are equal citizens with equal rights.

The second truth is that the Prime Minister, the government and Parliament have a duty to preserve the unity of Canada as a nation indivisible.

The third truth must be obvious to every member of Parliament. Canadians have called for change and they have called for change based upon goodwill, change based upon reaching out, change based upon open arms, open minds and open hearts. As a member of Parliament from Montreal, I saw this reality with my own eyes, particularly during the unity rally in our city.

The fourth truth is that the Prime Minister of Canada keeps his word. The Prime Minister said he would introduce measures to declare Quebec a distinct society and to offer a constitutional veto and Canadians know that they can count on him to do exactly what he promised to do. He is a man of his word and he has done it. Now we must move forward to close the gap, to bridge the gulf that seemingly divides.

This resolution is not about every person or every province or every political party demanding to get its own way. This legislation is about Canada and Canadians finding a better way.

Mr. Leroux (Richmond—Wolfe): Comme en 1982.

Mr. Gagnon (Bonaventure—Îles-de-la-Madeleine): Oh, oh.

Mr. Leroux (Richmond-Wolfe): Pendant des années.

Mrs. Finestone: This resolution is about Parliament showing leadership by saying we will take another step in finding understanding. We will take another step in recognizing the reality of Canada. We will demonstrate that we are determined to keep faith—

An. hon. member: Oh. oh.

Mrs. Finestone: Listen, do you guys want to have a fight?

We will demonstrate that we are determined to keep faith with both the heritage and the potential of our wonderful country.

We recognize that Quebec is a province with a legal system that is not based on common law, but on the civil code. It is the home of a diverse population of anglophones, allophones, and a majority who are French speaking Canadians who are also diverse. We will not just talk about good intentions. We are building trust by acting on those good intentions. This measure before Parliament is based on the reality of Canada.

Unfortunately, as all Canadians know, anything proposed by the Government of Canada will never go far enough to satisfy the Parti Quebecois or for that matter the Bloc Quebecois. Equally unfortunate, anything proposed by the Government of Canada will never go far enough to satisfy the Reform Party. Those people will never be satisfied.

Thank goodness this debate is not about keeping those people happy. This debate is about keeping Canada together. This debate is about satisfying the people inside and outside of Quebec who understand that the me generation has passed and the we generation has arrived. It is no longer about cutting the best deal for yourself. It is about reaching the best solution for the future of our country. It is about building the new Canada. It is about standing proud and tall for the maple leaf. Canadians from coast to coast to coast must rise above their differences and realize that there is so much more that unites than that which divides us.

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[Translation]

We have experienced many problems throughout our history but have always found a way to resolve them, for we understand that compassion is far more humane than conflict.

We understand that tolerance is far superior to intransigence. We understand that allowing our fellow citizens to reach their full potential does nothing to diminish us. Canadians know that we cannot build a big country on small minds.

**(1250)** 

[English]

Canadians know we cannot build a big country on little minds.

[Translation]

Canadians are not expecting miracles, nor are they looking for heaven here on earth. But they are entitled to expect that the Parliament of Canada will do its utmost, will take the right actions, will adopt the appropriate principles, in order to recognize the modern reality of Canada and to show its true commitment to strengthening the ties among the members of Canada's diversified population.

[English]

I hope that Quebecers and non-Quebecers alike will urge members of Parliament from all parties to keep the big picture in mind. I hope they will urge members of Parliament to take meaningful and realistic steps toward progress.

Canadians are people of moderation and modesty. From time to time we are also a people of passion. We try always to be people of principle, of fairness and of optimism. Throughout their history Canadians have overcome their differences and succeeded beyond the wildest dreams of the founders of this nation. We did it in the end after much reflection by appealing to the better side of our nature as human beings and by acting on the better side of our nature as citizens.

Recognizing Quebec as a distinct society, providing a new constitutional veto and bringing government closer to the people are the vital and important issues. Those are the proposals which the government is moving to turn into reality. What is at stake is keeping our word, keeping faith with the dreams of Canadians, re–energizing our national unity and revitalizing the very best country in the world.

When political discourse becomes invective, when rhetoric over reality becomes overheated, it begets intolerance, instability and fear. When political leaders target identifiable groups—and we have had more than enough of that—when they blame specific communities, they are offensive and they fuel exclusion, anger and resentment. They are a blot on the good name, the goodwill and the respect we have built for our society both here in Canada and around the world. When bigots like Pierre

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Bourgault and his ilk spew their invective, they show that they have no place in our caring society.

I know that the vast majority of Quebecers reject those exclusionary, racist remarks and recognize that we as Quebecers, including some of you on the other side, are all welcome, we are all included and we are all equal, with equal rights, and that our vote will be respected. We too have contributed beyond measure to the growth, development and well-being of all Quebecers.

I want this understanding of the fair sharing in Quebec to be appreciated. I am a Quebecer. I am proud of my difference. I am not better, I am not worse, I am just different. That is what makes me distinct and that is what makes all of us distinct in Quebec. The environment has formed us in many ways.

I call on all Canadians to join with us in recognizing that despite our diverse geography from the Atlantic to the Rocky Mountains, our many cultures and the aboriginal peoples of our two official languages, we are one country. It is by extending our hands of welcome to one another, by rejoicing and appreciating our differences and our diversity that we grow and prosper. It is through our civility and the unity of all Canadians that we ensure a bright future for our children, for our community and for our country.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I would like to begin my speech—in the hope that the member for Bonaventure—Îles-de-la-Madeleine, who is my deskmate, will do me the honour of going along with my line of reasoning—by proposing that we try to imagine what it would be like if we had André Laurendeau, Lionel Groulx, Hubert Aquin, Robert Bourassa and Claude Ryan sitting in opposition.

• (1255)

I named these people, because each and every one of them, at some time or other, has been involved in the process of constitutional review, in different ways of course. I, myself, have been very interested in the process of constitutional review. It has enabled me to pursue my studies. The process of constitutional review arose from the 1960s idea that the Constitution had to be reviewed.

I would say that, for Quebec, the process of constitutional review between the 1960s and now has had two main thrusts. The first, I believe, applies to the entire Quebec family. Both the provincial Liberals and the slightly more nationalist folks acknowledge that reviewing sections 91 and 92 on the devolution of power is what counts in the constitutional review.

This is particularly true, because, as you will remember, in the early 1960s, with Jean Lesage, there was a movement in English Canada to patriate the Constitution and give it an amending

formula, because the 33 Fathers of Confederation had not thought of giving it one. Jean Lesage and Jacques—Yvan Morin, and others after them, felt sections 91 and 92 had to be reviewed first, before the question of patriating the Constitution was dealt with. This then is the first thrust, which remains extremely important today, and, obviously, we can see we are a long way from it with Bill C–110.

The second and possibly the most important thrust—and that is why I referred to the man who, in a way, is like the father of the Bloc Quebecois, namely André Laurendeau, who, you may recall, was elected to the National Assembly in 1944. André Laurendeau took up the challenge of Prime Minister Pearson—to whom some people do not hesitate to liken our current Prime Minister—and quit *Le Devoir* in the early 1960s to co—chair the Laurendeau—Dunton commission.

This royal commission is no doubt the true testament to Quebec nationalism. For the first time in a constitutional document—and I am referring here to the preliminary report tabled in 1965, commonly called the white paper—André Laurendeau and his fellow members of the commission urged English Canada to recognize the co—existence of two nations in Canada. There is a sentence in the white paper that is a important as it is short, on which I wrote my graduate thesis, and I would like to quote it today. André Laurendeau was truly a visionary when he said: "Out of disappointment will come the irreparable".

Of course, the irreparable is Quebec's sovereignty. Around 1965, sovereignty was in a latent, embryonic state in Quebec. Now, 30 years later, 30 years after André Laurendeau tabled his white paper, we are debating a bill introduced by a Liberal government, which will not even recognize Quebec as a nation. That is what is so tragic in all this. No constitutional talks can take place without first recognizing that, in this country, we have two nations, which are equal in fact and in law. We must work to ensure that these two nations can start talking.

For those who belong the same school of thought as I do, the best way to open a dialogue is, of course, sovereignty or a sovereignty—partnership formula. Those from another school of thought, whom I respect and who won the October referendum, think that something can be worked out within the federal system. There is something that I cannot figure out about federal strategists. We cannot begrudge the current Minister of Justice. He is a rather nice man, a distinguished mind, a rising star in the Liberal camp. We cannot hold a grudge against him for not fully grasping the finer nuances of the constitutional debate.

How can the Prime Minister, who has been a member of this House since 1967—long before you, Mr. Speaker, became a member, if I am not mistaken—who has been a key player and a key witness in this constitutional review process, think that some Quebecers will be satisfied with an administrative bill that

will not, of course, be entrenched in the Constitution, and that only offers a possible right of veto.

### • (1300)

A veto is, of course, important. We used it when Jean Lesage was tempted to accept the Fulton–Favreau formula requiring the unanimous consent of the provinces, and when Robert Bourassa was also tempted to accept the 1971 Victoria Charter, which is different from what we have before us today and which is sometimes compared with what is being offered today. As you may recall, Victoria would have given back to Quebec all of its powers over language, as the Pepin–Robarts Commission did a little later.

How can anyone on the side of the government majority think that any Quebecer—whether on the Daniel Johnson team, on the Jacques Parizeau team, or with any lobby in Quebec—will say yes to a proposal like this one?

The government has put itself in a very awkward and unenlightened position, in my opinion, by forcing the loyal opposition, one of the best oppositions this government has ever known, to say no. I know that the hon. member for Glengarry—Prescott—Russell will understand that the minimum requirements for reviewing the Constitution cannot be any less than what was proposed in the Meech Lake accord.

As you know, the Meech Lake accord contained five minimum requirements. Personally, I would never have voted for the Meech Lake accord, because, even though it was a bare minimum, it did not provide the essential, namely Quebec's recognition as a nation and, more importantly, it did not provide any additional power to Quebec, while also being tragically silent on the language issue.

But let us presume that everyone is acting in good faith and is trying to engage in a dialogue. How can the Prime Minister and his team possibly think that Bill C–110 is sufficient, considering that the five conditions included in Meech were an absolute minimum?

Meech also sought to ensure that the Supreme Court played a role in a balanced Canadian federation, and therefore, to restore that balance, Quebec must be represented by judges who reflect its civil law tradition.

There was also the idea, which is probably the most important one for us but is also important for English Canada, that the federal spending power had to be clearly defined, since a number of experts agree that there is a direct link between the use of that spending power by the federal government and the current deficit.

I respectfully submit, out of respect for the past, that if those whom I named were here now, including Claude Ryan—and I do not know how he is perceived by this government—none of them, and they all sought to protect Quebec's interests and

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future, would agree with Bill C-110. I hope the government reviews its position and comes up with something more substantial, so as to launch a true dialogue.

**Mr. Don Boudria** (Glengarry—Prescott—Russell, Lib.): I am pleased to speak this afternoon on this three-part initiative of the Prime Minister.

The first part is to provide a regional veto to the four regions of the country, in addition of course to the veto the provinces already have. This initiative will also acknowledge Quebec as a distinct society and will, of course, be in line with the government's indication of its intent to step up efforts to reduce duplication. Today we have seen the Minister of Human Resources Development take the first step in that direction since the Prime Minister's announcement.

### • (1305)

Of course, long before the Prime Minister's announcement, our government had already begun these initiatives and, since we became the government, a number of administrative agreements have been signed with all of the provinces, Quebec included, but of course there have been very few of those since the separatists came into power in Quebec.

I would like to start by stating my position for you within this debate at this time. As a number of hon. members are aware, I am a Quebecer by birth, who represents an Ontario riding. I have served at the municipal, provincial and federal levels, and have been in office at one level or another for over 19 years now. I am one of those who voted for the Meech Lake accord and the Charlottetown accord. I will vote for Bill C–110 and the recognition of Quebec as a distinct society, which is fully justified.

We heard certain separatist members complain that the Meech Lake accord had not been adopted and denounce the fact. Yet, some of them—in particular their House leader—had voted against the Meech Lake accord and the Charlottetown accord. Other separatists say they have resigned themselves to making do without it, often forgetting that they had campaigned and voted against the Charlottetown accord.

In a few days, if I may make a prediction, if these people do not understand more than they do today, they will vote against Bill C–110, against distinct society, confirming in so doing they are not interested in progress and do not want Quebecers to improve their situation. They want no such thing, they simply want to build up an empire for themselves and act as emperors, but they will never succeed in doing so.

Members opposite, the Bloc members and to some extent, I am sad to say, certain Reform members—I repeat to some extent, because they do all think like this—seem to be wanting to put an end to our country as we know it.

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Why is that? We live in a country that, four years out of five, has been described as the best in the world by the United Nations. Members opposite are shaking their head, saying it is not enough. I personally heard the opposition leader saying Canada was a kind of experiment which had failed from his point of view. According to whom? While even the United Nations cannot find a better place in the world, members opposite want us to emulate another country. Which country will we imitate? Even the UN has not been able to find it yet. But the members opposite claim that this is all worthless. They say they have a better solution.

As I said, I live in Ontario, I am a Franco-Ontarian by adoption, even though I was born in Quebec. I am still a French Canadian. I must tell you that the way the members opposite refer to the rest of Canada which they call "English Canada"—I heard the member for Maisonneuve use this phrase today in his speech—is a real insult to my constituents. I have told you repeatedly, this expression is insulting.

When francophones outside Quebec showed up for a demonstration they had dubbed "Poof, the francophones!", mimicking the member for Rimouski—Témiscouata, it was in part to denounce the fact that we, the one million francophones, such as the member for Nickel-Belt, myself and all the others who live elsewhere in Canada, were called English Canadians.

(1310)

This is the way the members opposite want to portray Canada: an entirely francophone Quebec and the rest of Canada completely anglophone. This is the way they look at it and its is wrong.

The member for Argenteuil-Papineau, who is in front of me, knows full well that when we go to the shopping centre in Hawkesbury, the people we can hear speaking English probably come from his riding. In our area, anglophones are by definition Quebecers from the Harrington and Lost River areas, who come to shop, and francophones are Ontarians.

That is our reality. Does the Bloc talk about these million Quebecers whose first language is not French? Does it talk about Franco-Ontarians and francophones outside Quebec? Bloc members say that we have disappeared. They said: "Poof, the francophones outside Quebec!" No, the Bloc members will not make us disappear. They will not.

The worst insult I heard in all my career in this House came the day when the leader of the Bloc Quebecois went to Acadia to tell Acadians that he would build schools for them when Quebec became a different country. What an insult for Acadians, who have survived and grown for 200 years in this country. And how pretentious of the Leader of the Opposition, who thought he could go to Acadia to tell Acadians a thing or two. Well, they

fixed him. They told him to go back home. That is what some Acadians said, rightly so, and the members opposite know it. And Franco-Ontarians told the member for Rimouski—Témiscouata and the others: You do not want to have anything to do with us francophones outside Quebec and your words prove it.

[English]

Why does United States have twice as many people of francophone origin than Canada and virtually none of them speak it any more?

Could it be that Canada has been a country where the French language has been able to develop quite well and that the reverse was true in the United States? Could it be as well that we as francophones living outside Quebec, and I am one of them, have been able to have our language develop because there is a critical mass of francophones in my country known as Quebec? Yes, that is the reason.

[Translation]

And today, if we were in Louisiana and we were 60 years old and more, we would be speaking French to each other. If we were in Louisiana and we were 40 years old, we would say a few words in French. And if we were 20 years old and someone would talk to us in French, we would say: "What?"

That is what happened in Louisiana; the French language survived for 200 years only to disappear with the television era. But that did not happen in Canada. I still speak French to my children and they will speak French to their children. Why? Because we stayed in a tolerant country, a country where both languages and both cultures were able to develop and a country—

**The Deputy Speaker:** Order. It being 1.15 p.m., pursuant to the order made earlier this day, it is my duty pursuant to our Standing Orders to interrupt the proceedings and put forthwith all questions necessary to dispose of second reading of the bill now before the House.

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:

[English]

**The Deputy Speaker:** Pursuant to Standing Order 45, a recorded division stands deferred until Monday, December 4, at the ordinary hour of daily adjournment.

Shall we call it 1.30 p.m.?

Some hon. members: Agreed.

**The Deputy Speaker:** It being 1.30 p.m. the House will now proceed to Private Members' Business as listed on today's Order Paper.

### PRIVATE MEMBERS' BUSINESS

[English]

### **INCOME TAX ACT**

**Mrs. Beryl Gaffney (Nepean, Lib.)** moved that Bill C–241, an act to amend the Income Tax Act (child support payments), be read the second time and referred to a committee.

She said: Mr. Speaker, I am very pleased to stand in the House today to speak to my private member's Bill C–241, an act to amend the Income Tax Act so that child support payments are not taxable as income for the recipient. As well, it includes child support payments within the meaning of earned income for the purposes of child support deductions.

It is important to ensure that a tax free child support payment to the custodial parent is initiated and that a more appropriate and limited tax credit is equitably distributed to child support payers. I do not suggest what the specific credit should be. I believe it more appropriately falls within the purview of the Minister of Finance.

Bill C-241 is an issue which is very important to me and one with which I have been associated for a number of years. It became clear to me that the taxation of child support payments was a significant concern to many people in the riding of Nepean and to individuals across the country. I continue to receive letters from many people who are experiencing great difficulty as a result of the existing tax laws.

On February 23, 1994 my Motion No. 14 was placed on the Order Paper, deemed votable, debated and adopted on May 30, 1994. The motion at that time read:

That, in the opinion of this House, the government should amend the Income Tax Act so that child support payments are no longer considered taxable income for recipients.

However, the government of the day has still not responded to the motion.

The 1994 budget recognized perceived inequalities in the tax treatment of child support and committed itself to exploring ways to improve the system to ensure, first and foremost, that

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the needs of children are met. However, as of this date, as I said, the government has still not moved on it.

The Minister of Justice indicated his intention to address the issue of child support guidelines and enforcement. I will be looking forward to hearing from him. Bill C–241 only asks for changes to the treatment of income tax for child support which falls under the purview of the Minister of Finance.

The current tax treatment of child support payments makes a very complicated issue out of one that should be as straightforward and as simple as possible. It is most important that it is children who now bear the immediate consequence because the current system is not providing the effect it was designed to produce. If the current policy is not changed it is the children who will go on paying the consequences every day, not just in some cases and not by accident but deliberately because of our failure to redesign an outdated tax mechanism.

This is not just a tax issue but one of wider social justice that affects the well-being of Canada's children and of Canada's future

The tax treatment of child support payments allows a payer to deduct the full amount of the payment from his income while the recipient must include the full amount in hers. The policy has been criticized as discriminatory to women because it places an unfair tax burden on the custodial parent, and the custodial parent is usually the woman and the one who is responsible for the children.

How this situation evolved can be partially explained by historical changes in the patterns of the lives of men and women in Canada over the past half century. The current tax treatment of child support was initiated in the 1940s, probably just after World War II, and reflects the social realities of that time.

There are historical reasons for the bill. From 1940 to 1992 there have been significant changes in society and government policy which lead to the question of whether or not this tax policy also requires revision.

• (1320)

When the current policy was developed it was designed to provide relief to the taxpayer burdened with both a post-war increase in taxes and the obligation of spousal and child support. The father was typically the sole wage earner and the primary taxpayer in the separated family. It was logical at that time that tax relief be targeted to him.

In the current reality both parents are considered individual within our tax structure today. Even those who do not pay taxes file their own tax returns to have access to benefits delivered through the income tax system. Most lone parents also have paid work and pay taxes on their own earned income whether or not they receive support.

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The labour force participation of all women has been steadily increasing, including women with children. In 1988, 62.2 per cent of women with partners and a child under five years of age were in the labour force and 73 per cent for those with children aged six to fifteen years. With lower fertility rates and a later age of first birth, women are spending more time in the paid labour force. This allows women to establish some earning power before interruption for child birth and care.

The labour force participation of women who are lone parents is also increasing. In 1988 the rate was 51 per cent for those with children under five and 72.3 per cent for those with children six to fifteen.

While women are increasingly participating in the labour force they are still concentrated in lower paying and less secure forms of employment. The wage gap is narrowing extremely slowly. Canada is not narrowing the gap as quickly as many other industrialized nations. For example, women's relative wage in Canada in 1990 was 67.6 per cent of men's, compared with Australia at 87.9 per cent and France at 81.8 per cent.

Due to changing economic conditions most families now require the labour force participation of women. Even for two-parent families two incomes are needed to maintain a single household. Upon divorce family resources are often inadequate to continue to meet children's needs as two households must be maintained.

Most lone parents continue to be solely or primarily responsible for the financial needs of children. One of the key reasons for this phenomenon is the high rate of default on child support awards, estimated in the province of Ontario to be disgracefully around the 75 per cent level.

There have been numerous policy changes since 1940 which have had a significant impact on the situation of women, families with children and lone parent families in particular. In 1970 the report of the Royal Commission on the Status of Women documented women's economic and social disadvantage in Canada for the first time. Since 1976 there has been a federal policy commitment to examine the impact of programs and policies on women. This was reinforced when the charter of rights and freedoms came into force.

Better research and data collection as a result of this work continues to identify and describe the feminization of poverty and its direct relation to the unpaid work involved in raising children and other tasks related to human maintenance.

There has been decreasing support for families with children through the tax transfer system over the past two decades. For example, the value of deductions and credits for children as a proportion of income has been steadily reduced. The reduction of the number of tax brackets to three and other changes to deduction and credits have all had an impact on families and on the tax treatment of child support.

Divorce law has evolved from a system based on fault to a no-fault system. Under the no-fault system there is an increasing tendency for support orders to focus on the children with the expectation that women, even those who are not in the labour force, will become self-supporting in an unreasonably short period of time.

There is growing political support for the plight of lone parents. Provincial governments are trying to crack down on non-custodial parents, usually fathers, who are not making their support payments to their children. Growing welfare rolls have spurred the search for alternatives and particularly the need to make fathers responsible for their children.

The women's movement, in combination with economic and policy changes, has reinforced women's need for and right to both paid work and a sharing of family responsibilities. My previous comments highlighted several significant changes in Canadian society from the forties to the nineties. Individuals and families are in very different situations today than in the forties. Given these changes it is timely to ask whether our tax policy on child support is still meeting the original goals of providing tax relief to the tax burdened and encouraging the payment of child support.

My bill is intended to bring the tax treatment of child support payments into the context of the world we live in today. I am cognizant of the increasing levels of child poverty. Any and all changes considered must focus on this fact as the guiding principle.

• (1325)

The general consensus is that the non-custodial parent benefits from the current tax policy, not the children. Presently the total child support award rarely specifies the total needs of the child and the specific amounts needed to compensate for the tax owing on this amount.

Actual evidence on the current levels of child support demonstrates that average support payments are low and would rise considerably with the introduction of guidelines based on actual expenditures on children. If the support award is not high enough to meet the children's needs, it cannot compensate for the tax owing. In practice the tax system further reduces the already inadequate amount available for the children.

Even if a support award is adequate to meet the children's needs calculating the gross up, which is the amount set aside for tax purposes, and deciding how to split any tax saving are extraordinarily complex.

In the Thibaudeau case the Federal Court of Appeal ruled invalid under the charter of rights and freedoms the requirement that the parent who has custody of a child include child support payments as income. Since the decision did not deal with the deductibility of child support by the payer, it left in question how the tax will be paid on income directed to child support.

Following the finding of a Federal Court of Appeal, the attorney general asked that the Thibaudeau decision be suspended while an expedited appeal was brought before the Supreme Court of Canada. On May 25, the supreme court handed down its decision and supported the existing provisions.

The result of the appeal, the court ruled five to two, was that it is not unconstitutional to require the custodial parent who receives child support payments to pay the taxes on that money. However the question of taxation of child support was not totally resolved by the supreme court decision.

Madam Justice Beverly McLachlin of the supreme court was one of the two dissenting judges in that decision. She wrote in her dissenting opinion:

The impugned taxation scheme imposes a burden on separated or divorced custodial parents which it does not impose on separated or divorced non-custodial parents.

The custodial parent must include child support payments from which she gains no personal benefit. The non-custodial parent may deduct support payments from his taxable revenue.

The inequality between the custodial and non-custodial spouse is exacerbated by the fact that the latter enjoys an automatic and absolute right of deduction of support payments from personal income, while the former's ability to offset the increase in her taxes by obtaining an adjustment of support is unpredictable.

Not only must the custodial parent request any adjustment from the court but it is not always certain that the court will correctly assess the tax impact or will award a sufficient amount to enable the recipient to discharge her additional burden.

The logic of a deduction inclusion scheme is further called into question by the fact that our society strongly encourages women to obtain financial self-sufficiency and, in pursuit of that essential objective, to increase their income. The higher the income of the custodial parent, the greater will be her tax rate and the more she will be penalized by the requirement of including the amount of child support in computing her own taxable income.

One of the premises on which the logic of the deduction inclusion scheme rests, that custodial parents are generally subject to a lower tax rate than those who pay the child support, is less and less in accord with present reality and undermines the importance our society places on women attaining financial self–sufficiency.

If we take families in which the husband, the wife and the children remain as the family unit, when the husband gives money to the wife to support the children she is not taxed on it. Nor is he given a deduction. The way it is set up is unfair to the whole family unit.

Following the Thibaudeau decision the government stated its intention to announce a comprehensive approach to reforming the child support system including guidelines to determine the

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amounts, the tax treatment of payments and the enforcement of child support orders.

Let me refer to why the current system is not working. According to research done by Karen Cooper and Ellen Zweibel on the current system of deduction inclusion, there is a gap between tax theory and family experience. The deduction inclusion as designed is expected to produce an overall tax savings for the ultimate benefit of the children in divorced and separated families. Custodial mothers have made it clear the current system undermines their ability to support their children and increases their vulnerability to poverty.

Fathers from the highest income group obtain the most tax savings when paying support to custodial mothers who have not yet fully entered the job market. Little or no overall tax savings accrue when separated parents are either both low income earners or are both moderate income earners. In a minority of cases, the provisions can even have an opposite effect.

### • (1330)

SCOPE, which is an Ottawa based support group for custodial mothers, in its report to the parliamentary task force examining the current system of taxation of child support payments, described how the current system is impacting on the lives of custodial parents. I will quote from the submission:

How they have had to apply for bank loans, borrow money from friends and family, cash in RRSPs, or have been subject to collection proceedings from unpaid taxes.

However, if the non-custodial parent doesn't make full child support payments, the custodial mother must still pay a portion of the partial payment in income tax—Although she cannot meet all the children's budgeted-for expenses from the partial support payment, what she does receive shrinks even further because of the income tax burden. How, after struggling for months and years to get by without full support payments, when they do manage to collect the support arrears, the tax owed on those arrears is often greater than they would have been if the amount had been paid on time.

The Canadian Advisory Council on the Status of Women in its submission to the same task force stated:

In summary, the government's main policy justification fails custodial mothers and their children. Rather than providing greater resources for children, the current tax policy puts greater pressure on the custodial mother. First, she must bargain with the non-custodial father and/or his lawyer for an income tax "gross-up". There is no guarantee the income tax "gross-up" will be included: in some cases he does not have enough tax savings to pay a "gross-up"; in other cases, he may not agree to it or the judge may order a lower amount.

Whenever the custodial mother is unsuccessful in getting a fully tax-augmented child support award, she must stretch her already limited budget to cover the income taxes. When the non-custodial father makes only a partial payment, the custodial mother is left without enough funds to meet the children's budgeted needs and yet the already insufficient amount she received is still further reduced by income taxes. For those important reasons, the Canadian Advisory Council on the Status of Women strongly recommends repeal of the current inclusion/deduction provisions.

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In summary, the movement to reform the income tax treatment of child support has been ongoing since the 1970s. It received significant attention in the 1990s for a number of reasons. The work of the federal–provincial–territorial family law committee which over a period of almost four years oversaw original research on child support in Canada, reviewed the research results and consulted widely with Canadians representing custodial and non–custodial parents and with experts in the child support area.

My previous motion I mentioned earlier in the House of Commons has essentially raised the visibility of the issue. The Thibaudeau case has further brought attention to this matter.

The parliamentary task force was headed by the Secretary of State for the Status of Women who is in the House today. I comment on the good work she and two of our colleagues on the task force did in their travels across the country, holding round table discussions. The input they received was heart rending, emotional and traumatic. This has further raised the profile and the importance of the need for change.

It is my hope that the debate in the House of Commons today will once again move this issue to the forefront. To quote C. Brock Chisholm from a speech in Washington, C.D. in 1945:

The most important thing in the world today is the bringing up of children.

Designing fairer, simpler systems of providing tax relief is essential in order to respond to the needs of children whose parents live apart. We must remember this as we draft the laws which impact on our children. Their welfare must determine our priorities.

[Translation]

**Mr. Antoine Dubé (Lévis, BQ):** Mr. Speaker, I am pleased to participate in this debate on Bill C–241 on behalf of the official opposition and I would like to start by congratulating the hon. member for having put this bill forward for this House to consider. I might add that it is unfortunate that it cannot be voted on.

Such is the will of the members. Her intentions were commendable, but at the same time, this goes to show how the government, by refusing to make this bill a votable item, is really only paying lip service to the idea behind it. The hon. member ought to be commended for her good intentions, but this

goes to show at the same time that this government does not care too much for her initiative.

• (1335)

Bill C-241 is in my opinion very positive from the point of view of its title, an act to amend the Income Tax Act, child support payments.

Interestingly enough, of all the forms of child support, the one that immediately comes to mind is, of course, alimony. There has been a debate on this issue, as we know.

In Quebec, I can think of Mrs. Thibaudeau's case. This lady took her case all the way to the Supreme Court of Canada to try to make the point that the parent, generally the mother, who has custody of the children after a divorce, should not have to declare a portion of the amount received for child support on his or her income tax return, because, for the non custodial parent paying support, this amount is exempt from tax, it is deductible.

There are more women than men in this situation, since, as we know, 85 per cent of single parents facing this kind of situation are women.

We must also remember something else. In spite of the debates in this House on child poverty, as well as the laudable initiatives of members from all parties to make life more comfortable for children, one out of every five children in Canada lives in poverty. This is a serious problem.

The government often boasts about our country being the best in the world. Yet, one Canadian child in five lives in poverty. Children are not the only ones living in poverty. If they are poor, it is because their parents, their mother or their father are poor. Poor children are not all orphans. Their families are in very dire straits.

The measure proposed by the hon. member is interesting, because the person who has custody would not have to declare the money received for support, thus making it tax exempt. We, the official opposition, are in favour of that.

However, when we listen and talk to people, and when we have debates in this House, we realize that we have to be careful. That initiative must be part of a comprehensive strategy, because, taken separately, it might incite judges to take into account the fact that the spouse who pays for support can no longer deduct that amount for tax purposes, and thus lower the level of that support. We must ensure that the person receiving support payments is not penalized by getting considerably less money.

This proposal must be part of a comprehensive policy. We must avoid any boomerang effect and ensure that we do not end up penalizing the person in charge of the family. That would defeat the purpose.

In Canada, we used to have family allowances. Now we have child tax benefits. I find it deplorable that people who work, unlike in Quebec, cannot benefit from tax deductions for children.

### • (1340)

Many parents in Quebec believe that, and rightly so. They want some incentives to have children. They are looking at the government for measures to help them take good care of their families, while we are in a situation, as everyone knows, where the population is aging, the birth rate is dropping, a larger segment of the population is becoming more impoverished and the social inequities are growing because of various economic considerations, which I do not have time to list in the ten minutes I have. We have very few measures which encourage young Canadians to have a family.

We are considering this motion the very same day the Minister of Human Resources Development is introducing changes to the Unemployment Insurance Act in order to further restrict eligibility to UI benefits for new claimants or people who have not been working for a very long time, without taking many measures to really create jobs. Everywhere we look, there seems to be an impending threat, not only a perceived threat, but in some areas, a real one.

In Ontario, the government is thinking of increasing tuition fees and of decreasing education subsidies. We see in the end that the young people in particular—and I remind the House that I am the BQ critic for training and youth—feel like they are continually caught in a stranglehold. Under such circumstances, how can we blame the young people who choose to wait to have children, since their economic situation is becoming increasingly difficult?

I congratulate the hon. member for Nepean for a very praiseworthy motion. However, I cannot help but notice that the government, especially this past week, has been considering motions, resolutions and even a bill on such issues as the distinct society, the veto, and so on. I can see the hon. member opposite is serious and well intentioned. In reality, I deplore the fact that Parliament seems to become more and more a place for lofty speeches, for rhetoric, and I contribute to that by making one myself today, a place where the government seems less and less willing to do anything but look for ways to cut its spending, more often than not on the back of the disadvantaged.

Who are the disadvantaged? Often they are single parents, women, who represent a large percentage of the population, as well as children, since one in five children lives in poverty. I do not see anything in this motion that will correct this situation. It is a good measure, but we can see that there is a lack of willingness to do something on the part of the government.

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I hope the government will soon leave the rhetoric aside and start looking at positive ways of encouraging young people and others to start a family. In spite of that, I do not want to be seen as being too strongly in favour of pro—natalist measures because women have the right to decide for themselves if they want children and how many. I do not question this fundamental right, but it is a question we must ask ourselves from a social viewpoint. We must take the necessary measures and soon.

I am a baby boomer, I am 48 years old, and here is what might happen to some of us.

### **(1345)**

If there are not enough young people entering the labour force, paying taxes and contributing to private pension plans, the people coming after us may not receive a pension. This may even happen to us, as we see that old age pensions, for those who are now under 65, are among the measures being considered. If we do not have enough children and if these children do not start life in a secure environment so that they have an incentive to continue improving our society, I fear the worst.

[English]

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I rise today to speak on Bill C-241, an act to amend the Income Tax Act with respect to child support payments.

I wish to commend the member for Nepean for her persistence and her efforts in support of this bill we are debating today. The issue of child support payments and taxation has been festering for many years without an adequate response from either this government or its predecessor.

One parent families are a result of a breakdown in marriage in a family. To put this into perspective, in 1991 300,000 Canadian parents received child support. The total bill was some \$1.65 billion. It involved some 35,000 children in support and custody cases. Further, statistics indicate that 95 per cent of the custodial and single parents are mothers.

The Reform Party has recognized the need to fundamentally address this issue. Our family task force, which I chair, carefully considered and developed our position on child support payments and taxation in addition to addressing some other related issues.

Our motivation for developing a position on this issue is the function of our concern about the family and recognizing the need for strengthening it for this generation and future generations of Canadians. We believe the family is the fundamental building block of our society. The family is the fundamental institution that transfers and protects our values and culture. The family provides our society with the necessary stability needed for our prosperity and measured progress.

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Parents and children are the basis for the family. Children can in no way be considered apart from or distinct from their parents. Children exist through and thrive on the relationship that exists between a mother and father. Thus the well—being of a child is directly related to the continued shared responsibility. I believe this broader picture of the responsibility of both parents for their children must be considered if a positive solution is to be found to child support payments and family relationships are to be strengthened.

As I mentioned before, the Reform Party has developed a rather comprehensive position on this issue. We addressed the issue of taxation, the level of support through guidelines, and enforcement and compliance with maintenance orders.

On the issue of taxation, child support payments should not be considered earned income subject to taxation. The current tax regime in paragraph 56(1)(b) of the Income Tax Act does exactly that. Where else in the tax system does such an approach exist? Child support payments are the fulfilment of an obligation of parents to their children regardless of family status. It is money directed from a parent for the well-being of his or her child. The money that is received for child support is not earned income. The federal government should therefore not tax these payments as though they were income.

This can be illustrated by contrasting child support payments and alimony. Child support payments are intended specifically for the children and not the mother. Alimony payments, on the other hand, are payments received as income for support of the divorced spouse. This distinction is a crucial one, one that must be recognized.

The effect of the tax system is compounded by the deficiency in the court system. The levels in support awards do not adequately reflect and meet the needs of the custodial parent and children, or perhaps the non–custodial parent.

With these considerations in mind, the Reform position, like Bill C-241, calls for revision of paragraph 56(1)(b) of the Income Tax Act that would strike payments received for child support from being considered as earned income and therefore eligible for taxation.

The Reform proposal would also redirect revenues collected from the taxation of the non-custodial parent to those single-parent families and dual parent families and the children most in need through a complementary increase in the federal child tax benefit, which is to say it is directed to those in need.

These positive and proactive measures will strengthen the circumstances and conditions of single parent families. They

will also address the inequity the current tax regime promotes in the tax treatment of intact and separated families.

There is a broader issue of the current level of taxation that all Canadian families face. The reality is that the current tax burden upon the Canadian family is unjustifiably excessive and onerous. A 1994 study on families and taxation found that the average family composed of two or more persons paid 46 per cent of their cash income to various levels of government.

### • (1350)

Families cannot now survive on a single income. In 1967, 58 per cent of families were supported by a single income. In 1994 that figure has been forced to an historic low of 19 per cent, and it is not by choice. In a 1994 survey of family attitudes, 52 per cent of respondents agreed with the statement that it is not possible to support a family on one income any more. The same survey stated that 40 per cent of parents agreed that if they could afford to they would stay home with the kids, that they work because they need the money.

Recognizing the needs of families and the pressures they face, Reform has developed another positive and proactive measure that will address the broader issue of taxation faced by Canadian families. The simplified tax proposal will provide some tax relief for Canadians, simplify the taxation system through the elimination of deductions, exemptions, and tax incentives, and in general promote more economic freedom for families. In particular, our proposal will provide a generous tax exemption for children to account for expenses parents incur in raising children. Such a provision will be particularly important for low income earners and single parent families.

A second important issue related to child support payments in addition to taxation deals with a process for administering the issue of child support payments. Families and marriages often break down under acrimonious and adversarial circumstances. Many parents then resort to an adversarial court system. The current system essentially pits one parent against the other. This is not in the best interests of the parents and it is certainly not in the best interests of the children involved.

Changes to the current system are urgently needed. The Reform proposal addresses this issue. We advocate the implementation of unified family courts. An important part of this proposal is the front end process of mediation and conflict resolution. The unified family court would also resolve the blended jurisdiction of family law, such as child support, custody, and access. Presently, jurisdiction for family issues is divided between levels of court at both federal and provincial levels. The development and implementation of the unified family court would better facilitate all aspects of family law by incorporating them under one roof.

The Reform proposal also addresses the issue of guidelines to determine the level of support awarded. When a family and marriage break down, courts are left to determine what the level of payments for child support should be. However, the problem has been, as my colleague has said, the inconsistency and sometimes unfairness of the level of support awarded. Such inconsistency is unfair to all concerned. To address this inconsistency, our proposal is based on well established legal principles of demonstrated need and ability to pay.

In practical terms, Reform advocates the establishment of nationwide guidelines that will take into consideration the income, taxation, and parenting cost implications for both custodial and non-custodial parents. Nationwide guidelines would have the effect of standardizing the level of support awarded. In doing so they will do much more to ensure fairness for those in the situation.

There is the issue of enforcement and compliance with maintenance orders. The present circumstances are abysmal. For example, in Quebec 25 per cent of non-custodial parents default in paying child support. The phenomenon of default is in part a function of the adversarial system I discussed earlier. A system that perpetuates acrimony and anger is a system that will fail.

Reform's proposal addresses the issue of enforcement across provincial boundaries. We propose the use of the national registry. We will pursue studies to see if this could be co-ordinated through the income tax system. A registry of this type would improve the access to information and effective response desperately needed to improve compliance and enforcement of maintenance orders.

The principle and concept of Bill C–241 is well founded, but more needs to be done to concretely tackle the root causes surrounding issues of child support. Although this bill addresses the issue of taxation, it does not consider this issue of the level of support and the crucial aspect of enforcement and compliance.

### • (1355)

The time for action has come. To foster the stability and prosperity for the next generation of parents, children and families, we need to start by reinforcing and strengthening decisions made in this present generation.

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, first let me applaud the time, effort and extensive research that has been focused on women, on their families and particularly on the children of our country by the very important work that has been done by our colleague, the member for Nepean, in keeping the government focused on the true needs of Canada's children.

### Private Members' Business

I have listened with a great deal of interest to the two speeches by the opposition parties. It gives me a great sense of hope that we will make the kind of enlightened decision that we have been working very hard for over the last number of months. We hope that when the changes are brought forward we will receive the kind of support for the interest and time that we have spent to find the right solutions.

With respect to my friend from Nepean, I think the children of this land can thank her and I thank her for bringing this really important and timely issue to our attention today.

I share the concerns of the member for Nepean that Canada's child support system must be improved. In the spring of 1994, following the decision in the Thibaudeau case, which I think came down in May, our task force was organized, on the road and listening to groups by the end of June or the beginning of July. The government named this small task force to hear the views around this very complex and emotional question.

My colleagues, the member for Winnipeg Centre and the member for Saskatoon—Humboldt, and I spent hundreds and hundreds of hours in a very emotional setting hearing the views of parents, both men and women, grandparents, divorced fathers, divorced mothers, leaders of the legal profession, the accounting profession and those who were impacted, such as those in the social services and health network.

The stories of these single parents, the child support payers and those parents in the intact families were so heart rending that one was moved to wonder how the family had been able to cope with the well-being of the child in many cases.

We saw over 550 people. We received over 500 briefs. The information and views that were expressed shaped the report which I brought to cabinet from this task force on child support. I know, my cabinet colleagues know, and in particular the ministers concerned know that we need to present reforms.

However, this is not an easy country to govern. It is vital that we have co-operation and collaboration. We have been working on that. I can guarantee that we will have that commitment to change for the support system. We have been working very hard, constructively and co-operatively over these many months. We have practically completed crafting the right and fair balance in the final analysis for the well-being of the children of this country.

While the government has been very pleased to receive my colleagues' suggestions for improvements to the taxation of child support payments, we must also remember that a system of child support involves a number of elements. We must recognize the necessity of reforming the system as a whole, not just piecemeal. That means considering much needed changes to the

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amount awarded for child support and the method used to enforce those support orders. Some of these issues fall, as members well know, under provincial jurisdiction.

### **●** (1400)

In addition to fair taxation for child support payments, the parents need a more equitable and simplified system for determining those child support awards. Under such a system, awards could generally be higher through more realistic guidelines to the courts based on the real cost of child rearing and the shared ability of both parents to pay. The variation in award levels in similar family circumstances could therefore be greatly reduced. Frankly, many of the inequities could also be eliminated.

Compliance with court ordered support payments also needs to be improved. It is a sad fact that approximately 60 per cent of support orders are not obeyed. I find that totally abhorrent in the interests of the children and also because it is an abuse of our legal system. That means many single mothers in Canada receive no support payments at all for their children. The cost to society is unfair as many of the families have to resort to welfare. That is unfair for the rest of country.

Our government is committed to bringing forward a comprehensive policy solution which will address each aspect of the child support equation: awards, enforcement, and the taxation of child support payments. We recognize that the taxation of child support payments is perceived as unfair. The rules give a tax deduction to the payer, usually the father, while the custodial parent, usually the mother, pays taxes on the payments and he or she, as the case may be, also bears the partial cost of those supports.

This whole issue is seen as accentuating the problem of poverty particularly among single mothers and is seen as unfair to intact families. We also recognize that some changes are necessary in the complete package.

This government is close to completing its work on child support reforms. We propose to introduce guidelines to increase the award levels. We will put forward a program to improve the enforcement of support orders. We are also completing our review of the tax treatment of child support payments. Our objective is to reform the system for child support so that it is fair, consistent across the land and reflects the best interests of the children wherever they live.

The second facet of Bill C-241 consists of amending the Income Tax Act so that it includes child support payments within the meaning of "earned income" for the purposes of the child care expense deduction.

Allow me to explain the rationale behind the provisions of the Income Tax Act with respect to the child care side of the issue, particularly with regard to child care expenses. The purpose of the child care expense deduction is to recognize for tax purposes the child

care expenses that taxpayers must incur in order to earn income, to attend a recognized educational institution full time, or to take a vocational training course.

This deduction is a way for the tax system to acknowledge that these taxpayers have a lower capacity to pay taxes than other taxpayers who have identical incomes but do not have child care expenses. With the changing definition of family and because there are families of a variety of shapes, notwithstanding that we must have that fairness principle in there and recognize that the family is the basis of society.

In a sense the child care expense deduction is a recognition of the contribution to our own future as a society through our children. Under this deduction the income used to pay for child care expenses is not taxable.

Including child support payments in the definition of earned income for the purpose of a child care expense deduction would be a precedent that would make it difficult to deny the same treatment to persons in receipt of income from other sources.

### **•** (1405)

All of this information regarding the current tax system is to say that we need to examine changes to the taxation of child support in a comprehensive way. We need to look at not only the tax side, but also review the issue of enforcement and award levels. Any changes must be done in concert one with the other.

Our challenge is to produce a package of changes in the tax rules, in the setting of awards and in the enforcement of support orders, as I have said, that is fair to all concerned and reflects what is best for our children. The government is acting to meet this challenge. We expect to announce specific changes very shortly. While I admire the intent of the member for Nepean and I agree with her wholeheartedly on the need for these changes, I simply remind this House that we need complete change and that we must get it right.

Most important, when we are pursuing options to change the tax treatment of child support, we must consider only those options that go to the root of the problem. Unfortunately, the member's bill also includes additional changes to the taxation of child support which regretfully make it impossible for the government to support her bill without reservations at this time.

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, I am very pleased to stand in the House today and speak to Bill C–241 brought forward by the hon. member representing the riding of Nepean.

I was disappointed to hear the previous member speak on behalf of our government. She was speaking of the great intent of the finance department and saying that we must get it right, that we have to take time. Today in this House new legislation for employment was tabled. Sometimes we have to redo legislation. It is very important that we move on this and I do not want to see us delay. We need to move quickly to amend the Income Tax Act so that support payments for children are no longer considered taxable income for the recipients.

Children are our most valuable resource, the most precious asset of our country. I am in favour of investing in their future. All people must realize that by investing in our children we are investing in our own future. Failure to do so will cost us dearly.

Very often the causes of child poverty have been linked to family breakdown. Whatever the causes of child poverty it must be addressed. Principle 2 of the UN Declaration on the Rights of the Child states:

The child shall enjoy special protection, and shall be given opportunities and facilities, by law and by other means, to enable him to develop physically, mentally, morally, spiritually and socially in a healthy and normal manner and in conditions of freedom and dignity. In the enactment of laws for this purpose, the best interests of the child shall be the paramount consideration.

Child poverty in Canada is disgracefully high. More than one million children in our country live in poverty. These poor children have many unfair obstacles in the path of their lives. Many children of poverty will suffer more illness than other children. They will require more emergency food assistance and they are more likely to become drop—outs from our schools. These unfortunate children through no fault of their own can expect to have a shorter life span. These facts are unbelievable, sad, disgraceful and, I am sorry to say, true.

I call on our Prime Minister, our cabinet and all members of the House to focus on one of the greatest tragedies in the country and one of the greatest tragedies of this century: the neglect of our greatest resource for the future, the children of Canada.

Mr. Speaker, I ask you and my hon. colleagues to look deeply into the hurting faces of some of our young children living in poverty and recognize their hurt. While I do call on all members of the House to focus more on child poverty in this country, I gratefully acknowledge that progress is being made in some areas.

Today the Minister of Human Resources Development introduced a new employment system for Canadians. A family income supplement provides basic protection for low income families. Employment insurance claimants with children and a family income under \$26,000 will be eligible for insurance benefits that top up and reflect their family circumstances. The family supplement will be better targeted to low income families and will deliver a larger benefit for those families who are most in need. This is a real step in the right direction.

### **●** (1410)

In most cases Canadian tax laws have created inequities between the payers and the recipients of child support. What other country treats the taxation of child support in this way? The husband contributes money toward the welfare of his children while he is married and the wife is not penalized by additional tax burdens during this period. Therefore, why is there a difference between a parent paying for household

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necessities while living with their spouse and a parent who is living separate from their spouse who is still paying for the same household necessities? Child support payments are simply a continuation of a father's obligation to support his children when he is divorced. They certainly should not be taxed.

The motion gives us an opportunity to make a significant difference in a meaningful way which will affect the lives of many children in Canada. The average child support order covers less than half of the cost of raising a child. Therefore, it is not fair or just to tax back a large percentage of support payments which are meant to clothe and feed our children. We as legislators in the House of Commons must stand up to introduce further measures of justice and fairness in our tax system, particularly as they relate to the future of our children.

Loving parents will take desperate measures to care and provide for their children. Sacrifices are continually made by mothers. These desperate measures can be very costly to the mothers, to the children and to our country in the long run. Scars can be left on the parents for a long time. Scars of many kinds are left on the children.

I again congratulate and thank the hon. member for Nepean for a commitment to this very important bill. I ask all members of the House to support the bill. It is a bill upon which we should move quickly.

**Ms.** Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I recognize there are only a few minutes left in the debate. I have spoken previously on this matter. I do not want to repeat what I said at that time, but I do want to reinforce what my hon. colleague has just said.

The poverty of children costs us. As we look for ways to contain the cost of our medical system without reducing the quality and access to care, we have to remember that poor children are four times as likely to become seriously ill and to die. As we seek to keep children in school to improve our ability to compete on the international stage, we have to remember that poor children are four times as likely to drop out of school.

Poverty costs us all. That is why I want to make this point. I have no question that we are going to implement the measure proposed in the bill, to not make child support payments taxable in the hands of the custodial parent. I simply urge the government to recognize that this measure will generate substantial amounts of revenue for the Government of Canada. We have to make the commitment to direct that money explicitly to alleviating the poverty of children.

In 1991 the House adopted a unanimous resolution to eliminate child poverty by the year 2000. We are halfway to that target. In fact, the rate of child poverty in Canada has increased rather than decreased. It is now 1.4 million children in Canada who are living in poverty, compared to one million when the House adopted the resolution.

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When we generate more revenue from taxing child support payments, as they should be taxed in the hands of the income earner and not the custodial parent, that money should go nowhere but to the children of Canada.

[Translation]

The Deputy Speaker: Dear colleagues, the hour provided for the

consideration of Private Members' Business has now expired. Pursuant to our Standing Orders, this item is dropped from the Order Paper. Accordingly, the House stands adjourned until next Monday at 11 a.m.

(The House adjourned at 2.17 p.m.)

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Published under the authority of the Speaker of the House of Commons by the Queen's Printer for Canada.

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