



CANADA

# House of Commons Debates

---

VOLUME 135 • NUMBER 066 • 1st SESSION • 36th PARLIAMENT

---

OFFICIAL REPORT  
(HANSARD)

**Tuesday, February 24, 1998**

**Speaker: The Honourable Gilbert Parent**

## CONTENTS

(Table of Contents appears at back of this issue.)

All parliamentary publications are available on the  
“Parliamentary Internet Parlementaire” at the following address:

**<http://www.parl.gc.ca>**

# HOUSE OF COMMONS

Tuesday, February 24, 1998

The House met at 10 a.m.

---

*Prayers*

---

## ROUTINE PROCEEDINGS

• (1005)

[*English*]

### APPRENTICESHIP NATIONAL STANDARDS ACT

**Mr. Steve Mahoney (Mississauga West, Lib.)** moved for leave to introduce Bill C-363, an act to require the establishment of national training and certification standards for trades that receive apprenticeship training.

He said: Mr. Speaker, the purpose of this act is to facilitate the setting of national standards of apprenticeship training and certification that will have national recognition. The minister will establish organizations with representation from government and stakeholders to achieve this objective. There will be an annual report to Parliament that is deemed referred to a standing committee.

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

\* \* \*

## PETITIONS

### PUBLIC SAFETY OFFICERS COMPENSATION FUND

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, on this historic budget day I am pleased to present a petition signed by a number of Canadians.

The petitioners would like to draw to the attention of the House that our police officers and firefighters are required to place their lives at risk on a daily basis and that employment benefits of police officers and firefighters often do not provide sufficient compensation to families when one of them loses their life in the line of duty.

They would also like to point out that the public mourn that loss of a firefighter or a police officer killed in the line of duty and wish to support in a tangible way the surviving families in their time of need. The petitioners therefore ask Parliament to establish a public safety officers compensation fund for the benefit of families of public safety officers who are killed in the line of duty.

\* \* \*

[*Translation*]

## QUESTIONS ON THE ORDER PAPER

**Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, the following question will be answered today: No. 58.

[*Text*]

Question No. 58—**Mr. Keith Martin:**

Could the minister of National Defence indicate when and how many civilian and military jobs will be terminated as a result of the national defence planning guidelines of 1998 and whether these jobs will be replaced by tenders from the private sector?

**Hon. Arthur C. Eggleton (Minister of National Defence):** The defence planning guide, DPG, 1998, did not direct any new military personnel reductions. Nor did it assign any new civilian workforce reductions. However, DPG 98 mandates the continuation of reductions resulting from departmental strategies to cope with previous budget reductions and to meet the personnel targets of approximately 60,000 military and 20,000 civilians assigned in the 1994 white paper.

The Canadian forces and the Department of National Defence must be able to deliver the missions which the government defined in the 1994 defence white paper in the most cost effective way possible and within the constraints of available funding. The department is embarking upon new initiatives that may impact upon employment in the support functions of the department and the Canadian forces. Options being considered are various alternative service delivery, ASD, mechanisms such as: inter alia, private sector contracts; in house bids; employee takeover; partnering and collaboration between government and the private sector; and privatizing. Our reviews of ASD initiatives will allow for fair consultation and involvement of all stakeholders and interested parties including management, employees, unions, industry, local

*Government Orders*

communities, and other government departments. Principles are in place to guide decision making on ASD initiatives, and the review of these initiatives from analysis to implementation may take up to 24 months.

It is too soon to tell what the impact upon jobs will be, but the Department of National Defence and the Canadian forces are committed to fair consultation and close involvement of all stakeholders.

[*Translation*]

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

**The Acting Speaker (Mr. McClelland):** Is that agreed?

**Some hon. members:** Agreed.

## GOVERNMENT ORDERS

[*English*]

### CANADA LABOUR CODE

The House resumed from February 20 consideration of the motion that Bill C-19, an act to amend the Canada Labour Code (Part I) and the Corporations and Labour Unions Returns Act and to make consequential amendments to other acts, be read the second time and referred to a committee.

• (1010)

**The Acting Speaker (Mr. McClelland):** Resuming debate with the hon. member for Prince George—Peace River who had approximately five minutes remaining.

**Mr. Jay Hill:** I thought it was more Mr. Speaker, but I will bow to your wisdom. I am sure you have checked *Hansard*.

**The Acting Speaker (Mr. McClelland):** The Chair will afford the first speaker whose speech was interrupted a fair amount of latitude to get his comments in.

**Mr. Jay Hill (Prince George—Peace River, Ref.):** Mr. Speaker, I will be using the 20 minutes or whatever portion of time you deem I have remaining.

At the outset I wish to indicate that I will endeavour to stay as relevant as possible during my remarks today. I know how important it is to the Speaker that we remain on topic when we address bills and that is my intention.

When I was unfortunately cut off from further debate on Friday, I was at that part in my presentation where I was talking about Bill C-19 as it relates to farmers and as it relates to the transport of farm products and commodities throughout the land. At the end of my remarks I said that despite government claims to the contrary, Bill C-19 will not guarantee that grain will be transported to its destination. I will pick up where I left off.

It was just a couple of years ago in 1995 when western farmers saw rail traffic come to a grinding halt. Now these farmers are haunted by the very real possibility of another rail strike or a lockout this spring because the agreement that brought an end to the 1995 strike expired in December. Bill C-19 will do absolutely nothing to stop that from happening.

As I discovered during debate on Bill C-4, an act to amend the Canadian Wheat Board Act, which was rammed through the House under closure, this government gives farmers little priority. Farmers are not getting the attention and substantive legislation they deserve from this Liberal government.

On many occasions we have seen work stoppages in the national transportation and grain handling sectors. In 1987 there was a five day dispute between the railways and their union. Late that same year there was a 42 day work stoppage between Prince Rupert Grain Ltd. and the Grain Workers Union which resulted in some very heavy financial losses. In 1991 there was a 16 day dispute between the Department of Transport and the public service union. As I mentioned earlier there was a 20 day work stoppage in 1995 during a dispute between the railways and their unions.

In all of those cases the federal government followed through with back to work legislation. This is a patchwork method of ensuring the continuation of essential services. Both management and unions have little incentive to negotiate in good faith. Both parties come to rely on back to work legislation as a way to eventually end the work dispute but it is divisive and simply means that labour disputes will flare up again all too soon. This will certainly be the case this spring if the rail workers and management cannot come to an agreement. Grain farmers will be saying "Here we go again".

These stoppages in our transportation system have very serious ramifications for our reputation on the international stage as a reliable shipper of farm commodities. As agriculture critic for the official opposition I can say that—

**Some hon. members:** Oh, oh.

**Mr. Jay Hill:** Mr. Speaker, I am being heckled by members across the way which is a standard operating procedure in the House.

Farmers are very cognizant of these serious ramifications and Canadians are very aware that when these stoppages occur our international reputation is greatly damaged. We all want to protect against this.

There have been several occasions where back to work legislation appeared to be the only alternative to end a dispute and provide relief to those losing thousands, even millions, of dollars due to work stoppage. It is not the only alternative available.

It is not Reform's policy to simply criticize a policy but to proactively come up with concrete alternatives and legislation that

*Government Orders*

will provide substantive change. In the case of labour disputes, we are confident that final offer selection arbitration is the best hope for getting a settlement. It requires both sides to act in good faith and lessens some of the bitter aftermath of a strike or a lockout.

• (1015)

I hope the government members in the House take the time to listen while I elaborate on this process. It is an excellent alternative to back to work legislation that they will find attractive.

Back to work legislation undermines the collective bargaining process. Final offer selection arbitration kicks in only after a union and an employer cannot come to an agreement. Together they must agree on and recommend an arbitrator or arbitration panel. The union and the employer must give the arbitrator a list of the issues they cannot agree on and a list of the issues they have agreed on. For the disputed issues the arbitrator receives from each party a final offer for settlement. The arbitrator will then select one of the final offers. His offer is binding on both parties.

What this means is that both sides will be forced to make reasonable offers. Each will want the arbitrator to pick their offer or they will be forced to live with the offer made by the other party. Therefore to provide a better chance that the arbitrator accepts their offer, I believe that both the union and the employer will make a good attempt at being more than reasonable.

This concept is simple and it avoids prolonged work stoppages or back to work legislation. The entire nature of the collective bargaining process can be improved in the long term. Unions and employers will become more aware of the reality of final offer selection arbitration and will be more inclined to habitually negotiate in good faith. As a result unions and employers will become more focused on negotiations instead of the political ploys and media stunts that are seen frequently in current labour disputes where back to work legislation looms on the horizon.

I would like to digress at this point and explain to viewers back home in a simpler way and use an analogy. In business there is a common practice for partners who are in business together. I am sure you are well aware of this, Mr. Speaker. You have been in business for a number of years in different enterprises over your working life in the real world. I am certain you can appreciate what I am going to talk about.

The reality is that when people enter into a partnership sometimes they are concerned about what may happen in the future. They enter into what is commonly referred to as a shotgun agreement. How does a shotgun agreement work? If you come to an impasse where one of the partners wants to leave the partnership and wants to sell his side to the other partner or see the business sold, the agreement protects the partner who is still in the enterprise.

You have to make a reasonable offer. Under the terms of that agreement, if you put too high a value on your half of the company, let us say you have a 50:50 share in a corporation, the shotgun agreement allows the other partner to say "that is too high, you pay me that amount and instead of me buying you out at x dollars, you buy me out". This is similar in a way to final offer selection arbitration. It forces both sides in a potential dispute to be reasonable. It forces them to come up with a reasonable offer, because there is a certain amount of fear that if they do not have the most reasonable offer the other side's offer will be accepted.

I use that because a lot of farmers I am pleased to represent are well aware of shotgun agreements and how they work. It might better help them to understand what we are talking about when we talk about final offer selection arbitration and how that could force both sides to be more reasonable and force them to the middle ground.

The federal government has jurisdiction over approximately 10% of the labour force. Federal legislation and the Canadian Labour Code affect 700,000 employees. The federal government has an opportunity and an obligation, I suggest, to set an example in labour relations. The advantages and benefits that would arise from the use of final offer selection arbitration by the federal government have the potential to resonate through the entire Canadian labour force.

As I have said, there are a number of flaws contained in Bill C-19. I am primarily concerned with the substance it lacks in order that farmers can avoid the dire consequences of work stoppages. There are several aspects of this bill that are nothing short of alarming.

Section 109.1 gives the Canada Industrial Relations Board authority to order an employer to release names and addresses of off site workers to union recruiters. I can hardly believe this government would consider this kind of legislation in today's society where we are supposed to be knowledgeable about the risks to personal privacy and safety.

• (1020)

Under no circumstances should individual rights be compromised, particularly to initiate unsolicited contact from any organization or individual.

One of Reform's amendments to Bill C-19 put forward by my hon. colleague would have at least given employees the freedom to choose whether their names and addresses were released. This is a fundamental right and I am astonished that I am even debating this issue in this House. How can this government justify violating an individual's right to privacy? We should think about it.

There are many other options available to ensure that off site workers have access to union information and activities without going to this extreme. This is certainly not the way to go about it.

*Government Orders*

There is no evidence of fairness and balance in a bill which jeopardizes personal rights, privacy and safety.

I want to get to one other issue also contained in the bill that I am very concerned about. Under this section the minister will not guarantee Canadian workers under federal jurisdiction the right to participate in secret ballot representation votes to determine whether a union will represent them. There is a section in this bill that will allow that. We should just think about this for a moment. They will not get a secret vote. This bill is actually an attack on democracy and I feel very strongly about this. It kind of reminds me of another bill.

As I said at the outset, Mr. Speaker, regarding your concern about relevance, I do not want to digress too much but it is very similar to a bill that was recently rammed through this House with the use of closure, Bill C-4, the amendments to the Canadian Wheat Board Act, which I referred to briefly in my remarks earlier this morning. Why does it remind me of that bill? Democracy delayed is democracy denied, and freedom delayed is freedom denied. That is what happened with Bill C-4.

With Bill C-4, this government and the Minister responsible for the Canadian Wheat Board had the opportunity to act and to grant farmers some freedom. What did we see? We saw them completely flout democracy and it has been denied.

I asked the minister if he intends to sit idly by and watch farmers be thrown in jail for protesting what they view as a fundamental issue of democracy and freedom, the right to sell their own product. Obviously with the passage of Bill C-4 he does.

Similarly, Bill C-19 gives the Canada Industrial Relations Board jurisdiction to certify a trade union that does not have a majority support "where, but for the unfair labour practice, the union could reasonably have been expected to have had the support of the majority of the employees in a unit".

Imagine that. What we see here is an attack on democracy. No secret vote, and it will be left to this Canada Industrial Relations Board to make this arbitrary decision to certify a union despite the fact that it will not have any clear signal whether the majority of the workers in that workplace wish to be represented by that union. Think about this.

Neither the Canada Industrial Relations Board nor any other body has the capacity to rationally discharge a task which involves nothing more than wild speculation. If an employer has committed an unfair labour practice the board should sanction the employer, not deprive workers of their fundamental democratic right to vote on the wisdom of union representation. Certainly I am in agreement with that.

Mr. Speaker, I see you are indicating, unfortunately. It is amazing how quickly time goes when a person is concerned about this legislation and the attack on democracy built into Bill C-19.

• (1025)

**Mr. Steve Mahoney (Mississauga West, Lib.):** Mr. Speaker, I am curious that the member would take a position that seems to be contradictory. On the one hand he talks about final offer arbitration or final offer selection as being the panacea to all the problems in the labour movement which would virtually eliminate strikes and take away collective bargaining. It would simply put it into a "you put your best foot forward and I will put mine" and that will be the end of that. Then with the same breath the member talks in terms of protecting the democratic rights of the workers he purports to be representing in this speech. I find those two positions rather contradictory.

Clearly collective bargaining in the labour movement is a time tested tradition that ensures that the workers have their say and have the ability to negotiate for their future and their families.

What the Reform Party would do in this case would be to strip the workers of their democratic right and then on the other hand try to pretend they are champions of their democratic rights because they want them to be able to vote on certification, even if 90% of them have signed cards.

Even Mike Harris in Ontario has not gone as far in the extreme as the Reform Party. I wonder if the member might have some comments on those remarks.

**Mr. Jay Hill:** Mr. Speaker, I am very pleased to add my comments.

The audacity of the member opposite knows no bounds. It is just incredible. This is the government whose answer to labour disputes is to legislate people back to work. In the autocratic, top down way in which this Liberal government operates all we have to do is hearken back to pre-Christmas. It is not that long ago. Certainly the hon. member's memory should go back that far to the Canada Post dispute where the Liberals sat on their duffs and did absolutely nothing when they knew that dispute was going to flare up. Everyone in the country knew it was coming but they did nothing. They knew in the end they would simply legislate them back to work.

This is the hon. member's answer on how to respect democracy and how to respect worker rights.

Final offer selection arbitration, despite the opinion of the member opposite, would augment the collective bargaining process.

**An hon. member:** It would destroy it.

**Mr. Jay Hill:** It would not destroy it. It is shameful what this Liberal government will do with labour relations and what it is attempting to do with this bill.

The hon. member wondered if I would like to comment. Yet I get up to comment and now he is saying he has heard enough because he does not like what he hears. Let me finish. This is my time. It is questions and comments.

**The Acting Speaker (Mr. McClelland):** The hon. member has raised such passions. There are so many people who wish to ask questions. We have to keep it moving.

[Translation]

**Mr. Yves Rocheleau (Trois-Rivières, BQ):** Mr. Speaker, I would like to ask my hon. colleague from the Reform Party what he thinks about the fact that this bill contains no anti-scab provisions like those Quebec adopted in harmony in 1977.

In a situation where consensus was lacking on this sensitive matter, even in 1985 when Mr. Bourassa's Liberals were elected, the Quebec premier refused to give in to the demands of Mr. Scowen, one of his MNAs, and even a minister at one point.

Later on, in 1991, the Conseil du Patronat, despite a judgement in its favour from the Supreme Court, backed down in light of the social peace and harmony that had reigned in Quebec since the passing of the anti-scab legislation in 1977.

• (1030)

I would like to draw his attention to this letter, which I received from one of his fellow British Columbians, a Mr. Dave Cort of Cranbrook, who writes:

[English]

The right to honour picket lines is a simple right that all private citizens may use should she/he desire. However if you happen to work for a railway in this country you do not have this right and must face the humiliation and degradation day after day, time after time as long as the Canada Labour Code in its present form forces working class people to cross picket lines.

[Translation]

I would like to hear my hon. colleague's opinion on the fact that this time the government lacks the courage to amend the Canada Labour Code in that direction.

[English]

**Mr. Jay Hill:** Mr. Speaker, I thank the hon. member for his comments and his question. Unlike the comment which came from across the way, he certainly brought forward some valid points. Unlike the Liberals who rise in debate on this very important legislation, obviously the member has given some thought to it.

He refers to the fact that he does not see anything specific in the bill which deals with anti-scab workers. I hate that term. It is very derogatory.

### *Government Orders*

My understanding is that the bill gives the real power to the Canada Industrial Relations Board, the CIRB, to decide on the question of replacement workers. We have some concerns about that because the board will be under incredible pressure from the unions. The unions will say that replacement workers in a strike situation should not be allowed, even if it puts the corporation in an untenable position, in a position where the corporation might actually have to close its doors.

I speak not on behalf of corporations when I say that, but on behalf of the workers themselves. We only have to look at the situation which developed in Edmonton where the meat packing plant had to shut down. Ultimately who was hurt? It was the workers themselves who were out of work and who lost their jobs.

When I speak to this issue it is not only out of concern for the shareholders and the company, but for the workers themselves.

**Mrs. Brenda Chamberlain (Parliamentary Secretary to Minister of Labour, Lib.):** Mr. Speaker, I would like to say to the hon. member that on June 2 the people chose Liberals to govern.

When we ran we heard about Bill C-19 on the campaign trail. There was a great deal of support for Bill C-19. I question the member being so vehement about it because he must have heard the same things.

I will read a letter which I received from a farmer out in western Canada: "Bill C-19 with section 87.7 is an important first step in preventing labour disputes from stopping the flow of grain out of our ports. I urge you to facilitate the rapid passage of Bill C-19 with section 87.7 intact. The future of the western Canadian grain industry will be very positively impacted by this step".

I would urge the member to act on behalf of his constituents.

**Mr. Jay Hill:** Mr. Speaker, it is absolutely amazing, astounding actually, how Liberal members opposite can distort the facts and what is in the legislation.

If the hon. member had been in the House during my very brief speech on Friday, I referred to the fact that there are some people out there who are lobbying all members of this House to pass this legislation. Why is that? Because they say it is better than nothing. I said in my opening remarks that the official opposition wants to see legislation which is much better than just better than nothing.

We have serious concerns about this legislation. The reality is that this bill does nothing to help move grain from the farm gate to the port. History will show that is where the disruption takes place. The Liberals brought forward Bill C-19 which narrowly defines how to settle a dispute problem at the port. They are holding it up as the be all and end all. It is absolutely ridiculous and she knows it.

*Government Orders*

• (1035)

[*Translation*]

**Mr. Antoine Dubé (Lévis, BQ):** Mr. Speaker, I should tell you that I will be sharing my time with my colleague, the hon. member for Beauport—Montmorency—Orléans. I will therefore be making a 10-minute speech.

We are debating Bill C-19, an act to amend the Canada Labour Code, Part I. This bill stems from another bill, Bill C-66, which died on the Order Paper last spring because, six months before the end of the traditional four-year mandate, the current Prime Minister decided to call an election, thus taking some opposition parties unawares. He saw what was happening in the maritimes and, sensing that the Employment Insurance Act was not going down too well, he chose to take the other political parties by surprise. Many bills, including this one, died on the Order Paper as a result.

He probably made the right decision from an election point of view, since he kept his majority, although the actual number of Liberal members is lower.

Despite this delay, the problem with Bill C-19 is the same as with calling an election early: it leaves some unfinished business.

In many respects, as our critic on this issue, the hon. member for Trois-Rivières, indicated, there are many improvements, many positives. But there are also serious deficiencies.

What are these main deficiencies? First, RCMP employees are not included. The bill does not address their expressed wish to become subject to the labour code, to be unionized.

It also falls short of the expectations of federal employees, the Public Service Alliance of Canada. Government employees are subject to the Public Service Staff Relations Act instead of the Labour Code.

Incidentally, federal public service employees do not enjoy the same kind of job security as their Quebec counterparts. There is not as much job security in the federal public service. One only has to look, for example, at the cuts being made in the Quebec City region by the defence department, which are affecting large numbers of people. Many federal public servants are left to fend for themselves, because these cuts have been made over a three-year period that will end at the end of March, with no replacement program and no early retirement program in place.

What is the federal government doing? It is in the process of privatizing its public service. The public service has been trying to continue to provide government services by contracting out, which is a strange way of doing things. This is not the object of today's debate. I just wanted to say that, unfortunately, the Canada Labour Code does not apply to these public servants.

The Bloc Québécois opposes some of the proposed amendments to the Canada Labour Code because they do not meet Quebecers' needs. I do not know if they meet the needs of people in the other regions of the country—I will leave it to the other parties to judge—but we want to protect Quebecers' interests, even if the Canada Labour Code affects only 10% of unionized workers in Quebec.

There are three groups of workers in Quebec. First, there are those who are not unionized and who, of course, are not protected by collective agreements. Nothing will change for these workers. Then there are those who are regulated by the Quebec labour code, which includes provisions prohibiting the use of replacement workers, commonly called scabs. Finally, the third and last group is those 10% of Quebecers who are subject to the Canada Labour Code.

• (1040)

Who are they? They are people working in banks, in interprovincial and international transportation, airports obviously and all the airport transportation companies, all the airlines, broadcasting, telecommunications, harbour operations, longshoremen and grain handlers.

I would like to take a closer look at the last two categories, because in the Quebec City region right now there is a strike that, for a number of reasons, has dragged on in the Port of Quebec. The same parties may not always be at fault, but it is recognized that, since the introduction of anti-scab legislation in Quebec, strikes—and this is important—are 35% shorter than before. Anti-scab legislation is therefore one way of limiting the length of strikes. It does not increase, but decreases, the length of strikes, a very important point.

I was listening to what the Reform member had to say. Although he is opposed, he said that strikes should not go on too long. The very benefit of anti-scab legislation is that it prevents strikes from dragging on longer than necessary. I remember some long strikes in Quebec, for instance that of the Ogilvie workers, because they are in the grain sector.

This brings me to another point. Why grain and not potatoes? Why not butter? Why not other food products considered essential, such as milk? Why grain? We Quebecers import grain because we do not produce enough of our own. We import, or receive I should say, western grain and then ship it to international markets through our ports, particularly those along the St. Lawrence Seaway, but we also use it to raise hogs, cattle, and so on.

So, what has been the result in Quebec City? There have been cases of violence. The absence of anti-scab legislation affects not just the length of strikes, but the incidence of violence. I am not condoning violence. I do not think violence should be condoned. But the fact remains that, when a strike drags on and scabs might be or are used, the result is almost always violence in labour relations.

*Government Orders*

When violence occurs before a strike ends, there can be physical effects and problems in terms of labour relations.

It is not a matter of just settling a labour dispute, but of settling it well. The parties, and this is the advantage of a negotiated settlement, must reach a collective agreement that they both will honour following negotiations. The resulting work atmosphere is better as is productivity. The company is better off in terms of profits, and the workers are better off, because greater profits mean better benefits and collective agreements for the workers.

This should be the aim of the Canada Labour Code. Instead, measures in these areas remain for the most part unchanged and a practice that even Quebec employers have shunned since 1977, that is the use of replacement workers, will be allowed to continue.

[English]

**Mr. Art Hanger (Calgary Northeast, Ref.):** Mr. Speaker, I am pleased to have this opportunity to address this bill. It is one of the most debilitating bills that has ever entered this House.

When all the countries in the world are moving away from this whole concept of forced unionism, forced compliance to join unions, Canada is going in the opposite direction. Some 101 countries have legislation to prohibit closed door operations like unions. Canada and Australia are the only two countries that look in the other direction. This bill is moving in the opposite direction to that of the rest of the world.

● (1045)

I listened to the dissertation of the Bloc member in which he talked about Quebec. Knowing it is coming from the Bloc, everything is about Quebec. There is nothing about the rest of the country although they sit in opposition. I will ask the member from Quebec about his charter of rights and freedoms.

The province of Quebec has a charter of rights and freedoms. Section 10 states that every person has the right to full and equal recognition and exercise of his human rights and freedoms without distinction, exclusion or preference. Section 13 states that no one may in a judicial act stipulate a clause involving discrimination. Such a clause is deemed without effect.

In this bill there is a violation of human rights. Part of that violation centres around the release of names to a union of those who are working off site. The member over here called those individuals scabs. I do not agree with that. I think they are legitimate people trying to earn a decent living. They are filling a vacancy—

**The Acting Speaker (Mr. McClelland):** The hon. member for Lévis in response.

[Translation]

**Mr. Antoine Dubé:** Mr. Speaker, I am obliged to respect the opinions of the Reform member, because he is saying that we in the Bloc defend the interests of Quebec. I will not deny it. He is absolutely right.

The Bloc Quebecois is here mainly to defend Quebec's interests. Our candidates ran only in Quebec—as you can see, we have no members from Ontario or the West—but we still maintain a dialogue with people from the other provinces, like those in the West.

The difference is obvious. I am not saying my colleague does not represent his part of the country well, but there is clearly a different mentality. I have always maintained there were two countries within Canada, and the Reform member is confirming the fact. Things are quite different in Quebec.

However, it bothers me to hear people saying that giving more rights to workers as a group is a step backwards. When we respect individual rights more, it is in fact a step forward. This is not what we are seeing in the western world. The 101 countries—I do not know where he got them from—but, generally speaking, the number of social measures in OECD countries is on the rise.

On the subject of the Quebec charter of rights, he forgot a number of sections. He might also have mentioned the United Nations' charter. It supports freedoms of expression and of association. Employees of a company have the fundamental right to join together in a union to collectively defend their individual rights. As individuals, they could never manage it on their own.

**Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ):** Mr. Speaker, right off I would like to say how much pleasure it gives me to speak to this bill, especially to two parts of it.

Before my election to Parliament in 1993, I worked in labour relations for 16 years. I was able to see, through my own experience, how a labour relations system should be built to ensure harmonious relations in an organization. This is the aim.

● (1050)

The aim primarily is to ensure the parties agree and that they provide for mechanisms to settle their disputes. The situation would essentially be the same in a relationship or in a household when, in the course of a row, one person brings out the marriage contract and says it contains no provision for what the other wants and so the other does not need it or is entitled to it and so on. It would not be a pleasant situation.

We do not always carry a collective agreement around in our pockets. What we are talking about is GCS, as we call it, good common sense, where the aim is to try to reach an understanding. Unfortunately, there can be hitches, as there are in a relationship,

*Government Orders*

and if the hitches are major, separation has to be considered as a possibility.

What I want to say to you is that Quebec is in the forefront in labour relations, despite what my colleague, the member for Calgary Northeast, may think when he cites various pieces of legislation. I am not alone in saying that. Our viewers are should read with papers on labour relations. Whether they be by professors from York University in Toronto or Simon Fraser University in British Columbia, everyone agrees that Quebec is a leader in labour relations. Should we apologize because we are at the front? Should we bring up the rear? The fact is, we are in the forefront.

In second place in the field of labour relations is British Columbia. I believe that province elected 24 or 25 Reform members in the recent elections. My numbers may not be quite right, but there are a good many Reform members from British Columbia, another province leading the field.

I therefore hope that Reform members who, like us, must be in close touch with their constituents, will be representing the views of the majority of those who voted for them. I have pointed this out at the beginning of my speech so that members will understand where I am coming from.

Second, I would like to mention a current situation that is clear proof of a misinformation campaign by our Liberal friends opposite. As the transportation critic, I was phoned at home on the weekend by workers governed by the Canada Labour Code. I also received faxes at the office. Basically, the comments were as follows.

I will read one of them: "This week in the House, the Bloc Quebecois said it was not supporting Bill C-19, primarily because it did not contain antiscab legislation". That is true. "The Bloc Quebecois' message was heard loud and clear this week". That is true. There is no longer a need to hold up this bill in the House. That is true.

Another comment reads: "I am worried by the fact that the Bloc Quebecois still intends to have four or five members speak in the House when the planned second reading resumes today, February, March 24. If you must speak in the House at this point, please do not prevent second reading from wrapping up on Tuesday the 24th. There is no point in delaying a bill".

I have many examples of comments that were faxed to me.

What is going on is obvious. I asked the workers who telephoned me over the weekend why they were calling us. The Bloc Quebecois is not filibustering over Bill C-19. We are simply here to express the unanimous position of the labour relations community in Quebec. As proof, I will quote from the briefs of three central labour bodies, which were presented during hearings held in 1995

to examine this legislative reform before the standing committee responsible for labour issues.

The CSN's brief reads as follows: "To begin with, it should be remembered that antiscab provisions did not meet with unanimous approval when they were first introduced in Quebec. These fears proved unfounded, so unfounded that antiscab provisions are now no longer questioned, and can be said to be generally accepted in Quebec".

• (1055)

According to the FTQ's brief, "it is essential for workers under federal jurisdiction to be able at last to benefit from anti-scab legislation. The federal code must be amended to include all those who work for crown corporations or private companies".

The CLC stated it was their "firm opinion that employer use of replacement workers during strikes and lockouts imposes needless and harmful tensions on labour-management relations". Unfortunately, I must reply to them on television because I have been unable to contact them.

I find the Liberals' misinformation campaign indecent, to say the least. They have managed to plant the idea into these workers' heads that the Bloc is responsible for delaying passage of Bill C-19. We do not agree with the bill, but we are not filibustering on it.

We do not agree with the bill, particularly because there is no anti-scab clause. There are five or six points in all on which we do not agree. Our colleague, the hon. member for Trois-Rivières, illustrated those points very well yesterday. Why are we saying we do not agree with this bill because it contains no anti-scab clauses?

We have a wonderful motto in Quebec. Our motto is "Je me souviens", I remember. We remember the United Aircraft, now Pratt & Whitney, dispute at Longueuil, in 1976. We remember the numerous and endless postal conflicts over the past 30 or 35 years, when fights actually broke out. We remember the 1973 conflict at Montreal radio station CJMS. We remember the Nationair conflict, when they kept their flights going by using strikebreakers.

We remember the Ogilvie Mills conflict, in which CSN members faced a multinational that was intent on crushing them. We remember the Royal Bank—the poor old Royal Bank, with its billions in profits in 1997—and its conflict in Kénogami from 1980 to 1982, which lasted close to a year and a half.

"Je me souviens", I remember the strike currently going on in the Quebec City port. I also remember the recent strike of Air Alliance pilots, who worked hard to have their rights recognized, while their employer was renting aircraft from the private market to continue to fly people, even though the company's pilots were on strike. This is why I say to Air Alliance pilots that we agree Bill C-19 will correct certain things, but we also know that, as parliamentarians, we have a responsibility, which is to condemn injustices and to make sure the Liberals make good on their

*Government Orders*

commitments. The Liberals use double talk: they say one thing when they sit in opposition, and another when they are in office. The Liberal government is talking out of both sides of its mouth.

Not the Bloc Quebecois. We are here to defend the position and the rights of Quebec's workers. It is unacceptable that the 115 000 workers who have the misfortune, if you will, of being regulated by the Canada Labour Code cannot enjoy the same protection as those covered by the Quebec labour code.

Why should workers governed by the Canada Labour Code be treated like second class citizens? This is totally unacceptable.

We know that Air Alliance pilots, who are currently involved in a dispute with Air Canada pilots, will benefit from the bill. Therefore, it is out of the question for the Bloc Quebecois to unduly delay this legislation. As parliamentarians, we have a job to do and we hope the bill will follow its course. It will be referred to a committee that will hear witnesses who will submit briefs. The Bloc Quebecois will not delay the process in any way.

What do we want first and foremost? We want social peace and harmony for Quebec businesses.

• (1100)

[English]

**Mr. Garry Breitkreuz (Yorkton—Melville, Ref.):** Mr. Speaker, I am rising to speak on behalf of my constituents at this point. I have three questions for the hon. member.

There have been at least two bills in the last week that have come before this House, extreme government bills, that have really polarized the people rather than bringing them together. The speech which was just given is a prime example of one region being pitted against another region through this bill, as it was through Bill C-4. I want to give three examples and three questions to illustrate what I am talking about.

The Crow benefit was done away with by the Liberal government a few years ago with the intention that it would promote diversification. We now have Bill C-19 before the House which works contrary to that. The diversification is now beginning to take place. Farmers are beginning to grow products besides the traditional grains. One example is that they are going into the cubing of alfalfa, hay. They are making these into cubes. That is not included in this legislation, so it discourages farmers from trying to diversify because it is not included. I do not know if that is an oversight by the government, but it is serious concern of the people in my riding.

They should not simply have a few products covered by this. It

should include all products. Farmers do not just grow grains anymore. The government should take that to heart. My question is should all products not be included?

The second thing the member talked about was strike breakers or scabs as some of the Bloc people are calling them—

**The Acting Speaker (Mr. McClelland):** I am sorry to interrupt the hon. member but we have only five minutes for questions and comments. There is another to come. We must give the hon. member time to respond.

**Mr. Michel Guimond:** Mr. Speaker, the hon. member only had the time to talk about alfalfa; however, I would have liked him—but I am not surprised as you must maintain control over our proceedings—to ask me about strike-breakers.

I must say that I am much more interested in his opinion on the anti-strikebreaking provision than his comment on alfalfa and growing alfalfa with other types of grain, or who should be in charge of applying the labour code. I will just respond briefly to the first part of his remarks.

Last week, three bills were introduced, showing polarization between regions of Canada. It is true that there are many provisions that cause a polarization between regions of Canada, and that is why we in Quebec consider at any rate that your country is not necessarily our country. That is why we say the current system does not work.

Because of the distinct nature of Quebec, we feel there should be new talks leading to a new partnership between the two sovereign states of Canada and Quebec. This polarization is becoming increasingly clear, and the current Liberal government tends to prove it.

We are looking forward to the next referendum, when, three days before referendum day, the rest of Canada will come and tell us how much they care. I cannot wait to see that. After all the instances of polarization since 1995, they come and tell us “We love you, Quebec”. You mean “We love you, Quebec, when you are on your knees”.

**The Acting Speaker (Mr. McClelland):** A 30 second question and a 30 second response.

**Mr. Art Hanger (Calgary Northeast, Ref.):** Mr. Speaker, you are asking the impossible but I will try.

One thing that was not addressed in any of the presentations thus far was the Canadian Industrial Relations Board and its powers, authority and how it plays out in the whole scheme of things when it comes to labour relations.

*Government Orders*

This board is set up much like the immigration refugee board. It is at arm's length from the minister. Because it is at arm's length from the minister, who is going to be accountable for the decisions made by the board?

• (1105)

[Translation]

**Mr. Michel Guimond:** Mr. Speaker, I do not disagree totally with the hon. member's position. I think it should be developed during clause by clause study of the bill. She made an interesting comment.

[English]

**The Acting Speaker (Mr. McClelland):** I thank both members for their brevity.

[Translation]

**Mr. Guy St-Julien:** I rise on a point of order, Mr. Speaker.

I stood up to ask a question but, you will notice that, on your left, two members of the Reform Party were given the floor. I would have liked to ask a question, but time is running out. I would have liked to talk about strike-breakers.

[English]

**The Acting Speaker (Mr. McClelland):** The hon. member for Abitibi will be first on the list when the opportunity arises to ask questions of the member for Calgary—Nose Hill. Resuming debate.

**Mrs. Diane Ablonczy (Calgary—Nose Hill, Ref.):** Mr. Speaker, today we are debating Bill C-19, proposed changes to the Canada Labour Code. I hope Canadians watching these debates will take special notice of what the government is trying to pull on us here, because this is a very important debate which has tremendous ramifications for Canadian workers, for the bargaining units that represent them, for business and job creators and therefore for the well-being of our society, particularly for the democratic rights and freedoms which we thought we enjoyed in this country and which the Liberals are substantially attacking with this terrible piece of legislation.

This legislation completely violates fundamental Canadian values and denies basic protections to Canadian workers. This concerns the official opposition and I hope all opposition parties tremendously. I hope government members will stand up and demand that this piece of legislation be taken away from the table of this House until the flaws and the damages that it would perpetuate on our way of life and on our democratic rights and freedoms are rectified.

There is a real difference between this piece of legislation and the Sims task force review on the Canada Labour Code that supposedly was the basis for the legislation. The Sims task force

reported. It did its work in 1995 and came out with a report called "Seeking a Balance".

The Liberal government is big on the word balance, and in this case of course the word balance referred to the quest for balanced labour legislation. Instead we have a piece of legislation that is terribly unbalanced and which will cause real harm to the workers of this country, the very people the labour code is supposed to protect. This is something we simply cannot allow to happen.

In addition to the violation of the rights of workers, this piece of legislation will be completely injurious to the economic well-being of our country. As we all know, industry is key to the competitiveness of our economy.

Because we have a small population we particularly need strong and vigorous exports, industries, development companies, all the kinds of economic activities that add to our national wealth. The government has done much singing and dancing about its supposed dedication to creating opportunity in this country. We have loudly publicized Team Canada visits to other countries, trade missions to expand export opportunities for Canadian businesses.

• (1110)

Here we have a piece of legislation that has the very strong potential of completely reversing the whole thrust of this so-called jobs and opportunity strategy of the Liberal government.

There is a very real potential that existing jobs will be exported, not our products, our services, our knowledge or our technology. Perspective jobs that could have come to Canada will simply never be realized.

If the labour climate in this country is such that companies and services find other locations in which to operate, it is very difficult to get those decisions reversed.

I do not have to tell the young people watching this debate that there is nearly 17% youth unemployment in Canada. There is a higher unemployment rate overall. There are Canadians who desperately need the jobs this labour bill is going to substantially attack.

We want security for our families, for ourselves and for our futures. The best way to obtain that security, that quality of life and that peace of mind is to have stable jobs with stable incomes. Yet what we have here is a piece of legislation that is going to make business think twice before continuing operations in Canada, expanding operations in Canada or even locating in Canada in the first place.

No wonder there is a tremendous brain drain beginning from our country to other countries which have a much more balanced approach to the way labour and labour relations issues are treated. This legislation is an attempt to completely unbalance the way these issues are treated and we simply cannot allow that to happen without strong protest and without urging the Liberal government to rethink this bad piece of legislation.

*Government Orders*

There are six areas at least, probably more, in which this legislation will be bad for Canadians, for their job opportunities and which will injure the interests of the workers of this country, the very people this kind of legislation is supposed to protect.

I could spend more than my allotted time on any one of these points. I know many of my colleagues will be expanding on these points. However, I would like to briefly touch on each of them so that the Canadian public has some idea of why we are so gravely concerned and so negative about this legislation.

First, as I have already mentioned, the whole issue of democratic freedoms and process in our country is tremendously undermined by what is happening in this bill. Secret ballot voting for those who would represent Canadian workers as bargaining units is not required. If members can believe this, Canadian workers in federally regulated industries do not have the right to cast a secret ballot as to who they really want to represent them. This violates the whole charter guarantee of freedom of association because you cannot be truly free unless you have a truly free expression of your will.

Canadian employees, if they are to have the right to freely choose a union to represent them in collective bargaining with their employer, must really have freedom. The only way to ensure the choice is freely made is through the democratic process; that is, a board supervised, secret ballot vote in every single instance. Shockingly this basic fundamental right which is part of Canadian traditions, values and beliefs is entirely missing in this piece of legislation.

• (1115)

Furthermore this totally undermines the legitimacy of our bargaining units. There are bargaining units and unions in this country with the best interests of workers at heart which want to protect them and speak for them and be a voice for them. Yet without being legitimately chosen according to the democratic traditions of our country their legitimacy is in question. Employee wishes will not be validated in the most basic way. The unions will not be sure they have support and legitimacy. There will be no way for the unions to know if the workers are behind them.

The legislation proposes a card certification, that is, if the union organizers get enough cards signed by workers then they can be certified. Imagine if members of Parliament were elected the same way. Imagine that they went from door to door to solicit voters to sign cards saying "I will vote for you". Imagine if the candidate who had the most cards signed was elected as a member of Parliament. Would we feel in Canada that we had legitimately expressed our wishes as to who we wanted to represent us by having to say yes or no to candidate *A*, *B* or *C* at the door? Would we believe this was democratic?

That is how the Liberals feel the Canadian workers should have a bargaining unit selected. It flies in the face of every tradition we have. It is an absolute travesty of democratic principles.

I would like to point out that in supervised secret ballot votes in the jurisdictions in Canada where they are required, the certification level is very high. It validates unions, rather than stopping them from being able to do the job of representing Canadian workers.

For example in Alberta from 1993 to 1994, the board processed 205 certification applications. Out of that number, 116 were voted on and 74% achieved certification. That is consistent with what happened in other years in Alberta. In fact there was 100% employee turnout in 33% of the votes held. The average turnout for voting was 70%.

Workers in our country want to participate in a free, fair and democratic manner in choosing who will represent them, but the Liberals have denied them that in this legislation. It is a shame.

There is a tremendous privacy issue in the bill. As other speakers have alluded to, employers can be forced by the board through this legislation to provide the names and addresses of off site employees to would be union organizers without the knowledge and consent of the workers. As well, employers can be ordered to give electronic communications access to the workers, again without their knowledge and consent.

This comes from a government which claims to care about privacy. It is absolutely shocking. The previous justice minister pledged that by the year 2000 there would be a federal law to provide "effective enforceable protection of privacy rights in the private sector".

The House of Commons standing committee on human rights devoted the better part of a year in the last Parliament to the study of privacy rights and visited several cities and heard from scores of witnesses representing every shade of opinion.

• (1120)

In April as the House was rising for the election the committee released its report "Privacy: Where do We Draw the Line?". The report is nothing less than breathtaking in its scope and depth. It recognizes that privacy is a fundamental value to Canadian society and not a "token to be bartered for social and economic benefits". One committee member describes privacy as an associative right, one that is essential to free association, such as trade unions, free speech and to our very autonomy.

Here we have a strong validation by this very government in the strongest possible terms of a commitment to privacy. Then what they actually do, as so often happens with these Liberals, is they do

*Government Orders*

something to completely and utterly violate the fine words that they are very fond of quoting.

If your walk does not match your talk, you have a credibility problem. This government has no credibility now when it comes to a stated commitment to protecting privacy because it has been completely violated.

In fact Mr. Phillips, the privacy commissioner told the Senate committee when it was studying the former iteration of this bill that the provisions of this labour bill are completely and absolutely unacceptable.

Where will there be protection for Canadian workers' privacy unless the opposition, and members of the government who care about privacy and about that value we all hold so strongly in this country of individual liberty, force the government to rethink this bad piece of legislation? This bill is completely bad.

There is the whole idea of the remedial certification where any breach of labour practice by employers means that the other side automatically wins. This calls for judgment calls on the part of an unaccountable board which until just recently was headed by someone whose judgment was so bad that he spent \$700 of taxpayers' money on lunches in places like Paris. These are the people who on behalf of Canadian workers are making decisions that are based on nothing more than wild speculation. This is completely unacceptable.

There is also the whole idea of replacement workers. We should be under no illusions that the unions regard this provision of the act as a complete ban on replacement workers, given the board's past history. Where is the balance?

Again, businesses will take note that they absolutely have no recourse to keep their businesses going in the collective bargaining process. They are simply not going to feel that doing business in this country has enough checks and balances, protections and safety to make it worthwhile for them to locate in Canada.

Who loses? Workers lose and Canadian young people lose because we have such an unfriendly atmosphere toward the very things we need the most, which are job creators and people who take advantage of economic opportunity. We tie their hands and gag them with red tape and expect us to have good jobs with good incomes. It will not happen.

This legislation eliminates the need for unions to report on their financial status. These organizations deal with millions and millions of dollars of workers' money. There will be absolutely no accountability, no regulations, no way workers can be assured there are checks and balances on the discretion of these individuals who have statutory rights to require them to pay hard earned dollars into the organization that they did not even freely choose. They may not even have wanted to be part of that organization, yet there is no accountability.

Something too that is very disturbing, and I wish I had more time to talk about it, are the provisions in the bill that will effectively allow the minister by order in council, with no democratic debate and no open discussion, to suspend open tendering of contracts in the federally regulated sector. What again could be more injurious to the collective bargaining process and the freedom of operation in this country than that provision which effectively says that there cannot be a free tendering process in contracts in the federally regulated sector?

• (1125 )

I appeal to members of this House to look at this legislation. It violates not only basic democratic principles, not only the basic privacy of workers but also the very freedoms and legitimacies of business and labour that give a viable and dynamic aspect to our economic life here in Canada.

We are not going to rest until these very serious issues for Canadians are dealt with. This is a bad piece of legislation. This injures Canadian workers. It violates their rights. It is going to limit economic opportunities for workers and for all Canadians. We cannot sit by while this happens.

[Translation]

**Mr. Guy St-Julien (Abitibi, Lib.):** Mr. Speaker, I would like to make a comment and ask the hon. member a question on strike-breakers.

Before she spoke, I listened to the Bloc member for Beauport—Montmorency—Orléans speak about strikebreakers in Canada. He said: "I remember". He mentioned a number of strikes in Canada involving the use of strikebreakers.

He forgot the latest strike in Canada, the one at Canada Post. The Minister of Labour refused to use strikebreakers. Now that is an example of leadership by a Canadian minister who listens to workers.

Can the hon. member tell us whether she agrees that, during a work stoppage, the union or management will have to maintain essential services in order to avoid immediate and serious risks to the health and safety of the public and whether the legislation should contain anti-scab provisions, which is the case in Quebec at the moment, because good relations must be maintained between employers and unions?

[English]

**Mrs. Diane Ablonczy:** Mr. Speaker, in the post office strike the government had a far heavier hammer than strike breakers. It had legislation and brought it in to stop the strike. If that is not breaking a strike, I am not sure what is.

What we need in this whole area is balance. The only recourse a business has if the business cannot keep going during a lawful strike is to either let the business go under, as happened just recently with Maple Leaf Foods, or cave in to whatever demands

are being made in the bargaining process, no matter how unreasonable or economically injurious they are.

Is that what the member is suggesting happens, that the hands of one of the parties in the bargaining process be completely tied behind their back with no recourse? Is that the kind of balance the Liberals are suggesting happens or are the Liberals just saying "If it really gets bad, we will just legislate everybody back to work and we will not have to worry about the whole issue"?

That is completely hypocritical and it is not going to help good labour relations and peaceful work experiences in the Canadian economy for workers.

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP):** Mr. Speaker, my, my, my. Listen to the Reform Party talk about unions.

Being a labour activist for many years and being part of the Canadian auto workers for the last 18 years, I have to say that I take offence with the Reform Party when it says that unions are not democratic. The fact is they are probably the most democratic organizations in this country, if not more so than this House.

I have worked with them. I can guarantee that the CLC for example which covers 2.3 million unionized workers is the most democratic organization in this country. If members do not believe that, I encourage them to spend a weekend with unionized workers to understand exactly what is going wrong.

One of the most offensive things that happens to bargaining and to unionized people is when employers have the right to scab labour. The member was talking about the fact that unions make unreasonable demands but she does not mention the fact that some employers make unreasonable demands on their labourers.

• (1130)

We have to argue this point in light of both facts. When we go to arbitration or any kind of labour relations, which I have done for many years, the use of scab labour, the threat of scab labour and the threat of back to work legislation deflate rank and file workers. It is unacceptable that scab labour is still allowed. My party and I would definitely vote for any legislation that outlaws the use of scab labour or forced back to work legislation.

In my most humble opinion anything that would violate a union is the Reform Party. We are the only federal party in the House with a staff that is unionized, has an association and bargains for its rights in Ottawa. No other official party in the House allows its staff to organize or unionize. We encourage our staff to organize and unionize under an umbrella.

### *Government Orders*

I would love to see the Reform Party encourage its staff to do the same so its staff can argue in balance for fair wages and fair compensation.

**Mrs. Diane Ablonczy:** Mr. Speaker, I wish the hon. member had listened to my remarks. I said that the legislation was completely undemocratic, that it violated democratic principles.

A union can operate very democratically. I am glad to hear the member has had experience in a union that does. If a union is not democratically chosen, what democratic legitimacy does it have in the first place, no matter how it operates after the fact?

The member talked about unreasonable demands being made by employers. Unreasonableness is not the sole purview of employers and management. It is unfortunate but true that unreasonableness sometimes rests in the bargaining unit, in unions. What will protect workers in a balanced way from being pulled apart by these two competing interests? Only balanced legislation.

I see why the hon. member wants to ensure that his union bosses and the unions that pay most of the money to keep his party going have full and free flight in whatever they want to do. I understand why he is flying the flag of the unions and his union bosses. I can perfectly understand that, but who cares about the workers?

Who cares to ensure that workers who want to keep their jobs and good relations with the people offering them economic opportunity also have some reasonable freedoms and some cards on the table when it comes to the bargaining process?

The bargaining unit must be free and fair and able to stick up for the needs of workers. The other side that wants to provide long term employment and economic opportunities must have some cards to bargain with. We are asking for balance that protects workers and serves their interests and not just those of the union bosses of the NDP.

**Mr. Steve Mahoney (Mississauga West, Lib.):** Mr. Speaker, it might come as some shock to many workers in Canada to hear the Reform Party supposedly defending them. It is a little difficult.

The member said that the legislation is in effect a ban on replacement workers. That is not true. In the legislation there is a right for a business to keep working, but if it uses replacement workers to bust a union the board has the authority to outlaw it.

The hon. member would try to perpetuate that somehow there is a total ban on replacement workers and it is exactly the opposite.

On democratic principles the board shall have a vote on between 35% and 50% of the cards signed by the rank and file. That is what they say they want. If there is clear indication that members want to certify with a union and there are in excess of 50% of the

*Government Orders*

membership signing cards, the board has the authority to certify without a vote.

Let us be clear. If there is any indication whatsoever of unfair labour practice on the part of the union organizers intimidating people to sign cards, the board can either deny certification or require a full vote. The member should put the facts on the table so we are clear about what we are dealing with.

● (1135)

**Mrs. Diane Ablonczy:** Mr. Speaker, I know it is difficult for NDP and Liberal members of the House who have unreasonable prejudices and misconceptions about Reform to give any credit.

I can assure the people of the country that the official opposition has a commitment to protecting the interests of workers no matter what the myths and the misconceptions are on the other side.

We understand why they want to see everything in black and white. That is simply not the case. Reformers are workers. Reformers are union members. Almost half the union members vote for Reform in federal elections. We are committed to their protection and that is exactly what we are trying to do.

The Sims report which gave rise to this piece of legislation states explicitly:

—replacement workers can be necessary to sustain the economic viability of an enterprise in the face of a harsh economic climate and unacceptable union demands.

The report also notes:

It is only in exceptional circumstances that replacement workers are used for an inappropriate end.

That is what the report of the government indicated. We need to make sure there is not a ban on replacement workers. The legislation, given the history of the board, will lead to that. If it does, it will cause untold hardship and unfairness for workers.

**Mr. Leon E. Benoit (Lakeland, Ref.):** Mr. Speaker, I am very pleased to rise today to speak to Bill C-19, to amend the Canada Labour Code, part I.

In my presentation I will briefly outline Bill C-19, although that has been well done by members who spoke before. I want to speak a little about unions and their roles in Canada. Then I want to focus mainly on the impact of the legislation on the grain industry. I will focus most of my comments on the impact of the legislation on farmers and their families and especially on what is missing from the legislation that will have an incredibly negative impact on farmers and their ability to access markets and earn a living.

Other speakers before me have done a good job of outlining the bill. Some members have done an excellent job in pointing out some of the flaws in the bill. The member for Calgary—Nose Hill did an excellent job in making it clear that it is an important piece

of legislation that should not be taken lightly and has to be reconsidered. She did an admirable job of pointing out some of the key flaws in the legislation.

I will start by talking a bit about unions. I received several letters on the bill, as did the member for Guelph—Wellington. One thing that concerned me in many of the letters was the negative comments of people against unions. Many said that unions should not be allowed anywhere in the grain industry. That is too bad.

I want to say very clearly that unions serve a very useful role. They have a purpose and they are necessary. If unions are not present in certain industries, some businesses would take advantage of labour. That is a concern. It is unfortunate a few unions that have not acted in a responsible way have turned the feelings of people against them. That is an important concern.

● (1140)

To help improve the unions, their effectiveness and their acceptance, certain things must happen. We need better balance between labour and management, which is something the bill does not offer. It also does not offer the protection needed for innocent third parties.

The bill deals to some extent with grain at the ports and the moving of grain out of the ports. It affects farmers in a small way, in a positive way, but it does very little to protect farmers, people in the forestry industry and people in the mining industry. It does not protect any of the people affected in a negative way as third parties. These are the people who have no say in the unions or in management. Yet their livelihoods are affected to a great degree as a result of work stoppages.

We need better protection for innocent third parties. A little later I will focus on one particular group, grain farmers who are innocent third parties in any dispute which stops the movement of grain from the local elevator to being loaded on a boat in harbour.

I would like to talk about farmers and how they are affected by work stoppages. We have debated several times since we came to the House legislation concerning labour and management disputes. Since 1956 we have had nine major disruptions in the grain industry. It began in 1956 and went right through to 1972, 1974, 1975, 1982, 1986, 1988, 1991 and 1994. There have been over a dozen other labour-management disputes involving grain handling and transportation which have ended up in back to work legislation.

In the 1998 stoppage 30% of the country's grain exports were stopped dead. How many grain handlers in the union were involved to stop 30% of the export of grain? There were 69 grain handlers involved who were unhappy with their working conditions and stopped the export of 30% of the grain. This affected in a very personal way the lives of grain farmers who were unable to move their grain to market. I believe that demonstrates the seriousness of

the situation, the seriousness of the legislation, and the seriousness of the flaws in the bill which will do very little to change things.

Growing up on a grain farm, I remember going to school during times of work stoppage and speaking with friends. My friends at school, who also grew up on farms, were mostly quite poor. That was the situation then, although people did not complain about it. We certainly had the necessities of life. My neighbours and friends during the times of work stoppages felt the negative impact in a way that we could see and hear in our discussions. They were unable to get the new footwear or the new clothes they needed. Their parents, in many cases, were struggling to put food on the table.

• (1145)

These work stoppages are connected with reality. They have an impact on people's lives. This legislation does not do what has to be done to stop the impact which these work stoppages have on farmers and others who are captive to the labour-management relationship.

Section 87.7 of the bill will make a little difference. The Parliamentary Secretary to the Minister of Labour referred to a letter she had received from a farmer with respect to this section of the bill. This section will ensure that the grain that gets to port is loaded on to a ship. That is not entirely true because more and more of our crops are moving through bulk handling facilities where that would not be the case. When using the bulk handling facilities there is no requirement to load the grain on to a ship.

Furthermore, the definition of grain that is used in the legislation is the same as that used in the Canada Grain Act.

The hon. member for Yorkton—Melville referred to the fact that it will not have any impact at all on many farm commodities.

Farmers are trying to diversify. Government has encouraged farmers to diversify. They can no longer depend on wheat alone. The farmers have done a good job in doing that. They have started to produce all kinds of alternative crops. It used to be that wheat, barley and oats were the main crops on the prairies, as well as some rye and some flax. Now canola rivals wheat in terms of the value of the crop being sold. There are many other crops such as peas, lentils and alfalfa. The member referred to alfalfa being cubed and sent mostly to Asian countries, but alfalfa is not covered at all in this legislation because under the Canada Grain Act it is not a grain.

Farmers have diversified. They have done what they thought they should do. Their reward with this legislation is that the new diversified crops which they are producing to earn a reasonable livelihood most years will sit wherever they are in the system and

### *Government Orders*

will not be moved. They will be denied the income from these commodities until an agreement is reached between labour and management. It will take a long time to fix up the system once it has been thrown out of whack by a work stoppage.

These people are being punished for the work they have done and the changes they have made to try to better provide for their families and to make their businesses more viable.

I refer to the letter the parliamentary secretary received from a western farmer who supports this bill. She quoted from the letter to show that we should be supporting the bill. However, part of the quote was really not all that supportive. The farmer said this is a good first step. To me that would indicate there is an awful lot more which needs to be done. This is the best she can do to show support for the bill.

When I am in government I will not be satisfied with simply providing a good first step. We have to go further.

This is what the Reform Party has been proposing over the last four years. We dealt with the first back to work legislation in 1994. I think it was my second speech in the House of Commons. We had only been down here a couple of weeks. We talked about ending work stoppages in the grain handling system right from one end of the system to the other, not just ensuring that grain that gets to port gets loaded on the ships, which is all this legislation will do.

• (1150)

What we proposed is using final offer arbitration to end work stoppages. We have talked about this on several occasions in this House and I believe it is a process which must be put in place to end stoppages such as the frequent stoppages we have seen in the grain handling system.

In particular, this type of collective bargaining should be used when there is a third party which is completely captive to labour and management. In this case there are thousands and thousands of grain farmers across the country who are captive to union and management, yet they have no say at all in the negotiations. They have no place at the negotiation table.

The type of situation we are talking about is for grain movement but also for movement of coal, potash, forestry products, many resource areas in particular where they are captive and are affected very directly, not in some indirect way. Their livelihoods, their incomes depend on these products moving to ports.

Yet in this legislation government says for grain, as defined by the Canada Grain Act, it will make sure it keeps moving as long as it gets to port. Then the member for Guelph—Wellington has the nerve to stand up and say they have done a great job and refers to the farmer who wrote the letter saying it is a first step. That is

*Government Orders*

completely unacceptable and I think the member should expect more. It is from her government.

Again, Reform not only critiques legislation, points out areas that we think are not right and that could be improved, we also present alternatives.

I want to talk about the Reform alternative in dealing with commodities where the producers are captive shippers and yet have no place at all at the bargaining table. What we propose is the use of final offer selection arbitration.

I am going to work through the process. The purpose of a strike is to force a settlement. That is the reason that union members choose to strike from time to time, to force a solution. Final offer arbitration puts the onus on both sides to reach an agreement, to arrive at a solution. It allows the collective bargaining process to take place right through to solution. It can be used equally by labour and management. It does not favour one over the other and it can provide a permanent solution and it is a just and effective dispute settlement mechanism.

It is important to note that this final offer selection arbitration, in spite of the way it is presented so often by members from some parties, does not favour one side over the other. It is not something there for business to use against labour, not at all. It is as useful for one side as the other.

Here is how it works. If and only if the union and an employer cannot reach an agreement by the conclusion of the previous contract, the union and employer would provide the minister with the name of a person or persons they jointly recommend as an arbiter or an arbitration panel. Then the union and the employer would be required to submit to the arbitrator or the panel, depending on what they choose, a list of matters they have agreed on.

There is no need for more negotiation on these matters. They have reached a settlement. In many cases before a situation comes to strike many of the issues have been settled, so those are taken out of the process at this point.

They also submit a list of matters still under dispute, and those are the issues which must be presented to the arbitrator or to the panel. For these disputed issues, each party would be required to submit a final offer for settlement. The arbitrator or panel selects either the final offer submitted by the trade union or the final offer submitted by business, by the employer. In this way any work stoppage is completely headed off.

• (1155)

That sounds like a more complete solution to the problem than saying if we get the grain to the coast and loaded on the ships, the system can be backed up in every other aspect. It may take months to really sort the situation out and it usually does. There could be

sales lost, which there always are, to the point that Canada now is looked on as an unreliable supplier of grains and other commodities affected often by labour disruptions.

I think that does sound like a far more reasonable solution to the problem. It is the solution that we have been encouraging now for four years, a solution which I do not believe was seriously considered by this government, and I think it should be.

I close by saying that farmers and other captive shippers deserve a mechanism which will ensure them as captive shippers, as people who really have no place at the table and yet their livelihoods are affected so directly, that they have something better than this legislation. They deserve a system of final offer selection arbitration and that is what Reform will give them when we have a chance, if this government does not see the light before then and give it to them.

**Mrs. Brenda Chamberlain (Parliamentary Secretary to Minister of Labour, Lib.):** Mr. Speaker, I am pleased to have a moment to respond to the member. He quoted me a number of times on one particular letter I read. I could read to him a hundred letters.

I attended hearings with the Minister of Labour in Vancouver. I heard directly from farmers. Some of them had tears in their eyes saying to me please pass this legislation, it is important legislation for them.

It is hard for me to understand the member when he says he is for the people, that he wants to protect them. These are the grassroots people, the farmers in his community. I am taken aback by how callously he throws one letter aside. I am puzzled by that. They are the very people he says he wants to protect.

I have an excerpt from another letter. This one is from a farmer in the hon. member's area: "Grain has been used by various groups as a political football in order to achieve their own ends. This revision shows recognition on the part of government of the importance of a consistent and reliable supply of grain to our international customers. I urge your support for the bill and in particular section 87.7".

I can only say to this House these are the things farmers are telling me. When I am urged by farmers that this is an important point for them, I think we must respond. As the government we are trying to do that.

The hon. member did say that the other letter I referred to said it was an important first step. Sometimes we have to walk before we run. That is what we are trying to do, but we are trying to do it with balance and with care. We believe this is a good bill.

**Mr. Leon E. Benoit:** Mr. Speaker, I thank the member for her comments and questions and for reading from another letter.

*Government Orders*

I believe farmers would have tears in their eyes because their very livelihood is affected by these stoppages that happen again and again. That is exactly what I was talking about.

As I was growing up, these were my friends and neighbours. I was in no way throwing aside the comments made in the letter. I was saying she was interpreting them loosely when she said that person was saying this legislation solved all the problems. That is nonsense. It does not.

To the quote from the other letter which said what farmers want is to provide a reliable supply of grain to their customers, that is exactly what they want. That is what this legislation will in no way deliver. All it will do is ensure that if grain makes it to the coast it will get loaded on the ships. That is only a short part of travel for grain. It has to move right from the elevator system to the coast first. That is more often than not where there is a problem. What good will it do to have these changes to ensure the ships are loaded when in many cases the grain never gets to the coast because of a work stoppage of some type?

• (1200)

We want to put it right through the complete grain system. It should be in other areas where people have no place at the table and are affected directly. That is what we want to do and that is what we are calling for. The letters are important, but let us interpret them accurately.

**Mr. Jean Dubé (Madawaska—Restigouche, PC):** Mr. Speaker, I congratulate the member for Lakeland on his presentation.

We in the PC Party have a lot of concerns, but this part of the legislation has not been visited in 25 years. I believe we are very close, but I think with more consultation we can all come forward with good solutions.

I have two questions for the member. We have concerns about replacement workers, as does the hon. member, and about off site workers and certification not requiring the majority of votes of employees. As was mentioned last week in the presentation on their behalf and on behalf of the other parties in the opposition there were some problems in this regard.

I have a question on work stoppage at ports. We support the section that would prevent labour disputes, other than those between employees, stopping the flow of grain at the ports. Would the hon. member see this section going a little further and make it apply to elevators in western Canada and in Ontario? Potato farmers and the pulp and paper industry could be affected as well.

Another section in the bill, section 7 dealing with the power of the CIRB to determine seniority, affects pilots. The board has the power to determine the question of seniority. This is troublesome for airline pilots as seniority determines their progression and

promotion in ways that are drastically different from others industries.

To give the board the power to change the practices that are used worldwide in the aviation industry could cause undue problems. I would like to know the member's comments on this section.

**Mr. Leon E. Benoit:** Mr. Speaker, I apologize to the member. I did not get the last question. I certainly encourage him to repeat it later.

With regard to support for section 7 which would ensure that the grain that gets to the coast is loaded on ships, certainly we support it.

As the member indicated, we would like it to go an awful lot further. That is why we have been suggesting we should use final offer selection arbitration to ensure that there would be no work stoppages right from the local elevator, or whatever type of gathering facility, through to the loading of the boats and that the collective bargaining process goes through to completion.

That is what the process allows. That is important because we do not want to interfere with collective bargaining. We think that is extremely important.

Our final offer selection ensures that without stoppage there can be an agreement that makes sense. We know that each party will present a reasonable offer when they know the arbitrator or the panel will choose all of one or all of the other with no mixing and matching as happens in many forced settlements now.

It will be all of one or all of the other. Two very reasonable offers will be presented. Both will be very close. Whichever one is chosen, I think both parties will be relatively happy.

We certainly encourage that type of mechanism. It goes much further. It will not only deal with grain because I do not think it is fair. My heart is with grain farmers. I grew up in that type of setting. My neighbours and friends were and still are grain farmers. It has to go into other industries that are affected in a similar way. The legislation discriminates unfairly in that regard as well.

**Mr. Rob Anders (Calgary West, Ref.):** Mr. Speaker, why does the hon. member think the NDP has now become a party that represents big union bosses rather than workers?.

Labour unions now represent over \$1 billion in terms of forced dues. They are massive corporations, indeed one of the biggest. We see a lot of union bosses sitting in the NDP ranks.

• (1205)

Could the hon. member comment on why the NDP has lost touch with the workers? Why does it represent only union bosses? Why is it anti-democratic?

*Government Orders*

The NDP does not believe in secret mail ballots for union leadership and having them mandatory across the land. It does not believe in democratic choice. The NDP government in British Columbia revoked the opportunity for people to vote in secret ballots for certification.

Why is the NDP against the worker? What has been the change?

**Mr. Leon E. Benoit:** Mr. Speaker, that is an excellent question. Tommy Douglas would be rolling over in his grave seeing what the members of the New Democratic Party are doing in this regard. He believed in democracy.

Democracy has been taken out of the union movement. The New Democratic Party seems to be protecting union bosses, as the hon. member just suggested.

Part of what is not in the legislation is fairness in voting. When a union is being established every individual should be given a fair democratic chance to express his or her will. Clearly the New Democratic Party has abandoned what many of the founding members of its movement would have supported in terms of the importance of democracy.

At one time that party was a grassroots party, but clearly it has become a big union boss party now. That is why many union members are voting Reform. That movement will continue and expand.

**The Acting Speaker (Mr. McClelland):** The time for questions and comments has expired and with that the first five hours of debate have also expired. We will now proceed to 10 minutes of debate with no questions and comments.

[*Translation*]

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, upon reading Bill C-19, we wondered why the government, which is in its second mandate and which introduced this legislation in the previous Parliament, is proposing such an incomplete reform.

Why is it that the federal government, having seen firsthand—during the last Parliament—what the Ogilvie Mills workers went through because there was no anti-scab legislation, failed to address the concerns of these workers, particularly since the issue was dealt with some 20 years ago in Quebec?

Quebec has its own anti-scab legislation, like British Columbia. After creating some kind of a balance in the bargaining process, it was noticed that disputes were not as long and as bitter as they had been in the past.

We expected the government to do the same with this bill which, after all, is the outcome of lengthy reflection. Reforms to the Canada Labour Code are few and far between. The fact is the government did not make the changes required to make it a code

that would truly give equal opportunities to both sides in the bargaining process.

Today's debate in the House makes me realize that, in Canada, there are many different societies, many different ways of seeing things. For Quebeckers, this debate is somewhat unreal, since we settled the issue of replacement workers a long time ago. Even the Conseil du patronat decided not to appeal, because it could see that, in terms of social peace, the situation was good enough, that we had an acceptable compromise, and that both sides were pleased with the results.

So, the federal reform should have included a true anti-scab policy, not the very weak provisions found in the bill. These provide, among others things, that businesses could be held accountable for hiring replacement workers only in cases where the union's representative capacity is undermined.

In other words, any employer can say "I am hiring scabs, but I certainly do not question the union's representative capacity. Look at the unions. Their members are picketing. I respect them. I respect them so much that I have scabs come in to replace them on the job". The proposed system would allow and even condone such a situation. I find it unacceptable.

In my opinion, this is a fundamental reason to oppose the bill, because it does not have the required provisions to make this an adequate reform.

• (1210)

The bill contains other provisions that are not so great either. For instance, under section 108, the minister may interfere in the bargaining process, by ordering a vote on the employer's latest offers if the negotiations stall.

This will change the rules of the game. I think it will put undue pressure on the minister and allow management to put on the table slightly less generous proposals than those required to come to an agreement with the union. For the collective bargaining process to work, both sides must use their respective leverage to come to an agreement that is a mutually acceptable compromise.

In this case, any chance for a compromise will be swept aside because management will not have an opportunity to put its best offer forward since the minister may order a vote. That will directly interfere with labour relations and could eventually lead to a deterioration of labour relations within the organization.

There are other aspects that do not seem acceptable to us. No effort was made in this legislation to provide for the transfer of administrative responsibilities from the minister to the federal mediation and conciliation service. There is nothing to this effect in this bill, which may lead to a subjective interpretation of the various situations by the minister. This is another important point.

*Government Orders*

I will raise one last point, which seems very significant to me. The government would not allow appointments to the labour relations board to be made from lists submitted by labour or management. This reflects a lack of co-operation we might have expected. If the government had agreed to allow the parties to submit joint lists, when people whom both the employer and the union had agreed on had arbitration or other decisions to make with respect to labour relations, they would be on much more solid ground.

The minister did not go along with this position. He preferred to hold on to his discretionary right to appoint people, but not necessarily with the agreement of both parties. Obviously, in cases of disagreement, the minister could have had the final say. However, if there were the possibility of agreement between the union and the employer regarding the appointment of certain people, this would surely have meant that much more credibility for labour relations officers.

In conclusion, there are a number of aspects of this bill that should have been examined much more closely. This is not a government in its first few months in office. It has been in power for over four years and has seen labour relations close up. When in opposition, it favoured anti-scab measures that it did not have the courage to include in the bill.

Clearly, the government has listened to some lobby groups. This is the downside of how our political parties are funded. In any event, the odds are that this was what opened certain doors and left the way wide open in the bill for more painful situations, situations that are difficult for workers, for their families, and for employers.

The aftereffects of allowing strikebreakers to be hired, of making it legal for these people to work to the detriment of those who took the decision to strike, are important. I think the federal government would have done better to pay much more attention than it has to the particular situation in Quebec, where anti-scab legislation has been in effect for over 20 years. There are fewer work disputes, they do not last as long, and a better balance has been achieved. It is an example Canada should have followed.

When deciding whether or not to opt for sovereignty in the next few years, this is something Quebec's workers will have to bear in mind. When all Quebecers are governed by the same labour code, they will have a chance at better benefits than those in the Canada Labour Code, because Quebec society is different, because it has decided to have its own distinct relations between workers and employers.

• (1215)

The federal government's bill lacks this significant component of Quebec society, one of the cornerstones of all labour relations. I believe all workers covered by the Canada Labour Code who work in Quebec at the present time would be prepared to accept having

the federal legislation contain the same conditions as the Quebec code.

It is somewhat peculiar that Quebec will have three types of coverage for workers: the Canada Labour Code, non-unionized labour, and the Quebec Labour Code for all the rest. Especially when we see the Canadian code applied to sectors in which agreement could not be reached, such as Ogilvie Mills, could an effort not be made to resume discussions and ensure that the Canada Labour Code will include measures as generous and effective as those in the Quebec code?

[English]

**Mr. Charlie Penson (Peace River, Ref.):** Mr. Speaker, thank you for the opportunity to take part in this debate on the amendments to the Canada Labour Code, Bill C-19.

This bill deals with a number of important areas I want to talk about. There is the fact that unions can be certified without a majority of workers being consulted or voting. They can also release the list of employees working off site without their consent. This bill also deals with section 87.7 which ensures that grain currently at port at the facility will be loaded over a 72 hour period in spite of the fact that there may be a labour-management problem there.

More important, what I want to deal with today is what this bill does not include. I will come back to the other areas in a moment. I want to focus my remarks essentially on the missed opportunity by this government in that it is revising the Canada Labour Code but it is not including a number of areas that are essential to ensure the delivery of product to market.

In my critic area which is international trade, I know how important it is to have credibility in having prompt product delivery at market so that it can be picked up and delivered to countries that require our goods and services. Unfortunately that is not happening very well now. I would submit that the current labour-management process which has been in place for some time is not working very well at all.

All too many times when there are labour-management problems which result in the withdrawal of services or lockouts third parties are affected very dramatically. I am thinking of grain farmers in particular. That is one area I know very well. There have been a number of withdrawal of services over the last 10 years and it has hurt the grain industry to a very big extent. My colleague from Prince George—Peace River talked about it but I want to outline this again.

In 1987 there was a work stoppage between the railways and their union. Five days were lost. Late that same year there was a 42 day work stoppage between the Prince Rupert grain terminal and the grain workers. There were heavy financial losses. In 1991 there was a 16 day dispute between the Department of Transport and the

*Government Orders*

public service union. There was also a work stoppage of 20 days in 1995 between the railways and their union.

These are not just figures on paper. These are very real concerns for people who have product that they want to deliver to market. It is also a very real concern for countries such as Japan that are looking to take delivery of a product that it has bought and sent vessels over to ports like Prince Rupert and Vancouver but cannot pick up the purchased product because of the labour-management problems. These labour-management problems result in more days lost in productivity time second only to Italy in terms of all of the industrial countries in the world. This simply is not good enough. In fact we never make up for that.

● (1220)

The demurrage charges last year at the Vancouver and Prince Rupert terminals as a result of strikes cost grain farmers in western Canada something in the neighbourhood of \$50 million. These grain and oilseed farmers are struggling to begin with. They are struggling because market prices are not that high. They certainly cannot afford to have work stoppages which affect them and which they have nothing to do with. They have nothing to do with them, yet their product is being held back from market which results in massive costs. Opportunity is lost, but there are massive costs in terms of demurrage charges alone of over \$50 million.

That means the farmers have to pay ships to wait in the Vancouver harbour while we sort out an archaic system of labour-management in this country. From a trade perspective it is hurting our credibility.

When I was involved in the canola industry, Japanese representatives purchasing Canadian canola made the case on many occasions that they are going to look elsewhere. I know they have done that because Canada is becoming known as not being a reliable supplier of product. They liked the canola. They liked the quality of it and the good cooking oil it made, but they could not stand the disruption in service. It has cost us very heavily.

I also want to speak about a couple of aspects of the bill which I mentioned earlier.

The Liberal government has been telling the grain sector that it has done it a tremendous service by putting a provision in the Canada Labour Code which will allow grain companies to continue loading a vessel at port in spite of a strike or lockout. That is a good provision but it is a half-baked measure.

If we cannot get the goods to the terminal, and there have not been any changes made to the Canada Labour Code which would allow that to happen, it is a half-baked measure. It simply does not go far enough. The major disruptions which have taken place in the past 10 years have meant that grain and oilseed products could not

get to the terminals at all, let alone worry about those products being loaded onto vessels.

It is a red herring. I admit that it is a small concession, but it is a lost opportunity to do something about a major problem which we have in this country.

I want to deal with an aspect of the bill which is quite troubling and it has to do with the whole business of democracy. There is a major change which the Liberals are proposing. There will be a process by which unions can be certified without the support of a majority of the employees. That is fundamentally wrong. It tramples on the democratic rights of Canadian citizens and workers and violates principles which are fundamental to our society.

There will no longer be secret ballots, a fundamental right which is enjoyed by every Canadian. We have the right to cast a secret ballot in favour or against a piece of legislation. Whether it be a plebiscite or a vote in the House of Commons, provincial legislatures or municipal councils, the secret ballot is a fundamental right. We are moving away from the secret ballot with the amendments which are being made to the Canada Labour Code. It is a fundamental flaw in the bill and a reason not to support it.

There is another issue which is along the same lines and is equally troubling. Workers' names can now be released to those conducting certification drives without the workers' knowledge or consent. That does not sound right to me. It seems to me that if people are being asked to join a union they should know that their names are being released. It is a fundamental principle of democracy.

I am concerned by what is not included in the bill. The bill does not deal with labour-management problems in terms of getting goods to the market. It does not deal with final offer arbitration. There is still a process in the grain sector and which we have seen in Canada Post on many occasions, where the ultimate result is that Parliament orders workers back to work.

● (1225)

We believe there should be a negotiating process under labour-management that takes place until the impending withdrawal of services either through a strike or a lockout. However at that point there must be a more enlightened process. There needs to be a process which says "We have not been able to arrive at this agreement over an 18 month negotiating period so maybe it is time to put in our final offer and let us see who is right". In the end that is what is happening anyway. The government is ordering workers back to work and implementing final offer arbitration in any case.

Let us do it before we lose valuable time in too many days of lost productivity as a result of work stoppage. The final offer arbitration solution put forward by the hon. member for Wetaskiwin, our

*Government Orders*

labour critic, is a very good move to try to have a more enlightened labour-management process in Canada.

[*Translation*]

**Mr. Ghislain Fournier (Manicouagan, BQ):** Mr. Speaker, I am very pleased to speak today in the debate on second reading of Bill C-19.

It is the outcome of a long process of reforming the labour code. I must say, however, that the minister's praiseworthy intention to reform the code in line with the expectations of both unions and management is, on scrutiny, nothing more than a cosmetic change. Simply put, the Minister of Labour, like the entire government he represents, has only a limited view of what labour relations are all about.

What the government dares to call an in-depth reform of the Canada Labour Code represents nothing worthy of consideration, in my estimation. As a union member myself, I must say I know what I am talking about. I must admit that the energy the Liberal government has expended in this bill is very perplexing to me.

I cannot imagine how a government claiming that employment is the key element of its election platform could ignore anti-scab measures in its reform. The use of replacement workers during labour conflicts is, in my eyes, the most heinous act imaginable. These underhanded tactics trample over the rights of workers aspiring to better working conditions, and the Liberal government is closing its eyes to this issue.

I wonder what the purpose of this labour code reform really is. All insinuations aside, it does seem clear to me that, by presenting a legislative measure of this type, the Minister of Labour is serving interests other than those of the workers. The Liberal Party of Canada, which represents high finance and big business, cannot bring itself to introduce a bill that would improve the conditions of ordinary people.

You are as familiar as I with the saying about not biting that hand that feeds you. This is what Bill C-19 is all about. The Liberals could not introduce a bill that would rub big business the wrong way, because they are the ones greasing the wheels of the giant Liberal political machine. As I said, the Minister of Labour's real interest lies more with defending the status quo for his party's financial backers than with defending honest workers and respecting their rights.

Of course, clause 42 of the bill does forbid the use of replacement workers, but the minister is adding an interpretive framework to this, suggesting that scabs can only be used for the purpose of undermining a trade union's representational capacity.

• (1230)

This, in my opinion, comes down to saying that what cannot be done directly may be done in a roundabout way. The Liberal

government's forte is playing with word meanings and making sure that the legislation will be so complicated that it will be virtually impossible to interpret it.

If the Minister of Labour and the rest of the cabinet had really wanted to demonstrate their desire to reform the labour code, the matter of replacement workers would have been dealt with head on, not via political doublespeak which undermines the credibility of Bill C-19.

The Bloc Québécois has workers' rights and the defence of their interests at heart. My predecessor in this House, in fact, introduced a bill to that effect. But because of the Liberals' logic, the minister is not inclined to consider basic issues. Instead, he is coming up with a bill that is essentially window-dressing, to give the impression that he is acting on highly charged issues.

Similarly, if the minister and the federal government had wanted to adequately reform this part of the labour code, they would have looked at the anti-scab legislation passed in 1977 by the government of René Lévesque. When a labour dispute occurs, the clarity of the legislation greatly helps reduce the risks of negotiations breaking down, and of disgraceful or violent acts being committed. Just remember the sad episode at Ogilvie's. The federal government's refusal to consider the issue shows that the minister missed the boat and that the proposed legislation is just a small step forward for workers.

Bill C-19 also deals with many other issues that are just as important as replacement workers. They include the establishment of the Canada Industrial Relations Board, which will replace the Canada Labour Relations Board. This major element of the reform does not even meet the expectations of the labour organizations. Indeed, unions have said on many occasions that they want members to be appointed from lists submitted by both sides, as is the case for other government organizations.

This is the only way to make sure the rulings of the Canada Labour Relations Board are never challenged. In the past, the appointments made did not always reflect the talent, the expertise and the knowledge to be expected from people who sit on this quasi-judicial tribunal. It can be expected that any controversial decision will be used as a pretext to challenge the competence and the impartiality of some members of the board.

Of course, the minister says he will consult. Indeed, it is important to do so when appointments of this nature are made. However, there would be much more of a balance if the minister used lists submitted by both management and the unions, to fill any vacancy that may occur. Again, the minister is merely pretending to act, much to the disappointment of all those concerned. He is keeping all the powers relating to appointments, in spite of the problems that this is likely to create.

*Government Orders*

The last point I would like to cover before I finish concerns another major omission regarding the claim by the Public Service Alliance of Canada. It has asked to be removed from the application of the Public Service Staff Relations Act and instead to be covered by the Canada Labour Code.

Why did PSAC and its members make such a request? Because under the Public Service Staff Relations Act they do not have the right to negotiate important provisions, such as job security, which is covered by legislation other than that governing labour relations. This is the case as well for protection against technological changes, job classifications, appointments, promotions and transfers.

Such a change in response to the request of the Public Service Alliance of Canada would also prevent the unfair treatment of a category of Quebec workers. Three categories of workers will be protected by the Quebec legislation prohibiting the use of strikebreakers: those not unionized at all and those that are and are covered by the Canada Labour Code, who are unionized but have no protection against the use of scabs.

● (1235)

In conclusion, Bill C-19 represents another fine opportunity missed by the Minister of Labour. It could have been an opportunity to truly protect workers against the hiring of strikebreakers. It could have been an opportunity to act on the request of the Public Service Alliance of Canada to withdraw from coverage by the Public Service Staff Relations Act.

The minister could also have put an end to discrimination against certain categories of workers in Quebec, who, depending on the legislation that governs their working conditions, will no longer be entitled to the same protection.

In short, as I have said, you do not bite the hand that feeds you. That is no doubt what the Minister of Labour was thinking in formulating Bill C-19. He goes out of his way to avoid taking any advantage away from those who annually contribute so generously to Liberal coffers.

Bill C-19 is nothing more than a lot of razzle-dazzle. Workers will not be fooled. Neither will the Bloc. No one is going to support a bill that, despite the fancy words of the government, does so little to protect and improve workers' rights.

[*English*]

**Mr. Ted White (North Vancouver, Ref.):** Mr. Speaker, as I rise today to speak about Bill C-19, I want to continue with a theme introduced by my colleagues this morning. I thought one of the best ways to do that perhaps would be to read from a letter I received from a constituent to set the scene. I know one of the members on

the Liberal side read from a letter, so I am going to do exactly the same thing.

This letter came to me from a very concerned constituent who has done quite a lot of research into Bill C-19 and is particularly concerned with the democratic aspects of it.

If I can quote a bit from the letter just to set the scene: The Minister of Labour introduced Bill C-19 on November 6, 1997, and this bill contains most of the amendments that were incorporated in Bill C-66. Regrettably the revised version contains the same defects its predecessor displayed. The result is that the changes that would have made the labour code a better enactment are more than offset by the provisions which perpetuate undemocratic rules and introduce measures which will make Canadian enterprises subject to federal labour legislation less competitive". Bill C-66 was from the last Parliament.

This letter highlights three of the deficiencies in detail, although it mentions quite a number of them. I would like to outline a couple of those. The minister has not followed the recommendations of the Senate standing committee on social affairs, science and technology when it studied Bill C-66 when it was before the House previously. The recommendations made really suggested that this federal legislation should give the right to workers to participate in secret ballot representation votes to determine whether a union would represent them.

Provincial labour legislation in Alberta, Manitoba, Ontario, Nova Scotia and Newfoundland currently mandates secret ballots. It is only the NDP in B.C., when it recently came into power, that removed this right to secret ballots. That caused quite a lot of outrage in B.C. not just from business people but from union people as well that this ability to have a secret vote had been removed.

Frankly, it amazes me that the NDP in B.C. and the NDP in this House, which both claim to be democratic, are not up in arms about this taking away of the democratic right for members in the union to have secret ballots.

It is hard to think of anything less democratic than placing union members in a position of being unable to cast their votes in a secret ballot. It leaves members of unions wide open to coercion by overzealous union bosses and to delegates who perhaps are getting carried away with a particular cause and just force people, through fear or otherwise, to vote in a particular manner.

● (1240)

Imagine if we ran federal or provincial elections that way. Canada would be the target of sanctions and criticisms from the entire free world if we were selecting people in ballots that were not secret.

I wonder how Liberal members can sleep at night knowing they are going to be voting with the instructions of their whip for

*Government Orders*

something so undemocratic. The NDP members should be outraged. They should be jumping in their seats at this blatant attack on democracy against their union members. They have already demonstrated, by their interventions during the speech by the Reform member for Calgary—Nose Hill this morning, that they are not interested in even trying to defend the rights of the workers, the people they claim they are representing.

As one of my colleagues mentioned a little earlier, Tommy Douglas would be turning in his grave if he could see the NDP today. Tommy Douglas represented my riding back in the mid-1960s. Tommy Douglas was the person who achieved the highest ever percentage of votes in the riding of North Vancouver—Burnaby. He actually got 52.4% of the vote.

The second highest was achieved by Reform in the 1997 election when I got 49.9% of the vote. While it was still 3% away from the record set by Tommy Douglas, it does show an interesting progression in my riding, to digress for a moment. How it started was with the NDP in the mid-1960s, then it moved briefly to the Liberals, then back to the NDP, then to the PCs and now to Reform. It is certainly interesting that Reform today is representing a greater percentage that has ever happened since the Tommy Douglas days. He would be turning in his grave today if he could see what is happening with the NDP failing to fight for worker rights in this bill.

Could it be that the NDP likes this bill because it virtually guarantees forced union certification, which in turn means the compulsory extraction of union dues from workers, which in turn helps fill the coffers of the NDP? Maybe the NDP is not as democratic as it likes to make itself out to be. Maybe the NDP does not actually stand for New Democratic Party; maybe it stands for the no democracy party.

I will return to the points in the letter because it is a communication from the real world, outside of this place. It details problems that are in Bill C-19, this hastily thought out legislation that is being rushed through. There is really no need to rush this through. It has been 25 years since this labour code has been revised. There really is no need to rush through these sorts of provisions.

I quote one of the objections listed in this letter:

The new bill gives the Canada Industrial Relations Board the jurisdiction to certify a trade union that does not have majority support where "but for the unfair labour practice, the union could reasonably have been expected to have the support of the majority of employees in a unit".

Frankly, no union should ever be certified without a secret ballot. If there are problems in the way the procedure took place leading up to the ballot that should be dealt with in other ways. To take away the right of free ballot for the workers, to punish the

employer, is totally ludicrous. I cannot imagine why or how this government could think that was justified in any way.

To quote again from the letter:

Neither the Canada Industrial Relations Board nor any other body has the capacity to rationally discharge a task which involves nothing more than wild speculation. If an employer has committed an unfair labour practice, the board should sanction the employer, not deprive workers of the democratic right to vote on the wisdom of union representation.

The dangers associated with this type of law were demonstrated when the Ontario Labour Relations Board, ignoring the will of the workers, certified the United Steelworkers of America as the bargaining agent for workers in a Wal-Mart Canada Inc. store in Windsor. The workers had voted 151-43 against union representation.

● (1245)

Imagine if we were conducting our votes in Canada that way. Imagine if we had a federal election where the chief electoral officer could decide that he did not like the outcome in a particular riding and that he would appoint some other candidate to be the MP other than the winning candidate, thereby taking away the right of the voters in order to rectify some perceived wrong that occurred during the campaign.

It is absolutely outrageous. If that were to happen in a true federal election situation, the chief electoral officer would order another vote and therefore return the power to the people who have the vote, not take away that right. That is another good example of why this is a terrible provision in the bill.

Just to remind the House, the Senate Standing Committee on Social Affairs, Science and Technology presented its report on Bill C-66 on April 25, 1997. The government has had plenty of time to review and think about the report.

The report stated that the committee had "concerns about whether the recent use of a similar clause by the Ontario Labour Relations Board in the Wal-Mart case is in fact an appropriate use of such a measure". The letter writer shares this reservation, keenly aware of the danger that this provision represents to the democratic values Canadians hold and cherish.

I would like to finish by mentioning that all of us in the House should be fighting the bill tooth and nail. It tramples on the democratic rights of Canadian workers. It violates the fundamentals of freedom of voting in society. It somehow suggests that cards are a reliable indication of a worker's intent in the certification process. Just the fact that we can get someone to sign a card is sufficient proof the person will also support the forming of a union in a ballot. It is an absolutely ludicrous provision.

When the legislation is passed it will eliminate the need for unions to report on their financial status. This is unbelievable. That would put them in the same class as charities, which the House is just beginning to recognize needs to be dealt with, where they are

*Government Orders*

totally unaccountable for the way they spend their money and are unanswerable to the people who give them money to do their work.

I could speak about the bill for some time but I see my time has elapsed. I will now leave it for my colleagues to take up the charge.

**Mr. Art Hanger (Calgary Northeast, Ref.):** Mr. Speaker, I appreciate the opportunity to stand in the House and not just ask questions but make further comments with reference to some of the questions I asked earlier.

The whole matter of unionization of labour law has to be challenged in a much more significant manner than what has been happening in the past. Every country in the developed world except for Canada and Australia, as I indicated earlier, has dropped compulsory unionization of its members and the forced payment of union dues. They have legislation, for the most part, to support that kind of a position. It actually is a protection of rights and freedoms of the individual.

It is funny that Canada has not embarked on this matter in a very substantial way. However, listening to the comments of the Bloc, the NDP and certainly the Liberals, since they are the ones who put the bill forward, there is no intention on the part of the government to proceed in that fashion. Yet the economics of it would indicate this is the direction our country should be going in its labour law.

Earlier I asked the Bloc member a question on the Quebec charter of rights and freedoms. I know it may not have a direct impact on the bill, but there is still a charter argument in the bill which I will get to in a moment.

The Quebec charter of rights and freedoms provides the following basic rights. Bloc members have been arguing for their province in this regard. It also applies to the rest of the country because we too have a Canadian Charter of Rights and Freedoms that guarantees freedom of association as a fundamental freedom. That choice should be whether or not an individual would want to become part of a labour movement and be subject to its rules and regulations.

• (1250)

The Quebec charter of rights and freedoms provides these rights:

Every person has the right to full and equal recognition and exercise of his human rights and freedom without distinction, exclusion, or preference.

Section 13 states:

No one may in a judicial act stipulate a clause involving discrimination. Such a clause is deemed without effect.

It continues:

It is important to recognize that the "freedom of association" in section 2(d) includes freedom from compulsion to join a particular union on pain of losing one's job.

I have gone through Bill C-19 and have noted that a lot of emphasis is placed on the formation of the Canadian Industrial Relations Board. It appears the Liberals like these particular types of boards. They actually take away the responsibility of the minister to address the major concerns that may arise within that portfolio. In this case the board is a quasi-judicial body. It is not unlike other quasi-judicial bodies the Liberal government likes setting up.

The board will be the final arbitrator or the final decision maker. There will be no recourse for employers if 35% or 40% of a shop's employees decides to unionize.

The Minister of Labour will wash his hands just like all other ministers do when they have nice quasi-judicial bodies set up in their portfolios. They say "No, fellow Canadians. It is a quasi-judicial body and is independent of any interference from the political arena".

They have already made their neat little choices as far as who is going to sit on the board. Board members will make any decision they want and there will be no recourse for those who are unhappy. That is a travesty of justice.

Members are selected for the board. They do not even have to be Canadian citizens. They will be sitting almost like judges and making decisions that impact on those in the labour market. There should be some provision in the bill that board members at least be Canadian citizens. They will have the power to make the decisions much like judges do even though they will not necessarily have to follow the rules of evidence.

They will be making decisions on certification, for instance. If a trade union wants to certify, the board may grant it that certification in spite of the fact that there will not even be a majority. Again the employer will have very little to say about it. Or, the board, making a decision on behalf of an application by the union to determine what the employer is doing with off site workers who are not unionized, could be compelled to send a list of the names and addresses of the workers. That will be done without the consent of the employee, the off site worker.

That again goes far beyond the mandate any board should be given. I have seen some of the actions within unions when things heat up. They are possibly jeopardizing the security and safety of the individuals or their families. I do not think that is appropriate at all. If something did in fact happen, who will advocate on behalf of off site workers? Who? I do not know of anyone.

That in itself is a violation of privacy and a violation of the right of the off site worker to remain anonymous if necessary. No board should have the right to pass that information on to someone else.

*Government Orders*

• (1255)

In closing I would like to make a very brief comparison in the privacy area where information on the names and addresses of individuals will be freely passed on to a union representative and could jeopardize the security and safety of those people.

I point my finger at the Liberal government. It feels no compunction in releasing to the community the names of sexual violators that may be released from prison and jeopardize the security of children or people living in that community.

**Mr. Peter Stoffer:** Mr. Speaker, I rise on a point of order. With all due respect to the member and to the House, we are talking about the Canada Labour Code and not about sexual offenders.

**The Acting Speaker (Mr. McClelland):** That is certainly a very appropriate intervention.

**Mr. Art Hanger:** Mr. Speaker, if the member from the NDP had been listening he would recognize the comparison I was making when it comes to the protection of the privacy of individual names that would be released to union representatives. For those who jeopardize the security of our communities the government releases the names of sexual predators to the community so that children will not be abused.

**Mr. Rob Anders (Calgary West, Ref.):** Mr. Speaker, ding dong, the union is calling. That is the way this should lead off. Bill C-19 allows for union organizers to get the lists of off site workers.

What does that mean for all those people who right now are operating in a contract capacity or outside the certification process? Their names, their addresses and their contact information will be given to union organizers. Those organizers will have access to other information available on the corporations' computers.

You ask, Mr. Speaker, by whose consent this is done. It is done by the consent of union organizers but certainly not by the consent of the employees and not by the consent of those employers.

This is all at the wish of the Canadian Industrial Relations Board. I would like to delve right into this if I might. The bill would change the name of the Canada Labour Relations Board and create this new beast, the new Canada Industrial Relations Board.

What are they really doing? What is the whole purpose behind it? They will give it a little more power and they will give it a little less accountability. As a result it creates a whole lot more abuse when the two of them are coupled. That is exactly what they are doing with a whole lot of other tribunals and boards.

They try to remove the minister from accountability and remove the ability of members in the House, including Liberal members, to

make accountable these quasi-judicial boards or these governmental bodies. They make them less accountable. The members have less ability to rein in these powers. Yet the boards have more and more power put on their plates.

I would like to speak to some of the things the new Canada Industrial Relations Board will be able to do. Point number one is that it will be able to certify a union without the majority of employees actually taking a ballot, without their majority support.

When we think about that, it is a fundamental violation of democracy, the idea that a majority of employees does not have to vote in favour of certifying a union for it to be certified at that site.

I will refer directly to some of the important decisions that have happened regarding this issue and that a card based system is notoriously unreliable. The Canada Labour Relations Board has said so when confronted with two unions both claiming majority support in the bargaining unit. People can refer to *Communications Workers of Canada v. Communications Union Canada, 1979*.

• (1300)

The workers' cards are no more reliable when the contest is between union representation and no union representation. This is a great example. Two unions tried to claim majority support by cards. Each union said that by this card based system it was the appropriate union to certify the site. That is a clear demonstration of why the card based system does not work. Two unions can abuse the same card process and each can say that it has majority support. That is one fundamental flaw with the card based system.

The other fundamental flaw is that you can actually have a vast discrepancy in what is considered proper majority support. I refer to a recent Ontario Labour Relations Board decision with regard to the United Steelworkers of America as the bargaining agent for the workers in Wal-Mart Canada. The workers voted 151 to 43 against union representation. That is 151 were against union certification and 43 were in favour of certifying the United Steelworkers of America. Yet the Ontario Labour Relations Board went ahead and decided the steelworkers would represent that site.

Not only is there competition between unions that would violate this system, where multiple unions claim they have enough cards to sign people up, but there are also unions winning representation in places where there is no legitimate vote and where a majority of people have decided against having the steelworkers as their representatives. How is that democratic? It fails so many fundamental tests of what this law should pass. However, the Liberals are going to endorse this legislation which would give these powers to this governmental organization, the proposed Canadian industrial relations board.

*Government Orders*

It does not make any sense to give these types of powers. You can quote me on this one and I hope others do. No government and no quasi-judicial body asks for powers that it will not use or does not want to use. This case is just like the Canada Wheat Board case. It is asking for powers that it will use and abuse. I have given two perfect examples of how those powers have been abused by similar quasi-judicial bodies and it will be done by the Canada industrial relations board, mark my words.

Those Liberal MPs across the way will have to justify to their constituents, businesses and employees that they have passed this bill. They will go to their MP offices and say "Look what has happened to me. Look what the new monster that you voted in has done to my business or to my job". Those MPs will have to justify it.

Not only do they not require majority consent and not only are they tossing out the whole idea of a secret ballot, which is fundamental to the concept of democracy, the union organizers will be given information on off site workers against their will. Those workers will have no consent whatsoever in this process. There is no provision in this bill that people must be asked if this should be done, no provision for obtaining their consent. It will be done against their wishes.

I have heard people in the House today refer to notice of a strike or a lockout. They have referred to the grain handling situation. They have said that a 72 hour notice of a lockout or a strike will be able to protect grain shipments in Canada. If only every union obeyed the law and never had a wildcat strike. Unfortunately we have seen too many times that a union has violated the laws and has held a wildcat strike without a proper vote from the workers for the go ahead.

We have seen unions go against their own workers' wishes and order them out on the picket lines. This happens because we do not have sufficient penalties to ensure those people do not violate the law. There is no sequestering of assets. There is no provision for putting union bosses in jail if they order people on to the picket lines without an appropriate vote.

Once again the Liberal government has failed. It has failed because this is not an appropriate guarantee. It has told farmers in western Canada that this legislation has a provision to ensure their grain will not be held up in the ports. It is a misrepresentation. It is pulling the wool over the eyes of Canadian farmers.

● (1305)

Indeed the government cannot guarantee it because this law has no teeth and without teeth it will not be able to enforce it. Wildcat strikes can and will occur under this legislation. There is little or no provision for ensuring they do not. The grain can still be held up.

Replacement workers are effectively banned by Bill C-19. I am sure that Liberal and NDP members will say this is not the case because it will only happen when representational capacity is affected. If we look at other quasi-judicial bodies which have made rulings on these things, indeed they have determined that representational capacity means any situation.

Once again when a quasi-judicial body asks for a power, it will use it and it will abuse it. Therefore we can bet our bottom dollar that replacement workers in this country will not be able to cross picket lines. Operations will not be able to continue. Employers will not be able to use employees who are not unionized to continue their activities during a lockout or a strike. Shame on the Liberal government.

There are some other things in the bill which really get my goat. One is the fact that the definitions are so vague. This will give significant powers to the Canada industrial relations board.

Bureaucrats have designed the legislation and Liberals have not accurately read what it will mean. They have not looked at the fine print. They do not recognize that the bureaucrats have made the legislation vague in certain areas so as to give more powers to the quasi-judicial body which it can then abuse.

I would like to touch on another area which has been mentioned today, that being the whole idea of representing a majority of constituents or union members. Forty-six per cent of all union households in Alberta want voluntary unionism. They believe they should have a choice as to whether they are forced to join a union or pay dues. Sixty-two per cent of all Albertans are in favour of that concept.

New Democrats speak about making sure they represent the majority of their constituents, but it is they who make up the party which only represents big labour. It is over a billion dollar industry in this country and the NDP only represents the top echelon of the labour movement. It no longer represents the workers.

This bill does not provide for secret ballots for union elections. It has no provision for democratic choice. I could go on and on. The bill is flawed. It has to be reviewed. It should not pass as it stands.

**Mr. Gary Lunn (Saanich—Gulf Islands, Ref.):** Mr. Speaker, I would like to commend the hon. member for Wetaskiwin for his comments on this bill, as well as the hon. member for Calgary West who just outlined the problems with this bill.

I will focus my speech on an alternative and why I think this alternative can work. I understand that government members are arguing that it will not work. I will offer suggestions to them as to why it will work. It will save this country billions of dollars every year. I would ask them to listen carefully. They have probably heard about this in the House before. I am talking about final offer selection arbitration.

*Government Orders*

I practised labour law. Prior to that I worked in industrial relations for a forest products company where we faced these problems every day. For five years I was involved in the negotiating process.

To put it in a nutshell, final offer selection arbitration is when two parties, party *A* and party *B*, have both made their very best offer. They have come to an impasse. If they cannot reach a negotiated settlement the arbitrator is forced to pick only *A* or *B*, nothing in the middle. One of the two must be picked.

Final offer selection arbitration does not hamper the negotiating process. In fact it helps it. There will be more agreements negotiated between unions and employers with this type of a process than without. When all the benefits of this process are realized I believe it will be welcomed.

The parties know what will happen if they do not reach a negotiated settlement. They will come to the table with the most reasonable offer, an offer which is close to where it should be. Instead of coming to the table saying that they want \$35 an hour when they would really settle for \$20, they are going to start at a very reasonable settlement because they know that if they reach an impasse the arbitrator is forced to pick one or the other. If they are too far away from what really should be the appropriate settlement, the arbitrator is going to be forced to go the other way. That is fundamental.

• (1310)

I have heard criticisms from the government side saying that this is not just about money, that so many other issues are involved in negotiations. There is everything from medical, to pensions, to benefits, to working conditions, to hours and also to salaries and compensation. I would suggest to members on that side of the House that it is the entire package the arbitrator is forced to accept, either *A* or *B*, nowhere in between.

The union and the company comes to the table with a package. It is not strictly money we are talking about. Both parties will come to the table with a package that is very close to reasonable because obviously if they are at an impasse, they will want their package to be selected. If they are way out in left field or right field their package will not be selected.

Let me give an analogy of how well this works. The civil courts in British Columbia have somewhat of a similar system. The principle is the same on how it works. Two people who are going to sue each other file a lawsuit in the supreme court. Let us say someone sues someone else for \$100,000. The person being sued disagrees and offers \$60,000 to settle out of court. The parties get together before they go to trial and make offers back and forth. If they are unable to reach a settlement prior to going to court, then in the court the justice makes a decision and the party on the wrong side has to pay a premium of the court costs of the other party.

In other words, if the person who was being sued for \$100,000 made an offer for \$60,000 and it was not accepted, and the judge made a decision of \$59,000, then because they did not accept that offer the other party would have to pay their court costs because they were right. I know I might be losing some people in this analogy but the bottom line is that it forces the lawyers when they are making their offers to be as reasonable as possible to what they think a judge would impose. By doing that they come very close together and quite often they settle. Exactly the same principle would work here in final offer selection arbitration.

By doing that the unions and the companies will come to the table with very reasonable packages because they do not want an offer imposed on them. Worse off, if their offer is so far out of range, they know that the arbitrator will be forced to select the other offer without question.

I would ask the government members to listen to this. Look at what happened just in the last year, the number of strikes we have had, the lost productivity and the lost opportunities for this country. It was in the billions of dollars.

We need to have legislation that would assist companies and unions into a negotiated settlement. I emphasize this because it does not take away anyone's right to a negotiated settlement. The only thing it changes in the whole process is the very last step of does an arbitrator impose a settlement if that situation is reached, or is there a mechanism in place.

This mechanism would force the arbitrator into choosing one or the other, as I have stated. Therefore, the parties would come together and it would be a better situation. It is such a simple system and would offer so much to our economy. Our economy is growing and it would grow that much quicker. The lost opportunity is in the billions of dollars.

I would ask members of the government to revisit this bill. It is amending the Canada Labour Code and the government has missed probably the one biggest thing that it could do to assist the unions, to assist companies and more importantly to assist taxpayers and Canadians to make sure that we are not losing this economic opportunity.

Instead, as we have heard from previous speakers, this is going against the principle of democracy with the secret ballots and replacement workers. It is beyond me why this government is addressing all these issues. It will be nice to find out what it is really up to.

• (1315)

Again, this is to offer a constructive alternative. The criticism from the government side is that this will not work because we are not just talking about money. I emphasize that this is not just about money. This final offer selection arbitration or whatever name we

*Government Orders*

might want to give it is the entire package that the parties bring to the table. This principle has been tried in other systems. It has been proven that it works. It will force parties to come very close to the middle. I ask the government to take a look at this.

**Mr. John Nunziata (York South—Weston, Ind.):** Mr. Speaker, I appreciate the opportunity to make some submissions with respect to Bill C-19.

This bill was introduced in the last Parliament. Because of the election call in June the amendments to the Canada Labour Code died and here it is again in the House.

I have been listening very carefully to the comments that have been made by a number of speakers. I share some of the concerns. I am particularly impressed with the comments made by the member for Saanich—Gulf Islands with respect to this notion of final offer selection arbitration.

Before I get to that, I wish to comment with respect to the concerns I have with the bill itself. This is second reading of Bill C-19. Second reading will send this bill to committee for consideration. I am sure that interested parties from across the country will come forward at the committee stage. Hopefully some of the deficiencies in this bill will be corrected at the committee stage and there will be a willingness on the part of the government to listen to some of the concerns.

I note that the Parliamentary Secretary to Minister of Labour is present in the House today. I know her to be an extremely hardworking member of Parliament. She is open minded. She is receptive to change in order to improve bill. I am sure that rather simply defending some of the inadequacies in the bill she will play a leading role in convincing the government, the minister in particular, to correct some of these deficiencies.

As a democrat believing in the principles of democracy, I have a concern that this new named board, the Canada Industrial Relations Board, would be able under certain circumstances to certify a union even though a majority of the workers in that bargaining unit are opposed to certification. That does not make any sense at all.

If we are living in a democracy, if we believe in democratic principles, surely those principles should apply to the workplace. If a majority of those in a workplace are opposed to the formation or the certification of a union, then it simply should not happen. Frankly, I am surprised as well that certain members of this House who often talk about choice, who often talk about democracy and accountability, would be opposed to honouring that very basic principle of democracy, that the majority of a group should be listened to. I have concerns about the provision in the bill that

allows for certification even though a minority of the workers would want certification.

Secret ballots are important as well. We all know that in union drives and in certain circumstances in labour relations members of a particular bargaining unit are afraid to speak out, to express their true wishes. It seems that secret votes would take away the ability in certain circumstances for coercion to take place.

Those are two of the major concerns I have. I am sure the parliamentary secretary will be addressing those concerns.

With respect to the comments of the hon. member for Saanich—Gulf Islands, I know it is a position that is shared by a good number of members in this House which is a constructive proposal on final offer selection arbitration.

• (1320)

One of the problems we have with labour relations in this country, and other jurisdictions share the same problem, is that it is adversarial in nature. It is we versus them. The system has developed over the years where employers are fighting against employees. It is wrong. We have come to a point in the history of this country and in the history of labour relations where we ought to find mechanisms and methods of removing some of the adversarial nature from labour relations.

This adversarial component is further entrenched in the legislation. Section 9(1)(c) refers to the establishment and organization of the Canada Industrial Relations Board. It says “not more than six other members of which not more than three represent employees and of which not more than three represent employers”.

In the make-up of the board we are further entrenching this adversarial nature so that we need union people on one side and employer people on the other. That is not a healthy situation. The people who ultimately suffer, the people who are ultimately penalized are the public as well as workers. The damage that ensues to companies in certain circumstances and in certain strike situations is irreparable. We know of cases where companies have literally had to close down because of labour strife.

This notion of final offer selection arbitration is an attempt to diminish the adversarial nature of labour relations in this country. As the member points out, the negotiations continue to take place. That is very important. Both sides will negotiate. When an impasse is reached, rather than shutting down the doors of the factory or utilizing that ultimate weapon on the part of labour, the strike weapon which does not help anyone, both sides are forced to submit themselves to final offer selection arbitration. That would require, as the hon. member points out, both sides to be reasonable. They have to be reasonable in their positions. If they are

*Government Orders*

unreasonable they run the risk of the arbitration panel selecting the package put forward by the other side.

We all know that some of the very basic principles of negotiation is that you ask for far more than you expect to get with the view to finding common ground at some point. What this does is eliminate these ridiculous positions that are put forward on the part of labour and on the part of management. What is required of them to do is put forward a package.

This makes good sense because this would avoid or eliminate a great number of strikes. We are dealing with a very small percentage of the labour force. This code applies only to federally regulated industries. It does not apply to provincially regulated industries. This notion of final offer selection arbitration could apply not only to industries that are federally regulated but to provincially regulated industries.

I hope the government will consider this proposal being put forward by members of the Reform Party and other people in this country. It makes sense. It is in the public interest. I hope that at committee the government will be persuaded that we have to find mechanisms and ways to remove some of the adversarial nature of labour relations in this country.

**Mr. Lee Morrison (Cypress Hills—Grasslands, Ref.):** Mr. Speaker, in knowing the source of this bill I was quite astonished to find that there are a couple of minor points in it that actually represent good legislation and that I approve of.

• (1325)

One is that there is provision in there for 72 hours notice of strike or lockout. This would allow shippers of perishable goods to get their materials out of harm's way and it would also allow ships to leave port rather than being trapped there in the event of a harbour strike. I like that in the legislation.

I also liked the provision that provides for maintenance of service in vital industries where public health and safety are at risk. However, over and beyond that I have not found much in the bill to like. There are some things in it that make me almost apoplectic because this bill, no matter how you cut it, tramples on the rights of Canadian workers.

Right at the top of my list is the privacy issue. During a certification drive under this bill, employers will be required to give union organizers lists of their employees complete with addresses and telephone numbers, without workers' consent.

The Canadian privacy commissioner, Mr. Phillips, has described this procedure as totally unacceptable. But that has not encouraged this government to back off. Anyone who thinks that having his or her name on a little list is not a threat to a worker should look back a few weeks to the attempt in British Columbia at recall where

everyone who signed a recall petition had to provide his name and address. There are documented cases in northwestern British Columbia of workers being afraid to sign on to these recall petitions because their names and addresses would go directly to the union hall. We know where you live. This is not the way things are supposed to operate in Canada.

Another anti-democratic feature of this bill is that secret ballots are not going to be a requirement for certification. Quite the contrary. Filling out cards will be regarded as ample. They get enough cards signed, they are certified. No vote, no problem. If someone does not sign the card, maybe they know where that person lives. This is not the way unions are supposed to be run. This sounds like the way the Teamsters operated in the bad old days before the ordinary workers regained control of their union.

It gets worse. This legislation opens the door for certification by the Canada Industrial Relations Board of a union on a work site without majority support. I do not suppose this should be a big surprise when we consider that this bill was drafted by the same political party that brought Hal Banks into Canada to whip our Canadian seamen into line a few years ago. Democracy forever.

As the member for York—South Weston has previously stated, this bill preserves the adversarial nature of labour negotiations. In fact, it entrenches it even more deeply than it is now. The government should have had a bill to bring labour relations into the 21st century, not back into the 19th.

It could have had provision in this bill for final offer selection arbitration. I am sure Mr. Speaker will know more about final offer selection arbitration before this day is done than virtually anyone else in Canada. Very few of us have failed to mention it because it is important. This is a tool to keep labour and management honest. It is a tool to smooth the negotiating process. Do away with this or their idea, let's hit the bricks, fellows, let's give it to them.

Ordinary, sensible, reasonable people can sit down and sharpen their pencils. If they reach an impasse, each one puts down their final offer. This is the best they can do; that is the best they can live with. They hand it to the arbitrator who then selects. That ends the dispute at least until the next negotiations come up. It is the civilized way of doing business. It does not detract one iota from the rights of either workers or management, but it benefits the general public and, from an economic point of view, benefits workers.

• (1330)

They do not have to hit the bricks. They do not have to live on strike pay for weeks on end and possibly in the end get nothing for their efforts. It is settled. It is done. Everybody ends up a little unhappy but everybody ends up with something they can live with.

*Government Orders*

This is the wave of the future in labour relations. I think it is coming. It is an idea that in due course will take over labour-management relations. I can only hope it will be reasonably soon. I deeply regret that no provision was built into the bill for federally regulated workers.

**Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.):** Mr. Speaker, it certainly is a pleasure to follow my colleague in discussing the bill before the House today.

When we look at all the different forms of legislation there is a lot of good things in them. If we look at the bill, it is essentially the same as Bill C-66 which died in the Senate after there was so much furore in the Senate over some of the issues that were brought forth.

If we look at the administration of the code, the Canada Labour Relations Board becomes the Canada Industrial Relations Board. It is a nice, simple change in name. I do not know how much it costs in the bureaucracy to do that. Somebody dreamt that one up. It is sort of harmless although it probably cost a lot of money.

The terms of the chair and the vice-chair are reduced from 10 years to 5 years. We can accept that. Any government appointments that are reduced in numbers are certainly better than those that are increased in numbers.

There will be a maximum of six permanent members, three representing employers and three representing employees. That sounds fine. Then it says "and as many part time members as the cabinet deems necessary". That surely scares me because we see defeated Liberal members like Anna Terrana getting appointed to the Immigration Appeal Board.

The many people who were defeated in the last election and the many people who do favours might get appointed as part time members to this board. It is a nice way for them to make a few extra bucks.

Another thing I noticed in the bill, besides amending part I of the Canada Labour Code it revamps or renames the Canada Labour Relations Board and relinquishes Statistics Canada from the current method of reflecting union data. Anything that reduces Statistics Canada cannot be all bad either. As I said, there are some good things and some bad things in every bill, but this one certainly has some bad ones that stand out very clearly.

The representation successor rights section says that the CIRB can certify a union without support from the majority of employees. This provision exists in a number of provincial codes used recently in Ontario to certify a union at Wal-Mart, despite the fact the majority of the employees voted against it.

That type of legislation is more than scary. I come from a province that is very heavily unionized. A lot of the unions work

very hard and do a good job. I had a restaurant at one time that was unionized. It operated very successfully. However, when I look at a majority not being able to get what it wants, it scares me. When I look at a majority overruling the minority, it scares me.

Certainly the House would not be the same if we voted the same way the bill will allow votes to take place. We are all elected with a majority, one more than the guy next to us. That is what counts and is what we should look at in the legislation.

What really scares me in the bill is that the CIRB can order an employer to release to a union representative a list of names and addresses of employees who work off site. This clause has been tightened up but there is no provision for obtaining the employee's consent. This clause absolutely astounds me.

Canadians watching the debate today will hear members on this side talking. They will wonder why nobody on the other side of the House, nobody on the socialist side is talking.

To allow a name to go out to anyone without the person's consent is beyond comprehension.

• (1335 )

My colleague who spoke before me made a great representation on what happened in British Columbia with recall legislation. We heard stories from reporters that a lot of people were leery about signing it because their names would be made public. When we vote our names are not made public. To vote in privacy is a privilege and a right we all have. Yet the legislation will allow someone to take a list of names and addresses, go to their homes and tell them what to do. It is unbelievable that any government would bring in this kind of legislation.

I cannot help but relate the bill to other issues. As the immigration critic for my party I asked the minister many questions. I asked her about a triad leader in British Columbia, a major gang leader in the world who came into Canada illegally.

The government eventually proved that. It hired a consultant to go to Los Angeles to find out how he got into the country. It admitted that he got here and should not have got here. After the government spent all that money to find out why that triad leader got into Canada illegally, I asked the minister a question in the House. I said "When are you going to get rid of him? He has a big house in Vancouver. His family is living there. He got into Canada illegally. He is a criminal". The minister said to me "I cannot answer that question because of the Privacy Act".

This man was in our country illegally. He was a crook. There was a drive-by shooting at his house. However the minister could not tell the people of Canada why he was here because of the Privacy Act.

Under the bill an employer will be compelled to release to union representatives a list of names and addresses of employees. Where is their privacy? We give privacy to one of the biggest crooks in the world, who is not even a Canadian citizen, yet citizens of the country do not have enough privacy to keep their names and addresses from a union leader. We should be ashamed this clause is even in the bill.

I asked the same minister a question a few weeks ago about a couple of Haitians in Montreal who gang raped a young girl. I said "What about deporting those people?" The minister said "I cannot answer that question because of the Privacy Act".

These two men gang raped a woman and we cannot get information about them because of the Privacy Act. Yet in this bill—and I will continue to repeat it—the CIRB can order an employer to release to the union representative a list of names and addresses of employees who work off site.

What kind of rights do those Canadian citizens have? What kind of rights do landed immigrants have? Their names can be given out to anyone, whether it is a union representative or a political party. The next thing we will do is demand that everything be made public. Our names will be published no matter what we do. We will all go nuts, but the mail will get through.

In my constituency my postmaster said "If you want to get rid of junk mail, just put a sign on your mailbox and you will not receive it any more". That is my right. If I do not want junk mail I do not have to receive it. In this case someone can walk into the employer's office and say "Give me the list of your employees. I am thinking of unionizing your shop". That is against the Privacy Act.

I do not understand why government members are not speaking. We have asked the question and it will be asked again many times during this debate. How can we allow anyone to walk into a company and ask it to release the names and addresses of its employees without affecting the Privacy Act? We use the Privacy Act to protect crooks and thieves.

There is a newspaper article which I would like to quote regarding a warrant that went out in Canada. The article is by Tom Godfrey of the Toronto *Sun*. It states:

The RCMP have broadened their hunt for a violent immigrant who was granted Canadian citizenship even though he was jailed for killing a man in Texas.

Fitzroy Ellsworth Dixon, 31, a landed immigrant from Jamaica, has been sought on a Canada-wide warrant since last December, said Sgt. Paul McIsaac. Police stepped up the search yesterday, releasing a mug-shot of the fugitive.

McIsaac said Dixon was convicted in Texas in 1992 for drug trafficking and involuntary manslaughter and jailed for five years.

"Apparently, he shot and killed a man in a fight over drugs", McIsaac said.

### *Government Orders*

McIsaac said Dixon was released from a U.S. federal prison in May 1994 and ordered deported to Jamaica. Dixon, instead of waiting in the U.S. to be deported, returned to Canada and applied for citizenship, apparently failing to mention his criminal record or that he had been out of the country for several years, McIsaac said.

Dixon was granted citizenship in February 1996, and the police didn't find out about his criminal past until he was arrested in Toronto for robbery in December. He was convicted but released on probation.

● (1340)

I asked questions about Mr. Dixon, and because of the Privacy Act we were not able to talk about him.

The people listening out there might be afraid because there was a warrant issued for this man. I am very happy to say he was arrested in the city of Toronto yesterday. Hopefully the minister will deport him. However, when we ask questions about him, it is the Privacy Act. We cannot talk about Mr. Dixon, the murderer, the drug man, because of the Privacy Act.

Yet what does this bill say? The CIRB can order an employer to release to a union representative a list of names and addresses of employees who work off site. It should be an outrage that anyone would even think of putting this kind of legislation before the House of Commons.

We all know every day that we debate in the House the freedoms of people, the right to privacy in Canada. Nobody should be allowed to have my name and address or wherever I work. It is not their right. It is my right to my privacy when I go to my home. If I want to publish my name and address I do that.

Even as a member of Parliament we can use our constituency office as an address. We do not have to use our home address. A lot of members do but it is their right and freedom to do so. In this situation they are taking away the rights of all Canadians with this legislation.

In conclusion, I know there will be amendments so I will speak later.

**Mr. Werner Schmidt (Kelowna, Ref.):** Mr. Speaker, it is a privilege to address the House on Bill C-19, to amend part I of the Canada Labour Code. Some eloquent speeches were made this morning.

I could not help but think of an experience I had during the last election campaign. I went to a door that was answered by a young person. We started talking about the upcoming election. I asked him whether he would be voting this time. He said "Yes, this is the first time I will vote. I am proud of it. I really want to vote".

We got talking about what the various parties represented. That young person was aware and thrilled about the ability of being able to vote. He was on fire because he wanted to get involved in the

*Government Orders*

election. That right to vote is being denied in this legislation to the workers of Canada.

The purpose behind labour legislation is to create harmony between employers and employees, harmony that will result in increased productivity and greater efficiency and will create the goods and services we need. That is what this legislation is all about.

For some reason or other built into the legislation are not principles that create harmonization, not principles that create harmony in working together, but rather principles of confrontation, principles of invasion of privacy, principles of denial of the democratic process. It is an indictment of a government that proposes this kind of legislation.

It goes beyond simply denying a vote. It goes into the details of allowing a quasi-judicial board with no political or administrative accountability to do this. I read directly from the bill. "The board" that is the Canada Industrial Relations Board "may certify a trade union despite a lack of evidence of majority support". Is this not absolutely amazing?

Imagine the Chief Electoral Officer of Canada saying that even though the people did not vote for the Liberals they would still be the government. It would be terrible. It is hard to imagine how anyone would dare to do such a thing.

Then it goes into substituting a card for a ballot. My hon. colleague from Vancouver West has just mentioned how easy it is to intimidate someone by going to their door and asking them to sign a card. We also heard the conflict that can exist when two unions are in competition with each other to get the members to come to them and they use the same process to prove that they are the winners. That is the kind of situation we are in at this point.

● (1345)

Interestingly enough the bill provides for and insists that there be a secret ballot when the members decide to strike, or if a group of employers want to lock out a group, that requires a secret ballot. Is this not interesting, that which will affect my life as a member of a working union can be subject and open to everyone, but when it comes to whether or not I am going to vote for a strike it has to be done by a secret ballot. There is a complete contradiction of principles here.

I want to move to an area that was touched on so eloquently by the member for Vancouver West, which is the business of privacy. This list of names is now obligatory. For what purpose will that list of names be used? To send out information? To appeal to me to become a member of this particular group? To be bombarded with unsolicited mail from people we do not want to hear from? We have no way of knowing how this list of names will be used.

We know that if the power is granted to get this access to information, how the information is used becomes completely unpredictable. The points are very clear in the act as to how the list of names shall be used. It states that the list shall be used for purposes relating to soliciting trade union memberships; the negotiation or administration of a collective agreement; the processing of a grievance; or the provision of a trade union service to employees. That is what it shall be used for.

However, there is no guarantee that the list will be used like that. It may be used for other purposes. The access has now been given to private information. Once private information is out there, it can be used in whatever way the individual who has it chooses to use it. That is frightening. The potential for abuse and misuse is severe.

Let us look at another provision in this act which relates to the same thing. It comes in clause 54 where the following provision is made:

For greater certainty, the following may not be disclosed without the consent of the person who made them:

It is not everything that can be made public, but there are certain people who are protected from invasion of their privacy. The first one is:

(a) notes or draft orders or decisions of the Board or any of its members, or of an arbitrator or arbitration board chairperson appointed by the Minister under this Part; and

(b) notes or draft reports of persons appointed by the Minister under this Part to assist in resolving disputes or differences, or of persons authorized or designated by the Board to assist in resolving complaints or issues in dispute before the Board.

One could argue that is privileged information in the actual negotiating process. And it is correct to say that. That information should be private and it should be confidential. But what is more secret, what is more private and what is more confidential than the names of myself and my family and the address of where we live? It seems to me that has the same significance as do the notes and draft orders from the negotiating process. The bill fails on that point.

Another area has to do with the replacement workers. I refer to clause 42(2):

No employer or person acting on behalf of an employer shall use, for the demonstrated purpose of undermining a trade union's representational capacity rather than the pursuit of legitimate bargaining objectives, the services of a person who was not an employee in the bargaining unit—

● (1350)

Half an hour ago a Liberal member said that this can only be used in the case where the employer is deliberately using the replacement worker to undermine the union. The member made the point that if an employer is using a replacement worker for that purpose he cannot use that person and therefore this bill is

*Government Orders*

absolutely sacrosanct and absolutely pure and great. Is that not a very interesting interpretation of this clause.

How will anyone ever be able to show clearly and without any doubt or equivocation that the person was hired to do one thing and one thing only, to destroy the union? It is totally irresponsible and ridiculous to make a claim like that. That is the protection. That protection has such a big hole in it you could drive an 18 wheeler through it and you would not even know you had gone through the hole. That is what has been done here. That is an absolutely irresponsible clause. I do not think it is a good clause but even if it were, the way it is written makes it absolutely impossible to enforce.

I will discuss the accountability of the proposed board. A Liberal member made the point that the board is accountable, that it must submit an annual report to the minister. Guess what the annual report contains. It will be a statistical report that contains an analysis of those statistics. Is that not interesting. It will tell the minister how many members there were over various years. There is no requirement for the board to report how much money it gathered, whom it gathered it from, how it was spent or to whom it was sent. There is absolutely no accountability whatsoever. My interpretation of the statement that the annual report will make the board accountable is nonsense. It does nothing of the kind. We take very strong exception to this.

I want to end on a positive note. We want harmony between employers and employees. This will make us a competitive nation. It will build our businesses and employ our young people. In order to do that, my colleagues and I in the Reform Party have advocated the following phrase which members will have memorized if they have been listening: We need final offer selection arbitration. That is what we need. That will give people the kind of harmony we need. It will avoid the confrontation that makes people fight. It will bring them together to say "Let us do this together".

**Mr. Roy Bailey (Souris—Moose Mountain, Ref.):** Mr. Speaker, it is too bad this bill which was brought in by my hon. colleague has come before the presentation of the national budget. I assure the House many people in Canada consider the passage of this bill as being more important than the important budget that is coming down today. The passage of this bill determines how negotiations will take place in the Canadian workplace.

It is tremendously interesting to note that the Privacy Act suddenly takes on a different meaning. When we passed Bill C-4, the wheat board bill, we absolutely had to have it. It is a public company, a government organization, but we will seal it up, we will lock it in, put the zipper on it. It required privacy.

Now we have something where privacy is thrown out the window depending on who you want to benefit. The benefit is if

you want to protect the government organization, you want to protect the government business, you invoke the Privacy Act, but if you want to destroy something, you open up the Privacy Act.

• (1355)

I would caution workers, I would caution companies to take a very close look at this bill. Even if it does get passed, which we on this side hope it does not, I hope they will be able to come back to the government and say "You are violating a human public principle that we have had in Canada since 1867. You are about to wipe it out". The government pretends it does not see it in this bill.

I note that it says this board will have six permanent members, three from employees, three from employers and the interesting thing, as many part time members as who deems necessary? As the minister deems necessary. And how many are necessary, 20, 25? Let us see what the political decision is.

We have the labour on one side and the employers on the other. Twenty people are brought in from the government to tip the balance. The government will then determine whether it goes in favour of the employer or the employee. And that is fair? I cannot understand this government saying this bill is non-partisan when it opens the doors for more partisanship than we have every had in labour relations.

The unions supported me in the June 2 election. The reason they supported me was they understood that unless there was the type of policy which Reform is trying to introduce, their future was just about nil.

I refer to the clause that the board can end a stoppage if public health and safety are at risk. The largest union in my constituency is the coal workers who supply the coal to the Saskatchewan Power Corporation. They can never go on strike. They could let the 72 hours go by because supplying hydro would be considered in the interest of public safety. The union workers who mine the coal could never be in a strike position and could never be in a strong negotiating position because all the government has to do is declare that it is not in the best interests. We take away the right to strike from the largest union in my constituency. And we say that the bill is designed for modernization?

**The Speaker:** My colleague you still have a little time left. You will have the floor if you so want it after question period.

[Translation]

It being almost 2 p.m., we will now proceed to Statements by Members.

*S. O. 31*

## STATEMENTS BY MEMBERS

[*English*]

### ELI AND LAURETTA MARTIN

**Mr. Lynn Myers (Waterloo—Wellington, Lib.):** Mr. Speaker, it is my honour to rise in the House of Commons today to pay tribute and congratulate Eli and Laretta Martin who recently celebrated their 70th anniversary.

Mr. and Mrs. Martin, both in their 90s, reside in their own home in Elmira in my riding of Waterloo—Wellington.

Mr. and Mrs. Martin have a long and distinguished career in the retail and service sectors. In addition both have done extensive volunteer work in their community. They have taught their children the importance of hard work and the value of give and take in a relationship.

I ask all members in the House to join me in congratulating Eli and Laretta Martin on their 70th anniversary. We wish them many more years of happiness together.

\* \* \*

### REFORM YOUTH CONVENTION

**Mr. Chuck Strahl (Fraser Valley, Ref.):** Mr. Speaker, I have just come from the Reform youth convention. They wrote the top 10 reasons why the Liberal and Tory organizers are afraid of the Reform youth convention.

Number 10: They do not know how to deal with people who care about policy and not just power.

Number 9: Their idea of a young person is someone who should be seen and not heard.

Number 8: They are afraid of new ideas.

Number 7: Because they cannot handle four snack packers let alone 260.

Number 6: Because when young Reformers talk about future senators, they are talking about a hockey team not a bunch of bagged out, slack jawed party hacks parked in patronage heaven.

Number 5: Because Reform youth want to see a balanced budget that offers real hope, not a transparent attempt to buy their votes.

Number 4: Because when Liberals and Tories see a Reform youth convention, they can envision a parliament with 260 Reform members in it.

Number 3: Because the national Reform youth convention means a convention with young people from every region in every part of this great country.

• (1400)

Number 2: Because the PMO has not figured out yet how to pepper spray a convention.

And the number one reason why they are afraid of a Reform youth convention: Because a Reform youth convention kicks butt from coast to coast to coast.

\* \* \*

### ESTONIA

**Ms. Sarmite Bulte (Parkdale—High Park, Lib.):** Mr. Speaker, today thousands of Canadians of Estonian heritage and Estonians worldwide are proudly celebrating the 80th anniversary of their country's independence.

Dominated since the 13th century by Danes, Germans, Poles, Swedes and Russians, Estonia was established as a modern nation state on February 24, 1918.

However, the freedom was shortlived as the onset of World War 11 brought about renewed occupation by both Russian and German armies.

With the end of the second world war, Estonia continued to be occupied by the former Soviet Union, an occupation that Canada refused to recognize and an occupation that lasted until August 20, 1991 when Estonia's independence was finally re-established.

It was between the end of the Second World War and 1991 when most Canadians of Estonian heritage arrived in our country as political refugees.

Long a friend of Estonia and the other Baltic states, Canada is proud of the contribution that those of Baltic heritage have made and continue to make to our society.

\* \* \*

### NEW BRUNSWICK

**Mrs. Claudette Bradshaw (Moncton, Lib.):** Mr. Speaker, last week this House recognized the 33rd anniversary of the Canadian flag. But today I rise to mark the 33rd anniversary of the flag of the great province of New Brunswick.

[*Translation*]

Our flag was approved by royal proclamation on February 24, 1965, just days after the Canadian flag was proclaimed.

As New Brunswickers, we are proud of our province's flag, and of our national flag. It was therefore with pride that, in the same week in 1965, we saw not one, but two flags flying side by side.

[*English*]

The New Brunswick flag is modelled on our coat of arms adopted in 1868. The ship is a symbol of our past and also a source of inspiration for our future.

This flag shows that New Brunswick is open to the world and increasingly connected to the global economy.

S. O. 31

[Translation]

I ask all members to join me in paying tribute to New Brunswick—

**The Speaker:** The hon. member for North Vancouver.

\* \* \*

[English]

### PROSTATE CANCER

**Mr. Ted White (North Vancouver, Ref.):** Mr. Speaker, employees at Canada's second largest telephone company, BC Tel, have raised more than \$240,000 for prostate cancer research in just a few months.

Fund-raising for prostate cancer research is their special project for 1997-98, and I am honoured to recognize their efforts exactly two weeks before MPs and senators get the chance to attend an information session on prostate cancer on the Hill.

One man in eight will get prostate cancer during his lifetime, and almost as many men die from prostate cancer each year as women die from breast cancer.

I urge all MPs, senators and the media to come and hear research urologist Dr. Martin Gleave on March 10 and to ensure, if they are male, they take the PSA blood test for prostate cancer which will be available on that day.

Thank you to BC Tel employees for their fund-raising efforts and thank you to Abbott Diagnostics for helping sponsor the information session and PSA testing on the Hill.

\* \* \*

### MINISTRY OF JUSTICE

**Ms. Elinor Caplan (Thornhill, Lib.):** Mr. Speaker, my statement today is a response to those actively lobbying against the appointment of Neal Sher as an adviser to the Ministry of Justice war crimes unit.

This government has had the courage to do what few others have and that is make a commitment to move on the deportation and denaturalisation of those convicted of war crimes.

Canada must not be seen as a haven for Nazi war criminals and others suspected of having committed war crimes 50 years ago or last week.

Our actions will speak louder than words and by appointing Neal Sher, a man with a proven record, this government is taking action.

Neal Sher's appointment as special adviser to the war crimes unit of the Ministry of Justice is good for Canada's international reputation and I hope that he succeeds in doing a very important job for Canada and Canadians.

### STREPTOCOCCAL GROUP A

**Mr. Steve Mahoney (Mississauga West, Lib.):** Mr. Speaker, I rise today to inform this House and the Canadian people about the tragic death of a young boy in my riding. Kyle Martin was only five years old when he mysteriously took ill at school.

He was taken to a local clinic and then to Credit Valley hospital. After waiting for several hours in emergency, Kyle was flown by air ambulance to Sick Kids hospital where he passed away.

A healthy, happy young life has been lost to a disease known as streptococcal group A, causing toxic shock. This is related to the flesh eating disease, with no known cause and no cure.

● (1405)

Kyle's father, along with the community, has established the Kyle Martin Fund at the Members Savings Credit Union in Toronto. The money will be used for research at Mount Sinai hospital.

The response from the community has been incredible and I ask members in this House to join me in extending our sincere sympathy to the family and to contribute to the Kyle Martin Fund. Let us all help put an end to this tragic disease.

\* \* \*

### THE SENATE

**Mr. Art Hanger (Calgary Northeast, Ref.):** Mr. Speaker, we have in our Senate a senator who finds the notion of an elected Senate offensive. He said he would resign if a Senate election were called.

We have in our Senate a senator who said that he thinks elections would be bad because it would mean that the Prime Minister could no longer appoint his friends.

We have in our Senate a senator who said that he would not have the energy to run in an election if one were called.

We have in our Senate a senator who said that he does not represent his region but instead does what his party tells him to.

Premier Klein, call a Senate election. Senator Gitter, happy retirement.

\* \* \*

[Translation]

### ANDRÉ NADEAU

**Mr. René Laurin (Joliette, BQ):** Mr. Speaker, February 19 marked the end of one of the most prestigious and challenging dog sled races in the world, the Yukon Quest, in which Quebecker André Nadeau, from Sainte-Mélanie, in my riding of Joliette, competed.

*S. O. 31*

This is a 1,647-kilometre race from Whitehorse, in the Yukon, to Fairbanks, in Alaska. The mushers and their dog teams must fight their way through horrifying blizzards in Arctic cold and climb over peaks up to 4,000 metres high.

André Nadeau was a first-time contender in this race. He came in second, with a time of 11 days, 15 hours and 13 minutes, roughly four hours behind the first-place winner. Thirty-eight 14-dog teams started the race. André Nadeau led the race until Mr. Lee, a veteran musher, passed him a few kilometres before the finish line.

I want to acknowledge this feat of strength and courage and extend my heartiest congratulations to André Nadeau and his helpers, Louise and Michel, and to his 14 dogs, of course.

\* \* \*

**NAGANO OLYMPIC GAMES**

**Ms. Raymonde Folco (Laval West, Lib.):** Mr. Speaker, let us remember all our heroes. The games in Nagano have ended and Canada has distinguished itself by leaving with 15 medals. Our athletes went to Japan to fulfil their Olympic dream.

A young woman from Sainte-Dorothée, in my riding of Laval West, saw her Olympic dream come true. Tania Vicent won the bronze in the 3,000-metre short-track speed-skating relay.

On behalf of all my constituents and of all Canadians, I wish to congratulate Tania and thank her for treating us to such an extraordinary performance. We are all proud of her.

\* \* \*

**FORMER BC MINE WORKERS**

**Mr. Claude Drouin (Beauce, Lib.):** Mr. Speaker, yesterday, the Canadian government announced an assistance program for former workers of the BC mine in Black Lake in the Thetford Mines region.

The targeted wage subsidy program being used is funded entirely by the Government of Canada, at a cost of \$1,750,000. The government will pay all employers interested in hiring laid-off workers up to 60% of their wages, with no ceiling.

In the past, a number of former workers of the Davie shipyards in the riding of Lévis took advantage of this program. It enabled them to return to the work force and renew their pride in contributing to economic growth.

The Government of Canada is not just sensitive to the situation of workers who lose their jobs, but is working hard to find solutions that will restore pride and quality of life to Canadians experiencing difficulty on both an economic and a human level.

In closing, I would like to wish the former workers of the BC mine all the best.

\* \* \*

**DON CHERRY**

**Mrs. Monique Guay (Laurentides, BQ):** Mr. Speaker, Don Cherry's insults at Quebecers on the CBC seem to have had little effect on the vice-president of the CBC's English network, who thinks that Mr. Cherry is being paid to express his opinions.

What tolerance all of a sudden according to the CBC's ethics, when a very different decision was made in December 1989 in connection with Pierre Bourgault, whose remarks on a public affairs program were deemed inappropriate.

The issue is not about justifying or approving remarks whoever may make them, but whether the CBC has a single code of ethics.

[English]

Don Cherry's broadcast sneers at Quebecers are unacceptable and should not be tolerated by the CBC. For all those in English Canada who share the point of view of Don Cherry, please answer the following question. What has become of the people who loved Quebec so much in October 1995?

\* \* \*

● (1410)

**MULTILATERAL AGREEMENT ON INVESTMENT**

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Mr. Speaker, let us pass out the pom-poms and tutus to the Reform Party. It is hopping up and down, excited about its new role as cheerleader for the Liberals on the MAI. "Give me an *M*, give me an *A*, give me an *I*", say Reformers. Let us have a debate on the MAI as long as it does not involve the other side, the Reform Party says.

Yesterday the Reform member for North Vancouver admitted he preferred Florida's private health care system to the public system in his home province. In Canada poor people can get medical treatment. The member for North Vancouver slams that as no good socialist medicine, not deserving of protection under the MAI.

We need a reinvestment in health care so that everyone can get good care quickly. We need to scrap the MAI which would kill our health care system. We need the Reform Party to throw away its pom-poms and rah-rah cheers and act like a loyal opposition. Support money for medicare and nix the MAI.

*Oral Questions*

[Translation]

**AIR TRANSPORT**

**Mr. Nick Discepola (Vaudreuil—Soulanges, Lib.):** Mr. Speaker, yesterday Air Canada and Canadian Airlines were singing the praises of the liberalization of air services between the United States and Canada.

It has changed North American skies and has benefited Air Canada, which has increased its cross-border activities. It now operates over 1,300 flights a week on 72 routes between Canada and the United States.

This opening-up has meant many benefits for Canada and the Canadian economy. It has helped create jobs since 1995.

Canada is quick to welcome all forms of liberalization that will benefit Canada. While we must be cautious about the introduction of such measures, we must remain open to everything that involves relations between Canada and all other countries.

In short, measures of this sort are of interest to all international communities, in obvious contrast to the inward-looking approach of the sovereignists—

**The Speaker:** The member for Compton—Stanstead.

\* \* \*

**ANNIE PERRAULT**

**Mr. David Price (Compton—Stanstead, PC):** Mr. Speaker, I rise today to read a letter of congratulations to Annie Perreault.

“Dear Annie:

“I was so proud to see you climb up to the highest step on the podium on February 19. I avidly followed the Olympic Games. Not only was our country represented by its best athletes, but the riding of Compton—Stanstead had its own special representative: Annie Perreault.

“I congratulate you on the medals you so deservedly won. You are finally reaping the reward of years of efforts. Your talent and your willpower are a source of inspiration to all those who aspire to the Olympic Games.

“I thank you, Annie, for so ably representing our country. I hope in the weeks and months to come you may enjoy all the opportunities your exploits bring you.

“You, Annie, are one great Canadian”.

\* \* \*

[English]

**RICHMOND HILL**

**Mr. Bryon Wilfert (Oak Ridges, Lib.):** Mr. Speaker, 125 years ago the town of Richmond Hill had its first town council meeting. At that time Yonge Street was a dirt road, the tallest building in the

town was a new church and the fastest thing on four wheels was a horse and buggy.

Since that time Richmond Hill has grown from a small village on a hill to become the fastest growing large municipality in Canada. The original village is still the heart of the community which covers over 99 square kilometres in York region.

On behalf of the town, Mr. Speaker, I invite you to come out and help us celebrate at any one of the festivities planned for this year.

As a former town councillor, I am very pleased to stand up in the House and congratulate the town of Richmond Hill on its 125th anniversary.

\* \* \*

**CANADIAN CENSUS**

**Mr. Deepak Obhrai (Calgary East, Ref.):** Mr. Speaker, yesterday a young Canadian cried out when the Secretary of State for Multiculturalism rose to defend her government's racial census.

Millions of Canadians share this youngster's anguish. Despite this government's best efforts the citizens of this country want to be recognized as Canadians.

Nineteen per cent of respondents proudly identified themselves as Canadians, with the highest percentage coming from Quebec.

Canada is a land of immigrants. It is by definition a multicultural society rich in diversity and tolerance. This census and this government's agenda to promote policies that do nothing but divide communities are shortsighted and a further threat to national unity and nation building.

Listen to the people and let Canadians be Canadians.

**ORAL QUESTION PERIOD**

• (1415)

[English]

**THE ECONOMY**

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, the Prime Minister once said: “We are moving toward the time when the budget will finally be balanced. When we reach that time”—

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

**The Speaker:** We are going to start again. The hon. Leader of the Opposition.

**Mr. Preston Manning:** He went on to say: “When we reach that time we will allocate every billion dollars of fiscal dividend so that one half will go to reducing taxes and reducing national debt”.

*Oral Questions*

Can the Prime Minister state without qualification, without wriggling, without addition and subtraction, that this promise will be honoured in today's budget?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, it is 2.15 p.m. In 2 hours and 15 minutes the hon. member will be able to confirm what he said earlier, that it looks like we have balanced our books.

Again I can feel the jealousy of the Leader of the Opposition.

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, you will notice that the Prime Minister did not answer the question.

The Prime Minister wriggles, the Prime Minister evades, exactly like he did before the budget when we were supposed to see the killing of the GST.

Why does the Prime Minister look and sound today just like he did before the budget in which he broke his promise to kill the GST?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, to make sure the hon. member did not miss it, we outlined in dark lettering on the side of page 28 the following: "We will allocate our budget surpluses so that over the course of our mandate, one half will be spent to improve our programs, and one half will go to tax cuts and reduction of the debt". It is very clear.

When we have a surplus we will have about a billion dollars. Of course when we split it up there will be \$500 million on one side and \$500 million on the other side over the course of the mandate.

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, this has a familiar ring to it. He drags out the red book and says it is not quite here, it is on the side. He is qualifying, adding, subtracting.

Why is it that the Prime Minister looks and sounds today just like he did before the budget in which he broke his promise to kill, scrap and abolish the GST?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, sometimes we do not manage to do it exactly as we predicted. We said that we would balance the books over a period of five years and we have done it in four years.

I think I will call the Minister of Finance to ask him to change the budget in case we balance it this year. We should probably wait until next year to satisfy the Leader of the Opposition.

**Miss Deborah Grey (Edmonton North, Ref.):** Mr. Speaker, the only people smiling today are the well trained backbenchers in the Liberal government. That is because the surplus was given to them alone. What was supposed to be a surplus for all Canadians, a surplus for weary taxpayers, has turned into a surplus for big spenders only.

• (1420)

Why did the government break its red book promise again and donate a huge wad of this surplus to new spending other than debt and tax relief?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I would rather have people well trained than not trained at all. I hope the Minister of Finance will have money for training so members of the Reform Party can use it to train themselves a little more on the finances of the nation.

**Miss Deborah Grey (Edmonton North, Ref.):** Mr. Speaker, the Prime Minister promised to split the surplus 50:50 between spending and debt and tax relief. He knows it and the Canadian public knows it. Taxpayers are owed that surplus now but they are not going to get it. The Prime Minister says "I am really sorry. Not this year".

Why is it that the Prime Minister stands in his place, shrugs, smirks and sings "somewhere over the mandate?" When is it going to be?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I can see the Reform Party is getting mad and frustrated because of the success of the government. I understand that and we are trying to be as nice as possible. We will train them.

\* \* \*

[Translation]

**MILLENNIUM FUND**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, as regards the millennium fund, there is no indication that the government intends to respect the jurisdiction of the Quebec government, which has been administering, for over 30 years, a loan and scholarship fund that is much more elaborate than those of the other provinces.

Yet, in December 1995, this government passed a motion on Quebec's distinct character and pledged to take note of it and act accordingly.

Why is the Prime Minister, who said the motion meant something, stubbornly trying to duplicate Quebec's own program, through a new standardized Canada-wide program?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, we believe that one of Canada's top priority is to prepare our young people to face the challenges of the 21st century.

Since we got our finances in better shape than anticipated for the year 1997-98, we decided to set some money aside to create the millennium fund, so that young Canadians, including Quebecers, can attend the universities administered by provincial governments and thus prepare themselves to take their place in the 21st century.

*Oral Questions*

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, this takes some nerve. By the year 2002, the federal government will have cut \$10 billion from post-secondary education, and the Prime Minister is telling us about a new program that is being condemned not only by the Quebec government, but also by the Quebec Liberal Party, the students, the teachers and the deans of universities. These people are unanimous in saying that the new program does not meet Quebec's needs.

Given this new consensus in Quebec, why is the Prime Minister stubbornly refusing, in the face of all logic, to give Quebec the right to completely withdraw from the program, with full compensation, as provided in the agreements signed with Jean Lesage, back in the sixties?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I am pleased to see that the hon. member recognizes that Quebec's scholarship program is funded with federal money even though it is administered by the province. I hope they will tell students.

At this time, we are in the enviable position of being able to help students. When the first ministers' meeting was held in December, provincial premiers asked us to make a special effort to help students deal with their debt load, and to help them continue to attend university. Such was the wish expressed by the premiers at the federal-provincial meeting—

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

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

In its January 1994 throne speech, the federal government said, and I quote: "It will be the policy of the Government to seek to clarify the federal government's responsibilities in relation to those of other orders of government, to eliminate overlap and duplication".

Are we to understand that the only original way the federal government has found of clarifying its responsibilities, of eliminating overlap and duplication, is to create a coast-to-coast program of millennium scholarships, a complete invasion of provincial jurisdiction?

• (1425)

**Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.):** Mr. Speaker, I think the member has not yet heard the Minister of Finance's budget speech. She is jumping to conclusions when she says that the millennium fund duplicates what is being done by the Government of Quebec.

What I can tell you is that, as the Prime Minister pointed out, there will be no duplication with what the Government of Quebec is already doing. I am very happy that the opposition is giving us the opportunity to remind listeners that, since 1964, the Quebec

student loans program has been largely funded by the Government of Canada.

**An hon. member:** By our taxes.

**Mr. Michel Bellehumeur:** It is not a gift, it is paid for by our tax dollars.

**Hon. Pierre S. Pettigrew:** So I think we will keep up the good work.

**Mrs. Christiane Gagnon (Québec, BQ):** Mr. Speaker, there are limits to playing with words and concepts.

Will the minister not admit that the scholarship program is aimed squarely at students, that it therefore falls within the field of education, that this is an area of exclusively provincial jurisdiction, and that Quebec already has its own loan and scholarship programs? What business does the federal government have interfering?

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, education is a provincial responsibility and the Government of Canada is not interfering in education.

Financial assistance to students has been a shared responsibility for a very long time now, and many of us here in the House have benefited from it. There is therefore nothing new in this.

In order to improve Canada's competitiveness, the two levels of government must work together and that is what we will do.

\* \* \*

[English]

**TRANS-CANADA HIGHWAY**

**Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP):** Mr. Speaker, I ask this question on behalf of the constituents of my riding, especially the people of River Glade, Salisbury and Petitcodiac.

Will the Minister of Transport immediately forbid the New Brunswick government from charging tolls on the section of the Trans-Canada Highway between Moncton and River Glade, a section of highway that has already been constructed and paid for by Canadians and New Brunswick taxpayers?

**Hon. David M. Collenette (Minister of Transport, Lib.):** Mr. Speaker, the short answer is no. As I have already explained to the House, the contribution made by the federal government has been deducted from the cost sharing that will be reflected in the tolls.

[Translation]

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, my question is for the Minister of Transport.

New Brunswickers have already paid for this road through their taxes. Now they will have to pay even more to line the pockets of

*Oral Questions*

Doug Young and his friends. Doug Young was thrown out on June 2 of last year, and yet he has managed to sneak back in through the back door. Enough is enough.

Will the government finally put an end to patronage and get rid of the idea of a toll highway for once and for all?

[English]

**Hon. David M. Collenette (Minister of Transport, Lib.):** Mr. Speaker, the fact that the NDP is asking these questions three weeks after the issue was dealt with in the House of Commons shows its relevance in Canadian society.

The former minister of transport did nothing wrong and there is nothing wrong with this agreement. In future we should look at whether or not the issue of tolls should be included in federal-provincial agreements.

\* \* \*

[Translation]

**POVERTY**

**Hon. Jean J. Charest (Sherbrooke, PC):** Mr. Speaker, it is all very fine for the government to pat itself on the back today for a balanced budget, but there will probably not be any congratulations forthcoming from the provincial finance ministers.

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

**Hon. Jean J. Charest:** I would like to know whether the Liberal members plan to applaud the fact that there is more poverty, more children living below the poverty line in Canada since their party was elected.

Do they intend to applaud that, or does the Prime Minister intend to raise the \$10,000 basic exemption so that two million low-income Canadians can stop paying income tax and he will finally be doing something to help the poor people of Canada?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the leader of the Progressive Conservative Party will be getting his answer within a couple of hours.

I would like to tell him, however, that, since July 1 of last year, we have injected \$850 million into helping poor families with children. We have made it part of our program to inject another \$850 million over this mandate.

We are greatly concerned by the poverty of families and children in Canada. This is a priority which we included in the throne speech and one which will, of necessity, be reflected in the Minister of Finance's budget.

• (1430)

**Hon. Jean J. Charest (Sherbrooke, PC):** Mr. Speaker, in all honesty, the Prime Minister ought to also acknowledge that all that \$850 million is doing is replacing what has been lost to de-indexation.

[English]

I want to ask a question about jobs, because if we want to help poor Canadians the first thing we should do is try to create jobs.

We quoted time and time the fact that the American economy has lower taxes, more growth and more jobs. Here in Canada also, in Alberta, there are lower taxes, more growth, more jobs.

Will the Prime Minister commit to lowering taxes to create jobs for Canadians?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, these deindexations were done by the Conservative government before we formed the government.

The second point is yes, we are very preoccupied with jobs. Because we made sure that the finances of the nation are in good shape, the economy is much better.

For example, we all know that more than a million new jobs have been created in the four years of Liberal administration, something that was the goal of the leader of the Conservative Party during the election for the coming five years, and we managed to do it in the last four years.

\* \* \*

**THE ECONOMY**

**Mr. Grant McNally (Dewdney—Alouette, Ref.):** Mr. Speaker, unlike the Prime Minister I have consulted constituents in my own riding about how any budget surplus should be spent, and 87% of the respondents indicated that at least 50% of any surplus should go to debt elimination.

My question is for the Prime Minister. He had a promise for Canadians, not a side margin promise but a promise when he said that 50% of the surplus would go to debt and tax relief.

How could he promise that when he knew all along that he would blow any surplus on new spending?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, as the hon. member knows, at 4.30 p.m. there will be the presentation of a budget in the House.

I am sure the hon. member will be here to listen to the budget, for a change. I look forward, in coming days as we move into the budget debate, to listen to the hon. member speak in favour of these government initiatives.

*Oral Questions***TAXATION**

**Mr. Rahim Jaffer (Edmonton—Strathcona, Ref.):** Mr. Speaker, my family and I own a small coffee shop near the University of Alberta, so I know firsthand the problems of youth unemployment. Most of our employees are students but when payroll taxes go up I have to look for ways to reduce expenses. That usually means another hard working young person is out of a job.

When will the minister realize that job killing payroll taxes are robbing young people of a future? When will the government wake up and smell the coffee?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the hon. member should know that payroll taxes have been reduced. We reduced payroll taxes by \$1.4 billion starting January 1 when we reduced the employment insurance payments by employers and employees.

\* \* \*

[Translation]

**BILL C-28**

**Mr. Stéphane Bergeron (Verchères, BQ):** Mr. Speaker, on the shipowner-legislator issue, we learned last week that it was not until the matter was raised by the Bloc Québécois that the advice of the Prime Minister's ethics counsellor was sought.

I have a very simple question for the Prime Minister: What good is the advice of an ethics counsellor when it is sought after the fact?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, they are trying to attack the Minister of Finance instead of his actions. This explains why the members of the Bloc Québécois have asked only one question on the economy since the House resumed sitting.

They had a single goal: to destroy the finance minister's credibility. They did not and will not succeed.

**Mr. Stéphane Bergeron (Verchères, BQ):** Mr. Speaker, I suggest the Prime Minister should come to the House more often, he might hear our questions on the economy.

Is the Prime Minister basically telling us that the reputation of the man who is about to table the federal budget depends only on the advice of an official appointed by him, paid by him and accountable to no one but him and who basically says what he wants him to say?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, now they are attacking the ethics counsellor, who appeared before the House committee to clarify his position and his actions.

They cannot attack the Minister of Finance on what he has done. I checked; as far as I could see, they have put only one question on the economy since the House reconvened. They are trying to destroy the Minister of Finance.

• (1435)

Again, the Minister of Finance is a man of integrity and honesty, who has the confidence of the Prime Minister. He will make an excellent budget speech today and this smear campaign will not take away from his merit.

\* \* \*

[English]

**TAXATION**

**Mr. Darrel Stinson (Okanagan—Shuswap, Ref.):** Mr. Speaker, Florence Shannon from Tappen in my riding of Okanagan—Shuswap is a senior citizen. She pays so much tax and has such a small pension that she wrote to the Prime Minister through me. I quote:

Thank you for dictating to me how I must spend my money. This means I do not have your permission to own anything. Thank you for making my old age like living in hell.

Will the Prime Minister tell Mrs. Shannon and other senior citizens why he is treating the taxpayers' surplus as if it was his own money?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, let us be perfectly clear. The government need not take any lessons from the Reform Party on taxes.

We are the government that with the support of Canadians has battled down a \$42 billion deficit, which is the only reason why today we are able to talk about a potential fiscal dividend. It is because of the actions of this government, and we will continue on that front.

**Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.):** Mr. Speaker, if the nation's finances are in the black today it is because Canadian taxpayers are in the red.

A constituent of mine, Robyn McGregor, is a single mother struggling to make ends meet because of the high tax policies of the government. Her 11 year old son Nathan requires dental work, but high taxes means no trip to the dentist.

Why is it so easy for the Prime Minister to say no to relief for taxpayers like Robyn but to say yes to lavish spending by his cabinet ministers?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, I invite the hon. member to make sure that he is here at 4.30 p.m. so that he can stand and applaud the budget of the government and the speech of the Minister of Finance.

*Oral Questions*

[Translation]

**DON CHERRY**

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, my question is for the Minister of Canadian Heritage.

The media commented at length on the insulting remarks made by Don Cherry toward Quebecers, on the CBC network.

Does the heritage minister disagree with Mr. Cherry's comments? If so, will she express her disagreement to the crown corporation?

**Hon. Sheila Copps (Minister of Canadian Heritage, Lib.):** Mr. Speaker, I know Don Cherry well and I do not always agree with him, particularly when he talks about Jean-Luc Brassard who, after all, is a world champion and has been known around the world for years as one of the best skiers.

Having said that, I want to ask the hon. member a question. Given that Canada won 15 medals at those Olympic Games, our best ever, why would the Bloc Quebecois not congratulate the Canadian athletes for their achievements?

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, I am prepared to forgive the minister. We have been congratulating our athletes during Statements by Members since last week, but as the minister was in Nagano, she could not possibly know that.

The minister is using an easy way out to avoid answering the question, even though she herself said, the day after the referendum, that Radio-Canada should change its tune and stick with its mandate.

Does the minister not agree that she should intervene and express her strong disagreement? Now is the time to defend Quebec.

**Hon. Sheila Copps (Minister of Canadian Heritage, Lib.):** Mr. Speaker, I said clearly that I do not agree with Don Cherry's comments. But it is also true that if I told Radio-Canada what to say, the Bloc Quebecois and the hon. member would be the first ones to condemn us for interfering in the affairs of Radio-Canada.

\* \* \*

• (1440)

[English]

**YOUTH**

**Mr. Inky Mark (Dauphin—Swan River, Ref.):** Mr. Speaker, my question is for the finance minister.

Kyle is from my riding. He is 21 years old, currently unemployed. He is a seasonal construction worker and owes more than \$25,000 in student loans. How can Kyle afford to live, let alone pay down his student loan? Kyle wants to finish his education and

cannot wait for, as the media calls it, the little guy from Shawinigan memorial fund.

How will the finance minister put more money into Kyle's pocket rather than his?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, in fact in less than two hours the Minister of Finance will bring down his budget and all these questions may be addressed.

Let me say this, Mr. Speaker. That is good news for the government. That is not good news for the opposition.

\* \* \*

**TAXATION**

**Mr. Ted White (North Vancouver, Ref.):** Mr. Speaker, like many other urban ridings across Canada, North Vancouver is home to a lot of small businesses many of the owners of which work 14 hours a day, 7 days a week to fill the coffers of the finance minister. Often those owners take home less in pay to support their families than they pay in corporate and payroll taxes to this government.

Why is the Prime Minister dishing out more money for lavish and wasteful spending for his cabinet ministers when he should be giving tax relief to the small business job creators of Canada?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, I am not sure how long I can stand in my place and say this before the opposition members understand.

In less than two hours the finance minister will stand in his place and announce and read the budget speech. That is in fact what he will do. Again it will be good news for Canadians, perhaps not good news for the members of the opposition.

\* \* \*

[Translation]

**EMPLOYMENT INSURANCE**

**Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ):** Mr. Speaker, my question is for the Minister of Human Resources Development.

This morning, Statistics Canada once again confirmed the sharp drop in unemployment insurance recipients. Between 1996 and 1997, the number of unemployed decreased by only 4%, yet the number of persons drawing unemployment insurance dropped by 17%.

What is the minister waiting for to put an end to the most negative aspects of his so-called unemployment insurance reform?

**Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.):** Mr. Speaker, we have embarked on a major reform of employment insurance. This government is indeed concerned about the drop in the number of people in the system, a trend confirmed by the figures that have been released.

What I can say is that I have already asked my department to provide us with further detail on what that figure represents. If the opposition already has the answer, they are most fortunate. I believe that the nature of the figures has not been clarified. The EI eligibility criteria alone do not explain this phenomenon. There are other elements, and I want to understand them before I reach a decision.

\* \* \*

[English]

#### UNITED NATIONS SECURITY COUNCIL

**Mr. Jacques Saada (Brossard—La Prairie, Lib.):** Mr. Speaker, my question is for the Minister of Foreign Affairs.

Canada is once again in a position to be named to the UN Security Council. Will the minister explain to the House how members in a non-partisan manner can assist in promoting Canada in this endeavour?

**Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.):** Mr. Speaker, in recent days we have seen how important the security council is to contributing to peaceful solutions. We believe that Canada has an opportunity to make a major contribution.

We have seen how much MPs have been useful in helping in the land mines issue around the world talking to their colleagues. I hope that we can count on the commitment of every single member of Parliament to help bring about the election of Canada to the security council so we can make a contribution to peace and security. I hope all the leaders will make sure that is endorsed.

\* \* \*

#### THE DEBT

**Mr. Eric Lowther (Calgary Centre, Ref.):** Mr. Speaker, the residents of my riding of Calgary Centre are concerned about the debt load that is being left to all our children. That debt was increased by \$100 billion by this government opposite. Let us never forget that.

I asked the residents in my riding: What would you do if you were the finance minister? Seventy per cent of respondents said priority one is debt retirement.

• (1445)

Why is this government ignoring debt retirement as a priority and is stuck like an addiction on increased spending?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, Canadians have waited nearly 30 years for what the finance minister may announce today. Surely the opposition can wait two more hours. Let me be very specific. The big hand is on the six. The little hand is on the four. Altogether, 4.30. I hope they are here to listen to the finance minister.

#### Oral Questions

#### TAXATION

**Mr. Reed Elley (Nanaimo—Cowichan, Ref.):** Mr. Speaker, the Liberals across the way gloat but they gloat at the taxpayers' expense and all Canadians know that.

In my riding and in every community across this country there are families that are struggling to make ends meet. Year after year they see more of their income taken away in taxes. These are the people who balanced the budget, not the Liberals. They are the ones who will pay off the Liberal-Tory mortgage. Canadians deserve a break.

Why is the Prime Minister treating the taxpayers' surplus as if it was his own money and already blowing it on new spending?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, as has been said often by members on this side of the House, it is because of the hard work and the support of Canadians that we have been able to accomplish the successes we have had as a government. It is with the support of Canadians that we will be able to allow Canadians in partnership with the government to go into the next century working hard together and building Canada.

We have no lessons to take from the Reform Party. If those tax changes that the Reform Party continues to talk about in any way imperil the finances of this government, it is not what Canadians support. We will continue on our track.

\* \* \*

#### FISHERIES

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP):** Mr. Speaker, the Minister of Fisheries and Oceans has stated to our committee that there is no 12-mile protection zone around Langara Island on B.C.'s west coast from commercial trawlers. However, DFO documents clearly state otherwise.

He has also stated that one should never give allocation of quota from one sector of the fishing industry to another. This is exactly what has happened when DFO cut off chinook salmon to the B.C. fisheries and gave it to the sport fishing institute. Miss Velma McColl, who worked for that sport fishing institute, is now the minister's assistant in B.C.

Why does this government allow DFO to have a policy which helps the minister's friends in B.C.—

**The Speaker:** The hon. parliamentary secretary.

[Translation]

**Hon. Gilbert Normand (Secretary of State (Agriculture and Agri-Food)(Fisheries and Oceans), Lib.):** Mr. Speaker, the hon. member is referring to a specific case. I will have to obtain the

*Oral Questions*

necessary information before I can respond. I will be pleased to provide him with an answer next time.

\* \* \*

[English]

**IMMIGRATION**

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

The immigration legislative review hearings are beginning in Vancouver this week. I have met with a number of local organizations. There is increasing concern because the minister has not allowed anywhere near adequate time for people to respond and be heard.

Will the minister give the community more time to be heard and assure us that the recommendations, as suspected by many, will not be forced through in a big rush?

[Translation]

**Hon. Lucienne Robillard (Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, first of all, the report submitted for public consultation is not a government report. It was done by three individuals not connected with either the government or the Department of Citizenship and Immigration.

Second, yes, there will be public consultations. Initially, I had announced I would conduct five days of consultations across the country, but we have doubled that figure in response to pressures from a variety of groups. There will therefore be consultations across the country for 10 days, providing many interested parties with the opportunity to be heard in connection with this report.

\* \* \*

[English]

**THE ECONOMY**

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, today is an important day for all Canadians who have sacrificed heavily.

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

**Mr. Scott Brison:** Mr. Speaker, before the seals become too excited, they should realize that *The Economist* magazine says much of the credit for the fiscal surplus is due to structural changes made by the Conservative government in the early 1990s.

• (1450)

Let us face it. The real heroes are ordinary Canadians who have suffered under Liberal cuts to health care and education and who have suffered under the highest taxation of all the G-7 countries. Will the Prime Minister give a millennium tax—

**The Speaker:** The hon. parliamentary secretary.

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, the last Conservative budget, and God willing the last ever, projected government spending would rise this year to \$128 billion. That is more than \$20 billion higher than will actually happen. How much money does the Conservative Party think would be left for tax cuts if we stuck to its plan?

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, what Canadians will see this afternoon in this budget is not necessarily what they will get. The Minister of Finance may have black ink on his hands but Canadians are still covered in red ink. Personal debt is up. Personal savings are down. Personal bankruptcies are up. Personal income in terms of take home pay is down. And the Prime Minister and his party are actually celebrating over there.

Will the Prime Minister offer Canadians broad based tax relief so they too can be in the black?

**Mr. Tony Valeri (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, again I would have to remind the member that he should be in this House at 4.30 p.m. to listen to what the budget has to say.

I find it absolutely incredible. Listening to the Tories talk about taxes is like watching someone return to the scene of the crime.

\* \* \*

**DISASTER ASSISTANCE**

**Ms. Sophia Leung (Vancouver Kingsway, Lib.):** Mr. Speaker, my question is for the minister of agriculture.

The Reform member for Prince George—Peace River accused the government of having one set of rules for compensating farmers for losses because of the ice storm and different rules for the farmers in Nova Scotia and the Peace River area of B.C. and Alberta. Can the minister tell this House clearly what the rules are for disaster assistance in Canada?

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, I can certainly clarify it very easily.

There is a net income stabilization account available to all farmers in Canada. There is crop insurance available to all farmers in Canada. There are companion programs available to all farmers in Canada.

When a province calls upon the disaster funding assistance agreement as was the case in the Saguenay, the Red River and Ontario and Quebec recently, we treat them the very same. If the provinces of Alberta, British Columbia and Nova Scotia wish to call upon that agreement, this government will discuss it with them, but to date they have not done so.

*Oral Questions***CALGARY DECLARATION**

**Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.):** Mr. Speaker, yesterday when I asked the Minister of Intergovernmental Affairs about promoting the Calgary declaration in Quebec, he replied that according to all the information we have, including polls, the Calgary declaration is strongly supported in Quebec. The minister's answer reflects the same overconfidence this government had prior to the 1995 referendum.

What consultation and what polling is this minister referring to that gives him this confidence? Will he make that information public?

[Translation]

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, here are the results of a December 8, 1997 Angus Reid poll.

"The Canadian Constitution should recognize the unique character of Quebec society"; in Quebec, 85% agreed with the statement.

"It is desirable for the federal parliament and the provincial legislatures to recognize the unique character of Quebec, while affirming the principle of provincial equality"; 80% agreed.

"It is possible to reform the Canadian federation on the basis of these two principles"; 69% agreed.

[English]

Enviroics, October 1997: Would you say you support what the premiers have proposed? Support, 61% in Quebec. Opposed, 39% in Quebec.

\* \* \*

• (1455)

[Translation]

**HEPATITIS C VICTIMS**

**Mrs. Pauline Picard (Drummond, BQ):** Mr. Speaker, since the federal government has primary responsibility for the blood supply system, since the provinces already defray the health costs of hepatitis C victims and given the huge cuts made in transfer payments to the provinces for health, is the federal government prepared to take into account the substantial amounts already paid by the provinces for the treatment of hepatitis C victims in negotiating compensation for these people?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, it is in the best interest of the victims of this tragedy for both levels of government, federal and provincial, to work together to compensate victims.

I am working on it. I have already met with my counterparts and I hope that, within a few days, we will be in a position to meet these important needs.

\* \* \*

[English]

**POST-SECONDARY EDUCATION**

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker, funding for post-secondary education for deaf students in Ontario will be folded into the OSAP. Deaf students will join the ranks of thousands of others in raking up debts to get a post-secondary education, only for these students it will be much worse. They will have to assume expenses of up to \$60,000 for sign language interpreters, notetakers and tuition to specialized universities.

Does the Prime Minister agree that students with disabilities should pay more for their education? If so, could he tell me exactly on what page and at what paragraph in the budget this will be addressed?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I do not have the budget documents yet. I will have them in one hour and 37 minutes.

\* \* \*

[Translation]

**EMPLOYMENT INSURANCE**

**Mr. Jean Dubé (Madawaska—Restigouche, PC):** Mr. Speaker, in December, the government maintained employment insurance premiums at \$2.70 in spite of the fact that the actuary in charge of the EI fund believed the fund could run on a \$2 premium.

In his very first budget, the Minister of Finance stated that payroll taxes were a barrier to employment.

Will the minister draw inspiration from his own words and give small business and Canadian workers the tax break they deserve, which is required to promote job creation?

**Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.):** Mr. Speaker, I thank the hon. member from the Conservative Party for giving me this opportunity to explain that, two months ago, we reduced employment insurance premiums by \$1.4 billion.

This cut in the EI account is over four consecutive years. I realize that the Conservatives have a problem grasping this, but we are fiscally responsible. We have the people's interests at heart and intend to ensure that, should the economy falter, we will not have to raise premiums when the situation is at its most difficult, as the Conservatives did.

*Points of Order**[English]***JUSTICE**

**Mr. Andrew Telegdi (Kitchener—Waterloo, Lib.):** Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of Justice.

In upholding an acquittal of a man charged with sexual assault 11 days ago, a justice of the Alberta court of appeal made inappropriate comments about the complainant's mode of dress, suggesting she "was asking for it".

What is the justice minister going to do to protect the women of this country from these kinds of outrageous comments and rulings which suggest that no means yes?

*[Translation]*

**Ms. Eleni Bakopanos (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, first of all, I would like to thank my colleague for this important question.

I cannot comment, however, as there may be an appeal. I must say that the federal legislation is clear: no means no.

*[English]*

We have to challenge the myths and stereotypes, including the view that a victim, usually a woman, has to forcibly resist to indicate denial of consent.

Let me assure all members of the House that this government will stand behind the legislation, including the new rape shield legislation, so that victims will not be victimized again by the justice system.

\* \* \*

● (1500)

**POINTS OF ORDER**

## BUDGET DEBATE

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Mr. Speaker, my point of order concerns the arrangements for the debate this afternoon which will begin later on.

The standing orders of the House were drafted to accommodate three parties in this House. The electorate has of course sent five.

I am seeking unanimous consent to put forward a motion to alter the arrangements for the putting of amendments and subamendments to the budget debate. This would have the effect of keeping the Reform amendment before the House until the final day of the budget debate.

It would also permit the Bloc Quebecois, the New Democratic Party and the Progressive Conservative Party to put subamendments to the House for a vote as well.

**The Speaker:** I think we get the gist of it now. Does the hon. member have the agreement of the House to put forth a motion?

**Some hon. members:** No.

## MINISTER OF INTERGOVERNMENTAL AFFAIRS

**Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.):** Mr. Speaker, it was apparent from the answer given by the hon. Minister of Intergovernmental Affairs that he was reading from polling data.

I ask that the minister table that poll in this House.

**The Speaker:** The hon. minister has a document with him it seems. The page will pick it up and it will be tabled in the House.

## BUDGET DEBATE

**Mr. John Solomon (Regina—Lumsden—Lake Centre, NDP):** Mr. Speaker, my point of order concerns the arrangements for the debate on the budget which will begin later this afternoon following the Conservative point of order.

The standing orders of the House were drafted to accommodate three parties in the House, but the Canadian electorate last June sent five parties to this House.

I am seeking unanimous consent to put forward a motion to alter the arrangements—

**The Speaker:** My colleague, there are two parts to putting forth a motion. The first is to get the approval of the House to put a motion and the second is to hear the motion itself.

Does the hon. member have unanimous consent to put forth a motion?

**Some hon. members:** No.

## QUESTIONS

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Mr. Speaker, over the course of this Parliament we are using a 35 second time limit for questions and answers. But as a result of prolonged applause or heckling at times, I am experiencing that members of our party and I suggest other members of the House are often cut off because they do not have time to get their questions out.

I am sure the Speaker is cognizant of this but I would ask your indulgence at times when a person does not have the ability to put the question forward.

● (1505)

**The Speaker:** The hon. member's point is well taken. The hon. House leader of the Reform Party brought this point up to me earlier on.

I have taken it upon myself that where there is either prolonged applause or non-applause I give a bit of room. I hear where the applause starts and then I try to make the adjustment as close as I

can. I will go over a bit, but not too much. This House has agreed that it will be 35 seconds for questions and 35 seconds for answers. I try to come in under that basis but members will have to leave me a bit of room to manoeuvre.

**Mr. Ken Epp:** Mr. Speaker, on this point of order, it is illustrative to know that today the longest time spent in questioning was by the Conservatives. They averaged 42 seconds.

**The Speaker:** I am going to have to be like the referee in a hockey game. I am the only one who can bring in a whistle, which means a clock.

#### BUDGET DEBATE

**Mr. Randy White (Langley—Abbotsford, Ref.):** Mr. Speaker, we have seen today two points of order asking for a unanimous consent in the House.

Recently we saw in the House unanimous consent being asked five times in one day on the same issue. Would it be the Speaker's intention to hear this point of order identical to the one we have just heard from the NDP and the Conservatives?

**The Speaker:** Your Speaker would have to be clairvoyant to know what every member is going to say. I would have to hear what every hon. member has to say before I would make any kind of decision.

In direct answer to your question, I will hear as many points of order as the House would want me to hear. After I have heard up to a certain point where I can figure out what they are doing, I would put a question, for example whether there is permission to put a motion. We would go from there.

**Mr. John Nunziata (York South—Weston, Ind.):** Mr. Speaker, I do not believe that the matter has been clarified. It is important that the Speaker clarify this.

The point that was raised was that on occasion, given the rules of this House, unanimous consent is required in order to take a particular course of action. The point is that once unanimous consent is not given to a particular proposal, is it possible for that same proposal or that same initiative to come forward time and time again on the same day?

It seems to me if unanimous consent is denied when the question is put ab initio that should be the end of the matter for that day. Otherwise we are faced with a situation that defeats the whole purpose behind that rule that says you require unanimous consent in order to take a particular course of action.

If a single member of Parliament decides for whatever reason to deny unanimous consent in order to ensure that a particular initiative does not come forward on any given day, that person has to be glued to his or her seat for the entire day. That is not in keeping with the intent of that rule.

#### Government Orders

**Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, instead of having a prolonged debate as to whether we should change the rules, I respectfully suggest to the House that in April we will be debating rules generally. These are points hon. members might want to bring up at that time, either for or against a particular proposition.

• (1510)

It is provided for in our rules and it is scheduled as per an agreement between House leaders to take place at some point in April.

I suggest that would be an appropriate time to make that contribution on the topic in question.

**The Speaker:** Once again, the rules of the House are those that have been decided by the House. I, like you, am bound by the rules. There has to be a certain sense of fairness and there has to be a certain flexibility in the House.

What if an hon. member brings up a point for unanimous consent and it is refused. The other House leaders could come together and decide that maybe there was a mistake and the same point is brought up again.

That is why I give myself and all the Speakers, of course, the latitude to at least hear enough to find out which way this is going.

I hope this would not be abused by members of the House where one or two or ten members would go through the whole thing. I think once we got the feel of it, we could make the decision at that time.

The House can take care of itself, I believe. We will continue to be as flexible as we can, always in keeping with the spirit of the rules of the House.

---

## GOVERNMENT ORDERS

[English]

### CANADA LABOUR CODE

The House resumed consideration of the motion that Bill C-19, an act to amend the Canada Labour Code (Part I) and the Corporations and Labour Unions Returns Act and to make consequential amendments to other acts, be read the second time and referred to a committee.

**The Deputy Speaker:** When the House broke for question period the hon. member for Souris—Moose Mountain had five minutes remaining in his allotted time.

**Mr. Roy Bailey (Souris—Moose Mountain, Ref.):** Mr. Speaker, I appreciate the opportunity to complete a few thoughts I had regarding this bill.

Time is a wonderful thing for having Canadians look back on a bill with some reflection. Although we are discussing this bill at the present time, let us look down the road about a month's time.

*Government Orders*

Just like people now looking at the CPP, they now have some questions to ask about the government's investment board. Just like people who have recently passed Bill C-4, the Senate decided it had better have a better look.

We should have a permanent and fair resolution process in order, something that is far removed from the desires of the government, something that is far removed from the whims of the government at any time.

That is exactly what Reform's position is, something that will get government out and allow the employees and the employers to have a peaceful settlement over the course of action.

I want to draw one conclusion as it relates to some of the ambiguous terms of this. It says that this board that comes together can have a work stoppage if public health and safety are at risk.

In Saskatchewan we can have blizzards at any time. Many times we have blizzards without even the weather forecast coming in. The highway workers are on strike because public health or safety are not considered to be involved.

However, as my hon. colleague from Cypress Hills—Grasslands mentioned, what about ambulance services being involved? The highway workers are on strike and the roads are blocked. What if somebody dies on the way to emergency care?

This type of legislation does not solve anything now or in the future. We do not need government interference. What we need is for both parties to understand that they can rely on fair and equitable treatment to be in place and that the government's hands will be completely off. There will be a final selection arbitration which will be an effective tool and will permanently resolve all the disputes we have had in labour issues under the previous administrations.

• (1515)

I beg the House to take a good look at the bill. It does nothing to solve labour disputes in Canada.

**Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.):** Mr. Speaker, it is my pleasure to speak to Bill C-19, the Canada Labour Code part I amendments.

My colleagues have pointed out to the House some of the concerns we have as a party about the direction in which the bill is going. I echo those concerns.

I cannot understand how a government with clear conscience could take away individual rights as guaranteed under the charter. We have heard from my hon. colleague from West Vancouver—Sunshine Coast his concern about the sharing of names, addresses and phone numbers without the permission of individuals. I do not know if people can understand and appreciate how serious a violation that is of the Privacy Act.

We have had many conversations with the privacy commissioner on how difficult it is to protect the rights of individuals. When we see a government deliberately bringing in legislation that challenges one of its laws, in this case the Privacy Act, we have to wonder in what direction it is going.

Canadians should have the opportunity to understand that the government is washing over issues. It is changing the name of the Canada Labour Relations Board. It is becoming the Canada Industrial Relations Board. It is changing the term of the chair and the vice-chairs from 10 years to 5 years.

We have seen what happens when the government appoints people to such positions for one year or ten years and then tries to remove them because they are not doing the job properly or they are not being accountable.

This board will not be accountable to anybody. Somebody will be replacing Ted Weatherill. I do not know whether members have already forgotten about this individual who thought absolutely nothing of spending \$700 for a dinner for two in Paris. That is the kind of judgment that will be leading this board. I understand he will be replaced by somebody who is more frugal, who understands that it is not his money but the taxpayer's money. Hopefully he will show greater leadership.

When a government appoints six permanent members and as many part time members as cabinet feels is necessary, it frightens me and it frightens Canadians. We have seen organizations like the parole board and the refugee review board that have expanded on patronage appointments. These boards are quasi-judicial and are not accountable to anybody. We cannot remove the appointed people unless there is criminal activity or something as great as that. They cannot be removed because they are incapable or incompetent to do the job.

It is up to cabinet to determine how many of these people are necessary. This removes from the House of Commons any ability to hold people on these boards accountable to Canadian taxpayers who are paying their salaries. In many cases we are talking about substantial salaries. We are not talking about a \$7 per hour minimum wage.

It concerns me how the government continues a practice I have seen over the last four or five years of removing responsibility from the elected body, the House of Commons, and placing it in the hands of the executive body of government. By placing control and policy making in the executive branch of government, it is removing governance from the people of Canada. It is a very dangerous practice which the government continues to carry on.

• (1520)

If Canadians knew the degree to which this was occurring they would be very concerned to see that the governance of the country is being removed from elected individuals in the House of

Commons who are accountable to the people, to a group of people who sit on the front bench and are not accountable to anybody.

That is another concern I have with this legislation, along with many others we have seen passed by the Liberal government. It goes in the wrong direction.

Another issue that causes me great concern is that the Canada Industrial Relations Board can certify a union without the support of the majority of employees. It flies in the face of democracy when a board, which is out of reach of anybody, can arbitrarily go into a business and declare there will be a union even though the majority of the employees do not want it. That is arrogance at the very worst.

I do not think Canadians appreciate that direction from the government. It is unconscionable to believe that the democratic principle of the majority of people making decisions that affect their livelihood is not being respected.

The government is throwing the weight of the executive branch over the elected branch, the elected House of Commons. The government is not respecting the privacy rights of every Canadian. The government does not support the democratic principle of the majority making decisions. What else will we see from the government? Those are the basics of a democracy. The government does not show an appreciation for that. Nor does it have any respect for that democratic process and principle.

What do we have in this piece of legislation? We have a situation where an individual can belong to a company. Maybe 30% of the employees decide they want to unionize for whatever reasons, perhaps because they have been pressured by individuals who know their addresses and phone numbers. The next thing we find is that the company has closed and moved out of town like we saw in Montreal not long ago. That takes jobs out of this country.

Maybe I got the message wrong, but I thought the government was concerned about jobs for Canadians. When a government starts bringing in legislation that drives the business community out of the country, the people who provide the jobs for young and old Canadians, what is the point?

If the government continually brings in legislation that forces the business community, either through legislative policies that interfere with the ability to operate a business in a profitable manner or through overtaxation, God knows how many business people such as the one I have spoken to over the years prior to the election, will actually leave Canada and go to the United States of America or even to South America.

If the government is intent on creating jobs and creating an environment to encourage business, to encourage investment and to encourage the creation of jobs, it is certainly going in the wrong direction. The government had better take another look at the

### *Government Orders*

legislation. It had better make some amendments to it or maybe even scrap it. I suggest it should do it tomorrow rather than leave it any longer.

**Mr. Jim Abbott (Kootenay—Columbia, Ref.):** Mr. Speaker, I count it a privilege every time I have the opportunity to speak in the House on behalf of the people of the constituency Kootenay—Columbia.

In my constituency I have quite a mix of people in terms of who they work for and what their jobs are. I would dare guess that approximately 20% to 25% of my workforce works in a unionized workforce. It is therefore important to put on record for them exactly how I see the bill and exactly how I see the impact there will be on workers.

• (1525)

There are companies and unions in my constituency. Most important, there are the people who live and work in my constituency. I am concerned primarily about the effect of this kind of legislation on the people in the unionized workforce.

There is deep concern about the fact that clause 50 of Bill C-19 allows the board to ignore the privacy interests of workers and to order an employer to disclose the names and addresses of "employees whose normal workplace is not on premises owned or controlled by the employer" if a trade union needs the information to solicit trade union membership. The Canada Industrial Relations Board should not be allowed to do this. Clause 50 should be repealed.

We have an issue in Canada of privacy of information. It is not right that unions should be able to exercise their ability under clause 50 to access private mailing information of workers. Why? Because we are not just talking about a union versus management situation. We are really talking about, to a very great extent, a union versus union situation or a recertification process that might be undertaken. The invasion of the privacy of the workers in my constituency is absolutely unacceptable.

The board is prepared to rely on the inherently unreliable and undemocratic card based system, even though in union raid cases the board has said:

Excellence has taught us in cases of union raids, a vote should be ordered so that the employees may choose freely, within the privacy of the polling booth, which union they wish to have as their representative.

That comes from a case between the Communication Workers of Canada and the Communications Union of Canada. One would think that the board would realize a vote should be ordered in all cases and not just in the case of a fight between trade unions.

The statement of Professor Paul Weiler of Harvard University is compelling. He states:

*Government Orders*

A secret ballot vote has a symbolic value that a card check can never have. It clears the air of any doubts about the union's majority and also confers a measure of legitimacy on the union's bargaining authority, especially among pockets of employees who were never contacted in the initial organizational drive.

A secret ballot, particularly in something as critical as whom the union will be representing or whether it should be certified or decertified, must be behind the curtain of a private ballot where each employee can make a choice without fear of coercion.

I am not suggesting that there are any unions or union organizers in my constituency who would do that. However we are talking about the entire country of Canada. We are talking about a very large workforce. Surely at some point there will be unfair, undue coercion.

Furthermore, we are in a democratic country where we can make choices about who will be elected to represent constituents in the chamber. By the same token workers must have an uncoerced right to make the choice of who will represent them in the workplace or indeed if they are to be represented.

Probably the most onerous part of the proposed legislation is that the Canada Industrial Relations Board will be able to override the vote should a vote take place. I submit that neither the Canada Industrial Relations Board nor any other body should have the capacity to rationally discharge a task which involves nothing more than wild speculation.

• (1530)

This section of legislation is targeted against employers who may become involved in an unfair labour practice. Again, nobody is without fault. Knives have a tendency to cut going in both directions. If some union organizers can get off base, surely from time to time some employers can get off base. But what is the remedy proposed?

The remedy proposed is that the board would override the democratically expressed will of the workers. For example, the dangers associated with this type of law were demonstrated when the Ontario Labour Relations Board, ignoring the will of the workers, certified the United Steelworkers of America as bargaining agents for workers in a Wal-Mart of Canada store in Windsor.

The House should know that the workers voted 151 to 43 against union representation. The Ontario Labour Relations Board, having determined to its satisfaction that there had been unfair labour practices, then simply overrode the will of the workers. This kind of law is very dangerous.

In the time I have had the privilege of being the Member of Parliament for Kootenay—Columbia, I have received many excellent representations from employers, from employees, from unions and from their workers. I have one such representation in my hand

from some of the workers who are working with the Brotherhood of Locomotive Engineers. In the last labour dispute that was settled by back to work legislation, they have pointed out in a fair amount of detail exactly where they ended up getting the short end of the stick.

As a matter of fact, they have made the point that during the course of a year the locomotive engineers will actually be negative \$8,700 of income as a result of that settlement.

I take this kind of representation from them, particularly when I receive it from individual members, very seriously. I recognize that in the back to work legislation that was cobbled together at the last minute by the Liberals there were areas that gave disadvantages to the workers in my constituency.

The Reform Party is simply proposing that rather than going into the band-aid approach and once again lurching forward to a point where there will be work stoppages, and unfortunately there will be work stoppages on the railway, with grain handling and other areas that are actually under the jurisdiction of this federal legislation, we recognize there will be work stoppages and we are saying that this legislation is grossly inadequate, does not answer the question and comes up with the problems that I have already detailed.

The Reform Party supports the concept of final offer selection arbitration. This is a preferred method of binding arbitration.

In taking a look at this proposal, it brings a new fresh approach to this very contentious problem. It puts the workers and the companies on an even plane but, most important, it deals with the issue of the tremendous national negative economic impact should a work stoppage occur.

I implore the government to set aside Bill C-19 at this point or at least if it gets through the House and gets into the committee to seriously take a look at Reform's idea of final offer selection arbitration. It would be good for the workers. It would be good for the companies. The most important thing is it would be good for Canada.

**Mr. Ken Epp (Elk Island, Ref.):** Mr. Speaker, I am greatly honoured to stand in this place and speak about one of the most important and fundamental issues facing our country, the relationship people have with one another in the workplace.

• (1535)

I often think the role of government should be to reduce coercion. If we are a free democratic society that believes in the freedom of individuals, then the government should have a role to reduce the lack of freedom certain individuals have in the workplace.

I have had a varied work experience in my short lifetime. Having worked in locations with and without union agreements, it is not at

*Government Orders*

all clear to me that the best place to work is where there is a union shop. There are pluses on both sides.

I remember fondly decades ago being a student and working as a truck driver. Members can see I picked up some of the truck driver characteristics and never lost them. I had a wonderful experience working for a Saskatchewan firm. I was able to earn \$1 an hour and I made more money than I knew how to use. Educational expenses were reasonable in those days and I went year to year with a balanced budget.

I came out at the end without a debt. I had only my taxes to pay when I got my first job. That was my way of repaying the student loan which I did not have but which I am paying to this day, gladly so because my education provided me with a greater income and has provided me with the ability to pay higher taxes. I gladly pay them, to a limit.

I worked in a non-union shop. We were paid by the hour at the going rate. I was paid less than most of the people I worked with because I was part time student help. Some of the others in our shop were paid more. I benefited greatly from the fact this was not a union shop. I tried very hard. Since I came from a farm in Saskatchewan I learned to work hard and never to complain about long hours. As a result I ingratiated myself to the boss.

Since he had the flexibility not to give all the trips to the guys with the seniority, he gave me some of those long trips. He knew I could be counted on since I was one of those strange people who did not drink. He knew that if I went on a trip I would find my way home again. As a result I got priority over some of the others.

If that were a union shop there would have been trouble. The union would have said that another individual had seniority and should be able to get the job. Our business did well. I say our business because I felt a part of it. I was a good contributing member of the business. I did my best and we had a good relationship, a win-win relationship.

I contrast that with other situations in which I have worked where the union was involved and where I got the short shrift as part time help. The union was not there to help me at all. The union was there simply to enforce a pecking order which had been established over time and gave no one the chance to move up in the ranks unless somebody older and more experienced died or left the business. That does not provide for high motivation.

I am not anti-union. An examination of my work history will reveal that I have been a union steward, I was the president of a local in a place I worked. We were forced members of the union. I remember being greatly offended by the fact that the union to which we were forced to belong actually used a portion of our union dues for political party contributions. I will not mention which political party it was but members can probably figure it

out. Unions have a symbiotic relationship with at least one of the parties in this country, a relationship I do not particularly agree with.

The union was able to have a rule that the place where I worked required that I belong to the union, it required that I give it money and it required that I support a political party which is 180° out of sync with my true beliefs.

• (1540)

I think other people would feel just as bad. I sincerely hope those union members who are strong supporters, for example of the NDP, would be very offended if that union decided to give a strong political donation to the Reform Party. I hope they would be offended and would say "you cannot do that, that is my money".

The point I am making is that we need to have more individual freedom. I think that when the marketplace prevails we will find that a very good economic balance is reached between employers and employees 99.9% of the time.

I remember, again looking back before we were forced members of the union at the place where I worked, I was an instructor at a technical institute. It was run by the Government of Alberta. It was before the union there was a forced issue. We did not have a union when I first started there. One year the institute had trouble getting instructors. The economy was booming and the Northern Alberta Institute of Technology had the policy of trying to get the best. That is I suppose how I got there. I was just wondering whether anyone was listening. It had trouble getting qualified instructors. In the middle of the year without any negotiations suddenly there was an announcement of a pay increase.

Later on we had a union. The same issue came up. The employer said they wanted to open the contract so they could increase the salary schedule. The union said they could not do it because there was a union contract which goes for two years and it could not be opened unless they opened the whole thing. It would not just open the money clauses. To me that is so totally absurd. It is a total infringement of individual freedoms.

I have just given a couple of examples of when one is forced into a union where one loses one's freedom, loses bargaining position and to a certain degree loses benefits.

I am going to give the other side as well. I have also seen situations where individuals have not been fairly treated. The contract has not been fairly applied to them for one reason or another or they have been mistreated by supervisors. I was involved as the president of the local branch of the union. I went to bat. I think even if a person is innocent he deserves the right to a fair and prompt hearing, trial or whatever we want to call it. So we supported each other that way. There is some merit in that.

*Government Orders*

Do not read into it that I am anti-union. What I want to do is make unions more democratic.

In this bill we have before us today unions are strengthened. To me that is upsetting a balance. It is an intrusion of an unnatural force in the relationship between employers and employees.

I have been involved in a number of cases where we have had contract disputes. After we were forced members of the union for a number of years it was decided that our institute, the Northern Alberta Institute of Technology, would go to a board of governors. I was honoured by my fellow staff members, 750 of them, to be selected as the founding president of the academic staff association at NAIT. One of the first things we did was bargained away our right to strike because we found that nobody wants the right to strike. If the right questions are asked they will say emphatically "I do not want the right to strike. I do not want the right to be without a job and without an income. What I want is a fair income. What I want is to be treated fairly". That is what they really want.

Unfortunately the means to the end, the strike process has sort of juxtaposed itself into it and now there are members of the union and the NDP who claim that it is an indistinguishable right to belong to a union and to strike when that is not their primary purpose. Their primary purpose is to achieve their monetary and job security goals.

I found that in my work as academic president when we made arrangements to have a dispute resolution mechanism, with time lines and arbitration, everything worked out a lot better.

• (1545)

I hope that I will get another opportunity to speak on this topic when it comes up for third reading.

**The Deputy Speaker:** I have enjoyed the hon. member's remarks but his time has expired.

**Mr. John Nunziata (York South—Weston, Ind.):** Mr. Speaker, I too have enjoyed his remarks. I would ask for unanimous consent to allow the hon. member to continue with his remarks in keeping with your enjoyment.

**The Deputy Speaker:** Is there unanimous consent for the hon. member for Elk Island to continue his remarks?

**Some hon. members:** No.

**The Deputy Speaker:** There is not unanimous consent.

**Mr. Rick Casson (Lethbridge, Ref.):** Mr. Speaker, I am sure everybody would have preferred to have my hon. colleague carry on.

I will start off by recognizing the member for Wetaskiwin who worked so hard for our party on this bill and helped us prepare for today.

Bill C-19 has been a topic of discussion certainly in my constituency. I come from a constituency that is farming intensive, livestock, grain farms, dry land irrigations, especially crops. It has a city with manufacturing and service industries. There is some concern with this bill and some of its the flaws. The unfair balance of it has been pointed out to me by constituents and others. I will address my comments to them.

The member for Elk Island when he spoke of working for a dollar reminded me of the gentleman who was looking for a job and the boss told him he would pay him for what he was worth. He immediately turned and left. When the boss asked him where he was going, he said "I cannot live on that". But I am sure that was not my friend from Elk Island.

We are trying to build up Canada and to get into more and more trade with the world. Across the prairies we are looking at secondary processing of a lot of products. We have to get those products to market, via the railways, trucking or whatever it takes to do that. In order for us to become a reliable source of many of these products, we have to gain a reputation of being able to meet our commitments. In order to meet our commitments we have to deliver in a timely fashion.

It was a year ago this winter when we saw the grain not being able to get market, the problems that created and the cost that was incurred by farmers across the prairies and in my constituency. It is important that we have a method in place to make sure that what is produced, what is manufactured can get to the markets. We not only have to address the west coast ports, but a lot of things can happen to a product from the time it leaves the plant or the farm gate until it gets to that point. Some of those aspects are missing in this bill. The government should have another look at that and address some of those issues.

On the definition of grain, I had a letter from an organization in the west that deals with dehydrated alfalfa. They pointed out to me that in this bill the grain is the product, and I will read it "the services they normally provide to ensure the tie-up, let-go and loading of grain vessels at licensed terminal and transfer elevators and the movement of the grain vessels in and out of a port". They are concerned with what that means. Does it mean grain or does it mean other products? They are really concerned that their dehydrated alfalfa products are not included. They would like to see that done.

The whole idea that the government has control over grain was debated last week during the debate on Bill C-4. In that legislation the government markets the farmers' grain for them and not necessarily for the best prices. That was a concern and it continues today with this bill.

The record of tie-ups that have happened in the shipping industry goes on and on. In February 1994 there was a tie-up for two weeks. A year later Parliament had to bring an end to another dispute. Two

*Government Orders*

weeks after that, Parliament passed another bill to end another dispute.

• (1550)

The Reform Party is proposing final offer selection arbitration as a method to keep everybody working, to do the same thing that these work disruptions have done but to do it in a way in that everybody can benefit. If we are truly to become a mover and supplier to the world of products that are produced right across Canada, we are going to have to do this. We cannot have these disruptions and our customers finding out that we have the product but we cannot deliver it to them. That just will not work.

We see trade missions going all over the world. The chamber of commerce from the city of Lethbridge was in Chile and elsewhere promoting products. If we are going to have these people show initiative and entrepreneurship to move forward in this world, we have to enable them to get their product delivered.

As I mentioned earlier, we are not only talking about grain here. We are talking about all products. I hope the government will take this to heart and will have another look to realize that some of these things are missing.

The cost of disruptions in shipments has been tried to be quantified many times. We are looking at indirect costs of up to \$500 million in grain sales alone in 1994. It is wrong to take \$500 million out of the economy of this country. We are not convinced that this bill will address all of those problems and we hope the government will take another look at it.

Another aspect of the bill that has brought a lot of attention today is the access to off site workers' records. We all have a strong opinion that what is ours is ours and nobody should have the right to access information about us unless we allow it. To have this in part of the bill goes against everything Canadians believe in. One has the right to keep one's information to oneself.

With all of these things said and the fact that certification can take place without a majority is undemocratic. There are a lot of things that need to be done. The government has fallen quite short in providing us with a piece of legislation that will work for us.

We hope that the government will take this bill back, have another look at it and bring it back in a better fashion.

**Mr. Bob Mills (Red Deer, Ref.):** Mr. Speaker, I know you have been waiting with bated breath to hear my comments about C-19.

In looking at the problems of this House, members know exactly the one I am going to zero in on. It is going to be the top down nature, the way this place works, the way political parties work quite often, the way business quite often works and of course, the way unions quite often work. It is my hope to emphasize in the

House that the public are sick and tired of the top down administration they get in all parts of life.

The public is asking for accountability. They are asking for transparency. They are asking for grassroots input into what is happening that affects their lives. Certainly when it comes to labour legislation, an area that affects many people across this whole country, they feel they do not have that input. A bill like this does nothing to reassure them that they can have their say about this legislation.

This government has a particularly bad record for listening to the people. This weekend the Alberta winter games were in my constituency. Thousands of people from all over Alberta were in our riding. It went extremely well. The only problem I guess was the plus-10 degrees and we had to haul snow in.

What the people said as I circulated around talking to them was first, to do something about that other place. Everybody is upset about what happens in the Senate. Second, they talked about the debt, about that noose around their necks and the necks of their kids and their grandchildren. Everybody talked about that. Third, they talked about taxes. What is this government—

• (1555)

**Mrs. Brenda Chamberlain:** Mr. Speaker, I rise on a point of order. I am just wondering what this has to do with Bill C-19. The member is launching into a speech about the debt and about the Senate. I am here to listen to debate about Bill C-19 and members' concerns. I think it is really, really important that we do.

**The Deputy Speaker:** Certainly the parliamentary secretary is correct. I know the hon. member for Red Deer is an experienced member and will make his remarks relevant to Bill C-19. I am sure he was about to get to the point of the bill. I am looking forward to hearing his remarks. After all, that is what he said he would speak about. We look forward to what he says.

**Mr. Bob Mills:** Mr. Speaker, certainly I am getting to Bill C-19. One has to set the stage for the major points one wants to make in an issue like this.

We are talking about listening to the people. When it comes to labour legislation, obviously the government should be listening to the people.

What does Bill C-19 do? Bill C-19 is an example again of that top down, more government, more bureaucracy, more of the same that people are sick and tired of.

I was just trying to point out to the hon. member how many people have talked about so many issues which the government just will not listen to. In half an hour we will probably have another example of where the government did not listen regarding the debt and regarding taxes. That is what people are talking about. They are not talking about more spending.

*Government Orders*

The member made me deviate and I got off on this other tangent, but I will now get back to what I was trying to talk about which is Bill C-19.

What about democracy? This legislation allows the CIRB to certify a union without support from the majority. What kind of democracy is that where a government agency can certify a union even though the majority do not agree with it? That is not democratic. We have examples now of where the government will do this sort of thing.

As well, this legislation orders employers to release to the union names of reps who are working off site. Again they do not have to ask the employees about that. They do not have to get permission. This is an intrusion on a person's rights as a citizen of Canada.

This legislation does nothing to stop strikes. It does nothing to help the workers who are simply trying to improve their lot in life. This again will be more of the same. There is nothing here that will do anything to stop what both union members and citizens at large are opposed to.

I have an example in my riding. I have been asked to speak to union members. They have invited me but they got a decree from head office that they could not invite me. They were shocked by this. "What do you mean we cannot invite this person? We can invite anybody we want". "No you cannot". They cannot invite their member of Parliament to address them on the issues that interest them. That comes from the union, from the top down. The union members are pretty upset about that and I do not blame them. That is a lack of democracy. That is the top down stuff I was trying to talk about, trying to make a point of for the hon. member.

What about the world? Where are we at in terms of the world? Obviously in the world, we are in competition. The world has globalized.

I have been fortunate for 35 years to travel the world. I have been to almost every country. Most everywhere I have been they say "Canada has a labour problem, doesn't it?"

• (1600)

Most recently in Japan, China and Argentina I heard "Is Canada still producing grain? Is it still in the marketplace?" That is a pretty terrible question to be asked if you are a farmer in western Canada.

The unreliability of our transportation system, of our distribution system and of our sales system is putting us behind our competitors. Bill C-19 does nothing to help provide a fix for that problem. That is what the farmers are saying.

The bill does not address the area of investment. When investors are looking at Canada to invest money, to open businesses or to develop joint ventures which are so common in today's society

they see antiquated, ambiguous labour laws. They will point out the ambiguities and tell us they do not feel secure investing or dealing in Canada or with Canadians on joint ventures. They do not know for sure how stable our labour force will be. They have real problems with that. It hurts us. It hurts job creation and the whole investment area which is so important to us as Canadians.

What is the solution? It seems to me that the solution is to get back to the grassroots. We must listen to the employees. There is no point in going after unions, saying they are good or bad. Most of the membership are a very positive part of our communities. The problem is the top down nature of labour legislation, the lack of working together.

We need government, business, experts and labour to work together for the good of Canadians.

**Mr. Bill Gilmour (Nanaimo—Alberni, Ref.):** Mr. Speaker, to begin with I would like to describe my riding because it is important to this debate.

Nanaimo—Alberni stretches right across the centre of Vancouver Island. We have fisheries, we have forestry and we have retirement. In the centre, Port Alberni, which is largely forestry oriented, a strong labour town. It is a town with heart. It is a town which has grown through the labour movement. It used to be a strong NDP community. Now it is a strong Reform community.

My background is that of a professional forester. I worked in the forest industry for 25 years. Yes, I was on the management side but labour and management together built a good union and a good foundation for that town.

Under this legislation a union could be certified with less than 50% of the employees being in favour of it. Frankly, it is nuts. I can see that members opposite are agreeing with me.

It seems to fit into the Liberal idea of what democracy is. If we can get about a third of the people, that is democracy and we will go with it. Unfortunately that does not work in the rest of Canada.

I am quite amazed at this government. Where are the Ontario Liberals? There are strong unions within Ontario. The auto workers come to mind.

I am amazed that this legislation has been allowed to get this far without Ontario labour unions being up in arms. They should be solidly against this legislation, and I am sure they are.

• (1605)

Members opposite are sitting there trying to decide why the labour unions are in favour of it when they are not. They are clearly in a dilemma. It is most interesting, in 25 minutes we are going to have a budget debate. I point out that labour unions are well paid people.

*Government Orders*

It is the taxpaying public. You should hear them muttering over there, Mr. Speaker. It is very difficult for most Canadians to hear because they sound like hens in the hen house busy cackling away.

It is about investment. Investment in B.C. requires a solid base. There cannot be a government that ignores unions, that ignores the investment potential of any province, be it Ontario, B.C. or Alberta, because it will be at its peril. In fact, in my home province of B.C. we are in difficulty because the NDP provincial government has tried that. It is now having great difficulty getting foreign investment.

This bill died in the Senate, which I am sure most Canadians will understand. However, the Senate does have its purpose. It killed this bill. It killed it for a reason. The reason was it did not work. So the new bill came in, and what have we got? Very much of the same type of legislation. It is a gloss over of the old type of legislation. I suspect that if this goes to the Senate it is not going to go anywhere either.

This government has to realize that it has to listen up. Even the Senate cannot take this type of legislation. But it is going to try it again, to keep pushing. Maybe if it pushes it harder it will go through again. It is not going to work.

This government has tried it on a number of types of legislation. Look at endangered species last time in the last Parliament. It did not go through. Why? Members on the government side could not vote for it. Look at the conference on global warming in Kyoto. Talk about a fiasco because this government did not have its groundwork in order. This is typical of this bill. Government has not done its homework. When other countries get together, where is Canada? We do not have our act together. We have not done our homework, very similar to this bill.

I suggest this bill needs major refurbishment and hopefully this government will listen up and do it before it introduces it again.

**Mr. Chuck Strahl (Fraser Valley, Ref.):** Mr. Speaker, it is a pleasure to speak to Bill C-19 today, an act to amend the Canadian Labour Code.

Again, it is interesting, this being the only party speaking to this bill, how so many of us have—

**Mr. John Nunziata (York South—Weston, Ind.):** Mr. Speaker, on a point of order, the hon. member wants to be accurate and he just made a statement that is simply not accurate. He said that the Reform Party was the only party speaking to the bill—

**The Deputy Speaker:** I am sorry, it does not sound like a point of order to me, it sounds like a point of debate. I think the hon. member for York South—Weston knows that.

**Mr. Chuck Strahl:** Mr. Speaker, the hon. member for York South—Weston does make a good point. In the last little while the speakers have all been from the Reform Party. Certainly the member for York South—Weston has spoken to this bill and my credit to him for that. I am sorry for making that impression.

It is interesting how many members from this side have chosen to speak to this important labour bill, the biggest changes to the labour code we are likely to see in this Parliament, and how so many people have talked about the need for balance in labour legislation. I will add my name to the list with my little story.

● (1610)

I was a member of the IWA labour union for some 10 years. I also spent an equivalent amount of time in management with the same union. In the course of that 20 year experience working in the logging industry, much of it in a unionized setting, at the end of my career when I started on this career, if we can call it that, we never in the company's history had a case of a grievance going to arbitration in all those years of work. I know what it is like to work with a unionized crew. All my crews were unionized.

The word balance is important. I sometimes wonder when legislation comes before the House of Commons if there would be a preamble to it that would describe for us what caused this legislation to be brought forward. In other words, what was behind this bill, who was behind it. What presentations were made to ministers or which pressure groups, which groups of people were behind this bill, were in favour of this bill and pushed this bill forward, these amendments, and where did the bill come from.

When I go through this bill and the summary of it to see what it is trying to accomplish and what the government says it is trying to accomplish, I do not see a balance as I had hoped to see in labour code changes in this country. I have seen too many headlines from newspapers talking about Liberal labour code betrayal, last call to stand against the labour code, new labour code rules benefit unions, and on and on. There has been a whole series of stories in the press and from people concerned basically with the balance.

I would like to speak a bit about the need for that balance and why I do not think this bill contains it. First, one of the sacred parts of the union movement is an ability to organize. It is an ability that the Reform Party has as one of its basic platform principles. It is the right for unions to organize, to strike peacefully, to go about their business of representing workers if those workers so ask them to. It is the basic policy of this party and I think of every party in the House.

But this labour code amendment changes the balance from a secret ballot registration on who would represent a person at the bargaining table to if a person even signs a card that they are interested in it, it is taken as a fait accompli. Worst yet, when a

*Government Orders*

certification vote is taking place those names are circulated without the permission of the employees to whomever would like to organize a union or a shop.

Mr. Speaker, if you sign your name to it or if you vote in an honest election, that is fair game. But when your name is given out without your permission to other people to use, for mail outs, for telephone calls, for what could even amount to harassment at times, that is not right. I cannot support that portion of the bill.

There is also the huge issue of what we call remedial certification. In other words, if some employer breaks some technical portion of the certification process, in other words they put up a poster on the bulletin board and they should not have done it or they said something wrong in their company newsletter and somebody feels that it is causing an affront to the union organization movement, if this board decides that has happened, it is a done deal. They are unionized whether 10% wanted it or 15% or 39% or 49%. It is a done deal.

That is unfortunate, given that most workers would rather have an honest vote in an honest situation where they can bring forward their complaints and also bring forward their union certification process without fear of intimidation or harassment on either side. This tips it in my opinion to the wrong side.

The whole issue of how we settle strikes in an industry that has a monopoly is not addressed properly in this bill. There are some improvements from times past. For example, if a train load of grain is on its way to Vancouver, to my neck of the woods, this legislation gives a period that allows that grain to work through the system and get dumped in the terminal and shipped off. The trouble is that the following strike could go on indefinitely, holding grain producers and the country hostage while we wait for something to solve it.

● (1615)

Whether it is a postal strike, a grain handler strike or whatever it might be, we have seen too often when a monopoly is involved that we have needed an alternative way of settling those disputes.

The dispute settling mechanism we have put forward is a form of final offer binding arbitration that is fair to the producers, the workers, the Canadian economy and Canadians affected by whether or not they are in the industry. The legislation does not give us the option other than to come back here and go to legislation again as we did in the case of the recent postal strike.

It would be far better to have a permanent dispute settlement mechanism in place where there is a monopoly to protect all segments of society: workers, producers, consumers and the Canadian economy as a whole. It would be far better to do it that way

rather than to do it piecemeal every time there is a significant strike or problem in any industry like that.

The bill eliminates the need for unions to report on their financial status in a meaningful way. It removes an important protection for workers who want to know where their dues are being spent. They send a significant amount of money to unions. Unions use that money in the ways they see fit to promote their union organizations. The real problem comes when there is no financial accountability.

Was the money spent to promote another union? Maybe that would be something they would approve of. Was it spent to support a political party? Who knows? We have seen ongoing court cases in the land of people who sent in their union dues only to find they were siphoned off and sent to a political party.

That money may not have been used to elect you, Mr. Speaker. It may not have been used to elect me. However it has been used to try to defeat certain candidates and to elect others. I grant they were largely unsuccessful but it is an affront to someone who is sending \$30 or \$40 a month to a union headquarters, assuming that it will be spent for proper purposes, only to find out it has been used in many ways to vote against the very things that might be promoted in the union.

In general there is a need for balance in the legislation. The balance between union rights is very important. As I mentioned the blue book refers to the principle of union rights to organize, to strike peacefully, to look after its members, as well as the rights of the Canadian economy, the right to secrecy and the right to protection of workers who do not want their funds misused. That kind of balance is not in the legislation.

It is too bad that privacy rights are not being looked after. It is too bad that final offer binding arbitration is not offered as an alternative in this package. While there are some improvements, they are not enough to garner the support of the Reform Party and certainly not enough to garner my vote when the bill comes up for vote.

**Mr. John Duncan (Vancouver Island North, Ref.):** Mr. Speaker, I am happy to speak to Bill C-19 concerning amendments to the Canada Labour Code, specifically grain loading at ports.

In my previous life I worked in a union environment in British Columbia, the most unionized jurisdiction in Canada. I spent 20 years on the coast of British Columbia working in logging operations. In the area I represent of Vancouver Island North union workers are the backbone of the communities in my riding. I very much appreciate the balance in the workplace between management and union.

I worked in logging. Safety is a major concern in that industry. It is one of the most dangerous occupations one would ever want to encounter. There are some specific jobs that are very demanding

and hazardous. The union certainly has a very large role to play in terms of safety. Nothing brings us closer together than a serious accident and nothing can lead more to finger pointing afterward if there is not a strong balance—

• (1620)

**Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.):** Mr. Speaker, I rise on a point of order. I am sorry to say that there is a general din in the House and I am having difficulty hearing the debate at this time.

**The Deputy Speaker:** Order, please. It is very difficult for members of the House to hear the debate that is proceeding on the floor of the House at the moment.

I would particularly ask that hon. members and members of the public who are present to tone down the volume of noise so that members can hear the debate.

We have a debate under way here and hon. members would like to hear it.

**Mr. John Duncan:** Mr. Speaker, usually we can blame our colleagues, but I think in this instance the gallery is filling with people in expectation of the budget. I appreciate the circumstances.

There is another very important aspect to what I did in the past in terms of the union environment I worked in. We had sort of a forerunner exercise which dealt with the environment in environmental committees and joint union and management committees. I became quite active in all of that because if everyone in the workplace is not on board we certainly cannot achieve or obtain the results we seek.

This became the basic building block in terms of bringing new practises into the forestry industry to introduce such things as proper treatments around stream sites, proper road construction, proper watershed management, and those kinds of things.

I recognize that there are very good workplaces and there are very bad workplaces. I like to think I worked in some very good workplaces.

We have to think about what the legislation is all about. Whose interest is at stake here? It is important to recognize that the public interest is at stake. We do not want to replicate what we have had up until now in many jurisdictions in Canada where the labour environment has led us to strikes or lockouts and to very insoluble power gains.

The community I live in is subject right now to a seven month strike or lockout, whatever we want to call it, at the Fletcher Challenge pulp mill. It looks intractable. It has a lot to do with the economics of business and some very important issues which divide union and management.

### *Government Orders*

There has to be a better way. Although I recognize the bill deals with a specific federal jurisdiction issue, and not an area of provincial jurisdiction, certainly is not a breath of fresh air in this regard.

Will the bill create harmonious relationships? I do not believe there is anything in the new bill that will come anywhere near to accomplishing that objective. Does it ensure against any stoppages en route to the port facilities? No, it does not. There is nothing in the bill that deals with anything of the kind.

What we have is one more vague and ambiguous labour law that will lead to further investor uncertainty, which we do not need, and does nothing to create a harmonious relationship. I find this to be very contradictory or very ironic, given that we were in the House yesterday speaking about the multilateral agreement on investment which, if we listen to the members on the government side of the House, is intended to lead to investor confidence.

• (1625)

We cannot have contradictory philosophical underpinnings, but time after time we are seeing no philosophical or principled underpinning to any of the government actions. Whether it is a multilateral agreement on investment, labour legislation, fisheries legislation or aboriginal affairs, it is always the same thing. It is the Liberal fudge. That is what we are seeing.

When it comes to the Canada Labour Relations Board that is revamped and renamed under the bill, I hoped we would have seen something invigorating, something refreshing, something in tune with the times, something accountable, maybe even something elected or democratically arrived at.

What do we have here? We have one significant change. We agree that a 10 year appointment is too long. An appointment is probably inappropriate but the timeframe was certainly wrong. Ten years have been brought down to five. We certainly concur with that part of the legislation, but it is not going very far when we look at the length and breadth of the bill.

The labour relations board will have some basic powers. It is a quasi-judicial board. It is a board with a lot of power. The flexibility is so great that it leads to uncertainty about what it might or might not do.

The fact that board members are appointed by cabinet tells me that it can be skewed in any philosophical direction the cabinet wishes. There will be three members from management and three members from union. That is not much of a guideline when we think about how government can fulfil its agenda simply through the appointment process. We have seen it before and we know we will see it again from this government.

We know who appoints them. Do we know how much power they have? Yes, we do. The board can actually order an employer to release to a union representative a list of the names and addresses of employees who work off site. I like to think that my

*The Budget*

privacy and the privacy of Canadians is more valuable than to allow this non-accountable appointed board to overrule my privacy.

Another point concerns me. It has to do with the interpretation of representation. We know that is also left to labour.

• (1630)

**The Speaker:** It being 4.30 p.m. the House will now proceed to the consideration of Ways and Means Motion No. 5 concerning the budget presentation.

\* \* \*

[Translation]

**THE BUDGET**

## FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

**Hon. Paul Martin (Minister of Finance, Lib)** moved:

That this House approve in general the budgetary policy of the government.

He said: Mr. Speaker, I am tabling the budget documents, including notices of ways and means motions. The details of the measures are contained in the documents. I am asking that an order of the day be designated for consideration of these motions.

I am also announcing that the government will, at the first opportunity, table bills to implement the other measures announced in this budget.

At the outset, let me express, on behalf of the Prime Minister and Cabinet, our gratitude to the Standing Committee on Finance and the various committees of caucus. Their hard work has been invaluable.

[English]

Let me just say that this budget is in many ways the product of this caucus.

[Translation]

Let me also thank the many who have taken the time from their day to day obligations to come forward and present their proposals on the shape this budget should take. Yet again, they have proven the benefits brought to budget making by simply listening to the common sense of Canadians.

[English]

This is the first budget of a new mandate. But if the mandate is new, our mission is not. Our goals today remain what they were when Canadians placed their trust in us in 1993: first to build a country of opportunity, of jobs and growth, one where every Canadian has equal access to the avenues of success; and second to safeguard and strengthen a caring and compassionate society.

Canadians have always known that securing these goals would not be easy. Canadians understood that fundamental problems require fundamental change. They wanted clear priorities established and they wanted a long term plan to achieve them.

In 1994 that plan was put in place. We have pursued it for more than four years and it is paying off today. This budget marks a further stage in that plan. It makes it very clear that our resolve will not weaken.

This budget will demonstrate that we have left the era of chronic deficits behind and that we are now on an irrevocable course to reduce the debt. It is a budget that will expand opportunity for all Canadians by making access to knowledge and skills more affordable. It is a budget that begins to reduce taxes, starting with those who need it most, middle and low income Canadians.

• (1635)

It is a budget that ensures that the balance of actions we take reflects the balance of priorities that Canadians share and that the values we heed are the values Canadians hold. That is our commitment.

[Translation]

When we came into office, the country's economy was in disarray.

The turnaround today is very evident.

Job creation is accelerating. Over the last four years, the number of jobs has grown by over one million. In 1997 alone, 372,000 new jobs, all full time and in the private sector, were created.

In 1993, the unemployment rate stood at 11.2 per cent. It has fallen since then and is now below 9 per cent. While not satisfactory, the trend is clear.

Consumer confidence has rebounded. The economic recovery is now supported by strong domestic demand.

Business confidence is at record levels. Investment is surging.

Stimulated by lower interest rates and renewed confidence, economic growth reached a level in excess of 3.5 per cent in 1997 and, this year, continued strength is projected. This would mean the best back-to-back performance for Canada in over ten years, the strongest performance of any G-7 nation.

[English]

We live in a volatile world. Clearly the events in Asia will have an impact. Nonetheless, let me simply say to Canadian business, consumers, employers and workers that there has not been a time in the past 25 years when our prospects have been better. Furthermore, economic growth is helping to push the deficit down dramatically. What I am about to say is something that no Canadian government has been able to say in almost 50 years.

*The Budget*

We will balance the budget next year. We will balance the budget the year after that. We will balance the budget this fiscal year.

[*Translation*]

For the first time in 50 years, we will have three consecutive zero deficits: a zero deficit this year, 1997-98; a zero deficit next year and a zero deficit in the year 2000. We are at a turning point in our history.

[*English*]

This achievement is the accomplishment of Canadians, not of government.

• (1640)

From the outset it was Canadians who knew the dangers posed by financial mismanagement. It was Canadians who called for firm action. It was Canadians who united in a strong consensus that government simply had to get on with the job. And it was Canadians who have shown great forbearance in shouldering the consequences of actions that have been very difficult. Canadians can be very proud today. This is their victory.

It is clear that a new era lies ahead. And because of that, we owe it to Canadians to repeat now what our principles will be as we go forward.

First, we will stay the course that brought us here. We will be frugal. The battle to root out waste and inefficiency can never end. Never again will we allow the spectre of overspending to haunt this land. Never again will we let old habits return defining bigger government as better government, of believing that every problem requires another program. Never again will we see Canadians undergo round after round of painful cuts in order to dig us out of yet another hole.

Canadians have paid to see the movie "The Deficit". They do not want to pay again to see the sequel.

Second, we will be focused in everything we do. The core priority of government must be to set the national agenda. It can never again fall into the old trap of trying to be all things to all people, of having so many priorities that in fact it has none.

Third, we will be steadfast. The challenges facing the country are deeply rooted. They are not the stuff of quick fixes. That is why as before, each budget will build on steps taken previously so that what may seem like small steps at the time will in the end become much larger steps, for we must look to the longer term needs of the nation.

[*Translation*]

Fourth, we must work in partnership. Acting alone, in isolation, is no longer on. Working together respects the reality that we each have a role to play—whether as governments, business, labour or the voluntary sector. But we must work together.

Fifth, we must be balanced and we must be fair. Canadians know that there is more to taking care of the nation than simply taking care of the books. Canada is not just a marketplace. It is a community. Our country is anchored in shared risk and shared benefits, in lending a hand knowing that, some day, we too may be in need. That is the spirit that built this land.

It was that spirit we saw when the country came together to help those devastated by the Saguenay flood. It was there again when the Red River struck. And it was there as hands reached out from across Canada to offer assistance in the aftermath of the ice storm last month.

[*English*]

The Canadian spirit of coming together is not something that only appears now and then in response to great natural disasters or disruptions. It abides. It is there in every community. It is there in every corner of the country. It is there every day. And it is there in the great national programs that have come to define who we are and who we want to become.

That is why this budget provides resources for the national AIDS strategy. That is why we established a healing fund to address the terrible legacy of abuse suffered by so many aboriginal young people in residential schools. And that is why we are committed without reservation to sustaining and strengthening the Canadian system of health care.

• (1645)

In 1995 when the country's fiscal back was to the wall we took some very difficult decisions and we recognize this. That is why the very first action we took when our progress on the deficit became clear was to increase the floor under the cash transfers to the provinces in support of health and other programs from \$11 billion to \$12.5 billion annually. This is the single largest expenditure accounted for in this budget. Indeed, going beyond today's projections between now and the year 2002, the provinces will receive an additional \$7 billion in transfer payments from the federal government for health and other programs.

Frugality, focus, steadfastness, looking to the long term, partnership, fairness, these are the principles that underlie our plan. What I would now like to do is to demonstrate how these principles will be applied to the sound economic management of the country.

First, we have said right from the beginning that one of the central economic priorities of government must be to ensure that monetary and fiscal policy work hand in hand so that they reinforce rather than run up against one another. To that end, upon coming into office the government and the Bank of Canada agreed to hold inflation inside a range of 1% to 3% to the end of 1998. That policy has worked. Inflation is under firm control and will remain so in the future.

*The Budget*

That is why we are announcing today that we will extend the current agreement with the Bank of Canada for a further three years. Canada has now established a reputation as a low inflation country. It is a reputation and a reality we will protect.

Next, let me turn to the issue of the debt. We have won a major battle. We have not yet won the war. More than 25 years of deficits have left us with a debt burden that is far too high. Every dollar that goes to service the debt is a dollar that cannot go to health care or tax relief. Quite simply, the debt burden must be brought down and in fact that has already begun to occur.

[*Translation*]

The best measure of the debt burden is to consider the size of the debt in relation to the size of the economy that supports it. This measure is called the debt-to-GDP ratio—what we owe in relation to what we produce. The lower the ratio, the more manageable the debt.

In 1996-97, the debt-to-GDP ratio fell meaningfully for the first time in more than 20 years. It will fall again this year even more and, over the next two years, the pace of improvement will continue. Our commitment is to keep the debt burden coming down steadily, permanently, irrevocably.

It will be brought down through the implementation of a two-track strategy.

First, we will continue to follow policies that will pay off in better economic growth.

Second, we will bring down the absolute level of debt itself.

[*English*]

This is our debt repayment plan. First, we will continue as before to present two year fiscal plans based on prudent economic assumptions. We will continue to be consistently more cautious than our private sector forecasters. In the first two years of this plan as set out in this budget we are committed to back to back balanced budgets.

Second, we will continue to build into our financial plans a buffer, a \$3 billion contingency reserve.

Third, if as in each of the last three years the contingency reserve is not needed, it will go directly to paying down the debt.

• (1650)

This is how since coming into office we have brought the deficit down year after year after year, and this is how in the future we will bring the debt down year after year after year.

[*Translation*]

Indeed, that process is already under way.

There are two principal ways to calculate the deficit.

The first, the method we use in Canada, is considered to be one of the most rigorous in the world. It includes all the liabilities the government incurs over the course of a year.

The second measure, used by other countries like the United States, the United Kingdom and Japan, includes only the borrowing that the government makes in financial markets.

According to this measure, Canada recorded a financial surplus last year.

And according to this international comparison, Canada is in the best fiscal health of the G-7.

Of even greater significance, as shown in the monthly numbers being released today, is the fact that, so far this year, we have actually paid down debt previously borrowed in financial markets by almost \$13 billion.

[*English*]

Ours is a country of great opportunity. What we must do is strive to be a country of equal opportunity as well. All Canadians do not begin life at the same starting line. For some the race is virtually won before it is begun. For many others it clearly is not. Circumstance and privilege can create a playing field which is very uneven. What we must understand is that when individual Canadians are deprived of the opportunity of reaching their full potential, then the country is deprived of the opportunity of reaching its full potential.

Some seem to believe there is nothing government can do. Some seem to believe that we should just unleash the market, let loose the forces of change and abandon those whom opportunity has passed by. That view is not ours.

A rising economic tide does not lift all boats. There are many Canadians who for many reasons do not enjoy the opportunities that others do but who would grasp them immediately and lift themselves up if only given the chance. That is why in this and previous budgets we have enhanced assistance to those with disabilities, Canadians who do not seek special rights but simply equal citizenship. That is why we have increased support for charitable groups, given the enormous role played by the voluntary sector in helping Canadians and enriching our communities.

Equal access to opportunity is a question of fairness, of fundamental social justice, but it is also about the fundamental economic challenge we face, the challenge of jobs.

For 200 years in Canada prosperity and knowledge have gone hand in hand. However, let us understand the true nature of the dynamic that is at play. As a society we are not educated because we are prosperous. We are prosperous because we have extended the frontiers of education. Today more than ever getting a good job and achieving a higher standard of living require even greater skills and broader knowledge.

*The Budget*

[*Translation*]

The creation of jobs in the new millennium will be anchored in two essential components: the infrastructure of innovation, and the infrastructure of skills and knowledge.

In today's evolving world—to get a job, to keep a job, to move on to a better job—there is only one resource that will equip Canadians to succeed, and that is to develop the very best skills they can.

• (1655)

Learning must be the central part of any national jobs strategy.

[*English*]

In a very real way, the ability to learn must be the central part of any national job strategy.

[*Translation*]

The facts speak for themselves.

For example, those who graduated from university, community college and vocational institutes enjoy incomes 45 per cent higher than those who did not complete high school.

During the last recession, for those with only high school, 640,000 jobs were lost. However, for those with degrees or diplomas, 450,000 jobs were gained.

Thus it is not surprising that the unemployment rate for those with less than a high school diploma is 15 per cent, while for those with a university degree, it is only 5 per cent.

[*English*]

However, this is by no means only about university. It is about every community college and every vocational and technical institute in the country.

The demand for knowledge and skills spans all occupations at all levels and in all sectors, from factory to farm, from software to sales and from medicine to mechanics. Nor is this only about young people, it is also about the need to upgrade skills and develop new ones consistently throughout all of our working lives.

Furthermore, if knowledge and skills underpin a strong economy, so too they underpin a strong society and a secure society.

The backbone of a country is the strength of its middle class.

There is no better way to reduce the gap between the rich and the poor, no surer way to widen the mainstream, no more meaningful way to reduce the numbers of those left behind and no better way to provide a higher quality of life for Canadians than to facilitate the path to higher education.

Quite simply, every Canadian who wants to learn should have the opportunity to do so.

Yet today from Corner Brook to Coquitlam there are tens of thousands who do not have that opportunity. It is a fact that students from lower income families are under represented in our institutions of higher learning and the fault line widens every time a young Canadian is denied access to the skills they need, not because the courses are too hard but because the costs are too high.

Too many are deterred from pursuing higher education because of a fear of large debt. Too many who have made the decision to go forward are struggling with rising costs and too many parents worry that they will not be able to save for their children's future.

It is a great irony and a greater tragedy that at the very moment when the country cannot afford to do without higher learning it is becoming more difficult than ever to afford.

[*Translation*]

Now, before proceeding further, let me be very clear on one point.

Education is a matter of provincial jurisdiction. It is the provinces that are responsible for the curriculum, for educational institutions, for quality.

We are not talking here of the content of what is taught. What we are talking about is equal access to opportunity. Indeed, what we are dealing with is the responsibility of all governments and all sectors of society to ensure that Canada builds on its strengths in an increasingly competitive and interdependent world economy.

Each of us must do our part. We will only be truly successful in creating opportunity for all if we act in partnership, a partnership of parents, of educators, of the private sector, and of provincial and federal governments. In that partnership, some roles are exclusive. Others are shared.

• (1700)

For decades, both the federal government and the provinces have played their part in providing equality of access to those in financial need.

Today, as demands evolve, we must strengthen and adapt that assistance to better ensure that all Canadians are provided an equal opportunity to participate in the knowledge-based economy of the future.

Why? Because the need is so great. Because the cause is so clear.

Let me quote directly from the communiqué issued by the Prime Minister and the provincial premiers at their meeting last December. "The First Ministers agree on the importance of lessening students' financial burden. Furthermore, it is agreed that the Minister of Finance and the Minister of Human Resources Devel-

*The Budget*

opment will accelerate work in concert with provincial and territorial Education Ministers so that the Minister of Finance can take account of this work in the next federal budget”.

Today we are taking action in response to that consensus and that request.

I would like to set out the Canadian Opportunities Strategy—a co-ordinated set of measures building on the thrust of the last budget, designed to create opportunity by expanding access to lifelong learning.

Action is required on seven fronts.

First, promoting access by helping students in financial need cope with rising costs.

Second, helping those who have graduated manage growing debt burdens.

Third, providing Canadians with access to the financial resources required to upgrade their skills throughout their career.

Fourth, assisting families to save for their children's education.

Fifth, supporting graduate and post-graduate students so that they can continue to develop their skills and do the research that will pay off for the whole country.

Sixth, helping young people make the transition from school to work.

Finally, connecting Canadians, young and old, rural and urban, to the technology of the information age and all the knowledge it makes possible.

[*English*]

The Canadian opportunity strategy which we are outlining today helps move Canada forward on all seven of these fronts.

First, last fall in the House the Prime Minister said, and I quote, “There can be no greater millennium project for Canada and no better role for government than to help young Canadians prepare for the knowledge based society of the next century”. Then he went on to call for a major investment to provide thousands of scholarships to deserving Canadian students. In this budget the Prime Minister's commitment and vision become reality.

Today we are announcing the largest single investment every made by a federal government to support access to post-secondary education for all Canadians. The Canadian millennium foundation, a private independent institution, is being created. The government will provide the foundation with an initial 10 year endowment of \$2.5 billion. As a private foundation it will be able to receive donations and bequests from across the country.

• (1705)

This investment will provide over 100,000 scholarships to low and middle income students each and every year over the course of

the next decade. The scholarships will average \$3,000 each per year. As a result, a student receiving a scholarship over four years will see his or her debt load cut by \$12,000, half what it otherwise would have been.

These scholarships will be awarded to Canadians of all ages, part time as well as full time students. Those attending all publicly funded institutions, not simply universities but colleges, CEGEPs and vocational and technical institutions, will be able to apply. Canada millennium scholarships will be for the students at Durham College in Oshawa and the Northern Alberta Institute of Technology in Edmonton just as much as they will be for those at Université de Montréal or Dalhousie.

Many Canadians would like to be able to attend college or university outside their hometown or home province at an institution of their own choosing, but today rising costs make that less and less of a possibility. We believe that more Canadians should have the opportunity to attend the institution that best meets their needs. We also believe that Canadians should get to know their country better.

Therefore, recipients of the Canada millennium scholarships who want to travel or study outside of their hometowns or home provinces will be provided with the help to do so.

[*Translation*]

The Canada Millennium Scholarship Foundation will be a private, independent body. It will be managed by a board of directors, each and every one of whom will be a private citizen. They, not the government, will decide how best to design the scholarships within the mandate they are given.

The Council of Ministers of Education, representing the provinces, as well as representatives of the education community, will be given a key role in identifying who the directors should be. We will ensure that a student is on the board.

Once established, the Foundation will consult very closely with provincial governments and the education community. The goal will be: to award scholarships by the Foundation to individuals in a manner that avoids duplication, to build on existing provincial needs assessment processes, to complement existing provincial programs. The legislation creating the Foundation will provide it with the administrative flexibility required to meet these objectives.

In particular, the Foundation will have the authority, subject to mutually agreed needs, merit and mobility criteria, to contract with appropriate provincial authorities for the selection of those recipients in a province to whom the Foundation will award Canada Millennium Scholarships.

*The Budget*

Above all, we must significantly increase access to post-secondary education for low- and middle-income students.

[*English*]

This investment in the future of our country is the result of Canada's successful battle against the deficit. It is an investment that will pay for itself over and over again in the years ahead. The Prime Minister stated it best last fall:

I hope this can do in the 21st century for our economy and our country what the investment after World War II in post-secondary education for our returning soldiers did for our economy and our country in the last half of the 20th century—This will not be a millennium monument made of bricks and mortar, but when future Canadians look around they will see its legacy everywhere.

• (1710)

Canadians do not need to be told that student debt has become a major problem. Students know it. Families know it. Graduates must deal with it.

In 1990, only eight years ago, the average debt load after a four year program was \$13,000. By next year it will almost have doubled to \$25,000. At the beginning of this decade fewer than 8% of borrowers had debts larger than \$15,000. Now almost 40% do.

Students are graduating with a mortgage before they can even consider buying a house and for many, before they have been able to land a job. There are few students who do not find the burden of loan repayment to be a difficult one.

Businesses are able to deduct the interest cost of buying equipment when investing in their future. We believe that individual Canadians should receive similar treatment when investing in their future.

Therefore, this budget announces that for the first time ever all students will be given tax relief on interest payments on their student loans. This will be provided through a tax credit which can be carried forward for five years.

Mr. Speaker, to simply give you an example, for students just graduating with a loan of \$25,000 this will mean a reduction of \$530 in their taxes in the first year alone. Over a 10 year paydown of the average student loan this could mean as much as \$3,200 in tax relief. This measure will help one million Canadians who are repaying their student loans.

That being said, there are those who need even greater assistance in shouldering a debt burden that is simply too large for them to handle alone. To help these individuals, additional changes will be made to provide further interest rate relief on their loans and for longer periods of time. These changes will benefit up to 100,000 graduates in financial hardship.

Finally, for most, these measures will be sufficient. However, there will still be a very small minority who despite interest relief cannot cope with their debts. For these people, after careful examination of all of the circumstances, the principal amount of the loan itself will be reduced so that payments are more affordable. This form of help will be considered five years after individuals have ended their studies.

The measures we are announcing today will help greatly to ensure that Canadian students are not mired in a swamp of debt from which they can never escape. However, in order to ensure that Canada student loans continue to provide as much assistance as they can to those who need it, we will be taking steps to ensure that both educational institutions and students use the program as it is intended.

[*Translation*]

The costs of study are a challenge for many Canadians, but there are some for whom the problem is particularly acute. We all know young people who made the decision early in life to have a family and as a result were unable to continue their education. Many are women who are today heading single-parent families.

• (1715)

Today, many want to return to their studies to improve their prospects and those of their children. Given the family obligations they have, the road ahead can be a very rough one indeed.

Therefore, in order to expand opportunities for these Canadians, we are announcing today that new grants of up to \$3,000 per year will be made available to over 25,000 students in financial need who have children. These grants will help them whether they pursue their studies full time or on a part-time basis.

[*English*]

Canadians know that their ability to continue earning depends on their ability to continue learning. There are a growing number of part time students, the majority of whom are having a very difficult time trying to manage the difficult balance between work, family and study. We have already announced that part time students will be eligible for Canada millennium scholarships and those with children for special grants.

Today we are announcing two additional steps to support part time studies. The education credit is one of the major ways government provides tax assistance to students. It helps with the living expenses of those in university, community college or vocational school. Up until now this has been available only to full time students. We are announcing today that for the first time part time students will have access to the education credit as well. This will assist 250,000 students who could not take advantage of this credit before.

*The Budget*

Next, the 1996 budget enabled full time students who are parents to claim the child care expense deduction against all types of income. Today we are making part time students as well eligible for that deduction. Fifty thousand students will benefit from this action.

As a result of these two measures, the tax savings for a typical part time student with two young children will more than triple from \$300 to almost \$1,000 a year.

There is more to be done. Many Canadians already in the workforce need and want to upgrade their skills through full time study, yet many do not have reasonable access to the financial resources this requires. Today we are moving forward to help meet this challenge.

Effective January 1, 1999 Canadians will be able to make tax free withdrawals from their RRSPs to support full time education and training.

There are few things more critical to ensuring an adequate income in retirement than ensuring a good income when working. Providing opportunity to improve skills is an important way to make sure that happens.

The office worker who wishes to enhance their computer skills, the assembly line worker who wants to retrain as a machinist, these Canadians and more will now have access to a resource, their RRSP, that until now they were prevented from using.

[*Translation*]

Much of what we have announced so far concerns today's immediate needs.

But we must look ahead to the students of tomorrow.

Part of the answer lies in the over 100,000 Canada Millennium Scholarships that will be awarded each year. Part of the answer lies in assisting parents to prepare and plan for their children's future education.

Today, Canadians are already saving for their children in many ways. Some buy bonds. Some set up special bank accounts. Many simply set aside a bit of money whenever they can. Grandparents, aunts and uncles put money away at birthdays and at Christmas.

One way government assists Canadians in saving for their children's education is by supporting registered education savings plans—RESPs. Money placed in these plans grows tax free until the child is ready to go on to college, to a vocational institute or to university.

• (1720)

[*English*]

Over the past two years we more than doubled the annual contribution limit for RESPs. Today we are taking a significant further step.

Today marks the beginning of a new partnership with parents. We believe that government has a role to play investing alongside those who seek to save for their children's education.

Therefore, effective January 1 of this year the government will provide a Canada education savings grant to supplement new contributions made to RESPs. For every dollar contributed by a parent or other up to an amount of \$2,000 a year the federal government will provide a Canada education savings grant equal to 20% of the total and this money will be paid directly into the child's plan.

If contributors are unable to save the full amount in any particular year they will be able to carry the unpaid amounts forward, allowing them to catch up in later years.

Let me illustrate the impact of saving with a Canada education savings grant beginning when a child is three. If parents were to save, let us say, \$25 every two weeks through an automatic deduction from their paycheque, even if prudently invested, their child beginning at age 18 would receive \$4,700 each year for four years to finance his or her schooling. Of that amount, almost \$800 a year would be the direct result of the Canada education savings grant we are announcing today.

As a result of the initiatives we are taking, RESPs will now be among the most attractive savings vehicles available for a child's education. We believe that RESPs will soon come to be considered as essential for future planning as registered retirement savings plans are now.

They represent one of the best things parents can do for their children, one of the best things grandparents can do for their grandchildren. They speak to the partnership of generations.

There can be few things more critical to determining our economic success in the next century than a vigorous, broad based research and development effort. The fact is the more R and D that is done in Canada, the more jobs that will be created for Canadians. That is why, for instance, we created the Canada Foundation for Innovation last year, to provide the facilities at our hospitals, our universities and our colleges that will support world class research.

This year we are providing new support for researchers themselves so that the best and the brightest can realize their dreams and fulfil their promise right here in Canada. They will do so by opening up new frontiers of knowledge in medicine and in the natural and the social sciences.

[*Translation*]

For two decades, the government's granting councils—the Natural Sciences and Engineering Research Council of Canada, the Medical Research Council of Canada and the Social Sciences and Humanities Research Council of Canada—have provided crucial support for these researchers and their projects.

For example, Dr. John Polanyi, Nobel Prize winner and inventor of the chemical laser, has been a recipient of such support throughout his career. So, too, has Dr. Fernand Labrie of Laval

*The Budget*

University whose research work on enzymes and hormones has opened up vast possibilities for the treatment of breast and prostate cancers.

As we brought the deficit down, many difficult choices were made. One of these was a reduction in funding for the granting councils. That is why I am very happy to announce today that, effective April 1, their budgets will be restored to their original 1994-95 levels. In the years ahead, these resources will grow further. Indeed, by the end of the year 2001, they will have received more than \$400 million in additional resources and their budgets will be at their highest level ever.

• (1725)

[*English*]

The youth unemployment problem remains grave in this country. As we have just seen, an important part of the answer lies in higher education. However, too many of our young people still confront the dilemma they know only too well: no experience, no job; no job, no experience.

To help address this problem, the government launched a youth employment strategy in February last year. As part of that strategy, more than 120,000 career summer placements and over 50,000 internships are being created over a two year period.

Clearly the private sector is the engine of job creation and many employers are rising to the challenge of helping to hire and train more youth. However, much more remains to be done. Many more employers must rise to the challenge if it is to be overcome.

Therefore today we are introducing two measures that we believe will support the private sector and others in this endeavour. They, along with the measures announced today and others previously taken, are part of what we believe must become a country-wide effort to deal head on with the problem of youth unemployment.

First, we are announcing that over the next two years employment insurance premiums paid by employers will be eliminated for new jobs they create for young Canadians between the ages of 18 and 24.

Second, we recognize that the challenge of finding a job is toughest for those who have dropped out of school. For these people the need for skills is great, and on the job training is often the best way to develop them.

Today Youth Service Canada is helping over 5,000 unemployed young Canadians get work experience in local businesses and community based projects. The results are there. One year after completing their Youth Service Canada work experience, 85% of participants had found work or had returned to school.

Therefore in this budget we are more than doubling the resources devoted to this program in order to assist those, particularly

between ages 20 and 24, who have not completed high school. Wage subsidies of up to \$10,000 will be provided to give them the kind of work experience that is key to long term employment.

[*Translation*]

Computer skills have now joined reading, writing and arithmetic as one of the basics of learning. Having access to a computer puts the world literally at one's fingertips. There are two programs in place to give Canadians access to the technology and knowledge that makes it all possible.

First, SchoolNet, introduced by the government four years ago, is bringing the Internet into the classroom, making it a vital learning tool in every school in Canada. It allows students to access huge volumes of material in a matter of seconds—making learning more satisfying and teaching more effective.

The Computers for Schools Initiative, which is part of SchoolNet, donates thousands of computers to schools across the country, helping our children develop computer literacy at an early age, the easiest time to learn.

Second, the Community Access Program is bringing Canada on-line. Five thousand communities and libraries are being connected. Five thousand more sites await.

The goal of both these programs is to make sure that, no matter where Canadians live, no matter how small a town, how small a school, rich or poor, every student—indeed every citizen—has access to the same storehouse of knowledge.

• (1730)

To bring that goal ever closer to realization, the government is significantly increasing the resources available to both SchoolNet and the Community Access Program. There will be additional investment as well for CANARIE, Canada's world-leading research effort into next-generation communications networks.

This unique and extensive private and public sector consortium will enable Canada to put in place the world's fastest coast-to-coast information network, accessible to schools, communities and businesses. At the dawn of the information economy, this will provide Canada with an important leg up on the rest of the world.

[*English*]

Let me summarize what the Canadian opportunities strategy means for Canadians.

For the student at college or university or vocational institute, the Canadian opportunities strategy means a comprehensive system of scholarships, study grants, student loans and tax credits. For the graduate coping with student loans it means a new tax credit to support repayment and new loan relief if they are in a situation of financial hardship.

*The Budget*

For the worker seeking to renew his or her skills, whether through part time or full time study, whether at university, college or vocational institute, it means increased support that will now be available for students of all ages, plus the opportunity to draw on RRSPs to increase earning capacity.

For parents and grandparents it means the Canada education savings grant which will make RESPs the best way by far to save for a child's future education.

For post-graduate students and researchers it means greater support of their important work through the granting councils.

For young persons having difficulty joining the workforce it means new opportunities to gain practical work experience.

For children as well as communities across Canada, it means new access to computer technology and computer networks.

The Canadian opportunities strategy is based on a very straightforward proposition: that people, regardless of their income level, who are serious about getting an education should have that opportunity. That is their right. It is our duty and it is a responsibility that we are acting upon today.

We have just been discussing the role of education in assuring equality of opportunity. But let us be very clear. The capacity to learn does not begin in school. It is dependent on the caring and the nurturing provided the smallest infant. The fact is equality of opportunity means a good start at home. That is why over the past year the federal, provincial and territorial governments have begun to build a national child benefit system which will play a key role in fighting poverty so as to help provide that good start.

As a first step, in our last budget we allocated \$850 million to increase federal child benefits. This funding begins to flow in July of this year through the new Canada child tax benefit. It will increase support to over one million children and their families.

Last spring we said that as soon as we could afford to do more, we would. Today we are. As part of the national child benefit system, we are allocating a further \$850 million to enrich the child tax benefit over the next two years: \$425 million as of July 1999 and \$425 million as of July in the year 2000. Details of these improvements will be announced after discussions with the provinces.

• (1735)

Next, we believe that government must recognize and support all Canadian families in their desire to provide quality care for their children. We know that the vast majority of working Canadians belong to two earner families. While those parents are away at

work they want the very best care for their children. We also know that the costs of childcare can be high and that they are increasing.

Therefore, in this budget we are increasing the limit on the childcare expense deduction from \$5,000 to \$7,000 for children under age 7, and from \$3,000 to \$4,000 for children aged 7 to 16. For a parent earning \$45,000 and paying \$14,000 for the care of two preschool children, this measure will reduce their costs by \$1,600 a year. The increased childcare expense deductions will provide needed assistance to 65,000 Canadians with children.

One of the defining features of a secure society is its will and capacity to provide a secure retirement income for its senior citizens. One of the most important policy initiatives ever undertaken in Canada was the decision over three decades ago to establish the Canada pension plan.

The CPP is about our values as a nation. It is about the sharing of risk and the security of benefits.

Last year we and the provinces as joint stewards came together and agreed on a package of reforms to preserve the CPP and enabling legislation was passed by this Parliament. The CPP is now secure.

We can say to every Canadian who is 60 years old, the CPP will be there for you. We can say to every Canadian who is 40 years old, the CPP will be there for you. And we can say with confidence to every young Canadian, many of whom have not believed that public pensions would survive, the CPP will also be there for you.

In the months ahead we will move on to the next stage of preserving our pension system. Legislation will be introduced to put in place the seniors benefit which in the early years of the next century will replace the current system of old age security and the guaranteed income supplement, the second pillar of our retirement income system.

The seniors benefit will fully protect the pensions of all current seniors and near seniors. It will ensure that all those in need receive as much, if not more, than they would under the current system. We have consulted with seniors and other interested groups on the detail of this reform. They have raised some very important points concerning the package that was first put forward in 1996. We have listened very carefully. Their points are being given every consideration.

Let me now turn to the question of taxation. Let me begin by reaffirming our goal. It is to reduce taxes. It is to leave more money in the pockets of hard working Canadians.

A government's tax policy must be an essential element of its overall social and economic policy. Our tax policy is crystal clear.

First, our financial resources are limited. Therefore targeted tax reductions aimed at critical social and economic concerns must be the first priority.

*The Budget*

Second, as financial resources permit, general tax relief will be provided, the priority being personal income taxes for middle and low income Canadians.

Third, the tax system must be fair. This means Canadians should pay taxes consistent with their capacity to pay. And we must ensure that all taxes owing are indeed paid.

• (1740)

[*Translation*]

From the beginning, we have provided targeted tax relief where the need is greatest and the impact the largest.

In past budgets, for example, we have increased tax assistance for students, for charities, for persons with disabilities, and for the children of working parents with low incomes. In this budget, the process of targeted assistance is being continued.

Many of the measures we have announced as part of the Canadian Opportunities Strategy will, in fact, be delivered through the tax system, as will the new support for families under the Canada Child Tax Benefit and the child care expense deduction.

In addition, we are announcing the following targeted tax measures.

First, the number of self-employed Canadians is growing daily. Many operate through unincorporated businesses. However, unlike those businesses that are incorporated, they cannot deduct the premiums they pay for their supplemental health and dental plans. This is unfair. Starting this year, self-employed Canadians will be able to deduct these premiums from their business income.

[*English*]

We recognize as well that there is an unprecedented number of Canadians, mostly women, who are today providing care for family members at home, very often an elderly parent or a disabled child. The support they provide is irreplaceable.

In recognition of this the government is introducing a new federal tax credit of up to \$400. This will increase or extend assistance to well over 400,000 caregivers. Together with the GST/HST exemption proposed in this budget for respite care, our goal is to enhance federal support for Canadians striving to meet the growing demands of caring for family members with an infirmity or a disability.

Finally, as witnessed over the past year in floods and the ice storm, it is important to recognize the extraordinary service provided by the thousands of Canadians who register as volunteers in our communities, mostly rural, as has been pointed out by caucus, and who provide essential emergency services such as firefighting and first aid. They give concrete meaning to the concept of good citizenship. To support them, the tax free

allowance for volunteer firefighters will be doubled from \$500 to \$1,000. This allowance is extended to all other emergency service volunteers effective January 1.

With the books balanced it is now possible to consider broader tax measures. Very clearly, at the outset these measures must be modest for the financial dividend that makes them possible is modest as well. We simply cannot put in jeopardy either Canada's regained fiscal health or the country's priorities such as health care, education and public pensions.

Equally clearly, as a matter of fundamental fairness, our first focus must be on low and middle income Canadians. The place to start therefore is with those least able to pay taxes.

First, personal tax credits serve the purpose of greater tax fairness by ensuring that no tax is paid on a basic amount of income. Therefore, as of July 1 of this year, we are raising the amount of income that can be earned by a low income single Canadian by \$500 and by \$1,000 for a family, before they pay one penny of tax. As a result, 400,000 people will be removed from the tax rolls completely.

• (1745)

Second, in 1986 the previous government subjected all Canadians to a 3% general surtax, a tax on tax, which it said would bring the deficit down. The deficit went up. The surtax remained on.

Today we are announcing the elimination of the deficit. Today, for 13 million middle income Canadians, we are eliminating the surtax.

[*Translation*]

Today, we are announcing the elimination of the deficit. And today, for 13 middle-income million Canadians, we are eliminating the surtax.

[*English*]

Effective July 1, taxpayers earning between \$50,000 and \$65,000 will see the surtax reduced and 83% of all taxpayers, those earning up to \$50,000, will see it eliminated in its entirety.

Taken together, the last two measures will provide tax relief for up to 14 million Canadians and 90% of all taxpayers. In total, the general tax relief and the targeted tax measures that we are announcing today, primarily to low and middle income Canadians, amount to \$7 billion over the next three years.

These tax measures are a first step. Looking ahead, we will build upon them as we can. We will do so with the nation's economic and social needs very much at the forefront of our consideration. We will do so in a measured and responsible way. Let there be no doubt, as soon as we can afford it taxes will be further reduced.

*The Budget**[Translation]*

This then is our budget. It represents the second stage of the plan we put in place in 1994. It has three parts.

First, in previous budgets, we reduced the deficit. With this budget, we have balanced the books and have begun the process of debt reduction. In future budgets, we will stay the course.

Second, we have invested in the future. Over 80 per cent of our new spending initiatives reflect the highest priorities of Canadians—access to knowledge and skills, support for health and education through increased transfers to the provinces.

Furthermore, we will accomplish this while at the same time maintaining a tight control on our expenditures. In fact, in this budget, Canada's program spending as a share of GDP, will fall to its lowest level in 50 years.

Third, we have reduced taxes initially in a targeted way and, as soon as the country's resources permit, we will broaden and deepen the process.

*[English]*

This plan is not only simply a theme for one budget or one year. It has defined our approach from the beginning. It will define our approach in the future.

However, as I draw to a close, let me conclude not by summarizing the measures contained in this budget but by describing the challenges those measures are designed to meet.

- (1750)

Today we cannot pretend that our task is over. It is not. If Canadians have accomplished a great financial turnaround, there are greater things still that need to be done. We dare not coast now. We cannot let go.

The fact is that in this age of globalization and technological change we hear constantly about barriers that are being brought down, about new markets that are being opened up. This is true and it is tremendously exciting, but the fact is as well that Canadians have come to fear that our capacity to shape our own destiny is disappearing and that their country has become like a small boat sailing on rough and uncharted seas.

*[Translation]*

In an era of restructuring and downsizing, Canadians have come to wonder whatever happened to the once solid link between growth in the economy and growth in their incomes.

After decades of runaway deficits, Canadians have feared that their health care, their pensions, their system of education risked becoming mere shadows of their former selves—frail and fading, no longer strong and secure.

Well, there is a new destiny we must design for ourselves.

*[English]*

Globalization and technological change are a reality. They are not a religion. They are a fact. They are not a faith. We commit a very serious mistake if we ever come to believe that the global economy abroad means that there is no role, no responsibility on the part of government to provide opportunity and security at home.

In the era of great change our core programs, our core institutions, our core values are more important than ever. They hold us together. They give Canadians the security and the confidence they deserve. They equip the country to succeed, and succeed we will.

We believe on this side of the House that the strength of a nation's agenda lies in its balance, not in its extremes. The fact is we have not balanced the budget in spite of having taken a balanced approach. We have done so precisely because we have taken a balanced approach.

This is not about compromise. This is not about trying to be all things to all people. It is about meeting the diverse needs of a modern nation. It is about managing the present while at the same time preparing for the future. We do not believe that our society and our economy should be left to twist in the winds of globalization. We must make change work for us or else we will end up working for it. That frames our challenge.

*[Translation]*

Some countries have great natural resources, others have impressive technological capacity, still others have vast human resources. We have all three.

That is why our goal must be to make Canada, not just a participant in the modern economy, but a world leader. A country which provides its citizens with access to the highest standard of living and the widest scope of opportunities possible.

*[English]*

Our responsibility as we go forward is very clear. It is to balance the budget but it is also to bring forth budgets that are balanced. It is to work to build not simply an economy of growth but also to safeguard a society that is fair. Our challenge today is to put our values to work in new ways for a new century. It is to turn opportunity for some into opportunity for all.

That is what this budget seeks. That is what we will strive for in each and every year that lies ahead, for that is the foundation on which a great nation is built.

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

- (1755)

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, in about three minutes I will formerly move adjournment of the budget debate until tomorrow, but before doing so I would be

*The Budget*

remiss if I did not say that congratulations are in order concerning the fact that for the first time in 28 years the federal budget is to be balanced.

Some members opposite, most of whom have resisted budget balancing throughout their entire careers, appear to feel that these congratulations are owed to them. What an illusion.

I half expect the finance minister to show up tomorrow with his arm in a sling, having patted himself on the back so many times that he has dislocated his shoulder.

The budget figures themselves plainly show that the federal budget has been balanced primarily on the backs of long suffering Canadian taxpayers, taxpayers who are now contributing more than \$30 billion per year to the federal coffers than when the government took office.

If it is the taxpayers of Canada who have contributed the most to balancing the budget, then it is those taxpayers who should be the first to receive the rewards of a balanced budget and it is they who should receive the greatest reward.

One would have expected a grateful government, a grateful minister, to have first devoted any surplus to meeting the priorities of those taxpayers, which are debt reduction and tax relief. Sad to say, this budget does not provide that reward.

Hon. members have not heard this, but they will hear it now. The story of the budget in brief is that there is no serious effort to tackle the debt. Spending is up by \$11 billion over the next four years. I would ask Liberal members to listen to the last point because they

were not told this in caucus. While tax relief measures amounting to \$7 billion are offered over the next three years, total taxes paid by all taxpayers increase by \$46 billion over the same period.

In other words, the minister put \$900 into the left pocket of the average family and over the next three years will take \$6,000 out of the right pocket and hope that the taxpayers will not notice. The taxpayers are going to notice.

It is the intention and the duty of the official opposition over the next few days to fully disclose and expose the betrayal of the taxpayer in this budget and to present alternative measures to make real tax relief and real debt reduction the priorities of the 36th Parliament.

• (1800)

We can hardly wait for that debate in which Canadians will hear the other side of the story. But to give the government time to fortify itself by strong drink and other measures against the exposures of the weaknesses of its budget, to give the government its fleeting moment in the sun, I move:

That the debate be now adjourned.

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

(Motion agreed to)

**The Speaker:** Pursuant to Standing Order 83(2), the motion is deemed adopted and this House stands adjourned until tomorrow at 2 p.m.

(The House adjourned at 6.01 p.m.)



# CONTENTS

Tuesday, February 24, 1998

## ROUTINE PROCEEDINGS

### Apprenticeship National Standards Act

Bill C-363. Introduction and first reading .....	4325
Mr. Mahoney .....	4325
(Motions deemed adopted, bill read the first time and printed) .....	4325

### Petitions

#### Public Safety Officers Compensation Fund

Mr. Szabo .....	4325
-----------------	------

### Questions on The Order Paper

Mr. Adams .....	4325
-----------------	------

## GOVERNMENT ORDERS

### Canada Labour Code

Bill C-19. Second reading .....	4326
Mr. Hill (Prince George—Peace River) .....	4326
Mr. Mahoney .....	4328
Mr. Hill (Prince George—Peace River) .....	4328
Mr. Hill (Prince George—Peace River) .....	4329
Mr. Rocheleau .....	4329
Mr. Hill (Prince George—Peace River) .....	4329
Mrs. Chamberlain .....	4329
Mr. Hill (Prince George—Peace River) .....	4329
Mr. Dubé (Lévis) .....	4330
Mr. Hanger .....	4331
Mr. Dubé (Lévis) .....	4331
Mr. Guimond .....	4331
Mr. Guimond .....	4333
Mr. Breitzkreuz (Yorkton—Melville) .....	4333
Mr. Hanger .....	4333
Mr. Guimond .....	4334
Mr. St-Julien .....	4334
Mrs. Ablonczy .....	4334
Mr. St-Julien .....	4336
Mrs. Ablonczy .....	4336
Mr. Stoffer .....	4337
Mrs. Ablonczy .....	4337
Mr. Mahoney .....	4337
Mrs. Ablonczy .....	4338
Mr. Benoit .....	4338
Mrs. Chamberlain .....	4340
Mr. Benoit .....	4340
Mr. Dubé (Madawaska—Restigouche) .....	4341
Mr. Benoit .....	4341
Mr. Anders .....	4341
Mr. Benoit .....	4342
Mr. Crête .....	4342
Mr. Penson .....	4343
Mr. Fournier .....	4345
Mr. White (North Vancouver) .....	4346
Mr. Hanger .....	4348
Mr. Stoffer .....	4349
Mr. Hanger .....	4349
Mr. Anders .....	4349
Mr. Lunn .....	4350
Mr. Nunziata .....	4352

Mr. Morrison .....	4353
Mr. Reynolds .....	4354
Mr. Schmidt .....	4355
Mr. Bailey .....	4357

## STATEMENTS BY MEMBERS

### Eli and Lauretta Martin

Mr. Myers .....	4358
-----------------	------

### Reform Youth Convention

Mr. Strahl .....	4358
------------------	------

### Estonia

Ms. Bulte .....	4358
-----------------	------

### New Brunswick

Mrs. Bradshaw .....	4358
---------------------	------

### Prostate Cancer

Mr. White (North Vancouver) .....	4359
-----------------------------------	------

### Ministry of Justice

Ms. Caplan .....	4359
------------------	------

### Streptococcal Group A

Mr. Mahoney .....	4359
-------------------	------

### The Senate

Mr. Hanger .....	4359
------------------	------

### André Nadeau

Mr. Laurin .....	4359
------------------	------

### Nagano Olympic Games

Ms. Folco .....	4360
-----------------	------

### Former BC Mine Workers

Mr. Drouin .....	4360
------------------	------

### Don Cherry

Mrs. Guay .....	4360
-----------------	------

### Multilateral Agreement on Investment

Ms. Wasylcyia-Leis .....	4360
--------------------------	------

### Air Transport

Mr. Discepola .....	4361
---------------------	------

### Annie Perrault

Mr. Price .....	4361
-----------------	------

### Richmond Hill

Mr. Wilfert .....	4361
-------------------	------

### Canadian Census

Mr. Obhrai .....	4361
------------------	------

## ORAL QUESTION PERIOD

### The Economy

Mr. Manning .....	4361
Mr. Chrétien (Saint-Maurice) .....	4362
Mr. Manning .....	4362
Mr. Chrétien (Saint-Maurice) .....	4362
Mr. Manning .....	4362
Mr. Chrétien (Saint-Maurice) .....	4362
Miss Grey .....	4362



Mr. Casson .....	4376
Mr. Mills (Red Deer) .....	4377
Mrs. Chamberlain .....	4377
Mr. Mills (Red Deer) .....	4377
Mr. Gilmour .....	4378
Mr. Strahl .....	4379
Mr. Nunziata .....	4379
Mr. Strahl .....	4379
Mr. Duncan .....	4380

Mr. Mayfield .....	4381
Mr. Duncan .....	4381

**The Budget**

**Financial Statement of the Minister of Finance**

Mr. Martin (LaSalle—Émard) .....	4382
Motion .....	4382
Mr. Manning .....	4392
Motion .....	4393
(Motion agreed to) .....	4393

**MAIL  POSTE**

Canada Post Corporation/Société canadienne des postes

Postage paid

Port payé

**Lettermail**

**Poste-lettre**

**03159442**

**Ottawa**

*If undelivered, return COVER ONLY to:*

Canadian Government Publishing,

45 Sacré-Coeur Boulevard,

Hull, Québec, Canada, K1A 0S9

*En cas de non-livraison,*

*retourner cette COUVERTURE SEULEMENT à:*

Les Éditions du gouvernement du Canada,

45 boulevard Sacré-Coeur,

Hull, Québec, Canada, K1A 0S9

**Published under the authority of the Speaker of the House of Commons**

**Publié en conformité de l'autorité du Président de la Chambre des communes**

**Also available on the Parliamentary Internet Parlementaire at the following address:**

**Aussi disponible sur le réseau électronique «Parliamentary Internet Parlementaire» à l'adresse suivante :**

**<http://www.parl.gc.ca>**

---

**The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.**

**Additional copies may be obtained from Canadian Government Publishing, Ottawa, Canada K1A 0S9**

**Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.**

**On peut obtenir des copies supplémentaires en écrivant à : Les Éditions du gouvernement du Canada, Ottawa, Canada K1A 0S9**