



CANADA

House of Commons Debates

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OFFICIAL REPORT
(HANSARD)

Thursday, December 3, 1998

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Thursday, December 3, 1998

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1005)

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Gar Knutson (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to five petitions.

* * *

COMMITTEES OF THE HOUSE

CANADIAN HERITAGE

Mr. Dennis J. Mills (Broadview—Greenwood, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the sixth report of the Standing Committee on Canadian Heritage. This is the report of the Subcommittee on the Study of Sport in Canada entitled "Sport in Canada: Leadership, Partnership and Accountability; Everybody's Business".

* * *

HONG KONG VETERAN PRISONER COMPENSATION ACT

Mr. Peter Goldring (Edmonton East, Ref.) moved for leave to introduce Bill C-463, an act to provide for compensation to those Canadian veterans who were taken prisoner by the Japanese in 1941 in Hong Kong and forced to work in labour camps.

He said: Mr. Speaker, Christmas Day 1941 started a despicable period of time when 2,000 Canadian soldiers who defended Hong Kong were interned by the Japanese and put into forced labour in Japanese industries.

Since that period of incarceration, Japan made a settlement of \$1 a day in the early 1950s which was not a settlement in kind. The Canadian government went on in 1955 to conspire against further compensation to these same war veterans.

This bill is to set right a gross wrong that occurred many years ago. It is long overdue. It is fair, right and has all-party support. It must be done.

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

* * *

• (1010)

PETITIONS

HUMAN RIGHTS

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to present a petition today signed by a number of Canadians, including from my own riding of Mississauga South.

The petitioners draw to the attention of the House that human rights violations continue in many countries around the world, including Indonesia.

The petitioners also acknowledge that Canada is internationally respected for its defence of universal human rights and in this, the 50th anniversary of the UN declaration of universal human rights, the petitioners call on the government to continue its efforts to speak out against countries which tolerate violations of human rights and to do whatever is possible to bring to justice those responsible for such abuses.

CRTC

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am honoured to present on behalf of my constituents three petitions this morning.

The first has to do with the CRTC. Some 100 petitioners ask that parliament review the mandate of the CRTC which would not only permit but encourage the licensing of religious broadcasters.

MARRIAGE

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the second petition is similar in principle. It has to do with marriage.

The petitioners pray that parliament enact legislation such as Bill C-225 so as to define in statute that a marriage can only be entered into between a single male and a single female.

Privilege

FAMILY

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the third petition is signed by some 25 people, mostly in my riding. There are one or two stragglers from Edmonton on this one.

It concerns the family. The role of parents is being diminished and the petitioners ask respectfully that parliament retain section 43 of the Criminal Code which permits parents to use reasonable force in training their children.

THE SENATE

Mr. Rob Anders (Calgary West, Ref.): Mr. Speaker, I am proud to present a petition today on behalf of the citizens of Gloucester from the riding of Carleton—Gloucester.

The petitioners say Canadians deserve an accountable Senate and the Prime Minister should accept the results of a Senate election.

MARRIAGE

Mr. Gar Knutson (Elgin—Middlesex—London, Lib.): Mr. Speaker, I have the honour of presenting a petition signed by 30 people in my riding asking that the marriage act be amended so as to define in statute that a marriage can only be entered into between a single male and a single female.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Gar Knutson (Parliamentary Secretary to the Prime Minister): Mr. Speaker, I suggest that all questions be allowed to stand.

The Speaker: Is it agreed?

Some hon. members: Agreed.

* * *

[*English*]

PRIVILEGE

PARLIAMENT HILL

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, it is always a pleasure to rise in this place.

I gave you notice of this matter of privilege, and each party House leader, with respect to a news release yesterday by the Minister of Public Works and Government Services. I have sent Mr. Speaker a copy of this but it is short enough that I would like to read it. It is dated December 2:

The Minister of Public Works and Government Services today announced the creation of the Parliamentary Buildings Advisory Council to provide advice on the Parliament Hill renovations.

“The Parliamentary Buildings Advisory Council will provide an important support mechanism to the renovation projects of Parliament Hill”, said [the minister]. “The Advisory Council will aim to make a valued contribution to improving the level of information, consultation and co-operation on preserving these important heritage assets”.

The Parliamentary Buildings Advisory Council will be comprised of membership from the private and public sectors, including: representatives of the Senate; House of Commons; the Library of Parliament; the National Capital Commission; Canada Heritage; as well as representatives of the private sector architectural and engineering professional associations.

The Advisory Council will be an independent advisory board that will advise the Minister of PWGSC, as the authority accountable for the Parliament Hill renovations.

• (1015)

[*Translation*]

These texts are also available in French.

[*English*]

I have been disturbed for some time by the cabinet’s attitude toward parliament. Ministers seem to take great pride in avoiding interaction with this House. A dangerous culture grew in the last parliament in which cabinet ignored this House and its members. I can count on one hand the number of ministerial statements that have been made since this parliament reconvened. Those statements have been most often and appropriately prompted by expressions of public sympathy for disasters, yet they have not been announcements by government on policy or matters that should be brought to the attention of this House in the first instance. The House of Commons is the place where the government is most answerable to the people who elected the members of this Chamber.

A culture of spin doctoring and media manipulation appears to have grown. To date this House has been prepared to ignore it and to remain silent, while our right to be informed of government action and policy decisions has been superseded by default by government to the news releases. It appears there is no one in this place, nor in government who asks whether this is an announcement that should be made by the minister to parliament. It is time for the House to draw a line in this regard. I think that everyone in this place would agree.

Mr. Speaker, two days ago, in response to pleas from the opposition House leader, you admonished the fact that there were alleged leaks. You quite properly appealed to members at that time to respect this House. You said: “The best place for announcements is here in this House, where we are. This is where they should be made”.

This situation is very much akin to the situation you were dealing with at that time. It is very similar. This is a ministerial announcement. The place for this to have been made is here in this Chamber. I would suggest there is not a member here who would

Privilege

disagree with that. The minister of public works is dealing with a very important situation at this time.

Mr. Speaker, yesterday I attended two meetings at which you and other House officers were present. We met at the Board of Internal Economy. We met with respect to a situation that had arisen in the Chamber coming out of question period. I would wager that you as Speaker were not aware that this ministerial statement was taking place.

As members of this place we are entitled in the first instance to hear in this Chamber of such important matters. Are we not members of this place? Do we not deserve that respect? I am certain that if other members had been aware of this announcement there may have been reference to it. There may have been reference to it at the informal meeting we held in your office, yet there was none. Obviously the government was aware while opposition members were not aware.

The simple fact is that the minister of public works has attempted to avoid the House of Commons on this issue. There is good reason for that. It is becoming plainly obvious to everyone that there are serious problems with this project and the budget that has been attached to it.

The minister may try to play tough guy with the public servants, but we are watching him. This is an abrogation of ministerial responsibility. The minister obviously does not want to listen to the responses of the opposition parties and it is well known that he brooks no opposition. Just ask the public servants who were hung out to dry by the minister before the examination by the auditor general.

As members of parliament we have an obligation to discharge and the place to do that is here in the House. We cannot effectively do so if the ministry is systematically avoiding coming into this House to enter into parliamentary dialogue and exchange.

We have been patient with the government and we have tried to make this place work, although there have been times when it has stumbled.

The public works minister seems to think this place is a museum. He calls this place a heritage asset. But we are here as an asset ourselves to parliament. Although I am not one content to sit on the shelf while the minister of public works runs roughshod over the House of Commons, I suggest that this is an insult and that he owes it to this place to consult and he owes it to this House to make announcements in this place if it is to truly be respected.

• (1020)

The particular museum piece is through with passive acceptance of the norms of the last parliament. We are signalling that this is

unacceptable and we invite other members to participate in this question of privilege and to join in this fight to assert that the authority of this House is to be respected, not only by the opposition but by government members as well. Ministers have a duty to this place and to those who use this building.

Canada is not alone in suffering the attack of the spin doctors. Your colleague in the House of Commons of the United Kingdom, Speaker Betty Boothroyd, has repeatedly stated: "When there is a major change of policy, a statement should first be made in the House".

Mr. Speaker, I am mindful of citation 352 of Beauchesne's and I am not arguing that there has been a breach of privilege per se, but I do argue that there is contempt of the House. I would ask you to reserve your decision on this point in order that you may consider the consequences of allowing this conduct to continue and to continue unchallenged by the Chair and by the opposition.

Have we reached the day when this House is so weak willed that we will allow this to occur? Surely that cannot be the case. The time has come for parliamentary assertion of respect, not only for the physical premises, not only for these buildings that the minister of public works seeks to remedy and to fix, but respect for the members and all of the rights and privileges that flow from this Chamber.

Mr. Speaker, there is a remedy that goes beyond a simple admonition from the Chair and I ask you to find that there is a prima facie circumstance to permit consideration by the House of a motion instructing the minister of public works to make a statement in the House, fully outlining the government's intention with respect to the restoration of the parliamentary precinct.

Mr. Speaker, this is a request that a statement be made in the House and that perhaps the Speaker also consider issuing an admonition and that the minister apologize. If you are prepared to permit this motion, I would move that that take place and that we refer the matter to a committee, if that is appropriate.

Mr. Speaker, the time has come and I believe, in respect to you, that you took a step in that direction yesterday by bringing the House leaders together and looking for solutions that will improve the way this Chamber works. I am appealing to you on this matter. This is not the first time this has happened. In fact it has become the norm in parliament that ministerial statements are made at the press gallery and not on the floor of the House of Commons.

I am a new member of this Chamber, but in the short time that I have been here I have seen this trend continue and I find it absolutely insulting, not only to members of the House but to the Canadian people. Mr. Speaker, I would appreciate your consideration of this point.

Privilege

Mr. Werner Schmidt (Kelowna, Ref.): Mr. Speaker, I would like to rise on the same question of privilege that the hon. member opposite has raised.

It is in the context of what he said that I wish to address the House. In particular, it is the pattern that is being developed that I find a little disturbing.

It seems to me that there has been more than one breach of the privileges that ought to be observed for members of parliament. We are here to represent the people and to represent the best interests of the people, and also to be judicious in the way in which public funds are spent.

What the minister announced was in direct agreement with what the auditor general announced two days before. He asked that such an advisory board be established. That advisory board was suggested many years before. In 1992 a similar suggestion was made by the auditor general and nothing was done. To the extent that the minister is doing what the auditor general suggested should be done, that is fine. I do not disagree with that. But I do disagree with the fact that he took away the privilege of letting members know what the government is doing in this regard.

We are not dealing with a \$100 million expenditure. According to the auditor general's figure, we are dealing with a number of \$1.4 billion. Reparations to the parliamentary precinct were originally approved, if my memory is correct, at about \$250 million.

• (1025)

To date, projects worth \$423 million have been approved. Not all of that money has been spent, but the projects have been approved.

Recently the minister appeared before the committee and suggested that there would be considerable additional expenditures.

Now the auditor general has said, upon examining the issue, that it is going to be \$1.4 billion. That is no small amount. That this group should now act as an advisory board I think is a good thing. However, the minister should have made the announcement here in this House. That is the issue.

A couple of days ago the House leader for the official opposition said that there are leaks happening in the committees. He does not like those leaks taking place and neither do I. I am sure, Mr. Speaker, that you do not like what is happening. In fact, you expressed yourself to that effect and I commend you for doing that.

Before that we had the Minister for International Trade announcing the creation of a Canada-China parliamentary association before parliament had even created it.

The government appointed Mr. Landry to the millennium scholarship foundation at a time when there was no legislation before the House to set up the foundation.

There was a similar case with the Canadian Wheat Board. Once again the government began implementing measures before the measures were approved by parliament.

I raise these issues because there is a pattern developing.

When this parliament began, the government set up a CPP board before the legislation authorizing this board was adopted by parliament.

The Speaker said on November 6, 1997 that "the dismissive view of the legislative process, repeated often enough, makes a mockery of our parliamentary conventions and practices". That is the issue that I wish to address.

The sole source contracts that were addressed by the auditor general is another issue. There were \$4.4 billion in sole source contracts and 85% of them—

The Speaker: I think we are getting away from the question of privilege. However, I am getting the drift of what the hon. member is driving at and I will allow him to summarize.

Mr. Werner Schmidt: Mr. Speaker, in summary, the point I am trying to make is that every minister ought to honour this House and give to this House information concerning a change of policy or a change in direction.

It is a major shift for the minister of public works to say that the parliamentary precinct will now have, as a co-ordinating body, a group of people from outside this parliament to advise the minister. He should have said that in this House. That is my point.

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, very briefly on this question of privilege, we should make a point of not confusing this question of privilege with other things that have arisen in the House lately with respect to the leaking of committee reports or the whole question of decorum.

The only thing this is related to that has come up in recent days is the matter of more business being done in the House where it should properly be done. In that sense it is related to things that have come up in previous days.

I would certainly want to agree that this kind of announcement should have been made in the House. I want to make that point in the context of the larger argument that more ministerial policy announcements should be made in the House. I would reinforce that general point.

Privilege

The nature of this announcement had to do with the parliamentary precinct itself. It seems to me that it would have been a perfect example of something that should have been announced here in this House.

It was announced outside the House without any foreknowledge, that I am aware of, either on the part of the Chair or others who are concerned about this matter.

Without breaching any confidences, I am aware of meetings that went on yesterday in which people were discussing this very thing: the relationship between parliament and public works and what was going on here on the hill, et cetera. Then, all of a sudden, we read in the paper that the minister of public works had made an announcement and did not even make it in the House where there would have been an opportunity to respond.

I think this raises again, Mr. Speaker, whether or not you find that there is a question of privilege with respect to the whole question of the continuing inadequacy of the relationship between parliament and public works and the general lack of direction, lack of overall planning and lack of overall accountability for what happens here in the parliamentary precinct.

• (1030)

I would call the House back to recommendations that were made in 1985 by the McGrath committee, the special committee on the reform of the House of Commons in which we called at that time for the establishment of a parliamentary intendant. That was the phrase we used. It was somewhat along the lines of the congressional architect, which is what they have in the United States in Washington, D.C. It is someone who is over both houses, over the congressional precinct and accountable to both houses, someone who could be the focus of decision making and planning for the parliamentary precinct including both houses, the hill, offices, et cetera. We do not have that now.

We have a continuing problem with both the media and the public trying to find out who is really responsible for the decisions that are made about what is going to be renovated, how much it will cost and what is the long term plan. They do not know whether it is public works, the Senate or the House of Commons. Frankly sometimes we do not seem to know ourselves. We as members of parliament read about things in the papers, decisions that have been taken somewhere else, and we have to answer for them when it comes to public works and the minister.

This should be one more occasion for the House to get its act together and try to clean up the confusion that exists with respect to the various roles of the House and public works.

I also reinforce the point, as I have whenever I get the chance, that more announcements should be made in the House. I feel that

this announcement should have been made in the House. There should have been more consultation with the appropriate members of parliament and the appropriate bodies within parliament before such an announcement was made. We should not have had to find out about this by reading the papers.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, this would not be a question of privilege in any case. If it would have been a point of anything, which it was not, it would have been a point of order in reference to perhaps Standing Order 33(1) which relates to when ministers can make statements.

I bring this to the attention of the Chair. This has nothing to do with a question of privilege, and I will get into that later. Standing Order 33(1) states:

On Statements by Ministers, as listed in Standing Order 30(3), a Minister of the Crown may make a short factual announcement or statement of government policy.

This standing order says that it is optional for the minister to make it and in areas of government policy, presumably important enough areas, to make the announcement on the floor of the House, again remembering the issue "may make".

This morning we heard accusations against the hon. Minister of Public Works and Deputy Government Leader in the House, in his absence. The minister is here every day, as we all know. As a matter of fact he consults regularly with all of us. He is a member of the Board of Internal Economy. He accepted to sit on that board at my request so that he could be in greater contact with all of us because of the important ongoing renovations on the Hill.

He frequently attends, although not always as it is difficult for ministers to be several places at once, the Board of Internal Economy meetings and liaises very closely with House of Commons staff.

In addition, we have before us today the following proposition raised by a Reform MP. Should or should not the minister of public works have adhered to a recommendation made by another officer of parliament, namely the auditor general? That is exactly what he did.

The auditor general, an officer of parliament, made a recommendation in the House two days ago and the minister responded to it yesterday. There are approximately 200 pages to the auditor general's report.

Does that mean that every minister who responded yesterday to the auditor general's report should have tabled or made a statement in the House of Commons? That is an absurd proposition. Even if it were true on a very major change of government policy, should that have been the case for the minister appointing an advisory council for himself? This is an advisory council to the minister of public works to assist him in his work.

Speaker's Ruling

• (1035)

Every time we appoint an advisory council for ourselves as individual ministers, we will have to make statements in the House according to what the House leader of the Conservative Party has just said.

I hope that you wait, Mr. Speaker, until tomorrow to render a decision. The Chair might find out later today that all this is a prelude to a press conference which others want to make later today in order to question the expenditures of the renovations of the Hill and so on, and has nothing to do with a question of privilege or a point of order.

If I were a betting man, I would bet right now there will be a press conference later today. Maybe a senator by the name of Marjory LeBreton is organizing the press conference that is to be held later today. Maybe it has everything to do with that and nothing to do with a point of order on the floor of the House, much less a question of privilege. That is what I submit to Your Honour. There are issues—

An hon. member: What a charade.

The Speaker: I want to hear information on this question of privilege specifically. I do not want members to get into a debate. The hon. government House leader will probably summarize for us quite soon.

Hon. Don Boudria: Mr. Speaker, let me summarize. There is this morning a very important issue that involves the privileges of the House and I wish it would be raised by members of parliament, instead of doing what we are now.

Someone undermining all of us in the House of Commons gave access to a journalist to part of the precincts reserved for members of parliament. It was on the front page of newspapers today. It undermined everyone here and no one is raising anything about that matter today. That is wrong.

The Speaker: I will hear one final intervention on the question of privilege.

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, I just have a couple of comments. I believe we are getting into a bit of debate here which is not around the privilege issue.

There are a couple of points I would like to answer which the government House leader brought to our attention. One is that although we can indeed question the minister any time he is in the House, the difficulty is that if someone feels there is a question of privilege we must raise it at the earliest possible moment. The government House leader knows that this is the earliest possible moment. I think it is appropriate that it is brought forward now and I await your decision on it, Mr. Speaker.

There is nothing inappropriate about bringing it forward now. If we had waited—who knows when the minister might be here—

two or three days to bring it forward it would be out of order just because of lateness. I think it is entirely in order to bring it forward.

This is somewhat different from most ministerial announcements because it potentially deals with the privileges of members. We see in the newspaper articles today that it may affect the location of members' offices, especially those of backbenchers. It may affect access to which buildings are to be used by committees and so on.

This raises the concern level of backbench MPs. Some members might say that the last time they talked to their representatives on the board they thought there was to be another way of handling the issue of who looks after the precincts of the Hill, who will be giving directions to the architects and who will be overseeing the minister's works so that it is not just a public works project or indeed renovations, work and costs riding herd on the availability of computer services and all that sort of thing. Who is looking after it on behalf of members of parliament? It is certainly not the minister. It is the board. Perhaps there should be an oversight committee of parliamentarians.

Just as a final point, I remind the Speaker that on other occasions when things are announced in the press I believe the Speaker has already ruled that it is a trend we must be concerned with. It is not just one incident in and of itself. It is kind of like language in question period. It is not just the one incident. It is what happens over the course of time. Backbench MPs may ask whether they are really relevant, whether they are important or whether parliament is important.

• (1040)

I argue that this case is another one of a trend of ministers making statements that affect members of parliament. Then we read about it in the papers and we do not have input. It is a concern because of a trend, not just the one isolated incident.

SPEAKER'S RULING

The Speaker: I have been asked to reserve on this matter but I will not. I will make a ruling now.

I find that this is not a question of privilege, but I find it extremely regrettable that certain ministerial statements are made outside the House. I, on a few occasions now, and my predecessors have recommended that the government be more respectful of the House. However, perhaps there is a change to be made in the rules of the House because there is nothing in the rules of the House that allow me to enforce such a ruling. As regrettable as some members find these events to be, there is no contempt until and unless the House as a body gives authority to the Speaker to enforce something like this on their behalf.

A case was brought up by the hon. member before. What is involved are the parliamentary precincts. This is a little different

from any other thing. Most of the interveners today are members of the Board of Internal Economy. It is my view that this matter should be brought up at the Board of Internal Economy because it deals with the parliamentary precincts. I am sure the hon. member for Pictou—Antigonish—Guysborough will have ample opportunity to put his views to this particular board.

Once again, if there is a trend continuing like the one of my sister speaker in the United Kingdom, unless and until there is a specific order of the House this can be done, as you all know, by introduction perhaps through the procedural committee. I make that as a suggestion, but at the very least it should be brought up because it falls within the purview of the authority of the Board of Internal Economy.

GOVERNMENT ORDERS

[English]

CANADA CUSTOMS AND REVENUE AGENCY

BILL C-43—TIME ALLOCATION MOTION

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.) moved:

That in relation to Bill C-43, an act to establish the Canada Customs and Revenue Agency and to amend and repeal other acts as a consequence, not more than one further sitting day shall be allotted to the consideration of the report stage of the bill and one sitting shall be allotted to the third reading stage of the said bill and, fifteen minutes before the expiry of the time provided for government business on the day allotted to the consideration of the report stage and on the day allotted to the third reading stage of the said bill, any proceedings before the House shall be interrupted, if required for the purpose of this Order, and in turn every question necessary for the disposal of the stage of the bill then under consideration shall be put forthwith and successively without further debate or amendment.

• (1045)

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

Government Orders

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

And more than five members having risen:

The Deputy Speaker: Call in the members.

• (1130)

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

(Division No. 298)

YEAS

Members

Adams	Alcock
Anderson	Assad
Assadourian	Augustine
Baker	Bakopanos
Beaumier	Bélair
Bélanger	Bellemare
Bennett	Bertrand
Bevilacqua	Blondin-Andrew
Bonin	Bonwick
Boudria	Bradshaw
Brown	Bryden
Bulte	Caccia
Calder	Cannis
Caplan	Carroll
Catterall	Cauchon
Chamberlain	Chan
Charbonneau	Cloutier
Cohen	Collenette
Copps	Cullen
DeVillers	Dhaliwal
Discepolo	Dromisky
Drouin	Easter
Eggleton	Finestone
Finlay	Fontana
Fry	Galloway
Godfrey	Goodale
Graham	Gray (Windsor West)
Harb	Harvard
Hubbard	Ianno
Iftody	Jackson
Jennings	Jordan
Karetak-Lindell	Keys
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Lastewka	Lavigne
Lee	Leung
Lincoln	Longfield
MacAulay	Mahoney
Malhi	Maloney
Manley	Marchi
Martin (LaSalle—Émard)	Massé
McCormick	McKay (Scarborough East)
McTeague	McWhinney
Mifflin	Mills (Broadview—Greenwood)
Minna	Mitchell
Murray	Myers
Nault	O'Brien (London—Fanshawe)
O'Reilly	Pagtakhan
Paradis	Parrish
Patry	Peric
Peterson	Pettigrew
Phinney	Pickard (Chatham—Kent Essex)
Pillitteri	Proud
Provenzano	Redman
Reed	Richardson
Rock	Saada
Sekora	Serré
Shepherd	Speller
St. Denis	Steckle
Stewart (Brant)	Stewart (Northumberland)
St-Julien	Szabo

Government Orders

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Wilfert

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Ur
Vanclief
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Wood—132

REPORT STAGE

The House resumed consideration of Bill C-43, an act to establish the Canada Customs and Revenue Agency and to amend and repeal other acts as a consequence, as reported (with amendment) from the committee; and of the motions in Group No. 1.

NAYS

Members

Abbott
Anders
Bachand (Saint-Jean)
Bellehumeur
Bergeron
Îles-de-la-Madeleine—Pabok
Bigras
Breitkreuz (Yellowhead)
Cadman
Casey
Chrétien (Frontenac—Mégantic)
Cummins
de Savoye
Desjarlais
Dubé (Lévis-et-Chutes-de-la-Chaudière)
Duceppe
Duncan
Elley
Forseth
Gagnon
Gilmour
Godin (Châteauguay)
Gouk
Grey (Edmonton North)
Guimond
Hardy
Hart
Herron
Hill (Prince George—Peace River)
Johnston
Konrad
Lalonde
Lebel
Lowther
Mancini
Matthews
McNally
Mercier
Mills (Red Deer)
Muisé
Penson
Plamondon
Ritz
Sauvageau
Solberg
Stoffer
Thompson (New Brunswick Southwest)
Vellacott
White (Langley—Abbotsford)
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Ablonczy
Bachand (Richmond—Arthabaska)
Bailey
Benoit
Bernier (Bonaventure—Gaspé—
Bernier (Tobique—Mactaquac)
Blaikie
Brison
Cardin
Casson
Crête
Davies
Debien
Desrochers
Dubé (Madawaska—Restigouche)
Dumas
Earle
Epp
Fournier
Gauthier
Girard-Bujold
Goldring
Grewal
Guay
Hanger
Harris
Harvey
Hill (MacLeod)
Hoepfner
Keppan
Laliberte
Laurin
Loubier
Lunn
Marceau
Mayfield
Ménard
Meredith
Morrison
Nystrom
Perron
Ramsay
Rocheleau
Schmidt
Stinson
Strahl
Thompson (Wild Rose)
Wasylcyia-Leis
White (North Vancouver)

• (1135)

The Deputy Speaker: Order, please. I know that with time allocation on this item members will want to get on with the debate. Those who would like to debate are impeded from doing so in light of the significant number of conversations going on in the Chamber. Could those who wish to talk retreat from the Chamber so those who wish to debate can remain here and do so.

Mr. Jake E. Hoepfner (Portage—Lisgar, Ref.): Mr. Speaker, it is a pleasure to rise in the House and make a few comments on this bill to establish the customs and revenue agency.

This legislation creates a national revenue collecting agency, the Canada customs and revenue agency, to replace Revenue Canada. The CCRA transforms Revenue Canada into a quasi-independent tax agency to take over the collection of personal and corporate income tax, provincial sales tax, the goods and services tax, customs duties and excise taxes on gasoline and alcohol levies.

Some provincial finance ministers have shown interest in this single tax collecting agency but they have not committed to participating. Certain provinces are asking for greater flexibility in this tax policy which is an issue not directly related to the Canada customs and revenue agency. Sometimes caution is one of the better ways to go with an agency of this magnitude.

A possible condition for Reform support would be a strong taxpayer bill of rights. Any taxpayer bill of rights would include a very clear statement on the accountability of the agency and a reinforcement of ministerial responsibility through an independent ombudsman and an office for taxpayer protection. Having an independent ombudsman would be the direction to go on this issue.

The government claims the agency should save the taxpayer some administration costs. The projected estimates of savings run between \$97 million and \$162 million. That is quite a savings provided that the projected efficiencies are built in.

The agency would facilitate integration of tax information and reporting systems thereby improving the prospect of single window reporting and reducing the paper burden on small and medium size businesses. This is something businesses and farmers have been asking for for years. They have been asking for a simpler tax form and a simpler way of computing tax so they can better understand the regulations and how taxes are computed.

The way the agency will be set up kind of throws up a red flag. It will have a board comprised of 15 directors. The chair and two

PAIRED MEMBERS

Alarie
Canuel
Duhamel
Gagliano
Marleau
Pratt
St-Hilaire
Venne

Asselin
Dalphond-Guiral
Folco
Lefebvre
Normand
Scott (Fredericton)
Turp
Wappel

The Deputy Speaker: I declare the motion carried.

directors will be selected by the federal government. This is similar to the set up of the Canadian Wheat Board for the time being. The other 11 directors would also be appointed by governor in council with input from the provinces which is a good idea. I could support that as long as these positions did not become more or less political plums. So often that is the case.

• (1140)

One very good example is the Manitoba Freshwater Fish Marketing Board. We have seen the appointment of a chairman being so political that in the end the friction which developed in the board resulted in the chairman having to resign from his position. This is something we want to prevent in these types of government quasi-judicial at a distance organizations.

Revenue Canada clients are looking for more streamlined services, improved response times and the reduction in the paper burden associated with compliance for tax, trade and customs transactions. They want faster service that is easier to access and which is more responsive to their needs.

What taxpayers and people who deal with this organization want most is accountability and a fair system which a lot of taxpayers feel is not there. The conditions attached to the revenue collected in payroll taxes and GST seem to indicate that people are not treated equally and fairly.

An independent ombudsman is a must. We certainly do not want to create an agency that appears to be similar in power to the IRS in the United States. That has created a lot of problems by false or improper taxation. It has also led to people serving jail sentences that should never have been imposed.

Why am I worried about this organization being accountable and responding to the taxpayer as well as to government? I have a couple of examples of what I have run into during the last year or two as a member of parliament.

A year ago I was informed that a businessmen in a neighbouring town had a severe problem. A day or two before Christmas his and his wife's accounts had been frozen due to what Revenue Canada felt were irregularities. Imagine what kind of stress this put on the businessman during a period of celebration when people are happy and family come home to spend a joyful Christmas.

The businessman contacted me after Christmas to explain what had happened. I was astounded that a person could be put into this type of position. He had contracted to build a place of business, a manufacturing plant. The people who signed the contract with him had not fulfilled their commitment. They had cancelled some of the building project. He was stuck with a contract where he owed payroll taxes and GST, but he had never completed the project.

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He had submitted \$14,000 to an account so that Revenue Canada could re-evaluate the payroll taxes and other benefits it felt were delinquent. When this became known, Revenue Canada quickly backtracked on the type of service the taxpayer had received and the account was settled under very reasonable conditions. But the stress and fear in this businessman were unbelievable. The personal tragedy of it was that he spent a Christmas worrying about what would happen to his business, not what other business people were encountering.

• (1145)

The other thing I point out is the Dave Sawatzky case where revenue and customs laid charges against him and fined him. He appealed and won that case. The government appealed it and lost but revenue and customs are still prosecuting other farmers under the same conditions.

This is not the democracy Canadians expect from the government. This is the type of democracy we hear about in third world countries where the government is the sole authority and does as it pleases. This is why people in Canada are very hesitant to give an agency the power that the Canada customs and revenue agency will receive under this bill.

We as members of the House must be vigilant and look at it seriously, amend it where possible to make safeguards available to the taxpayers and put trust back into the customs and revenue organization.

Mr. Ken Epp: Mr. Speaker, I rise on a point of order. There have been discussions with all the parties and I think you will find unanimous consent that the amendments which have been given in the name of the member for Calgary Southeast will be deemed to have been moved and seconded.

The Deputy Speaker: I am at a bit of a loss to comprehend the member's request. We have a set of amendments before the House now that has been moved and seconded. Is the hon. member by his request seeking to have other amendments moved later in the day, assuming we get to other groups? Perhaps the hon. member could explain the circumstances.

Mr. Ken Epp: Mr. Speaker, we have some amendments that were put forward by the member for Calgary Southeast. It was my understanding that we were to deal with those one at a time as we go to the next group. I am just asking for unanimous consent that they be deemed to have been moved and seconded when we get to them.

The Deputy Speaker: Is there unanimous consent that all motions standing in the name of the hon. member for Calgary Southeast, when we reach them during the course of the day, will be deemed moved and seconded?

Some hon. members: Agreed.

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[Translation]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I would like to start off by deploring the time limit that has been set on our debate, courtesy of the government party.

This procedure is termed a gag order because it limits our ability to pursue debate and exchanges on a bill. When a gag is imposed, it prevents us as parliamentarians from continuing the exchange on matters of great importance.

When there is little opposition to a bill, when we reach agreement promptly, when a bill is well put together and when everything appears to be in order, we make interventions in order to make some improvements, and then, relatively promptly, the debate leads to its logical conclusion, which is unanimous passage of the bill or, more often, its passage following a division to settle the outstanding points.

When a bill is more sensitive and more complicated, and when the positions of the various parties with something to say on the bill are harder to reconcile, then we need more time.

• (1150)

For some reason, the government deems it preferable to prevent us from continuing debate in an attempt to bring the various positions closer together and to find acceptable compromises. The government prefers to impose a gag order.

What will the outcome be? We will end up with a bill on which there will be a division, while considerable dissent still remains and consensus has not been reached, or in other words a bill that will be passed, despite its being badly put together.

It is an affront to our democratic principles. It is an affront to the quality of work that should come out of this House and, finally, it is an affront to the public's right to the best legislation possible in Quebec and Canada.

This is the situation we are facing. This bill was not unanimously received, quite the contrary, and we oppose it for a number of real and significant reasons. Rather than try to compromise or to align positions, the government, it seems, is insisting on its own position, will not budge, will not compromise. That is why it is imposing closure.

We should now, because we have a limited time, simply reiterate our positions in the knowledge—and note how frustrating it is—that the government will not budge one iota on the bill before the House.

It is frustrating to know that, despite our efforts, our recommendations, our research and our concerns, the government is turning a deaf ear, preferring to stop discussions and have the bill passed. Naturally, since the government has a majority, it knows it can impose its bill.

The House of Commons does not exist for the government to impose bills. A government that respects the opposition does not impose bills. The government is making a mistake, because this is an important bill affecting everyone. One day, it will realize that there will indeed be the negative effects we predicted, and the public will let the government know just what it thinks in an election.

Two years ago, in the last parliament, the Bloc Québécois, the NDP and the other opposition parties accurately predicted the adverse effects of the employment insurance reform. We put our finger on its major flaws, which would end up depriving people of the income they need when they lose their jobs. We predicted the adverse effects of the reform on the dynamics of the labour market and on the employment situation.

We pointed all this out. Two years later, it is obvious we were right. The minister and government of the day took no notice of our objections and made no attempt to incorporate our suggestions for improvement into the bill. Since the legislation has been in effect, hundreds of thousands of people have been hurt by the major flaws in this legislation.

Not one government minister would set foot in an airplane thrown together the way the House sometimes throws its bills together.

• (1155)

The bill before us is ill-drafted. If it were an airplane, it would never get off the ground. But it is proposed legislation, and the government is determined that it will fly, with predictable results.

There are still ordinary folks who will have to defend themselves against this unjust and inefficient legislation, who will have to prove that they are right. Worse still, even if they are right, if the law says they are wrong, then it is the law that will apply regardless.

I would also like to point out that the bill before us wants to concentrate tax collection in one agency that is, to all intents and purposes, independent of the minister. It is a bill that separates tax collection in Canada from our responsibility as parliamentarians. This is a serious matter.

It is serious because, the day something goes wrong in this agency, we will rise in the House and question the Minister of Revenue. We will tell him that there is such and such a problem that should be corrected. Like all the other ministers hiding behind commissions and agencies, the minister will tell us that the agency in question is an independent body, with its own problem-solving mechanisms, and that it is able to take care of matters itself. He will tell us that there is a complaints commission and that we should butt out.

With a bill like this, it is not the opposition the government is telling to butt out, it is the poor population of Canada. The problem

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is that the responsibility of parliament for an important agency in charge of tax collection is being removed.

There is an old principle "No taxation without representation". To confer on an organization operating almost at arm's length from parliament the power, duty and means to collect our taxes is certainly stretching this principle to the limit.

I will go one step further. In Quebec, we have our own department of revenue. My question to the government is this: Since the social union project to allow a province to opt out of a federal government program is now on the table and will be in the coming weeks the subject of further debate between the provincial premiers and the federal government, could and should Quebec not opt out of this project to have tax collected by an outside agency and collect both provincial taxes and all federal taxes and then, through the Quebec revenue department, send taxes collected on behalf of Canada to the Minister of Finance? The Quebec revenue department already does it, with great success and efficiency, for the GST.

Since I am running out of time, I want to say that I appreciate having had this opportunity to express my views. I hope the government will consider withdrawing this bill forthwith.

[*English*]

Mr. Reed Elley (Nanaimo—Cowichan, Ref.): Mr. Speaker, it is a pleasure to rise today to speak to Bill C-43, an act to establish the Canada customs and revenue agency.

It is a rare honour to witness a government bill that we believe is moving in the right direction. I am pleased to see that Bill C-43 may reduce tax collection, administration and compliance costs, particularly if the provinces decide to opt in. My understanding at this time is that there is some interest by the provinces in these revisions. However, none of them has yet made any kind of formal commitment. Let us hope we can get them on board.

Corporations, businesses and individuals alike will be pleased that they will no longer have to deal with a plethora of agencies. By focusing the tax collection needs with the Canada customs and revenue agency, overall costs should be reduced. I believe all Canadians would be in favour of reducing the cost of government and its associated departments.

While I believe there are some significant steps forward in this bill, there is a lack of autonomous accountability in both the existing and the proposed bills.

• (1200)

The proposed role of the agency is to be responsible to the Minister of National Revenue. I believe we can do better than this. When we deal with taxpayer money individuals want to be assured

there is full accountability and redress if and whenever necessary. If we want to upset someone we can be successful by telling him or her that they owe the government X number of dollars and that their options for disagreement are limited. This is true of people whether they be small business owners, corporations or individual taxpayers. Financial accountability is very important to all Canadians.

The Reform Party is very much in favour of a cost efficient use of Canadian taxpayer dollars. This is one of our basic principles. It is a grassroots principle that remains very important to all our constituents and to all Canadians. The inefficient use and waste of tax dollars may be seen in many different examples at almost every level of government today. Citizens are always pleased to hear of positive changes and improvements to the government's use of their financial resources.

What appears to be lacking in the proposed revisions in an accountability process for the taxpayers. We have heard it said already today but I believe there should be in place a taxpayer bill of rights. Why would we need a taxpayer bill of rights? The answer may be seen in a letter I received from a constituent who had difficulties with Revenue Canada. I will read his letter for members and see if they do not agree that a multitude of problems exist with this situation. The letter is dated August 27, 1998, addressed to the hon. Minister of Finance:

I am writing you this letter because I have run into a problem with Revenue Canada which I hope you can help me with, as I feel you may have inadvertently caused this. Approximately 4 years ago when the Liberal Party first came into power, you and [the Prime Minister] requested the Canadian public to check their income tax for possible mistakes, as the country was severally in debt and could use any extra income it could find to help pay off the debt. If there were mistakes found there would be no penalties charged.

Since I had never filled out my income tax, I felt that this would be an excellent opportunity to have the company who always does my taxes checked out. So I requested Revenue Canada audit 4 years of my taxes. They found one error and charged \$700.00.

I then took this information to my tax preparation company, who admitted to the error, however, there was supposed to be a deduction from the \$700.00 which Revenue Canada had not credited to my account, which would have reduced this amount by \$350.00, leaving a balance owing of \$350.00 which I paid. It seems that even Revenue Canada can make errors.

I returned to Revenue Canada to inform them that they had made an error and stated what my tax prep person had told me. I then received a phone call from a lady from Revenue Canada. She informed me that Revenue Canada only gave one free audit and that they had decided that my penalty would be \$350.00, the exact figure of the error that Revenue Canada had made, so that would leave me owing another \$350.00.

I phoned Revenue Canada in Victoria to complain. I was then informed by a gentleman from Victoria that "If I was stupid enough to request an audit then I got what I deserved". I was really angry after that. I went to my Liberal member of parliament for my riding and complained about the whole situation. I was told they would look into the situation. After 3 months when I returned to his office, they stated that they were unable to help. The only way that they could see (a solution) would be to write to the appeals office in Victoria, which I did. I then sat waiting.

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I informed the MP's office that I wanted to take this to the media as I did not want to see anyone else get shafted. They stated I should wait and see (what) would happen as they were sure that things would be straightened out.

I waited a year and the only thing that changed was the balance owing to Revenue Canada, as I had refused to pay this penalty. I returned to my MP's office and they stated that they would see what happened. I was informed a month later that the appeals office (had) never received the information from them and I should write you first.

However, an election was called and I did not feel that this would be an appropriate time for you to look into this or (for me) to go to the media. Now that the election is over and everything is settled in, I would like you to again look into this matter. I now see that Revenue Canada has a program for doing personal income tax. With the problem I have had with Revenue Canada, I would not recommend anyone have Revenue Canada do their income tax and then charge them a penalty. They would have no recourse and be stuck in the same position that I am in, as I would go to court before I would pay this penalty.

I have been disabled now for the past two years and have not been able to work. I now do not have the money to fight this in court, so I would have to go public and ask for money to fight this penalty, which I feel was unfair.

Would you look into this as they have taken my last GST cheque and the interest is mounting?

Thank you,

Mr. George Gravonic

Shawnigan Lake, B.C.

• (1205)

I sincerely hope that no one else has to endure what Mr. Gravonic has gone through. However, I am sure they do.

I think we would all agree this case would make anyone angry and very untrustworthy of the tax system. I am thankful and hopeful that not every tax situation is like this one. However, even one case is one too many.

A taxpayer bill of rights would ensure that Mr. Gravonic and people like him would have recourse within the system rather than spending hard earned dollars on court appeals. In order to be effective, the taxpayer bill of rights must include several key points.

Taxpayers must be able to read and understand the tax laws in plain language terms. Legal double talk only confuses the situation. Taxpayers must be treated professionally and with courtesy.

Taxpayers must have a recourse method that allows them to complain about service and treatment that is below standard. This process must allow the taxpayer the right to move up the seniority roster and be heard by a senior official and in turn their superior if the answer is not satisfactory.

Taxpayers need the right to only pay the amount of tax due, no more, no less. Taxpayers need to know what any collected information will be used for.

When dealing with the proposed Canada customs and revenue agency, taxpayers need the opportunity to represent themselves or to have someone represent them through any dispute resolution process. Those people who are in dispute with the CCRA need the opportunity to record any meetings. All disputed claimants need the right to appeal first administratively and then, if necessary, legally.

When taxpayers have acted in good faith and without any intention to evade, the proposed CCRA shall waive penalties and interest. In cases where reassessments will cause severe and undue hardships, alternative repayment methods shall be made.

The proposed CCRA will be entitled to seize or freeze assets when fraud and/or evasion is suspected, but only when the CCRA can show why such action should be taken.

That is a long list but I believe they are all necessary. They will only be strong when there is an autonomous office willing and able to stand up and support them. This office needs to be an independent voice for the Canadian taxpayer which will represent and fully support the interests of all Canadians.

This office should be set up as an independent voice of the taxpayer, an office for taxpayer protection that represents the interests of the Canadian taxpayer. I see this office being set up similar to the role of the auditor general, a role that would report annually to parliament on the status of taxpayer and CCRA relations.

Do we need a taxpayer bill of rights in conjunction with the changes proposed by Bill C-43? I believe so. I believe that the 53,500 taxpayers who filed appeals and objections last year all believe we need such a process in place.

For the above reasons I find that unfortunately at this point I must oppose Bill C-43 unless the government commits to passing the taxpayer bill of rights with an office for taxpayer protection.

[Translation]

Mr. Yvan Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok, BQ): Mr. Speaker, I am pleased to rise today to join my Bloc Québécois colleagues in telling the government why we, on this side of the House, are opposed to Bill C-43. There are four reasons for this.

I will list them, then comment on each.

First, the establishment of this revenue collection agency is, in my opinion, an abdication of political power. Second, the establishment of the agency is also an admission of powerlessness on the part of the minister. Third, I believe it is an anti-union measure.

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Fourth and last, but not the least, it reflects the centralizing vision of the Liberal government opposite.

• (1210)

Why do I call this an abdication of the political power? Because, given the wording of the bill establishing this agency, the minister will now be able to hide behind the agency and say it is the agency's staff, not the minister, that is responsible for any wrongdoing, thus leaving it up to the agency to face the music. At the political level, we will no longer be able to question the minister in the House regarding any problem. I heard the Reform Party member mention one such problem earlier. Clearly, we must protect and, more importantly, maintain the principle of accountability to parliament.

I also said the minister was powerless. I have always of him as a nice guy, because I have worked with him on other issues in the past. But, on the face of it, when I read the bill, I realized he is the only person I know who wants to fire his whole staff. He will not have anyone left, except perhaps his chauffeur. Why, then, should we keep the minister? Is the government telling us that we will no longer have a minister responsible for this issue? All this indicates that no one will be accountable in the House any longer.

I also feel this initiative is an anti-union measure. I must remind hon. members that the public servants involved in customs or tax collections account for about 20% of the entire Canadian public service, one-fifth. With one fell swoop, with passage of this bill, one-fifth of the federal public service would no longer be public servants, they would be employees of the agency instead. They would then be subject to whatever new rules the agency felt like imposing.

I have some problems with the centralizing view of the government, because the intention in establishing such an agency is "to collect taxes from all Canadians". Provincial taxes were also mentioned. The bill even states that contracts could be signed with municipalities and other organizations. This is really wanting to grab the whole pie, slamming the door so no one else can get any.

I have trouble with all this talk of establishing agencies. The Liberals tell us it will simplify things and avoid duplication, but it seems that those two words are synonymous for them. By wishing to simplify things, they will create duplication. For example, if this agency wanted to collect all of the GST and the TVQ, these are already rolled together in Quebec, and collected by Quebec. So what, exactly, are they up to?

Every time the Liberals over there speak of harmonization, it is synonymous with interference. They end up with their hands in the pockets of individuals, provinces and municipalities. This business of the social union is proof of this, as they are saying "We might give you part of it back, provided you meet certain criteria, ours".

I hope the other provinces and the municipalities will not blindly fall into the trap of this new agency the government is creating.

The creation of this agency will remove its employees from the application of the Public Service Staff Relations Act. In addition, the agency will be removed from the application of the Access to Information Act, the Privacy Act and the Official Languages Act.

We are told that this is certainly not the case. So if all this changes nothing, why create this agency at all? We are told "It is to modernize the Canadian public service". "Modernize" is synonymous with "privatize" in the mouths of the Liberals. It is becoming a bit annoying.

• (1215)

However, the word "privatize" frightens and bothers me. I will give an example. The Canada Post Corporation used to report to the government. It was privatized. Shortly before or after we were elected, Canada Post bought another private company, Purolator. So this means possible amalgamation. The government still talks of mail or equipment delivery.

Is the government perhaps contemplating an amalgamation involving this agency? Does this mean that, following privatization, the agency would be in a position to decide what it wants and could decide to buy H & R Block, a company that helps people prepare their tax returns? Could we expect the agency responsible for collecting to also be the one preparing the returns?

I hope those on the other side of the House will be able to say this is not the case. However, in many cases, and I could point to a number of examples, some of which involve the Department of Fisheries and Oceans, the government annoyingly wants to be both judge and jury. That is not a very good thing for Canadian justice.

I would also like to speak briefly to clauses 15, 22 and 25. I also have a point to make about clause 30. More specifically, clauses 15, 22 and 25 provide for its operation, with a board of 15 directors. Of course, these 15 persons will be appointed by the governor in council. The public must understand that what this really means is that they will be appointed by the government.

Who will the government appoint? Its friends of course, defeated candidates. These jobs are for a term of five years, and renewable to boot. This will make for a comfortable retirement to look forward to for some members opposite. The former solicitor general may want to look into this. We shall see; the future will tell.

Under clause 30.(1), the agency has decisional authority over its organization and general administrative policy. Basically, it will have control over all matters relating to organization, real property and personnel management, including the determination of the terms and conditions of employment. What does this mean?

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In the context of privatization, budget restraint and streamlining, should the employees who are declared surplus and probably have to take the jobs they are offered in the new agency already expect a salary cut?

This is not clear. The Liberals across the way never tell us about the nasty tricks they are about to pull. We have to be able to read between the lines.

I am afraid that they might not only cut the salaries of those working for this agency but at the same time increase the salaries of those running it. Will future directors or vice-presidents of this agency want their salaries to match those of their counterparts in a major bank, because they handle roughly the same amount of business? Is salary inflation to be expected? I am afraid so.

To conclude, I have noticed some consistency in the way the people opposite approach privatization. They started by privatizing postal services; this was done a long time ago. But under this government, railways, ports and airports have been privatized. Now they are talking about establishing a tax collection agency.

My message to the rest of Canada is this: Is Canada being put up for sale piece by piece? All the symbols on which this country was built—ports, airports, railways, and now tax collection—are being privatized and sold off one by one. This is the conclusion I leave my friends from the rest of Canada to ponder.

• (1220)

Mr. Paul Mercier (Terrebonne—Blainville, BQ): Mr. Speaker, Bill C-43 shows that what the government has in mind is a long term project, of which this bill is but one step, the third one if I am not mistaken. To illustrate my point, I will refer to the establishment of two other independent agencies, ADM, the Montreal airports administration, and Nav Canada.

Bill C-43 seeks to establish the Canada customs and revenue agency, which will enjoy, under an illusory control, the excessive and even kingly power to collect taxes. It is a power that, until now, was the state's exclusive prerogative, although there was a time when such was not the case.

During the middle ages, until the 14th or 15th century, there was in Europe an institution called farmers general. These individuals were despised by the public, because they were mandated by the king to collect taxes. So, we are going back to the middle ages in this area. This is clearly a step backwards.

I want to say a word about ADM, because of the obvious similarities between that agency and the one that the government wants to establish now.

ADM was given the power to manage Montreal's airports, without any government control. Seven people decided the future of Dorval and Mirabel airports. We all remember ADM's decision to transfer international flights from Mirabel to Dorval. So, seven individuals were given the power make a decision that turned out to be disastrous for a region of Canada called the greater Montreal.

At the time, I asked a question about this in the House and was told that it was not the minister's responsibility, that it was up to ADM. In other words, the minister told me he was washing his hands of the whole affair, in this case Mirabel airport.

Nav Canada, which is responsible for navigation aids, was another similar creation. It too is almost completely autonomous. If Nav Canada were to decide tomorrow—and it could—to shut down a control tower, and we were to ask the minister about it, the minister could easily tell us that it was up to Nav Canada, not him, and that he was washing his hands of the whole affair, so to speak.

The Canada Customs and Revenue Agency is more of the same. It is part of a deliberate and long-term plan by the government, which is once again creating an agency behind which it can hide.

From airport management and navigation aids, we have moved on to tax collection. In creating these agencies, the government is looking for two benefits. The first is to be able to reward its political friends with plum jobs not governed by public service pay rules. The second is to create a buffer zone from which the government can safely blame the agency for anything that happens.

This is scandalous, but I am objective enough to point out that there is one benefit to creating this agency, and that is that it will provide one more argument in convincing Quebeckers that there is only one way out of this rotten regime and that is sovereignty.

• (1225)

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I am very pleased to speak at this stage of Bill C-43.

The Bloc Québécois has expressed constructive opposition to this bill from the beginning. The government is laying open to question a vital principle, with its desire to create an instrument for collecting taxes that would allow it to encroach on others' areas of jurisdiction. Take, for example, the taxes that could be collected in Quebec.

There is also the fact that the taxpayers' independence will be greatly diminished if they have to deal with this huge bureaucracy for tax collection. Every citizen must contribute his proper share, must participate in the government budget, but not excessively.

We are familiar with the cases of a number of people who have received notices of assessment and then, after these are looked into,

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it is found that a compromise could have been reached, that more could have been done. Most of these cases are settled through the usual mechanisms, but not all.

This bill will lead to more such cases. The government says it must collect a lot of money. Such is the philosophy behind their collecting money for employment insurance, money deducted at source. I fear the same attitude will be behind the proposed agency.

As well, the employees of this agency need to be independent, and in the past their independence was linked to their status as public servants, which is likely to undergo a significant change. They may end up more vulnerable to political interference. In the end, the people will be less well served by the new formula proposed by the bill.

The argument that the provinces, Quebec for example, could voluntarily come under the new proposal for this federal agency to collect all taxes, strikes me as rather fallacious. It smacks of Plan B. Some years ago, Quebecers decided that they wanted part of their taxes to be collected by Quebec, so that the money would be divided as the Government of Quebec wanted. We agreed on the GST. The GST is collected and administered by Quebec, which then hands it over to the federal government, and the future lies much more in this direction.

If people, even federalists, were prepared to consider taking the opposite approach and, instead of letting the federal government collect taxes and giving it spending authority in all the provincial areas of jurisdiction, were to let any province so wishing collect taxes and remit a portion thereof for its share of services provided by the federal government, the entire dynamic of Canadian federalism would be altered.

The bill before us is not based on this approach. Instead, it is based on ensuring that the federal government has an increasing number of ways in which it can invade the provinces' areas of jurisdiction, gradually strangle them and take their place. Ultimately, the federal government is becoming ever-present. This is one more way of confirming the old vision of Canada as a country with a single level of government, in which the provinces are seen as little more than overgrown municipalities. They have very limited powers and they are certainly not seen by the public as the central authority.

If I may digress, last night I was astonished to learn that the first thing Mr. Charest did as leader of the opposition in Quebec was to ask that Canada's flag be present in the National Assembly. This from someone who says he is in touch with Quebecers.

• (1230)

It is my impression that he has not completed his "Quebec 101" course, and that it may take years for him to understand. Some-

times too, a person has to be willing to understand. There is, perhaps, something missing here.

This whole dynamic is what underlies the bill before us. The main focus of government for Quebecers, the control centre, is the Quebec Legislative Assembly. Quebecers want to see it collecting as much of their taxes as possible. We are not prepared to go before the federal government like lambs to the slaughter and to forgo our fair share of autonomy.

This bill was dormant for a long time. Preparations were under way for a very long time to try and get it past Parliament, and finally it was decided to table it. But it is running into considerable opposition, particularly from experts in the field and from all those who work for the department and feel that this bill will make the taxpayer the loser in the long run and deprive them of the necessary autonomy to perform their duties.

I am going to propose another possible mode, one which the government ought to consider. Instead of steamrolling a bill through like this, the provinces ought to have been consulted in order to see what model might have been acceptable to them, and whether there are any conditions which might prove to be of interest without making a government such as the Government of Quebec feel caught in a trap.

Tax collection is certainly not the answer to all the country's ills, but it is the kind of issue that goes to the heart of what is really bothering people. In its determination to ram this bill through, the federal government is invoking closure so as to cut off debate before all parliamentarians have had a chance to express their views.

There is no rush. We do not have a national or international crisis. We have a bill that is sadly in need of improvement. It is clear that the bill would have needed many more changes at report stage to be acceptable to the majority of parties in the House.

This is the sort of issue that demands that we take the time to reach a consensus because it has a direct effect on the public through tax collection and through negotiations with individuals and with companies. There has to be broad consensus on the approach. This was not a bill that had the support of the majority, such bills often standing up very well in the long run because enough thought went into them at the outset.

Instead, we have a bill passed by a majority that has its head in the sand and has decided to ram the bill through, without making the necessary amendments.

For these reasons, and for all the reasons mentioned by the Bloc Quebecois members, I think it important that this bill be considered further and sent back to committee, or withdrawn so that it can be worked into something acceptable.

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We would do better to take our time to produce something acceptable and to remove all the irritants the bill contains for those who would like a government, such as Quebec, to be allowed to retain and to broaden its autonomy with respect to tax collection.

• (1235)

Mr. Bernard Bigras (Rosemont, BQ): Mr. Speaker, I am pleased today to speak to Bill C-43, which creates the Canadian Customs and Revenue Agency. This Liberal bill is not new. The government first mentioned it in the throne speech in February 1996.

At the time, like today, the Bloc Québécois strongly rejected this bill, which we deemed centralizing.

Allow me to explain to you some of the reasons behind our opposition to this Liberal initiative. First, this institution will become a superstructure, a super tax collection institution, which will enable Ottawa to extend its influence to all levels of government.

We already know that this agency sprung from the imagination of senior tax officials in Ottawa. They would really like to control a gigantic fiscal octopus extending its tentacles beyond the provinces to municipal and local administrations.

Their intent is to administer everything from provincial sales taxes to gasoline and alcohol taxes. We should ask ourselves “Do Quebecers and Canadians want to give such power to a single government agency?” The answer, as you will agree, is no.

We oppose the creation of this agency because the government’s obligation to account to the public and to Parliament will be weakened. In its present form, Revenue Canada is responsible to taxpayers through the Department of National Revenue. So at the moment, the government cannot evade difficult questions, such as the family trusts scandal, for example.

However, the new agency would not be subject to the direct control of the House of Commons and would therefore face less rigorous parliamentary scrutiny. Once again, do Canadians and Quebecers want to have an agency that the government can use as a cover? The answer is no.

This answer becomes even clearer when one is familiar with the Liberal approach to management: they constantly hide behind inquiries and independent agencies to avoid answering embarrassing questions. That is how they reacted to the questions raised concerning the involvement of senior military officers in the Somalia affair. That is also how they reacted to questions on air safety. They reacted the same way with respect to food inspection.

This morning, in the Standing Committee on Health, we heard the assistant to the auditor general and the president of the food inspection agency, another independent agency established recent-

ly, which is similar to the one contemplated by the government in Bill C-43: the Canada Customs and Revenue Agency.

I urge hon. members to read the section of the auditor general’s report dealing with how this transition was handled. When I toured Quebec over the summer, I visited a distribution centre, an income tax return processing centre in the riding of my colleague from Jonquière. I met more than 500 public service employees. All of them cautioned us about two things. The first one is the infamous pay equity issue. I will not bring it up again, because it has already been the subject of extensive debate in this House.

• (1240)

The second point raised by public service employees, residents and voters from the riding of my colleague, the hon. member for Jonquière, is their concern about the agency that will be established under Bill C-43.

Let me go back to this morning’s meeting of the standing committee on health. The auditor general once again showed that the transition from the Department of Health to a food inspection agency had generated major distortions. I will not draw a parallel, but allow me to voice my concerns about Bill C-43, which will establish a similar independent agency. I believe there is cause for concern.

My colleague, the Bloc Québécois critic on this issue and member for Saint-Eustache, expressed concern about it. It is important to take note of that concern.

The government continued in the same vein to avoid having to deal with the Prime Minister’s involvement in police violence against students at the Vancouver APEC summit. We refuse to give the Liberal government another excuse to take cover and avoid answering the public’s questions in an area as important as the collection of taxes.

The Canada customs and revenue agency could also be prejudicial to people’s privacy. As members know, we live in a world where computer technology is becoming increasingly important, and where private sector organizations buy and sell more and more personal information. The federal government has already dealt with the sensitive issue of protecting personal information in Bill C-54.

My colleague from Chambly will be speaking soon. I remember his comments about the concerns raised by Bill C-54. The Liberal government is consistent. It is so uncomfortable with the principle of protecting personal information, that it even attempted to downplay this objective in the title of a bill that is supposed to do just that.

Bill C-54 is entitled an act to support and promote electronic commerce—“support”, “promote” and “commerce” are the three

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key words—by protecting personal information that is collected, used or disclosed in certain circumstances.

It is obvious that, with this bill, the Liberal government is giving priority to commerce over the protection of personal information. We now fear that it may be pursuing the same objective with this agency, that is to maximize government revenues, without regard for the protection of personal information.

So, the government is consistent, in Bill C-54 and Bill C-43. How can we confidently hand over so much personal information to a super-powerful federal agency, when it was designed by a Liberal government that will not give priority to the protection of personal information over the promotion of unfettered commerce?

The answer is obvious. Canadians and Quebecers cannot trust such an institution. We have serious concerns about the balance of powers that will prevail within the new federal agency.

Who, exactly, will decide? In the end, who will be accountable? These are questions we have.

I conclude by saying that if the federal government truly wants to improve the administration of tax laws and streamline their application, the solution is simple: Quebec already has a revenue department that does a good job of collecting taxes. The federal government should simply, once and for all, hand over to Revenue Quebec the responsibility for collecting all taxes in Quebec, and it should do the same with all the other provinces that want to do so.

Such decentralization would give some credence to the Minister of Intergovernmental Affairs, who claimed again yesterday that the Canadian federation was open and decentralized.

• (1245)

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, things are getting off to a bad start for Bill C-43. The government party is muzzling and gagging the opposition. We are criticizing this bill, which will perhaps not foment a revolution, because that is already under way with Nav Canada and Aéroports de Montréal, for example, where partisan appointments are still being made consistently to a committee or a company, as those appointed are always friends of the party in power.

Mr. Bob Kilger: There are so many good Liberals.

Mr. Ghislain Lebel: I hear the Liberal Party whip saying there are so many good Liberals. Unfortunately for them but fortunately for us, the Liberals may not always be in power. That party has already overstayed its welcome.

The Liberals are eliminating Canada's democratic past. They wanted to give the federal government powers that could have been assumed by a neighbour, a friend or an enemy. They wanted to gloss over our personal convictions so they could confer responsi-

bilities on the federal government, which fulfilled them through the public service. This was a social consensus among all taxpayers.

With this tax collection agency, who says that tomorrow I will not discover that my Liberal opponent in the 1993 or the 1997 election is sending me my tax bill? He could, on the strength of the election campaign in which we opposed each other, ask me to remit whatever he feels like, taking me out of the political circuit and into bankruptcy if he wants. This sort of thing could happen. The government claims to be serious and concerned about ensuring social and civil peace. I doubt it very much.

There are matters the people have put in the hands of government and this they accepted willingly and wholeheartedly. That is what this government is scrapping. That was the word the government used in relation to the GST. They were supposed to scrap it, but scrap the GST they did not. Furthermore, as an admission of their incompetence I am sure, they let Quebec collect the GST. It seems to be working very well.

Mr. Gilles-A. Perron: It does not seem so; it is a fact.

Mr. Ghislain Lebel: It is indeed working very well. But when we talk about government agencies, I think of Equifax, a company that makes the headlines every three weeks or so. Equifax gathers information for anyone who requests it. It is a sort of collection agency. No so long ago, Equifax sold information to organized crime gangs out to do certain people in. Equifax could not care less, figuring it gets paid to provide information; what it is used for is not its problem. This came out in court recently. Organized crime gangs out to kill an individual simply asked Equifax to gather information on this individual, so they could trace him, catch him and do him in.

That is the kind of ethics these agencies have. This is sad. The Liberals should realize this because, in four years, they will certainly be gone. And the next government will not be a Bloc Québécois government. That much is sure, because this is not our goal.

• (1250)

The government which will be replacing the present one here in this House will probably hold the same line. Perhaps then they will be the ones who are stuck. Perhaps then they will be the ones who will pay for it. This is a short-sighted policy. They do not see any further than the end of their noses.

They are placing their fates in the hands of agencies. Yet there are political and social risks to this approach. The social risks need to be looked at. Some, I know, will take it very badly to have money collected from them by people who have absolutely no vision of a just and equitable society, people for whom all means to an end are justified, that end being to collect taxes and probably

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get a commission for doing so. Whether the taxes collected are actually owing is not important, all that counts is the cut for collecting them.

Probably 20% of the federal public service, which was the object of a social consensus, is also being chopped. People said "The government must assume its responsibilities and someone neutral will do this. We will voluntarily submit to the authority of that neutral entity, the public service". But now we are starting to see the buddies of the regime, the PM's friends, being brought into the picture, and not for the first time.

I see my colleague, the hon. member for Jonquière, nodding, and she is right to do so. Every day, I receive notices of appointments to boards of directors, in agencies such as Atomic Energy of Canada Limited or Canada Mortgage and Housing Corporation. For the fun of it, I took a look at the big book on financial contributions made to political parties. Without exception, the names of all those appointed to these boards is in the big book that lists those who made contributions to the Liberal Party of Canada, for example last year. This is getting to be a concern. People make contributions to the Liberal party in exchange for political appointments.

During the last parliament, we passed a bill to prevent double dipping, that is to prevent those who are entitled to a public service pension and who are sitting as members of parliament, or those who are former MPs and have a job in the public service, from getting two incomes. This is what we call double dipping.

But we should take a look at what is going on at the Department of National Defence. There are at least eight or nine former generals or high-ranking officers, who are retired from the Canadian forces and collecting a full pension, which, incidentally, does not compare with the small pension a member of parliament gets after two terms. These people are hired as consultants by the federal government at \$180,000, \$200,000, \$225,000 and even \$250,000 a year. People get treated very well when they are friends of the Liberal Party.

An hon. member: Like Ouellet at Canada Post.

Mr. Ghislain Lebel: Ouellet at Canada Post. Berger in Israel. A whole bunch of friends of the party have benefited and are still benefiting from the Liberal Party's generosity.

Since not everyone can become an ambassador, the government must find other positions to appoint good Liberal troops, who may not be as educated or as competent. They will work in collection agencies harassing their fellow citizens and clamping Denver boots on their cars. Every trade has its value, of course, but nothing is too repugnant for an appointed Liberal. He can do anything he is asked to.

The revenue agency can have them delivering pizzas if it pays. You can have people do anything you want when their only goal in life is to succeed and make money.

I wonder if members opposite have seen the famous American movie entitled *The Grapes of Wrath*. We are just about in the same predicament.

• (1255)

In those days, federal prisons in the U.S. used to be run by agencies similar to the one the Liberals want to set up. That system was abolished in 1949. I can assure you that prisoners were not pampered. They were abused, and lost all sense of dignity. They were treated like animals. They suffered from malnutrition.

The only criterion in appointing people to manage prisons was cost effectiveness. It had to be cheap. What is cheap is not a recipe for success. So many things are cheap. But some are much too expensive. For example, cabinet ministers who come up with ill-conceived schemes such as this one. That is much too expensive.

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Mr. Speaker, I rise today to speak to Bill C-43, an act to establish the Canada Customs and Revenue Agency. I support the motion brought forward by my hon. colleague from Saint-Eustache—Sainte-Thérèse, who is asking the government to withdraw this pointless piece of legislation.

The government should realize that this bill to set up an agency for the collection of all taxes in Canada is dead in the water, because the underlying principle on which the establishment of this agency is based, namely the signing of administrative tax agreements with the provinces, has yet to be applied in practice.

When the bill was introduced, not a single agreement or even a letter of intent had been signed with any of the provinces. So how do you justify a bill that obviously reflects the government's wishful thinking and the centralizing vision it is trying to ram down the throats of the provinces?

This bill only reflects the centralizing vision of the Chrétien government, and we can never say often enough that, for the federal Liberals, rationalization means duplication and, ironically, harmonization means interference. Did the people in Canada and in Quebec ask for such an agency? To ask the question is to answer it.

Besides being totally out of touch with people's real needs, the government is trying, with this bill, to stretch its tentacles beyond the provincial governments to municipal and local administrations.

Moreover, what can we say about a government that delegates such a fundamental responsibility as collecting and administering taxes paid by corporate and individual taxpayers? Who will ensure that taxpayers' rights are protected? Who will ensure that personal information remains confidential?

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In this age of computer information and centralization of personal and financial data, people fear for their privacy, and rightly so. The agency as proposed would have a personal and financial data bank that should be of concern to taxpayers. They should be able to expect their government to protect access to this information.

With this bill the government is abdicating its responsibilities toward taxpayers. Even though the government claims the agency will be accountable to elected representatives, the fact is this new structure would become an entity difficult to get around and to control.

• (1300)

It may seem advantageous for the revenue minister to hide behind the agency to avoid giving a quick answer to embarrassing questions by members of parliament, but the taxpayers and the members of the Bloc Québécois only see further delays in answering questions and more hurdles between problems and solutions. Moreover, the revenue minister himself should be leery of this new superstructure which might be beyond his control.

I would like someone to explain where the so-called savings used to justify the new agency are going to come from. First, one further layer of bureaucracy is added in the form of an appointed management board which will require time, money and staff. Furthermore, senior executives will be entirely free to pay themselves salaries comparable to those of executives in the private sector. Finally, providing free services to provinces who want to harmonize their program with the federal income tax program will automatically bring an increase and certainly not a decrease in the agency's costs.

Therefore I ask where it is expected that there will be savings. It seems quite obvious to me that if there are any savings, there will certainly be made at the expense of frontline workers.

As a matter of fact, 20% of public servants will no longer come under the Public Service Employment Act. Clause 30(1) shows the government's true intentions, which are barely hidden. It says:

30. (1) The Agency has authority over all matters relating to:

(a) general administrative policy in the Agency;

(b) the organization of the Agency;

(c) Agency real property—

And this is where the section becomes interesting:

(d) personnel management, including the determination of terms and conditions of employment of persons employed by the Agency.

Clause 54 tells us even more. It says:

54. (1) The Agency must develop a program governing staffing, including the appointment of, and recourse for, employees.

(2) No collective agreements may deal with matters governed by the staffing program.

The anti-union nature of this bill is quite obvious.

With this bill, the government shows that it is incapable of being a good employer, doubly so. It introduces a bill that threatens the job security of one-fifth of the public service, and after having shamefully delayed for many years dealing with the pay equity issue. This government has proven that it prefers strong-arm tactics to crush employees' collective demands.

I should point out that in my riding the union at the Taxation Data Centre in Jonquière represents 1,200 workers. Over the last several years, and with the spectre of this new agency looming since 1996, employees and local management have had to deal with a series of unbelievable adjustments, drastic budget cuts, a reorganisation of services between various taxation centres, the use of a large part of their operating budget to avoid the Y2K bug, while implementing costly new technologies requiring less human involvement.

All this turmoil has required superhuman efforts to minimise the impact on jobs. So far, they have managed pretty well to avoid serious problems. The Taxation Data Centre still has an excellent reputation as regards the performance of its employees.

In a region like ours, where unemployment is high, every job counts. What will be the impact of the establishment of this new agency, and how many jobs will be lost in the next two years? Perhaps no job will be lost. However, if there is little or no impact on jobs, then should we not conclude that, in order to save money, we will have to cut services to the public or impose user fees? Indeed, the agency will have the authority to establish user fees for the services which are useful to the users.

• (1305)

Therefore, this measure could mean user fees for individuals or small businesses, and that for the privilege of paying their taxes. This takes the cake.

If the federal government really wants to reduce overlap and duplication between the federal and provincial governments, really wants to reduce costs for businesses, taxpayers and governments, then we agree. In Quebec we already have our revenue department which collects provincial taxes and, since 1992, the federal GST.

As I was saying at the beginning of my remarks, I urge the government to withdraw this bill which will not save any money or simplify tax administration but will reduce parliamentary control over tax collection and administration, at the same time as threatening job security and working conditions for 40,000 employees.

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Mr. Maurice Godin (Châteauguay, BQ): Madam Speaker, I am pleased to rise today on Bill C-43, an act to establish the Canada Customs and Revenue Agency.

I would remind the House that the government had announced in the throne speech of 1996 that it would establish this agency to convert the current Department of National Revenue into a semi-independent agency.

The agency's mandate would be to act as a tax collector in Canada, but not only for the federal government. Indeed, as provided in the legislation, the agency could negotiate with provincial and municipal governments agreements for the collection of all kinds of taxes, including sales taxes, property taxes, and so on.

We cannot approve this legislation which, from the start, aims only at centralizing the collection of taxes in this country, at downsizing the national revenue department workforce and, mostly, at establishing an agency that, once again, will come into conflict with the Quebec revenue department.

The quasi-independent agency would allow the revenue department to hide behind it to avoid taking its responsibilities. It would avoid its obligation to protect taxpayers against abuses of power. This is worthy of the imagination of officials who want to increase their power at the expense of the minister in order to make decisions in his stead.

Here is what is to be found at section 30(1) of the bill:

30. (1) The Agency has authority over all matters relating to general administrative policy in the Agency; the organization of the Agency; Agency real property; and personnel management, including the determination of the terms and conditions of persons employed by the Agency.

This is undeniably an anti-union measure against public servants who will no longer come under the Public Service Employment Act. The agency will be free to increase or decrease salaries and to hire and fire employees. About 20% of the public service will be at the mercy of the agency's board of directors.

And who is going to suffer? Certainly not senior managers, because those officials will have the power to pay themselves salaries like those in the private sector. It will be the support staff, the ones responsible for processing the claims, in short, the majority of the employees. This agency is more open to patronage and abuse of power.

The minister does not seem to realize the importance of the powers he is giving to unelected officials who are not accountable to anybody. Under the present structure, Revenue Canada is fully accountable to parliament and to the taxpayers.

• (1310)

However, parliament will have less control over the agency than it does now over the department. An agency would feel much less compelled than a department to be accountable, to provide answers

to questions and deal with concerns raised by members on behalf of the public. Do we want to see the government resort once more to an agency to avoid answering questions on tax collection? The answer is no.

With the creation of an agency that collects taxes for provinces and municipalities, do we have any idea of the volume of confidential data this agency will have? With an agency of this size, an incredible quantity of personal and financial information will be in the hands of a single institution, which will be less accountable before parliament and before the minister than Revenue Canada is currently.

The main purpose of the Canada customs and revenue agency is to conclude new tax administration agreements with the provinces. When this bill was introduced, the government did not have a single agreement. Quebec and Ontario were opposed, because this level of taxation should be the responsibility of the provinces, which should administer it. The western provinces, which seemed cool to the idea at the start, are now opposed to it. Even Prince Edward Island has told Ottawa that it is not prepared to transfer other tax powers to the federal government.

So where is the support? The department itself says that the provinces want the agency to prove its mettle before they decide to give it more of their tax programs. It is outrageous to think of supporting the creation of a new bureaucratic structure in the hope that the provinces might participate in it. There are no agreements, but hundreds of public servants have already been released to work on this new agency the minister of revenue wants to impose on us.

The business world should be the first to be interested in this agency. And yet, the CCRA failed to impress small and big business. The bodies representing small business expressed their distrust of the massive powers to be centralized in this agency. In a poll, the Canadian Federation of Independent Business indicated that 40% of the businesses that participated in a study Revenue Canada commissioned from the Public Policy Forum saw no point in having this agency. Over two thirds of these businesses felt that, with such an agency, the costs relating to their dealings with the department would be higher than they are under the existing structure.

By establishing a quasi-independent agency, the government is increasing the risk of fraud and of the sale of confidential information, for which there is a very lucrative market right now in the private sector.

As members can see, there are no benefits in establishing such an agency. Quebec opposes the federal government's intention to centralize all tax revenue collection activities in one Canada-wide agency.

The Bloc Québécois will continue to oppose the establishment of this agency, which does not benefit the taxpayers in any way, but may in fact cost them all they got, especially in terms of democrat-

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ic rights. When problems arise, having to do with the administration of taxes or wrong decisions by Revenue Canada, we will no longer be able to question the minister. He will reply that the agency is calling the shots. And democracy will suffer.

The agency is a costly exercise both in terms of money and time, the product of some wild brainstorm of senior department officials. It is an idea in search of a rationale that has yet to be found. We must put a stop to it before any more public funds are sunk into it. Any number of improvements can be contemplated within the existing structure, and they would not involve the kind of costs and disruption inherent in the establishment of an agency that is neither wanted nor required.

What does the taxation employees' union think of it? It has ten arguments against this idea. First, by creating a tax collection superagency, Ottawa's influence would reach right into our communities.

• (1315)

With this agency, accountability to the public and to parliament will be weakened. The agency could threaten our privacy. Fourth, the agency is a classic example of empire building by Ottawa's senior bureaucrats from the isolation of their ivory towers. Fifth, the primary reason for establishing this agency is to sign new tax agreements with the provinces. Sixth, small and large businesses are not impressed with the new agency. Seventh, the agency will bring about new hidden taxes. Eighth, it will bring new costs. Ninth, the agency is already wasting money even if it does not yet exist. Tenth, the agency will be more bureaucratic than Revenue Canada.

For all these reasons, the Bloc Québécois opposes this bill and will be voting against it.

[English]

Mr. Pat Martin (Winnipeg Centre, NDP): Madam Speaker, I am happy to have this opportunity to speak to Bill C-43.

I represent quite a few employees of Revenue Canada in the riding of Winnipeg Centre. The city of Winnipeg is the location of a huge Revenue Canada operation with 5,000 employees. Many of these employees who live in my riding have come to me with a great deal of apprehension and a great deal of fear about what this new superagency really means for them.

No one we have talked to can point to any compelling reasons that we are making this move toward a superagency. If anything, reason and logic do not seem to enter into this at all.

The biggest fear that has been articulated is that it is really being driven by ideology rather than by any good reason, any good logical business plan or expectation of savings. The real opportunities for savings within Revenue Canada will not come from the

creation of some superagency. The real opportunity for revenue will come from having an adequate number of auditors to collect the taxes that are owing.

A group of auditors made representations to our caucus just a week ago pleading this very case. Billions of dollars of taxes are left uncollected each year because there simply are not enough auditors in the field doing the job and getting these revenues for the government to use. In other words, people are getting away with murder in terms of taxation because they are not being audited properly. Taxes are not being collected properly. This is the case which was made to us by senior auditors with Revenue Canada in their appeal to us to do everything we can to oppose Bill C-43.

The auditors expect that the situation will only get worse after the creation of the new superagency. The auditors feel, and I think quite justifiably, that the whole move toward a superagency is like a Trojan horse. They think it is wrapped up in a package which would be palatable to the public but in actual fact it contains a lot of surprises waiting to be sprung on us, not the least of which is a move toward further privatization of services.

The road toward ASD, alternative service delivery, superagencies, whatever we want to call it, is the road toward privatization and dismantling the public sector even in areas we know should be managed and controlled strictly through the public sector, like something as sensitive as the collection of our taxes. Other ASD examples have been absolutely disastrous for working people. They are always the last ones to be consulted.

I am thinking specifically of the privatization at Goose Bay. All the non-military personnel were laid off and services were contracted out to an out of country company, Serco, to provide the same services that Canadians used to provide in good unionized well paying jobs. These same people were hired back at half the wages and are now working for a foreign corporation to provide services on our military base. It is absolutely perverse when we think about it.

It is that kind of background and that sort of recent experience that has made Canadians apprehensive about Bill C-43 and the creation of this superagency.

• (1320)

It is not just the NDP and the labour groups that are directly impacted by this who are apprehensive about it. Yvon Cyrenne of Raymond Chabot Martin Paré said in the chartered accountant magazine of March 1998: "The creation of the customs and revenue agency would, for all intents and purposes, be an abdication of political power". I would add that it would be an abdication of political responsibility in that it would be that much more removed from elected officials having any purview over this collection. It would be strictly in the hands of this freestanding, arm's length superagency.

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About 5,000 employees of Revenue Canada work in Transcona and in Winnipeg. Many of them live in my riding and many worked on my campaign. Some of them were actually politicized for the first time in their lives because of what was about to happen to them. They were reaching out for some kind of political support from anybody who would articulate or voice their concerns. I am glad to have the opportunity to that today.

They have good reason to be apprehensive. Nobody really knows what this is going to end up looking like. Will it look like the Canada Post Corporation? Will it be a stand alone agency like Canada Post? I do not think so, although that comparison has been made. If it were, then the workers should fall under the Canada Labour Code, not the Public Service Staff Relations Act.

That in itself is a huge issue for the unionized workers who work for Revenue Canada. Where will the industrial relations be when all of the dust settles? Can anybody answer that? What is going to happen to their terms and conditions of employment? Are they still bargaining with the same employer? Is the employer that much different after they are removed from the public sector in that sense?

There are hundreds of questions that are left unanswered. Many were brought to our attention, as I said, when the employees of Revenue Canada came to our caucus just a week ago and articulated these fears. Representatives from the Public Service Alliance of Canada, the Union of Taxation Employees and one other labour group were justifiably apprehensive about this.

The term Trojan horse has been used. I have heard the term mega taxman. It does not matter what we want to call this new super-agency, it is going to be something that Canadians will not recognize and will not be comfortable with. Will it look like the IRS in the United States, a boondoggle like the IRS that answers to nobody?

This is what we are saying. When we get that kind of independence, there is room for abuse. It is something that can grow out of control, beyond what it was initially designed for.

There seems to be a sense in the public sector, certainly within the federal government, of a belief in this right wing ideology that all things in the public sector are bad and all things privately run are good. There is a belief that some inherent streamlining comes into play when things go into the private sector, as if there is no waste in the private sector. This is an absolute myth.

It is a cruel myth in that this bashing of the public sector goes on. This atmosphere of contempt has been allowed to flourish across the country. Public sector employees are knocking themselves out to do their best, often with limited resources and limited compensation. Abuse is heaped on them. Every time there is a deficit or a cost overrun they say "Oh, it is that bloated public sector. If we

could only shed some jobs out of the public sector". There is this myth perpetrating that we can shrink our way to prosperity.

Even the private sector went through its decade of lean and mean, shedding employees and casting people off. Many of them now realize they have gone too far. They have cut all the fat and have cut into the flesh, the muscle tissue to where they cannot function any more.

That is what is happening to our military. This compulsion, this drive to cut, hack, slash and throw Canadians out into the street has left us with a human resources emergency in the military. The people who are being cut are the highly skilled, middle band of trained workers, the people who actually had administrative capacities, et cetera. We still have the foot soldiers, the grunts. We still have plenty of generals. It is that middle band of competent people who can actually do things which is disappearing. The restoration of funding overnight is not going to bring that middle band back. Those people are gone. They are gone to the point where the whole organization is at risk.

• (1325)

Similar streamlining efficiencies, if we want to call them that, are taking place every time we see this idea of offloading to alternative service delivery. That is really what the superagency is. It is ASD. It is getting the same job done in a different way.

We would argue it is a step backward in terms of service to the Canadian public. We are buying into an unknown commodity for one thing. The reservations brought to us by the UTE, the Union of Taxation Employees, are real, valid and justified concerns. They are vehemently opposed to this.

The government has failed to prove to anybody's satisfaction that this is a good thing to do. All we have heard is complaint after complaint that we are going into uncharted waters, that danger lurks in these uncharted waters. It will probably be the working people who will end up feeling the brunt of it.

The government should also be forewarned that we are going to lose valuable opportunities to collect revenues to the best of our ability. If we listen to the people at the front lines who really know what they are talking about, they say we need 500 more auditors in the field tomorrow, not cutbacks and reductions.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Madam Speaker, this is the second time I have risen in the House to speak to this bill.

I began my last speech by saying that Bill C-43 is a bureaucratic aberration, a serious blow against democracy, protection of personal information, respect for jurisdictions and service to the people, nothing less.

After further consideration, I would say all that and more, because the purpose of this bill is not just to replace the

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Department of Revenue, but to create a body that will provide services to the provinces and municipalities for the implementation of programs and activities. These words appear beside the words customs and taxes throughout the bill.

This is an agency that will not be subject to democratic control, that will operate at arm's length from the federal government, that will have the appearance of a public agency but that, in reality, will not be accountable to parliament.

It is another attempt to lump all the provinces together and is the antithesis of what federal government is all about. It is bureaucratic and undemocratic. But the government goes much further; this bill gives it the authority to replace any other level of government in their program activities. It is unbelievable.

Protest has been widespread. What is this government doing? As usual, comfortable with its five-member majority, it charges ahead, creating problem after problem, with the mindset of a central government that, in the regions, would only have to deal with municipalities.

• (1330)

It is serious, especially on the eve of negotiations on the social union issue. It is serious because, while the provinces are fighting as hard as they can to maintain the powers given to them under the Constitution, the federal government, without warning, is moving ahead, ignoring all the legitimate protests, fears and concerns and muzzling the opposition. Why? Because it is annoyed with the opposition parties for expressing their disagreement.

I have a few new arguments to make. I said this agency will be a business. Who will it serve, the public? No. It will serve clients. These clients will be provinces or municipalities. What will the directors' mission be?

Clause 42(1) says:

Every director of the Agency, in exercising their powers and performing their duties and functions, must

(a) act honestly and in good faith—

Yes, but why? This is why:

—with a view to the best interests of the Agency—

So much for that. We have here a business that will act with a view to its best interests and whose job will be to collect revenues from taxpayers with whom it does not have the same relationship as the one that exists between the taxpayers and the state, the income tax return being a contract between the taxpayers and the state. We can say that. There are countries where things are done differently.

The system we have developed here is based on a voluntary contract, namely the personal income tax return, which contains all kinds of confidential information. Trust is absolutely vital in exercising this civic duty.

The government also has the duty to build that trust. But how can that happen when we know from the start that this agency will be made up of an extremely large number of employees—40,000 is the number we have been seeing—who will no longer come under the Public Service Employment Act and who will therefore have difficulty keeping their union? I hope they will be able to keep it.

They will no longer be protected by this act, which allows them to fulfil their duty to the state and to the people. Will they be serving the people's interests? No. They will be serving the agency's interests, and that agency is planning to sign contracts with provincial and municipal governments for various activities and programs.

The agency may licence, sell or otherwise make available any patent, copyright, industrial design, trade-mark or other similar property right that it holds or develop. That is what the minister's bill says. It is an aberration in terms of democracy, in terms of personal information and in terms of service to the public. It does not make sense. It is unthinkable, but the government is doing it anyway. This is serious.

• (1335)

Let us just look at the personal information aspect. We know that the people who will be processing income tax returns will no longer be protected by legislation. They will receive bonuses as a reward. That is what the bill says.

The Minister of National Revenue should reflect on this some more and withdraw this bill that has to be a cause for concern for Canadians. It breaks the fundamental contract of trust between the taxpayer who signs his or her income tax return and the state, because the state is abandoning its role and its responsibility. That is the most serious part. There are a lot of other things too but, essentially, that is the most serious part. The minister can say what he likes, he will no longer be accountable to this House because he will be able to blame the directors or the commissioner. He can smile all he wants, but he will not be able to restore people's trust.

Without a union and without the protection of the law, employees will be vulnerable to all kinds of pressure. We can think about employee turnover, which will make the issue of personal information an even greater concern.

With all my colleagues and all the people who are interested in this matter, I urge the minister again not to go ahead with this undemocratic bill that goes against the public's interest.

*Government Orders**[English]*

Ms. Libby Davies (Vancouver East, NDP): Madam Speaker, I am pleased to have this opportunity to speak again to Bill C-43. The member for Winnipeg Centre said that this bill is like a Trojan horse. I echo his comments and the comments of other members of opposition parties who are very united in their concern about and opposition to this bill. It is a sad day for parliament. We faced a closure vote this morning and we can see that this bill is being rushed through by a slim government majority.

There are questions that need to be asked on behalf of the Canadian people. What is the imperative for having this bill in the first place? What is the imperative for rushing this bill through the House by forcing a vote to meet the government's interests? Those questions have not been answered. That should concern Canadians because the subject of Bill C-43 is the creation of a new, privatized mega agency. That should concern every Canadian and every member of this House.

In the past two years during which this proposal has been contemplated a massive sales job has been undertaken by the minister, by the government and by senior bureaucrats to try to sign people onto the proposal. We see today that as of yet not a single province has signed onto the agency. The reality is that there is not a single binding letter of intent from any province to sign onto this new agency.

We have heard from those who work at Revenue Canada. They know what this agency would do, what its problems would be and presumably what should be done. We have also heard from the professional sector and even from the auditor general. From this we can see that there are problems.

It is becoming increasingly clear that Bill C-43 is not the answer. We have raised this continually in the House. In fact, Bill C-43 is taking us completely in the wrong direction.

• (1340)

As my colleague from Winnipeg Centre has pointed out, Bill C-43 will amount to what is probably the largest act of privatization that this government has undertaken. We are looking at the transfer of something like 20% of public service workers. Forty thousand people will be affected by this transfer.

Many of us have heard some of the concerns that have been expressed by the people who work at Revenue Canada. I really believe that their concerns should not be taken lightly. In fact, we should be listening very closely to the issues that have been raised.

What are the issues? First, there is the issue of privatization. I believe that the government has not yet made the case to the provinces, to the House of Commons, or to the Canadian people as

to why this privatization should take place. There are very serious concerns about the lack of accountability that will be caused by setting up a super agency that will not have the same kind of relationship with members of parliament that we have seen in the past.

We have to remember that we are talking about one of the core functions of the Canadian government, a function that sometimes people rail against and get upset about, the collection of revenue and taxes. Nevertheless, it is very much a core function. For that very reason I believe that it is incumbent upon us to fight tooth and nail to make sure that this parliament retains a relationship and accountability with this core service instead of allowing it to be let loose, allowing it to be privatized.

Information that came out recently in the auditor general's report is actually very damning about the bill which is before us today. Some of the comments that the auditor general made in his report about Revenue Canada, in particular about the international tax directorate, tell us that only 52% of the directorate's staff at Revenue Canada headquarters are in permanent positions. The auditor general goes on to say that "Because of the complexity and significance of international tax issues, we are concerned that frequent staff movements may prevent the directorate from maintaining the experience and skill levels required to provide an appropriate level of service to taxpayers and to manage the risks to the tax base that are inherent in international transactions".

The auditor general continues in his conclusions and recommendations to state:

If parliament approves the establishment of the proposed new Canada Customs and Revenue Agency, the Department will become a separate employer and assume most of the responsibility for human resource management currently shared with central agencies. In the absence of a comprehensive human resource plan and strategies linked to the Directorate's business plan, the establishment of the new agency will not in itself resolve the problems outlined in this chapter.

He goes on to say: "It is important that the analysis, planning and implementation of needed human resource initiatives be carried out as soon as possible".

I think this is a very serious issue that has been raised. We have been told by the government, as it tries to sell this new super agency to parliament, to the Canadian people and, indeed, to the provinces, that we will see increased efficiencies, that we will see improvements, that we will have a better service and so on. However, it should concern us when we see this information coming from the auditor general.

We find out that there has been a high turnover in staff and that, in actual fact, Revenue Canada has lost billions of dollars in revenue because it has not been able to attract the kind of personnel at a very high level to do the very complex audits which must be carried out.

Government Orders

This issue, which was been flagged as far back as 1991 and again in 1996 by the auditor general, has simply not been addressed by Bill C-43. In actual fact the government has lost a potential \$2.5 billion to \$3 billion in revenue since 1995 because it has refused to pay adequate salaries to attract the highly trained professionals who would perform these very complex audits. This year alone we lost a potential \$1 billion in tax revenues from some of the largest corporations because these audits have not been carried out with sufficient frequency because the personnel is lacking. Even Revenue Canada has acknowledged that it has lost about \$500 million in tax revenues in the Toronto area alone because of the shortage of 500 tax auditors.

• (1345)

This is directly related to the obsession of the government with cutting the public service, cutting out these kinds of key positions and now it is going further down the slippery slope toward privatization where we as members of the House will have less and less control and accountability over what this agency does.

The opposition has tried to put forward amendments to prevent this bill from going forward which is a reflection of the increasing and mounting concern around the proposal of the government to move in this direction and to ram this proposal through.

Again I say to the minister and to the government if this proposal is so good and so beneficial then why is it that not a single province has signed on. The answer is that we know there has not been a sign-on because there are serious questions that have not been answered. It is time for the government to acknowledge that the bill should be stopped and reviewed. We should return to what the auditor general said and look at the real issues and address the problems contained within the department.

Mr. Steve Mahoney (Mississauga West, Lib.): Mr. Speaker, it is interesting to listen to the opposition talk about the fact that not one province has signed on to this bill.

There is a reason for that. The provinces, with the exception of Quebec, enjoy the fact that the government collects the taxes and the provinces do not have to take the heat for it. When filing income tax in Ontario there is a section which gives the formula for calculating provincial tax. If the tax is being done by the taxpayer or an accountant, when they get to that page they are still in the mindset that they are filing their federal income tax and they are not thinking about the fact that there is a totally separate regime of tax collection at every provincial level. Why would the provinces want to kick up a fuss about this? The provinces want the federal government to have a system of tax collection that lets them off the hook and simply allows us to transfer the money. It is not a surprise at all.

It is also not a surprise to me that not one province has signed on to this. And I have not received one phone call in my constituency

office in Mississauga about this issue. And yet, as members I am sure will admit privately at least if not in this place, this is a bill that has had extensive work in this place and in committee. It has been kicked around, dragged around in every one of our caucuses. It has had presentations made. It has been analysed from one end of the legislation to the other and yet there is not a public outcry or concern being expressed that we should, as the member says, scrap this piece of legislation. I believe there is a reason for that as well.

We all talk at times in this place about there being only one taxpayer. I use the example often of the ad I saw in a newspaper that had a mobile sign outside of a private garage called Paul's garage. The sign said "Our price includes the PST, the GST, the EHT, the MBT, the MPT, the UIC, the WCP and the CPP". On the bottom it said "We would have included profit but we ran out of room". The point I make is that we have a lot of taxes. Mr. Sekora, nice to see you. We have those taxes simply because—

• (1350)

The Deputy Speaker: I am sure the hon. member meant to refer to the hon. member for Port Moody—Coquitlam—Port Coquitlam and not to his name which he knows is out of order.

Mr. Steve Mahoney: Mr. Speaker, I was just seeing if you were paying attention. Thank you for correcting me in that instance. I could not remember the hon. member's riding.

Getting back to the point of taxation, with all these taxes that are there for legitimate reasons, that have been put in place by successive governments and regimes in various parts of the municipal sector, the provincial sector and the federal government, they are there to deliver programs to Canadians. It is a burden, I do not deny that. We hear people talk on the other side that we should just cut taxes, but what they do not talk about is what we do with that tax revenue. What they do not talk about is the fact that I think it is high time that a huge organization like Revenue Canada is reviewed and changed.

This is not about privatization, as the member opposite says. It is about more accountability. Members opposite, particularly in the New Democratic Party, say it is not awful, because they would purport to represent the union involved in this which is frightened for jobs. I do not blame them for being concerned about jobs, but the members opposite should know that there are a number of points that will ensure this place continues to have strong oversight over this agency.

Parliament will review the agency's corporate business plan, just as it now reviews Revenue Canada's plans.

We will also review the agency's annual report regarding its performance during the preceding year. I serve on the public accounts committee and we hope we will see it come to that committee. We will be able to have witnesses come before us from

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the agency. We will be able to investigate to find out if they are doing their job and serving Canadians well. We will have opportunities for members of parliament to address us at the public accounts committee or speak in this place if constituents have concerns about the efficacy or how they are being dealt with in any way whatsoever.

Before the agency is allowed to spend dime one, parliament will have to approve its appropriations, just as we do now for Revenue Canada. This sky is falling mentality that we are hearing is nonsense.

There is an additional opportunity in this legislation for parliament to review the agency. The legislation requires, for the first time, a full scale review of this legislation five years after it comes into force, and that is not an option. So we know that once this bill is enacted and the agency is set up, it comes before our public accounts committee every year. If we call people we can review their budgets every year. They cannot spend money without the approval of parliament. But we know there is a mandatory five year review of the agency. It is a five year mandatory review but it does not prevent us from reviewing the agency on an ongoing basis if that is what we so desire.

It is interesting to me to hear members talk about less accountability to parliament when in fact this is a bill that will establish an agency that will be more accountable to Canadians, that will be more business friendly to Canadians.

Some hon. members: Oh. Oh.

Mr. Steve Mahoney: Members can laugh if they want, but that is clearly the intent of the minister. The minister of revenue will continue to have control over that.

I want to deal with an issue that we voted on earlier today in relation to this bill, time allocation or what the members opposite would call closure.

• (1355)

The Bloc has put 188 motions to the bill. There happen to be 188 clauses in the bill. So every single one of its motions reads the same, that clause 1 be rejected, that clause 2 be rejected, that clause 3 be rejected. There are no suggestions for positive change coming from the opposition. It is just trying to stall. If we had good ideas, if any came from time to time from that neighbourhood, we would be interested.

What is most astounding in all this is that the Bloc knows that Quebec is the only province that collects its own taxes. We do not even collect its taxes.

I know this day will never come but if I were ever sitting as the Chair in this place and had the opportunity to rule, I would have to rule that those amendments are contrary to the bill and are therefore out of order. Therefore we should not need to put in time allocation.

Members talk about time allocation as if it is some kind of terrible thing. But the reality is that when we have opposition members simply being obstreperous, simply putting forth amendments with no thought whatsoever that are completely contrary to the legislation, then any government worth its salt with any—

Mr. Ken Epp: Mr. Speaker, I rise on a point of order. I think the hon. member requires a lesson in parliamentary procedure. He is not to challenge the Chair, a lesson I have learned well, and I think he should pay attention to that rule. It is very important that he do that.

The Speaker: I hope all hon. members would pay attention to the Chair and take that into consideration when they are making their remarks.

The hon. member had about 12 seconds left but we will go to Statements by Members.

STATEMENTS BY MEMBERS

[English]

PHILIP GRAHAM

Mr. John O'Reilly (Haliburton—Victoria—Brock, Lib.): Mr. Speaker, I rise today to congratulate the outstanding volunteer efforts of Mr. Philip Graham of Minden, which is located in my riding of Haliburton—Victoria—Brock.

Mr. Graham has volunteered his time for 50 years to weather reporting for Environment Canada. On the rare days he has not been able to record the weather readings, his wife Jane or a close friend has recorded the information.

Environment Canada has a network of nearly 2,000 volunteer weather watchers such as Mr. Graham who help keep an important historical record of weather conditions across the country. Few if any have been keeping an eye on the weather as long as Mr. Graham, a retired Ontario Hydro employee.

Congratulations, Philip, and thank you for your valued contribution to important historical information for Canada.

* * *

IMPAIRED DRIVING

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, the Christmas season is a time when Canadians get together to celebrate a miraculous and blessed event. It is a season of peace, happiness and joy. But every Christmas season unfortunately the incidence of impaired driving dramatically increases and

tragically and senselessly Canadians are killed and injured by the reckless acts of people who choose to drink and drive.

I ask all members of the House to join with me and hundreds of thousands of Canadians to recognize MADD Canada's red ribbon campaign against drunk driving. If by displaying the red ribbon on our vehicles we can prevent one death or one injury this season we will have helped in the fight.

I say to all Canadians today over the Christmas season that if you drink, please do not drive.

* * *

YMCA

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, as one of Canada's oldest and most diverse charities, the YMCA serves over one million people and is a pre-eminent volunteer organization. The governor general recently named new members to the YMCA's Fellowship of Honour. These were selected for distinguished leadership in the Y movement at home and abroad.

The new members are Russ Davey of Geneva Park, Rowley Hastings of Vancouver, Henry Labatte of Toronto, Bill Ridley of Montreal and Hal Studholme of Winnipeg. The sixth new member is Doug Kirk of Peterborough. Doug has devoted untold hours of time and energy to our Y.

• (1400)

Volunteers are the glue that holds communities together. I congratulate Doug and all these wonderful honourees who do so much work asking for nothing in return. Their hard work and dedication in organizations like the Y keep our communities strong.

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UKRAINIAN WORLD CONGRESS

Mr. Lou Sekora (Port Moody—Coquitlam—Port Coquitlam, Lib.): Mr. Speaker, I welcome the Ukrainian World Congress as it holds its seventh world congress this week in Toronto.

The congress is an international co-ordinating body and is spokesman for the world-wide Ukrainian community in 20 countries and over 230 organizations and represents over 20 million Ukrainians.

* * *

VIOLENCE AGAINST WOMEN

Ms. Bonnie Brown (Oakville, Lib.): Mr. Speaker, every year since 1990 Canadians have commemorated December 6 as the national day of remembrance and action on violence against women. This year is no exception.

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This year, 1998, says that nearly eight full years have passed since the tragic deaths of 14 promising young women at the Ecole Polytechnique in Montreal. By remembering these 14 young women and acknowledging our collective laws we can be inspired to create a more peaceful society.

I wish to recognize today the important work accomplished by the men and women of Oakville and indeed those across Canada who provide a safe environment for those escaping violence in the home, as well as counselling, legal advice, education and support.

This year as in years past let us pause and reflect, ensuring that Canadians never forget this terrible moment in our history.

* * *

AGRICULTURE

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, the crisis in agriculture is the focus of much attention by politicians. The conclusion is that we need a large cash bailout over the next few years.

In that light it is very interesting a group of grain farmers in western Canada has made an offer to the government to give up the cash they are entitled to if the government would give them the right to market their own grain. Let me quote:

Many farmers feel they are ready to stand on their own feet, many individuals who are suffering the current cash flow problems are convinced this could have been averted if they had enjoyed the flexibility, opportunities and price management tools that the open grain market offers.

The government must pay attention to this offer. It is refreshing to see someone put their money where their mouth is.

Will the government take these farmers up on their offer to give up compensation in order to be able to market their own wheat and barley? Do they own their own grain? Can they have the same rights as those who live eastern Canada used to enjoy or who produce other commodities?

* * *

[Translation]

VIOLENCE AGAINST WOMEN

Mr. Nick Discepola (Vaudreuil—Soulanges, Lib.): Mr. Speaker, December 6 is the National Day of Remembrance and Action against Violence.

It is a time to stop and reflect about the 14 young women who lost their lives so tragically at Montreal's École Polytechnique in 1989, along with all women in Canada whose lives are marked by violence.

In 1991, this Parliament established December 6 as a day to remember the tragic loss of these 14 young lives. It is a day for reflection and for thinking about community measures which can help put an end to systematic violence against women. These 14

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young women who lost their lives symbolize our mothers, our wives, our daughters, our sisters, and our female friends.

I encourage my colleagues to take a moment to think about the families of these 14 victims and all other victims of violence.

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[English]

VIOLENCE AGAINST WOMEN

Mrs. Karen Redman (Kitchener Centre, Lib.): Mr. Speaker, today is international day of disabled persons and I would like to draw attention to violence against women and disabled women.

Violence is felt in every Canadian community. In my riding of Kitchener Centre, Anselma House, a women's shelter, marked its 20th anniversary with a fundraiser supported by all sectors of the community, both by men and by women. Anselma House took 950 crisis calls this year. Its 20 beds are always full. It has been forced to refer almost 600 women and children to other facilities.

For women with disabilities violence can be frighteningly frequent. Eighty per cent of women with disabilities will be victims of sexual abuse in their lifetime. These statistics are shocking but they cannot lead us to despair. They must spur us to action. Women with disabilities may face barriers to reporting abuse or seeking help because fewer resources are available to them.

On December 6, as we remember the 14 women who died in Montreal, let us renew our commitment to end violence for women of all backgrounds and abilities.

* * *

• (1405)

APEC INQUIRY

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, what happened at last year's APEC conference when pepper spray met protesters? Will we ever know? Does it really matter?

Here are the questions. Were the protests captured on TV a result of independent police action, or was it the Prime Minister and his office suppressing Canadian rights of association and expression? Were Canadians jailed to protect heads of state or to save ruthless dictators from embarrassment?

Thousands of pages of evidence and audio and video tapes point to the Prime Minister, but that evidence is tied up in legal knots thanks to government paid lawyers. The public complaints commission is shut down for at least six months. In fact the commission was never designed to probe political accountability.

Here is why the APEC scandal matters to Canadians as expressed by Craig Jones, one of the jailed protesters:

The root issue for me is to what extent we are going to accept the political control of the RCMP by the executive branch of the government.

Unlike the Prime Minister, Canadians do not want scapegoats. They want political accountability.

* * *

[Translation]

INTERNATIONAL DAY OF DISABLED PERSONS

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, December 3, the international day of disabled persons, is a fine beginning to the third edition of Quebec's week of disabled persons.

Throughout Quebec, a number of different activities will focus on the theme "Independence through access—everyone stands to gain".

For the disabled, access to facilities and to adapted transportation is fundamental, as is the right to adapted education and training leading to access to the labour market. For them, as for the rest of us, access is independence. Although much progress has been made, everyone will agree that much more remains to be done.

I would like to make particular mention of the Office des personnes handicapées du Québec. In its 20 years of existence, this organization has done much to encourage co-operation between the various organizations, thus helping to give the disabled the voice to which they are entitled.

"Independence through access—everyone stands to gain". I certainly believe it.

* * *

VIOLENCE AGAINST WOMEN

Hon. Sheila Finestone (Mount Royal, Lib.): Mr. Speaker, on December 6, 1989, Canadians and the whole world realized the seriousness of the problem of violence against women when 14 young women were killed at Montreal's École Polytechnique. These young Canadians were targeted simply because they happened to be women, which is horrifying but nevertheless true.

This national tragedy galvanized all Canadians into taking action about the problem of gender-based violence. Canadians have learned a lesson from this tragedy. Initially, they suffered a deep shock and experienced tremendous sadness. Then they became convinced that we had to put an end to this violence.

We also honoured the memory of these young women by taking action and by working together to put an end to gender-based violence.

The solutions to eliminate this problem require an effort from all partners within the community. They must work together to bring about real changes. Today, I invite—

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The Speaker: The hon. member for Yukon has the floor.

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[English]

VIOLENCE AGAINST WOMEN

Ms. Louise Hardy (Yukon, NDP): Mr. Speaker, on December 6 we commemorate the terrible massacre of 14 young women. Yet a culture of violence remains pervasive and even flourishes in our federal institutions. Government is at fault for physical and sexual abuse in the military, denying pay equity, and for keeping poor women poor and vulnerable.

It is time for action. On December 6 the government should call for a truce, a truce for one day when no woman is humiliated, sold, hit or killed, no woman is forced to have sex, sell sex or is killed for sex, a day when women can walk and live in peace.

* * *

DISABLED PERSONS

Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): Mr. Speaker, today marks the sixth anniversary of the United Nations international day of disabled persons. We must do everything in our power to ensure that persons with disabilities enjoy the same advantages as other Canadians.

The international community has recognized the efforts of the Government of Canada to break down the physical and attitudinal barriers that keep persons with disabilities from enjoying the advantages of full citizenship. In New York last year the Prime Minister accepted the Franklin Delano Roosevelt international disability award on behalf of all Canadians.

I encourage all hon. members to support persons with disabilities as the government works to include all people as full partners in their countries and communities.

In the gallery are three people who are shadowing members of parliament: Nancy Villeneuve, Kathy Bainville and Tammy Culhan. We welcome them to the House of Commons.

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CRIMINAL CODE

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, Mothers Against Drunk Driving recently highlighted the sad fact that more than a year has passed since the justice committee agreed to review the impaired driving provisions of the Criminal Code with the goal of amending the present statute. Although the committee's work is under way, public hearings are not scheduled to begin until February of next year.

● (1410)

Let us contrast this approach with my home province of Nova Scotia where the legislative assembly unanimously passed legislation to toughen drunk driving laws just two weeks after the bill was tabled.

I congratulate Nova Scotia Conservative leader John Hamm for sponsoring this legislation and getting Liberals and NDP to put aside partisan bickering and advance the positive measures that will crack down on drunk driving.

With the holiday season upon us, let us in the House follow Nova Scotia's example of non-partisan participation in expeditiously strengthening drunk driving provisions of the Criminal Code.

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[Translation]

FIRE AT HÔTEL-DIEU HOSPITAL IN ROBerval

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday, a major fire destroyed part of the Hôtel-Dieu hospital in Roberval.

I want to express to all the residents of Roberval and the surrounding region my admiration for the community spirit and the sense of organization they displayed to prevent this fire from being even more devastating.

Thanks to the exceptional work of firemen from Roberval and the neighbouring municipalities, the fire was very quickly brought under control and did not spread to the institution's second wing. The staff of Roberval's Hôtel-Dieu hospital acted calmly and countless individual acts helped save lives.

In the next few days, great efforts will have to be deployed to temporarily reorganize the hospital, during the clean up and reconstruction phases.

I want the residents of Roberval to know that I will spare no effort to help those who face the difficult task of rebuilding and of ensuring that all services are back in operation.

* * *

[English]

AGRICULTURE

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, during the emergency debate on agriculture last Monday evening the Leader of the Opposition said:

Basically our position is this: If the finance minister will clearly declare that the forthcoming budget will contain broad tax relief for all Canadians. . . then the official opposition would be prepared to support a temporary aid package as part of that long term solution.

This sounds to me as if the Reform Party is ready to hold farmers hostage in exchange for its partisan agenda. The party across the way makes poignant statements about the plight of individual

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farmers, frequently quoting and reading from constituent letters. It acknowledges the farm income crisis and urges a timely response. However it appears it will only support a solution if it is on its terms.

This situation is too serious for the official opposition to threaten to hold Canadian farmers hostage.

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CANADA POST

Mr. Werner Schmidt (Kelowna, Ref.): Mr. Speaker, I believe that the Government of Canada has conspired with Canada Post to drive postal franchises out of business.

The fact is the schedule of commissions has been reduced by 71% for stamps, which represents over 50% of sales for most outlets. This gouging of revenues makes it difficult for the owners to make lease and loan payments. In severe cases it is spelling financial ruin and bankruptcy.

The Government of Canada is permitting Canada Post to steal from its franchises. Instead of the entrepreneurs—

The Speaker: The hon. member for West Nova.

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PAY EQUITY

Mr. Mark Muisse (West Nova, PC): Mr. Speaker, the Federal Court of Appeal has overturned Justice Muldoon's decision preventing seven complaints filed against Bell Canada to be heard before a Canadian human rights tribunal.

At the heart of that dispute is the question of pay equity. Over the past 13 years the federal government has been embroiled in its own pay equity dispute with approximately 190,000, mostly low income, female workers.

The Muldoon decision was thrown out. Yet the government continues to refuse to drop the appeal and pay these workers the long awaited benefits they rightly deserve.

The government has thus far spent \$142 million on a useless gun registry yet continues to ignore the pleas of our dedicated, hard working federal public servants. It is time the government lives up to its commitment by resolving this longstanding dispute.

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CHARITABLE DONATIONS

Ms. Susan Whelan (Essex, Lib.): Mr. Speaker, there is news and there is good news in the 1997 statistics released by Statistics Canada today.

First the news. Fewer Canadians gave money to charities in 1997. It was down 3.1% from the year before. Just under 5.3 million tax filers reported charitable deductions on their 1997 personal income tax returns. However the good news is that those who did contribute gave more, 6% more than in 1996, to the tune of \$4.3 billion.

Now is the time to be generous. As all Canadians donate they should be aware that the maximum deduction limit allowed on personal income was increased to 75% of net income by the government in 1997 and compare it to the previous limit of 50%. It pays to donate more.

• (1415)

As we finish our holiday shopping over the next few weeks let us all remember the less fortunate and give the ultimate gift, a donation to a worthwhile charity.

ORAL QUESTION PERIOD

[English]

TAXATION

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, yesterday the OECD presented its prescription for getting Canada's economy back on track. Its number one suggestion was faster and deeper cuts to payroll taxes.

What does the minister do? He raises payroll taxes. He gives us 15 cents in EI taxes and takes back 30 cents in CPP taxes.

Does the minister really think the answer to Canada's economic problems is to raise payroll taxes?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the OECD report is a very good report. It supports the general thrust and direction the federal government has taken since we have assumed office.

I simply remind the hon. member that EI premium rates are today the lowest they have been in the last nine years. The OECD also supports a Canada pension plan that is available to all Canadians.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, that is simply not the case. The minister has raised taxes more than any minister in the history of this country. We have the highest personal income tax load in the G-7, 56% higher than the G-7 average. Those are the facts.

Given those facts, how can the minister say he is following the OECD prescription?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, Canada's payroll taxes are lower than the G-7 average. They are substantially lower than in the United States.

Oral Questions

At the same time we have a Canada pension plan of which Canadians are very proud, which is part of the confidence building in this country. Canadians know that when they take their retirement they will not be cast aside but will have an adequate living.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, let us address the issue of the Canada pension plan, this coming from the minister who has just fired the chief actuary of the plan because he dared to suggest that 9.9% was unsustainable, that it would have to go to 10%, 11%, 12% or 13%. So what does the government do? It fires the independent actuary of the plan.

Is that the government's idea of listening to independent advice? It sounds to me like the government has an agenda, an agenda to rip off Canadians through their pension system.

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the hon. member knows the government did not fire the chief actuary. He was fired by the superintendent of financial institutions who operates an independent agency.

Let us get back to the real agenda of the Reform Party. Finally the hon. member has admitted it. What he wants to do is destroy the Canada pension plan. What he wants to do is take away from Canadians their right to have a fair and equitable pension. He objects to a sharing of risk.

What he is looking for is pensions for the rich and nothing for the poor. That has always been their agenda.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, the problem is when the finance minister speaks about Reform policy he demonstrates he is truly a stranger to the truth. There is no doubt about that.

The Speaker: I ask the hon. member to be very judicious in his choice of words.

Mr. Dick Harris: Mr. Speaker, Scrooge has nothing on the finance minister. The only appropriate response for the measly reduction in EI premiums is bah, humbug.

The fact is he is still ripping off Canadian workers to the tune of \$300 a year.

Why can the tax crazy finance minister not understand that his obsession with high taxes is killing jobs, killing investment, killing consumer spending and killing Canadians' dreams of a secure financial future?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, 1.4 million jobs since we have taken office, over 300,000 jobs this year alone, 57,000 new jobs in the last month. We are creating jobs faster than the G-7, faster than the United States. That is our job record.

• (1420)

Let us put it against what Reformers would do. They would gut health care, old age pensions, training programs, research and development. They would gut every single chance this country has to go into the new millennium, succeed—

The Speaker: The hon. member for Prince George—Bulkley Valley.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, the finance minister simply does not understand the Reform Party's position. He is dreaming in technicolour. I remind him that the jobs he is so proud of creating were created in Ontario and Alberta where they did cut taxes. He can take no credit for that.

He still does not understand so I will ask him very clearly. He knows high payroll taxes and taxes in general kill jobs, investment and consumer spending. When is this message going to get through? When is he going to give Canadians the tax break they deserve?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the hon. member says I do not understand the Reform position so I will refer to its report. Reformers would cut EI premiums, but for employers only with not a penny for employees. How would they pay for that cut? They would take \$3.5 billion out of the health transfer. They would take \$1 billion out of equalization. They would take \$920 million out of funding for aboriginal Canadians.

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[*Translation*]

2010 OLYMPIC GAMES

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, we know that the intervention of the Minister of Canadian Heritage and two of her colleagues biased the process to select the Canadian candidate for the 2010 Games and penalized Quebec City.

While the Minister of Canadian Heritage said yesterday that her colleagues were absolutely not involved in the matter, how does the Prime Minister explain the fact that their names appeared on the official list of the Vancouver delegation?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I said yesterday and I repeat today: the Government of Canada supported none of the three candidate cities, and I hope, now that a decision has been made democratically by a majority of the olympic committee, that all members of this parliament will support the decision of the olympic committee.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, more seriously than the minister, is it not true that the only reason two ministers did not end up in Toronto was the pressure exerted by the mayor of Quebec City, by the Secretary of State for Regional Development, Quebec, the member for Outremont, and

Oral Questions

finally, at the last moment, by the Prime Minister's chief of staff, Jean Pelletier, following a call from the member for Outremont to get Mr. Pelletier, the former mayor of Quebec City, to act.

Is this not what happened. Can the Prime Minister deny it?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the members of this House are entitled to make representations. No ministerial representations were made to the Toronto committee. It was a competition.

The member should perhaps read Foglia—a very well known péquiste, but a man who can be perfectly reasonable—in *La Presse* this morning. He said that, in his opinion, it was probably a logical decision by a committee that had to choose among three good candidates.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the decisions of the Canadian Olympic Association should be made without political interference. They should not be used for political purposes.

Yet this was the excuse the Minister of Canadian Heritage gave for delaying the announcement about the 2010 Games.

Will the Prime Minister admit that, whatever the role played by his two ministers, the mere fact that they were announced as participants in Winnipeg's candidacy represented an advantage that Quebec unfortunately did not—

The Speaker: The right hon. Prime Minister.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the member has just said that this issue should not be used for political ends. That is precisely what he is doing right now. He is trying to show once again what a poor martyr he is.

Some hon. members: Oh, oh.

Right Hon. Jean Chrétien: The fact of the matter is that there were three candidates and the Olympic committee chose Vancouver.

• (1425)

Members from the British Columbia area naturally support the choice of Vancouver, just as members from the Quebec City area favoured Quebec City.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I am not trying to make political capital out of this issue. What I want—

Some hon. members: Oh, oh.

The Speaker: The hon. member for Roberval has the floor.

Mr. Michel Gauthier: Mr. Speaker, what is at issue here is the behaviour of the government, which should be neutral. That is what we are questioning, that is what it is our job to do and that is what we will do, whether or not the Prime Minister likes it.

Does he think that, when one of his ministers starts to promote Vancouver, his government has been neutral?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there was also a cabinet minister from Alberta. There was no cabinet minister from Quebec City because all local MPs are members of the Bloc Québécois. That is not my fault. I would have loved to have a member from Quebec City in cabinet to say that it was a great city. But what can I—

Some hon. members: Oh, oh.

The Speaker: The Prime Minister still has some time remaining to answer the question.

Right Hon. Jean Chrétien: Mr. Speaker, a decision was made. The members from British Columbia supported British Columbia's candidacy. The members from the Province of Quebec who were asked their opinion favoured Quebec City.

Some hon. members: Oh, oh.

Right Hon. Jean Chrétien: Bloc Québécois members say they did not support the candidacy of Quebec City. So we will tell Mr. L'Allier that the Bloc Québécois was not in favour of his—

The Speaker: The hon. leader of the New Democratic Party has the floor.

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[English]

AGRICULTURE

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, last week the agriculture minister promised help for Canadian farmers before Christmas, but the promise was short lived.

The minister now tells farmers they will not receive any help before spring. Canadian farmers do not need a grinch as agriculture minister. They need help now.

How can the minister not understand the urgency? How can the minister not understand that the farmers need interim relief and they need it now?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the hon. member needs to listen to what I continue to say.

I explained the situation to my cabinet colleagues. The government is fully aware of the seriousness, of the urgency and of the importance of sending the message and informing the industry before Christmas, sooner rather than later. I stand by that statement.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, I have been listening to what the agriculture minister said.

The minister seemed engaged in seeking solutions to the farm crisis. His references to a bankable promise before Christmas even

generated some hope. Yet today the minister admitted he has not even discussed a way of getting help to cases of particular hardship. These farmers are desperate. Many of them will go under before spring.

Again, will there be cash by Christmas, yes or no?

Hon. Lyle Vanclief (Prince Edward—Hastings, Lib.): Mr. Speaker, I repeat, as it seems the hon. member does not hear very well, that we have said very clearly that if and when there is a program we will announce it before Christmas so producers know the support will come from the federal government in co-operation with provincial governments.

* * *

TRANSPORT

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, in 1995 the New Brunswick government wrote a letter to Doug Young, then minister of transport, asking for clarification on government policy about charging tolls on the federally funded highway between Moncton and River Glade.

Doug Young responded by saying “Yes, you can charge tolls on one condition. The federal contribution will still have to be cost shared by the province”. Then Doug Young reversed his position completely and led the consortium that broke that specific deal, that specific condition.

• (1430)

Will the Prime Minister please explain how a minister can establish a specific government position and then go ahead and break it himself?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, the hon. member has confused the facts so much that it is a wonder he can really put a question together.

First of all, highways are a provincial jurisdiction. The provinces set the priorities as to where they are built.

In the past there have been different kinds of funding arrangements between the federal and provincial governments, but it was not until 1997 that the whole issue of tolls came into force. In fact, they were not contemplated in any cost sharing agreement before 1997 when New Brunswick decided to apply tolls.

We, of course, have responded to that by saying to them that the federal contribution should not be factored in as part of the tolling arrangement.

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, I am just quoting what the former federal minister said. It is his condition. It is his policy. He said that the federal contribution must stay in that cost sharing agreement and then he led the consortium that took that share out.

Oral Questions

There is not one cent of provincial money in that highway, even though the federal minister, when he was the minister, said it had to be there. He broke the agreement himself. He broke the agreement on behalf of his consortium and I do not understand.

I would like the minister to explain how there could be one policy for Canadians and one policy for Liberal ex-cabinet ministers.

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, the hon. member has taken great licence with what the auditor general said and he has made allegations about the former minister of transport, nothing of which stands up in public.

In fact, I challenged the hon. member yesterday to state this outside the House. He did not state this outside the House so that Mr. Young could have recourse to him.

Let me quote from the auditor general, because he is fond of quoting from the auditor general:

We found in all the negotiated agreements that the program objectives, funding levels and cost-sharing ratios to be maintained throughout the life of the agreements reflected the government's directives.

Those are the words of the auditor general. There is no wrongdoing.

* * *

AGRICULTURE

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, the Minister of Agriculture and Agri-Food just said “as I keep telling my cabinet colleagues”. The question is, how many times does he have to talk to them?

He also said to the leader of the New Democrats “If and when there is a program, it will be announced before Christmas”. That is cold comfort to every farmer who is in desperate straits right now.

Why is the government continuing to put this off? Is it if? Is it when? Why will it not be today to help our Canadian farmers right now?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the government is working very hard with the industry and everybody involved and, actually, I thought with the support of the opposition as well, and I appreciate that support.

We are working very hard, as I said. We realize the seriousness of the situation. If there is a program we will announce it as quickly as we possibly can.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, two minutes ago it was if and when there is a program. Now it is down to if there is a program.

When this minister talks about being a heavy hitter in cabinet who will get help for people in the agricultural industry right now,

Oral Questions

obviously it is either his inability or cabinet's refusal to come up with some program that people need now.

How in the world is the minister going to be able to stand up to the Americans and the Europeans when we need a long term solution to high foreign subsidies and high Canadian taxes?

When will the minister announce his program to help farmers?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I am again amazed, but I am also pleased, and on behalf of Canadian farmers I thank members of the Reform Party for their new found support.

It was not that many months ago when they wanted to take hundreds of millions of dollars out of support to Canadian agriculture.

Again, I thank members of the Reform Party for their support to Canadian farmers.

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[Translation]

2010 OLYMPIC GAMES

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, if I understand the Prime Minister's reaction to the other Vancouver matter correctly, the man who has been playing the token French Canadian for the past 35 years would now like Quebeckers to pretend we do not mind having been betrayed, but that will not wash any more.

Has he not just admitted in his reply that his ministers took an active part in the Vancouver bid, contrary to the cabinet requirement of neutrality for all ministers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have served the people of Quebec well in this Parliament for 35 years.

Some hon. members: Hear, hear.

• (1435)

Right Hon. Jean Chrétien: Mr. Speaker, unlike the BC delegation, which believed the members from their province could help them, the mayor of Quebec city felt that the separatist members—

The Speaker: The hon. leader of the Bloc Québécois.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, if he were more aware of the situation in Quebec, he would know that a conference was held with Québec 2010 representatives in support of them.

But I will ask my question of the minister responsible for regional development in Quebec.

Is it not true that he received a call from the mayor of Quebec City and that he was shocked that two of his colleagues had broken the rule of neutrality which applies to all cabinet members, and that

he is the one who called the Prime Minister's executive assistant to tell him they should not go to Toronto as the official presenters of Vancouver's candidacy, as the Minister of Fisheries and Oceans was supposed to do?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I will repeat again for the hon. member, who seems not to want to understand, that the Government of Canada, for which I am the spokesperson for sport, has never supported any one of the three bids.

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[English]

CANADA PENSION PLAN

Mrs. Diane Ablonczy (Calgary—Nose Hill, Ref.): Mr. Speaker, the finance minister denied three times in this House that he or his office was involved in the firing of the chief actuary of the Canada pension plan.

The minister's officials have now admitted that they "suggested" to the actuary that his numbers should be changed. Six days after he refused to fudge the numbers he was fired.

Why did the minister allow his officials to intimidate the independent CPP watchdog?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, it is perfectly understandable that officials in the Department of Finance meet with officials from other departments and other sections of the Department of Finance all the time. There are ongoing dialogues.

That is what happened in this particular case. I simply repeat that neither myself nor my office was asked for an opinion on this matter. We did not give an opinion on this matter, nor would we had we been asked.

Mrs. Diane Ablonczy (Calgary—Nose Hill, Ref.): Mr. Speaker, the Dussault affair raises some very troubling questions for Canadians. They are watching the lengths to which the finance minister will go to keep his rosy projections from being debunked.

I ask the minister, is it now his policy to suggest, request and then demand that independent numbers be changed if they do not suit him?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the preamble to that question is simply untrue.

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[Translation]

PROFESSIONAL SPORT

Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ): Mr. Speaker, at a time when Campaign 2000 reminds us that there are more children living in poverty in Canada today than ever before, the

Oral Questions

Standing Committee on Canadian Heritage just released a report recommending that the federal government pump hundreds of millions of dollars in hidden subsidies into professional sport.

Do we have the Prime Minister's assurance that he will deny any tax or financial relief to sports tycoons until his record on poverty is no longer as appalling as it is right now?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, we have just received from a parliamentary committee a report containing a number of interesting recommendations, which will be reviewed.

I ask that the people whose line it is that the contribution of members is important give us a chance to examine the excellent job done by members of this House, representing all parties in this House.

We do not want to put the report in the garbage as the hon. member for the Bloc did today.

Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ): Mr. Speaker, I did not put it in the garbage, but on my desk.

Will the Prime Minister remind sports tycoons, team owners and the Liberal members acting as their lobbyists that they are bold as brass to be holding their hand out for hundreds of millions of dollars more, when they were not even able to put their own finances in order?

• (1440)

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I would like to congratulate the chair of the committee, Dennis Mills, who worked so hard—

Some hon. members: Oh, oh.

The Speaker: I would ask the hon. minister not to name the member.

Hon. Sheila Copps: I would like to congratulate the hon. member for Broadview—Greenwood and all the members who worked on the first report taking an in depth look at what the added value of sport is in Canada. They speak of investing in health, in the quality of life, in offering hope to young Canadians.

I hope we will have the time—

The Speaker: The hon. member for Fraser Valley.

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[*English*]

CANADA PENSION PLAN

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, Canadians do not rely on the government to tell them the truth about the Canada pension plan. That is why we have an independent chief actuary to give us the numbers. When that actuary warned finance officials that the CPP rate would have to climb above 10%, he was

hauled on the carpet and it was suggested, and I suggest none too sweetly, that he change his report or else. Six days later he was out of a job.

Why did the finance minister allow his officials to pressure Mr. Dussault into changing the numbers on the CPP report?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, I have already answered that question. There is an interim chief actuary who has been appointed, Mr. Hakeman, who is extremely well qualified. In addition, the government has gone to the Institute of Actuaries and asked it to suggest names of people who would be able to conduct an independent review.

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, it is disturbing to watch the forces of extremism that this minister employs to protect his empire. The auditor general, for instance, says that his accounting practices are not right. He says that is too bad. When the actuary for the EI fund says to lower the rate to \$2, he says no way. When the chief actuary for the CPP says that the numbers are wrong, he says too bad, you're fired.

Why keep Canadians in suspense? Since he is going to do whatever he wants anyway, why does the finance minister not just tell us, is the rate for the CPP 10%, 11%, or 12%? What has he decided today?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, again to simply demonstrate the extent to which the hon. member is spouting nonsense, as the Minister of Human Resources Development and I confirmed the other day, a recommendation was made in terms of the EI premiums to the independent commission and the independent commission looked at that recommendation. It then made a recommendation which the government accepted.

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[*Translation*]

POVERTY

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

In 1989, the Canadian parliament unanimously adopted a resolution to completely eliminate child poverty by the year 2000. Now, thanks to the nice job done by the government, there are 60% more poor children in Canada than in 1989.

Will the Minister of Human Resources Development admit that, given his massive cuts to employment insurance and to the unemployed, he is the primary responsible for child poverty in this country?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, I do not want to get into a demagogic exercise about an issue as important as that of child poverty in our country.

Oral Questions

We took office in 1993. We faced an extremely difficult situation. Child poverty is a problem about which we care a great deal, and this is why we introduced, as part of the employment insurance program, the family income supplement, specifically for children. We also negotiated with provinces a national child benefit, which came into effect in 1998 and whose impact will be felt—

The Speaker: The hon. member for Mississauga West has the floor.

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[English]

STATUS OF WOMEN

Mr. Steve Mahoney (Mississauga West, Lib.): Mr. Speaker, my question is for the Secretary of State for the Status of Women.

Even as we sit in this House, somewhere in Canada women are being scalded with boiling water, burned, strangled, bludgeoned or beaten, often to death. In the nine years since the brutal murders of 14 young women in Montreal galvanized this nation, can the minister honestly tell this House that there has been any progress at all in the fight to stop violence against women?

Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.): Mr. Speaker, many governments have taken a great deal of action over the years to end violence against women. But we know it is not enough. That is why this summer in Iqaluit the federal and provincial status of women ministers came together and declared that it is time for all governments to cross political barriers, as well as federal and provincial barriers, and take comprehensive and co-ordinated action to end this.

Their proposal is based on five clear principles. To live without violence is a right, not a privilege. Violence is not a private matter, it is a criminal matter.

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• (1445)

SOCIAL UNION

Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.): Mr. Speaker, in a 48-hour period, this government's response to the social union has gone from opposing it to supporting it and back to opposing it, from a willingness to compromise to refusing to compromise. This government has more positions than the *Kama Sutra*.

Some hon. members: Oh, oh.

Ms. Val Meredith: In an effort to determine the government position, I ask the Prime Minister whether this government is really sincere in negotiating a social union agreement.

Right Hon. Jean Chrétien (Prime Minister, Lib.): I would like to have a motion for details, Mr. Speaker. I am no expert in the matter.

Some hon. members: Oh, oh.

The Speaker: I respectfully suggest that the hon. member switch books.

Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.): Mr. Speaker, I will emphasize the positions.

Some hon. members: Oh, oh.

Ms. Val Meredith: Mr. Speaker, in August the premiers made their negotiations public. The federal government responded 30 days later but unlike the provinces, it has kept its response secret.

What is in the government's response that makes it feel it cannot share it with Canadians?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are negotiating with the provinces at this time. We are making some progress.

For more details on the other problem, I will inquire when I visit Japan, sooner or later.

* * *

HIGHWAYS

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, to switch topics, my question is for the Minister of Transport.

The auditor general said that in 1993 to 1997 the federal government spent some \$1.06 billion on highways. Three Liberal provinces received some 66% of that money while my province of Saskatchewan got only 3% and the west some 11.2%.

Why this shortcoming for my province and western Canada? Is it because we do not elect Liberals in the west?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, there were payments made to the member's province and other western provinces under the western grain transportation fund. There is of course the fact that money has lapsed in the highway funding for Manitoba and provinces west. This is something that has to be addressed at some point in time. That accounts for some of the differences. There were longer term commitments for some of the eastern provinces that were made before this government ever came to power.

• (1450)

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, if that is the case, then why in the next six years is the Department of Transport going to spend \$988 million on highways but only 1.34% of that goes to the west?

I want the minister to explain why the west, with 30% of the population and a large geography, is only getting 1.34%. Why are we getting this highway robbery in western Canada?

Oral Questions

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, these funding agreements actually came into place and they were terminated. Unfortunately what has happened in the last few years is that this government has been preoccupied with getting the books in order and dealing with the deficit. As a result, we need new funding for highways but not until the funds are available. I think we have to look at the long term commitment for highway funding that will deal with western Canada's concerns as well as those of the other provinces.

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PARLIAMENT HILL

Mr. Gilles Bernier (Tobique—Mactaquac, PC): Mr. Speaker, when the Department of Public Works told the Treasury Board that the parliamentary renovation would cost \$750 million, it told the truth. When Glenn Duncan announced that the renovations would cost \$800 million to \$1 billion, he also told the truth. Two days ago when the auditor general said that the renovations would eventually cost \$1.4 billion, he also told the truth.

Why is the minister using different numbers? Can he not count?

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Mr. Speaker, unfortunately the hon. member can only deal with imagination. I have to deal with reality. I can only speak on budgets that have been approved by Treasury Board and projects approved by the government. That is what we are doing.

The auditor general said in his report that we need a long term plan. In the month of August I asked my officials to prepare a long term plan and I will be getting a report next spring. The auditor general said that we need an advisory committee. I announced yesterday that there would be an advisory committee.

I believe the member today tabled his own report. I hope he sends me a copy and I will refer it to the new advisory committee.

[*Translation*]

Mr. Gilles Bernier (Tobique—Mactaquac, PC): Mr. Speaker, I can assure you that the minister will get a copy, because Stephen King himself could not have written a better novel than the minister's *Preserving the Hill*.

Tuesday, the auditor general said that the cost of renovating the parliamentary precincts would reach \$1.4 billion and that it was urgent to provide a long term comprehensive plan that would include all renovations, and not only the minister's pet projects.

How could the minister not mention in his report on the renovation of the parliamentary precincts the hundreds of millions of dollars referred to by the auditor general?

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Mr. Speaker, what the hon. member just said is not true.

I did appear before the Standing Committee on Natural Resources and Government Operations and the hon. member asked questions on certain projects which, according to him, are not included in my report. I gave all the explanations to the committee and to the hon. member. Everything that has been approved so far is included in the report.

I cannot include projects that have not been approved. I deal with facts, not with fiction, like the hon. member.

* * *

[*English*]

PUBLIC SERVICE OF CANADA

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, many public servants in my riding are concerned about the universal classification system which is supposed to get rid of discrimination in pay.

Can the President of the Treasury Board ensure that this is not an excuse for salary reductions?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, unfortunately the existing classification system is outdated and needs to be replaced. We just had an agreement with our unions to renovate it. The new universal classification system eliminates gender discrimination and evaluates jobs effectively.

The government would like to reassure its employees that their salaries will be protected and that there will be no wage rollbacks.

* * *

ABORIGINAL AFFAIRS

Mr. Leon E. Benoit (Lakeland, Ref.): Mr. Speaker, a group of aboriginal constituents met with the justice minister on the weekend about the issue of compensation for residential schools.

In a letter to me they expressed their shock that the minister said she is not willing to pursue the issue of compensation to victims because aboriginals already compensated have not spent the money properly.

Is she honestly saying that aboriginals are not to be trusted to spend their money properly? Is the minister going to apologize for these comments, or is she going to stand by them?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I would think that is more likely a comment to be coming from our hon. friends on the other side of the House.

Oral Questions

I did meet with representatives from treaty six and friendship centres in Cold Lake. We talked about the issue of compensation and about the problems of abuse in the residential schools.

• (1455)

I explained that not only do we have a healing fund which will help those who were abused in residential schools but we are indeed dealing with claims. Some claims have been settled in provinces like Saskatchewan. We are working on alternative dispute resolution mechanisms to not compound the victimization of those who have been hurt.

* * *

[Translation]

AGRICULTURE

Ms. Hélène Alarie (Louis-Hébert, BQ): Mr. Speaker, the agriculture industry is experiencing a serious crisis at this time and strong measures must be taken to help it through this crisis.

My question is for the Minister of Agriculture. Since the Quebec government has recently taken concrete measures to help its own hog farmers, can the minister assure us that the federal government will treat Quebec farmers the same way it will farmers from the rest of Canada and that he will not reduce his assistance to Quebec farmers because of the money they received from Quebec?

[English]

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, there is a federal government program. I can assure the hon. member, as I have previously, that all farmers in Canada will be treated equitably. They will be treated the same no matter what province they live in.

* * *

TOBACCO

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, given your ruling yesterday on Bill S-13, I would like to ask the health minister a question.

The minister himself says he supports the idea of a levy on the tobacco industry for prevention purposes. The vast majority of Canadians agree. The health community is united on this position.

Will the government now bring in its own legislation that places a levy on cigarette companies for the purposes of funding an anti-smoking initiative? Will the government live up to the spirit and intent of Bill S-13? When will it bring in a bill?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, we will examine the principles and the nature of Bill S-13 in assessing our further steps. I want to emphasize for the member and for the House the steps already taken by the government.

In the last 18 months we passed the toughest, smartest and most effective anti-tobacco legislation in the western world. It allows the Government of Canada to control tobacco as a product. It limits advertising. Within years it will ban all sponsorships and promotion.

In the next five years we will spend \$100 million not only to enforce that statute, but to target smoking among kids because that is in the public interest.

* * *

HIGHWAYS

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, consider this: Doug Young, former transport minister, political colleague and friend of the present minister, architect of the highway agreement, is now positioned to collect millions of dollars in highway tolls. Is there something wrong with this picture? The present minister says no, it is a good deal. Who is the minister protecting, the taxpayers or his friend, Doug Young?

Mr. Stan Dromisky (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, for the hon. member once again I must repeat, and I will quote from the auditor general's report: "We found in all the negotiated agreements that the program objectives, funding levels and cost sharing ratios to be maintained throughout the life of the agreements reflected the government's directives".

* * *

PERSONS WITH DISABILITIES

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, my question is for the Minister of Human Resources Development.

In 1996 the federal task force on disability issues reported and made numerous recommendations. On this the international day of disabled persons, two years have elapsed. When are we going to see further action on these recommendations?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, we have made much progress to help persons with disabilities including on the recommendations of the 1996 task force. In March this year Canada received the Franklin Delano Roosevelt international award for our progress on disability issues.

Is the job done? No. Is there more to do? Absolutely yes. This is why the Prime Minister has asked me to work closely with the provinces. We have established \$190 million a year employability assistance for persons with disabilities and we are working as well—

The Speaker: That brings to a close our question period for today.

• (1500)

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of Mr. Jorge Madrazo Cuellar, Attorney General of Mexico.

Some hon. members: Hear, hear.

[*Translation*]

The Speaker: I also want to draw the attention of members to the presence in our gallery of His Excellency Pascal Couchepin, Member of the Federal Council and Head of the Federal Department of Economic Affairs of Switzerland.

Some hon. members: Hear, hear.

* * *

[*English*]

BUSINESS OF THE HOUSE

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, since we are coming to the end of this session before winter break, I would like to ask the government House leader if there is any sense in carrying on with the weak agenda. Perhaps he might want to tell us when we are leaving the House for the break.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I intend to of course demonstrate all the important legislation that we are going to be passing over the next few days. The Chair will know that it is all very important.

This afternoon we will complete the report stage of Bill C-43, the very important piece of legislation respecting the revenue agency. Division bells will be held on Monday at 5 p.m., pursuant to an order of the House made yesterday.

Tomorrow we shall consider the amendment made by the Senate to Bill C-25, the National Defence Act amendment. I understand that this is changing only one or two words. This will be followed by report stage and third reading of Bill C-57, the Nunavut courts legislation and by reports stage and if possible third reading of Bill C-58, the railway safety bill. I understand that there are negotiations right now proceeding on Bill C-59, the insurance companies legislation, and I will get back to that later because so far they are not complete.

On Monday we will begin with a motion to approve the appointment of the commissioner of official languages. We would then attempt to complete any business left over from Friday if such is the case. We would following this deal with Bill C-35 respecting imports. There are also ongoing discussions concerning Bill S-21, the anti-corruption convention. I indicated that there were also

Privilege

discussions on Bill C-59. Finally I do believe that there is consent to do the report stage and third reading of Bill C-49, the native land claims bill. Hopefully we can accomplish all this business on Monday.

On Tuesday, we will consider the third reading of Bill C-43.

Next Wednesday and Thursday the House will hold the annual pre-budget debate.

• (1505)

[*Translation*]

The Speaker: I will now hear a question of privilege. I received a letter in this regard from the member for Saint-Hyacinthe—Bagot. Everything is in order and I am ready to listen.

* * *

PRIVILEGE

STANDING COMMITTEE REPORTS

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, in the past two years, it has become common, if not systematic, to have reports of the standing committees of the House and the content of in camera discussions leaked to the media by Liberal members, before this information is officially tabled in the House. It was the case, over the past two weeks, with the report of the Standing Committee on Foreign Affairs on nuclear non-proliferation, the report of the Standing Committee on Canadian Heritage on amateur and professional sports, and the report of the Special Joint Committee on Child Custody and Access.

Such disclosure betrays the spirit and letter that must guide us in the tabling of reports from the Liberal majority, along with the dissenting opinions of the opposition parties in the House of Commons.

Yesterday evening, the report of the Standing Committee on Finance on prebudget consultations was no exception. It was leaked during the 10 p.m. CBC national news. The Liberal majority disclosed some information contained in the committee report which serves the interests of the federal government and which allowed the Minister of Finance to be in the limelight, to promote his tax reduction initiative and spout propaganda about the federal government's achievements.

This is contempt of the House, which may be punished. According to Maingot, in chapter 12, page 229:

Any act or omission which obstructs or impedes either House of Parliament in the performance of its functions, or which obstructs or impedes any Member or officer of such House in the discharge of his parliamentary duty, or which has a tendency, directly or indirectly to produce such results may be treated as a contempt even though there is no precedent for the offence.

Privilege

The disclosure of a committee report or of the content of in camera discussions by members of these committees, before the opposition's dissenting opinions are prepared and all the information is tabled in the House of Commons, constitutes contempt of the House and is a serious breach of democracy.

The Liberals' way of doing things is also an unforgivable affront to the privileges of those parliamentarians who respectfully and honourably comply with a rule which, for all intents and purposes, practically no longer exists. This also hinders the work of members, who make themselves available for intensive consultations throughout the country for two months and who see the results of their efforts and those of all the witnesses who took part in the exercise reduced to nought for purely partisan reasons.

This disclosure of the report of the Standing Committee on Finance seriously undermines the credibility of the committee and of its members and creates an unhealthy working atmosphere in which suspicion and disrespect overshadow co-operation, loyalty and one's word of honour. In fact, confidentiality and honour no longer seem to hold much meaning for the Liberal members of the Standing Committee on Finance.

Faced with these troubling incidents, I respectfully ask you to tell the House whether the rule of confidentiality still applies to House of Commons committee reports before they are tabled and whether it is a rule we must observe out of respect for parliamentarism and democracy. That being the case, I ask you to consider the action taken by Liberal members of the Standing Committee on Finance as contempt of the House. And, should you agree that it is, I am prepared to move a motion in the House that would allow the Standing Committee on Procedure and House Affairs to conduct an inquiry.

If, however, it turns out that this rule of confidentiality is no longer a sacred precept of the parliamentary system, we will conduct ourselves accordingly in future. But it would be very unfortunate if that were the case, for the loss of this rule would strike a hard blow to democracy and to the credibility of this institution we all respect as parliamentarians.

[English]

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I do not accept the accusation of this hon. member against anyone else in particular.

[Translation]

I must say that, on the substance of the matter, that is whether or not it is acceptable for such documents to be leaked, of course, the answer is no. I will never agree with that. I have too much respect for this institution.

We agreed—was it yesterday or the day before?—to have the Standing Committee on Procedure and House Affairs look into the matter. In fact, I discussed this with my parliamentary secretary, who happens to chair the committee.

• (1510)

You can be assured of my full co-operation, Mr. Speaker; I will do whatever it takes, even amend regulations if necessary, to have documents tabled as soon as possible after committee work is completed. I too want these leaks to stop.

I take issue with the member's allegation that it is members of one party in particular who systematically commit these offences. I am not so sure about that. Otherwise, I can assure you I would have put an end to this practice a long time ago. I do not know who is responsible, any more than the hon. member does, but, unlike him, I am not accusing anybody. I am simply saying that I do not know.

What I want, what we all want, I hope—I think I can speak for everyone in this House—is to find a way to end any practice that violates our rights and privileges. This is a very good example of the kind of thing that happens and should not have happened.

In this respect, I agree with the hon. member. I hope that the committee can complete its work, its research, and present its findings as soon as possible.

[English]

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, my question of privilege will address two issues. First, the reporting of this report in the media before being tabled in the House is an attack on the dignity of the House. Second, the premature release of this report in the media is an affront to the authority of parliament since the finance committee made a specific decision to prohibit the publication of this report until tabled in the House.

The CBC network last night reported on the details of the report. The CBC in its response to this report used words such as “the key recommendations are” and “the emphasis will be on”.

On the front page of the *National Post* an article says that the Commons finance committee will ask the federal cabinet to put in place a productivity covenant as one of its key prebudget recommendations to the finance minister. Other statements in the paper are:

In its prebudget report to be tabled tomorrow, the committee calls on the . . . government to—

At this point the paper used quotation marks, giving the impression that it was quoting the actual report:

—“subject all existing government initiatives to an assessment which evaluates their expected effects on productivity and hence the standard of living of Canadians. Every budgetary initiative should be judged according to this productivity benchmark”.

Privilege

What is more disturbing is that on December 2 in the *National Post* Paul Wells wrote about the issue of leaked committee reports and made this comment:

The catalyst for yesterday's round of soul searching was Reform's House leader who rose to complain that yet another committee report—this one from the subcommittee on pro sports—was leaked to a newspaper. The Toronto Star got that one, but we've scooped a couple of reports here at the Post.

Journalists are now publicly bragging about obtaining leaked reports. The impression left with the public is that the authority and dignity of parliament is a joke. On page 41 of Joseph Maingot's *Parliamentary Privilege in Canada* it states that parliament:

—has the right to control and to prohibit the publication of its debates or proceedings.

In the finance committee there was a discussion about the potential for this report being leaked to the media. There was a consensus among all members of the committee that this report ought not to be published in the media before it was tabled in the House. Since the committee has the right to prohibit the publication of its report, the publication of its report by the media is an affront to its authority.

In contrast let us consider the authority of the courts. When a court orders a ban on the publication of certain elements of a trial the media respect that order. When the House or its committees order a ban the media ignore it.

Maybe we have this situation because committee members do not have confidence that the government will seriously consider their recommendations. They go to the media and hope at least to get some recognition from the public for their work. At the same time the government views the committee process as a communication exercise reducing parliament to a minor bit player in the legislative and policy making process.

The use of parliament by the government is not subject to conventions or law or the Constitution, but it is subject to decisions by the communications department of the Prime Minister's Office.

We had a case this morning when a number of members were complaining about how the minister of public works chose to make an announcement outside the House regarding the renovations of the parliamentary precincts. It is an example of how the Prime Minister's communications department makes decisions based on what is good for it, and the traditions of parliament be damned. The media that published the recommendations from the finance report should be brought before the Standing Committee on Procedure and House Affairs and asked how they received copies of the report. The other matter to be determined would be whether the media deliberately disobeyed an order of the committee and whether there is any dignity left for the House to salvage.

• (1515)

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, this is the third or fourth time this subject has been raised in the House.

While I know it is a very serious matter for all members of the House and they regard it as serious, I reiterate that if members of a particular committee whose report was leaked or scooped or whatever feel sufficiently strong about what has happened, and I hope they will feel sufficiently strongly about it, they will take the steps to provide a fuller factual background for the House and not simply delegate this messy problem back to the House or delegate it to the committee on procedure and House affairs.

If committee members feel strongly about their work on a committee they have the ability at that committee to take the steps to find out what has happened, then report it to the House. The House then deals with a better factual backdrop and takes steps perhaps involving discipline, perhaps admonishment. I do commend that to members. Let them take care of their own backyard in their committees rather than simply complaining and offering it up to the Speaker and to the PHA committee.

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, here we are once again. I think I have been up in the House talking about this issue probably as many as nine times since the election, twice this week.

I probably have a clear idea of what you are going to say. We are getting used to that too, and I understand your position on it, which I respect a great deal.

We brought this issues before procedure and House affairs. We talked about it this morning and we will be dealing with the issue. I am not sure what the outcome of that will be.

I am aware of even the offers that are made by various media to members of parliament suggesting that if we get the documents first perhaps we can have a front page or we will give a big scoop here and a big scoop there. This is truly a result of members responding to that, so the integrity basically falls apart. Once it starts, where does it stop?

I am concerned as much as anybody else about the authority, the dignity and the integrity of the House of Commons and its offices, but obviously some in here are not and that denigrates everybody in here.

My colleagues said we are responsible but we are not going to tolerate being scooped. We will not be undersold in the House of Commons. It is to the point now where I have to decide, if this cannot be stopped, whether we consider on this side of the House that reports in committee are just public documents. We are not going to get into this. We have upheld what we feel is the honourable thing to do and that is not to leak reports. This is continuing consistently and it is getting worse. I feel obliged to put

Points of Order

the House on notice that we are not going to tolerate this any longer. These reports have to be considered public because we are not going to be out scooped by any of these people who lack the integrity and the dignity they are supposed to have.

I am going to have a long talk with our critics. We will get back to the House, but this is the last time I make this statement. We are sick and tired of it, quite frankly, and I am not going to allow my colleagues, our critics, to be undersold by anybody in the House.

• (1520)

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the justice committee experienced the same kind of situation.

I respect the suggestion of the hon. member who sits on the justice committee that perhaps the committee should be looking at this, but there is no process by which we can do that.

The chairs of the committees perhaps should take this seriously. If a motion were put by a committee member to the committee to look into and investigate to the best of its ability how a leak occurred, that would be different. But I do not know whether the hon. member was suggesting that chairs of committees are prepared to accept and move on that kind of motion or whether those kinds of motions would simply be voted down by the government side. If what I am hearing is a suggestion that we could do that, then that signal must come from the government side whose members control all the committees. If that is the case, then perhaps these kinds of things will not be brought to the House.

I did not even bring that issue to the House at the time it occurred because I knew how useless it would be. I did not have a name to present in conjunction with that complaint. But I did speak to the reporter and I did, in a very diplomatic way, suggest he had been used by the government to leak a government report prematurely and he admitted that is exactly what happened. But when I asked him who was his contact person, he just threw his hands in the air and laughed. I understand he cannot reveal and he would not reveal his contacts.

The point is if there is a suggestion that the government side of these committees will look into these leaks, I think we will get to the bottom of it. I think we will stop at least the usage of House time in airing these things and having Mr. Speaker make the only decision that you can make when we cannot bring forward a name of a member of parliament responsible for the leak.

[*Translation*]

The Speaker: I wish to thank all the hon. members who spoke today, especially the hon. member for Saint-Hyacinthe—Bagot, who has raised the question: What about the integrity and honour of this House?

I must admit that I am becoming less patient by the day. This is the second time this week that the same issue has been raised. Today, neither the hon. member for Saint-Hyacinthe—Bagot nor

any other member named names; they just referred to members of this or that political party.

I would like to make a suggestion, which is more than a suggestion really.

[*English*]

I would like the House procedure committee to address this matter as soon as possible. I would like some kind of recommendation to come forth to the House.

I have said on so many occasions that I do not have the power needed to curtail this type of thing. Collectively members of parliament have this power.

As a first step, and I would like this done urgently, I want the procedure committee to deal with this issue and I would like some suggestions. I do not like to go to the next step right away, but unless there are some suggestions forthcoming for the protection of all of us, then at that time I may consider just to have a debate in the House to find out what we will do as a House.

One hon. member brought up a very strong point. I do not know if this is possible at this juncture, but the question is in my mind, as it must be in yours.

• (1525)

If a court of law can put a ban on publication on certain materials and it is upheld, why can the highest court in the country not do something? I put that as a question, only as a question. But I wish that first the procedure committee would have a look at it post haste and we will wait and see what the outcome of that is.

But my patience, like yours, is wearing a bit thin, for all of us as members. We do our work and I think that in honour we should have the decency not to leak these papers for one-upmanship. I do not like the word undersold. I do not like the word scoop. We are parliamentarians and we are going to do our duty as we see fit. I want this to be done as soon as possible.

* * *

POINTS OF ORDER

ROYAL CANADIAN MOUNTED POLICE

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, I rise to correct an impression I left with the House as a result of statements I made on November 2.

In asking a question of the solicitor general respecting a flight taken by RCMP Commissioner Murray in the RCMP jet, I implied the only reason for the commissioner's flight was to attend a retirement party. As I did not go on to say that the commissioner had other business in Vancouver and the timing of the RCMP retirement party was established to coincide with the trip, it was an unfair representation of the commissioner's activities.

I have had the opportunity to meet with and personally apologize to the commissioner and he has accepted my apology. I believe that politicians must be accountable for their statements, both in accuracy and fairness, and it is for this reason that I wish to register my apology with this Chamber.

The Speaker: So noted.

Pursuant to order made yesterday, the House will now proceed to Statements by Ministers.

ROUTINE PROCEEDINGS

[English]

ORGANIZED CRIME

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, the federal government has made a pledge to ensure that Canadians will continue to feel secure in their homes and on their streets. Ensuring public safety is at the heart of this government's mandate.

Having recently been appointed Solicitor General of Canada, I want to build on the first annual statement made last year and reaffirm the government's commitment to combat organized crime as the key part of our public safety agenda.

Organized crime is a serious and growing concern. It is big business and it is a national problem that threatens public safety.

Earlier this year my predecessor released key results of an independent study on the impact of organized crime. The study assessed organized crime activity like money laundering, illegal drugs, economic crime, people smuggling, contraband smuggling and motor vehicle theft.

The study confirmed that organized crime has an impact that goes far beyond the obvious violence and economic loss we suffer as a society and individually. It affects the health and safety of all Canadians. It has a devastating impact on our communities, our families and those most vulnerable like the elderly and youth.

Organized crime is an issue that is and should be a concern for all Canadians. A recent poll shows that nine out of ten Canadians consider organized crime to be a serious problem. This tells us our priorities lie in a co-ordinated strategy to effectively fight organized crime together.

The national workshop on organized crime last April was a major step toward achieving this objective.

I would like to thank the policing and law enforcement community, the provinces and territories, federal government departments

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and others that participated in this event. We are building on their advice and expertise.

Working with all these partners, we have identified a number of shared priorities, combating drug abuse and the illicit drug trade, addressing high tech crime, fraud and other economic crimes, and reinvesting our national police services for an integrated national public safety network.

• (1530)

Organized crime is an issue that spans our nation and transcends our borders. No one jurisdiction can effectively act alone. Organized crime has no borders; it does not respect them. At the international level we have been working very actively with our partners. Over the past year we have expanded co-operation with the United States through the Canada-United States cross border crime forum.

In October federal, provincial and territorial ministers responsible for justice recognized that organized crime was a serious and growing problem. Their discussion resulted in the first ever joint statement on organized crime which set out eight shared principles of action. The statement reinforced Canada's commitment to working together in partnership to combat organized crime. I am pleased that the Canadian Association of Chiefs of Police strongly and publicly supported the joint statement. I am confident we are on the right track, but we need to step up our fight.

The federal government is taking action. Our next move will be to help take the profit out of organized crime. Early in the new year the government will introduce legislation to curb money laundering. These measures will provide new and powerful tools for law enforcement in addition to helping us work with our international partners.

I am encouraged by the recent initiatives to combat organized crime that have been undertaken by a number of provinces. I also recognize the work of the RCMP and other agencies in my ministry; federal departments such as justice, revenue, citizenship and immigration; and other police forces and agencies that continue to target resources to fight organized crime in a more co-ordinated and focused fashion.

My ministry and our partners are fully committed to doing what it takes to stamp out organized crime. I look forward to working with CACP, police across the country, and the provinces and territories in my new capacity as solicitor general. Together we will work to ensure Canadians continue to enjoy a level of safety and security that is unparalleled in the world.

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Madam Speaker, on behalf of the official opposition I welcome the opportunity to respond to the solicitor general's statement on the state of security in Canada, in particular organized crime. There is overwhelming

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evidence that organized crime is increasing at an alarming rate. Today's numerous headlines on organized crime activities highlight the importance of action and commitment that the government get on with its job.

We agree that its effects are far reaching and devastating to our society both economically and socially. The Canadian Security Intelligence Service is warning of the existence of 18 international crime rings in Canada. The CSIS report indicates that the cost of international crime to the domestic economy is \$14.8 billion. Drug trafficking, dumping of toxic waste, money laundering, smuggling of arms, contraband, counterfeiting, security frauds, software piracy and auto theft are some of the issues under the control of organized crime.

CSIS is reporting that international crime organizations attack the very fabric of life in a democratic law based society like Canada. Criminals involved in organized crime have successfully landed in Canada without any opposition due to our lax immigration policy and inadequate screening. Organized crime with foreign origins poses a serious threat in many metropolitan areas of Canada, particularly on the west coast.

The danger imposed by modern day organized crime is a serious and destructive force. It imperils the security of our citizens and our nation. This threat attacks us in our streets, in our businesses and, worst of all, in our school yards. Organized crime is a threat to our economic sovereignty because the cost of organized crime in our society is astronomical.

• (1535)

The counterattack will require additional resources, legislation and co-operation provincially, federally and internationally. Canada cannot afford the continuing lip service the government is providing to the problem. We need resources. We need action and we need it now. Canadians will only feel safe and confident when these resources are committed to this attack. Crime is organized. So too should government efforts be.

I join the minister in congratulating the work of the RCMP, justice, revenue, citizenship and immigration, and others. I presume the minister also congratulates CSIS on its work. All these agencies must work together if they are to be successful in the war on organized crime. Effort must be made to avoid a duplication of resources and investigation by the agencies.

Taking today's headlines as an example, "CSIS warns of 18 international crime rings in Canada" and "RCMP charge four with eastern European crime links", we must ensure there is no overlapping and squandering of essential but limited resources. In summary, no turf wars.

The minister has said that crime respects no borders. I would go even further and remind the minister that all those borders are not defined.

On a related issue, according to a study published by Carleton University, Canada is especially susceptible to economic spies because it is one of the world's most open and trade dependent countries. CSIS has warned that computer hackers pose a serious threat to national security. Terrorists could hack into government networks to sabotage and steal important valuable information. CSIS's own computer network was broken into. It has been reported that the RCMP web site has been tampered with. A recent CSIS presentation shows that 28 federal departments have been hacked.

Control of information is critical and concerns are not restricted to cyberspace. The government even has trouble with low tech like ink on paper. This past week access to confidential documents has been made easier, thanks to the federal government's decision to let contracts to bankrupt companies that are supposed to shred confidential documents.

What happened? The documents were shipped out in their entirety, not shredded or burned as required, to destinations like China and Korea. The government has not retrieved the documents. Nor does it seem to care. Some of these files were so highly classified by the privy council and national defence they should have been burned in front of witnesses.

The government's cavalier attitude does little to assure Canadians that their privacy and security has not and will not be breached. I urge the government to get on with the job. It seems that sometimes with the government more is said than done.

[Translation]

Mr. Richard Marceau (Charlesbourg, BQ): Madam Speaker, I am pleased to rise in the House today, but I am also a little bit disappointed.

To me, the ministerial statement by the solicitor general is nothing but lip service. It is a perfect example of the kind of promises the Liberal government makes, promises that are based on noble principles but, unfortunately, never materialize. The statement by the solicitor general is just cheap talk, despite the fact that nine Canadians out of ten think organized crime is a serious problem in Canada today.

This is even more so since recent events have shed some light on the true role of the solicitor general within the government. As we know, his predecessor was forced to resign and even admitted that he was covering for the Prime Minister.

Nothing can lead us to believe that the new solicitor general will be able to follow through on the intentions expressed in his annual statement. His role will be limited to that of the Prime Minister's valet, especially considering the fact that no Liberal member seems to have what it takes to be a true solicitor general. The solicitor general is really just a front. The true solicitor general is the Prime Minister and his staff.

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Money laundering seems to be the new priority of this government. We must applaud this awakening that is kind of sudden but oh so salutary if we want to fight organized crime effectively.

In that context, the Bloc Québécois, through me, has introduced Bill C-435 to withdraw the thousand dollar note from circulation. It is a simple legislative measure which, according to several experts who were consulted, would really hurt the gangsters who threaten our comfort and our safety.

• (1540)

No one can dispute the merit of the legislative measure the Bloc Québécois has proposed. Canada is in fact the only western country with bills of such large denomination in circulation. In addition, it is a lot easier for money launderers to go about with ten \$1,000 bills than with a suitcase full of \$20s or \$50s. It is worth noting that a study in the United States showed recently that most \$100 bills bore traces of cocaine. We might well ask ourselves what is to be found on \$1,000 bills.

A further bit of information. The Bank of Canada determined in August that 3,372,000 \$1,000 bills were in circulation. In addition, 128,286,000 \$100 bills are in circulation.

Withdrawing the \$1,000 bill would be a positive step for the government. It has the support of a number of representatives of the police.

Before concluding, I would point out that the government should swallow its pride, stop being arrogant with the opposition and the public at large and give Bill C-435, which I introduced on September 24, proper attention.

It would show it is not simply a government of verbiage, but that it intends to take specific measures to fight this cancer known as money laundering and organized crime.

[*English*]

Mr. Peter Mancini (Sydney—Victoria, NDP): Madam Speaker, it is always a pleasure to follow the hon. member for Charlesbourg. I take this opportunity to welcome the new solicitor general to his new post. He is, like myself, an islander. He comes from perhaps a more gentle island, a little less rugged than my own, but from parts of my island we can look across the channel and see his island. That is as nice as I will be.

I will move now to address some of the comments he made today in his report. First I suggest that he wants to build upon the last report which came before the House a year ago. It will be tough going because there is very little foundation to build upon.

In the last year the commitments made by the previous solicitor general to combat organized crime have not come to any kind of fruition. Indeed, all we have heard is another statement of what they hope to do.

I will read the definition of organized crime from the government's own document. It includes economically motivated illicit activity undertaken by any group, association or other body consisting of two or more individuals. It is beginning to sound like we might include leaked documents in this definition, given the point of order today. The definition also includes, as I have suggested, formally or informally organized, negative impact of said activity, and so on.

The types of organized crime that take place in Canada would be shocking to Canadians. It includes money laundering. It includes the sale of illegal drugs. It includes, which I think is particularly shocking especially to the generation following us, environmental crime and the way hazardous waste is either sold or hidden in the country. It includes contraband, economic crime, fraud, migrant trafficking and motor vehicle theft. The cost of these activities is in the billions of dollars. The cost to the health of Canadians, particularly young Canadians, of the illicit drug trade is staggering.

There is a statement from the government's document on the organized crime impact study which deals with the seizures of illicit drugs and the increase in the use of crack among adolescents, which has gone from 0.5% in 1993, the year when I believe that party took power, to 1.9% in 1995. There has been a gradual increase in the use of illicit drugs.

These types of activities require urgent action.

• (1545)

At the same time that we have this report and the government talks about the need to combat organized crime, we have seen the downsizing of the RCMP. We have seen the training centre in Regina suffer from funding cuts. We have seen RCMP offices in British Columbia suffer from funding cuts.

We in the New Democratic Party call upon the government to reinvest in the necessary policing forces if we are going to actually be tough on crime in this country.

I welcome the statement of the solicitor general. I look forward to working with him in a constructive way to combat organized crime in this country.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Madam Speaker, I also want to begin by congratulating the new solicitor general, who is an Atlantic Canadian. I can certainly say that he is going to have his hands full in the next number of months.

I must say that today's statement is an absolute and utter disappointment coming from the solicitor general. It really consists of nothing more than another promise in a long line of promises from the Liberal government to introduce new anti-money laundering legislation.

Routine Proceedings

This is the fourth time in two years that the Solicitor General of Canada has made this specific promise. The present minister is the third consecutive minister to make the promise.

Let me refresh the memory of the current solicitor general.

In September 1996, at a summit on organized crime, the solicitor general of the day spoke of the grave concerns with the same grave words used by the solicitor general today regarding the increased threat posed by organized crime.

The solicitor general at that time promised to introduce new legislation to enact new financial reporting requirements regarding suspicious transactions and cross-border money movement.

Thirteen months ago, in November 1997, the solicitor general's immediate predecessor stood in the House and delivered his first and last ministerial statement on organized crime. He too promised anti-money laundering legislation.

In April of the same year, the same solicitor general reiterated the same promise to yet again introduce anti-money laundering legislation at an organized crime summit.

While the government held summits and made promises, organized crime continued to increase and flourish in this country. In particular, Canada has earned the unsavoury international reputation as one of the better places in the world for criminals to hide their illegal cash. That is not a partisan comment on my part. That is the conclusion of the U.S. State Department.

In its annual report on the international narcotics control strategy, the State Department of the United States called Canada "an easy target for drug related and other types of money laundering". The report also put Canada in the same low category as Brazil and the Cayman Islands for its organized crime. The U.S. State Department also cited Canada's weak money laundering laws as the main reason our country is viewed as a safe haven for many international criminals.

More promises from this solicitor general are not good enough. The law enforcement community is tired of the promises and is tired of hearing about pending legislation. They want action.

It is not unlike the Minister of Justice, who has repeatedly expressed her commitment to table young offender legislation in this House. We are still waiting.

In August 1998, a senior CSIS official said that organized crime in this country was at a crisis level. It is ironic that yesterday's report from CSIS indicated that there are international crime syndicates operating in this country. They have identified 18 international crime syndicates operating at this time.

This government's repeated broken promises to introduce new legislation against organized crime have kept Canada's doors open.

I am also extremely disappointed that the solicitor general decided not to address the organized crime funding crunch in any meaningful way in his remarks. The platitudes ring quite hollow for all law enforcement agencies when they do not see the dollars coming from this government to back them up. Simply recognizing the problem is not good enough. Calling it serious is not good enough.

Initiatives in pending legislation do not cut it. Last spring I challenged the solicitor general of the day to justify the \$74 million cut in this fiscal year to the RCMP's organized crime budget. The solicitor general said that my information was wrong, much in the same way he denied having an inappropriate conversation with Fred Toole, much in the same way the Minister of Transport denied allegations today.

Those allegations came from the commissioner of the RCMP and the auditor general. The fact is that the RCMP in their documents indicate that \$74 million or 13% was cut from RCMP funding for policing services.

This was reaffirmed in a letter of July 1998 from the RCMP commissioner. The one and only strategic priority of the RCMP federal policing services is protection against organized crime.

• (1550)

Specific responsibilities of federal policing services include the government's anti-smuggling initiative, proceeds of crime, coastal enforcement, immigration enforcement and the criminal intelligence program. These areas are all in decline.

How does the solicitor general honestly expect this House or the RCMP, our national policing organization, to do its job in fighting organized crime when the budget has been absolutely gutted by the finance minister? Both the solicitor general's predecessor and the RCMP commissioner publicly called for more resources to combat organized crime. Front line police officers in every major Canadian city from St. John's to Vancouver are overwhelmingly asking that this resource be allocated.

It does not matter what the solicitor general says unless he is prepared to back up the words. The presence of biker gangs on the streets of Canada is becoming all too common a sight. The strongest message that the solicitor general could give today against organized crime would be to restore funding. Instead we get more of the rhetoric that we have heard time and time again.

Today's statement by the new solicitor general provided him with a golden opportunity to put his own stamp on his new ministry and to prove that he is more than just a nice guy who is busy undergoing on-the-job training.

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RCMP, CSIS, corrections officers, customs officers and all of our law enforcement officers deserve our congratulations, particularly given what they are working with these days. I urge the new solicitor general, if nothing else, if he really wants to do something about organized crime, to visit the finance minister and make a strong pitch for what is needed, more funding.

The Acting Speaker (Ms. Thibeault): I wish to inform the House that pursuant to Standing Order 33(2)(b), because of the ministerial statement, Government Orders will be extended by 24 minutes.

THE ROYAL ASSENT

[*Translation*]

The Acting Speaker (Ms. Thibeault): Order, please. I have the honour to inform the House that a communication has been received as follows:

Government House
Ottawa

December 3, 1998

Mr. Speaker

I have the honour to inform you that the Honourable Charles Gonthier, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate chamber today, the 3rd day of December, 1998 at 5.45 p.m. for the purpose of giving royal assent to certain bills.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General

GOVERNMENT ORDERS

[*Translation*]

CANADA CUSTOMS AND REVENUE AGENCY ACT

The House resumed consideration of Bill C-43, an act to establish the Canada Customs and Revenue Agency and to amend and repeal other Acts as a consequence, as reported (with amendments) by the committee; and of the motions in Group No. 1.

Mr. Serge Cardin (Sherbrooke, BQ): Madam Speaker, I am pleased to rise in the House today, but I must say that I am also rather disappointed and even outraged to see that we are being gagged once again to put an end prematurely to the debate on Bill C-43.

Why establish a customs and revenue agency? The Minister of National Revenue told us that changes in his department were needed to achieve certain objectives, namely to ensure quality services at a lower cost, fair administration, modern and effective management and, of course, parliamentary accountability.

It is true that the minister must redefine methods and procedures within his department in order to achieve his objectives. However, changing the container does not necessarily mean changing the contents. The minister naively believes that establishing this agency will make all the problems within his department disappear as if by magic.

• (1555)

Speaking of serious problems within the Department of National Revenue, instead of putting all his energy into solving these problems, the minister is creating a monster that nobody wants.

Obviously there is a lot of work that needs to be done in the Department of National Revenue, because there are many problems.

Among other things, the auditor general, in chapter 15 of his September 1998 report entitled "Promoting Integrity in Revenue Canada", talked about several incidents of misconduct within that department. We know that the nature of Revenue Canada's activities calls for a high level of integrity. The integrity of the organization is, therefore, an asset in that it impacts on the behaviour of those with whom Revenue Canada has business dealings.

According to the auditor general, the establishment of the Canada customs and revenue agency will not solve the problems. In addition, the auditor general tabled his December 1998 report on Tuesday, and this included chapter 24 "Revenue Canada—International Tax Directorate: Human Resource Management".

We know that the International Tax Directorate is the focal point for all questions relating to international tax rules. We also know that international operations are liable to weaken the tax base. We know that international tax is a rapidly developing area with strong possibilities as far as tax receipts are concerned, but that there are serious problems in the human resources area.

Key positions have been staffed by secondment, reassignment or acting positions. Only 52% of current headquarters staff are permanent in their positions. The auditor general feels that frequent staff movements are a cause for concern in that they prevent the directorate from maintaining the levels of experience and qualifications required for the work to be done.

He also states as follows:

The establishment of the new agency will not in itself resolve the problems outlined in this chapter.

In the first case, in the interests of fair administration, the minister should take all steps possible to ensure the integrity of all employees in his department before thinking about establishing such an agency.

In the second case, that of international taxes, it is much more obvious that the establishment of the agency will resolve none of what is going on because it is to the advantage of large companies

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operating internationally. They make in the neighbourhood of \$250 billion, which is an enormous tax base.

International tax experts in big business are, for the most part, specialists from Revenue Canada or experts who have been sent there on special training assignments. At some point, we come up against a lack of competence at Revenue Canada, but considerable expertise in big business. Big business takes advantage of the system, with the result that the international tax base dwindles, to the detriment of taxpayers who must shoulder an increasingly heavy tax burden.

What the government actually wants is to abdicate its political authority because it is incapable of assuming its responsibilities and making the necessary changes in its department and because it wants to hang on to the existing international tax system in order to benefit big business with its international transactions.

What the government wants is to create a bank of handouts for its friends and supporters of the party, both with respect to administrators and with respect to big business and its international transactions.

Nobody wants this agency, not the provinces, not Quebec, not the Canadian Federation of Independent Business and not Revenue Canada employees. The Bloc Québécois is opposed to the establishment of the Canada customs and revenue agency.

• (1600)

Mr. Benoît Sauvageau (Repentigny, BQ): Madam Speaker, I am delighted to address Bill C-43 this afternoon, a bill introduced by the minister of revenue and Canadian Olympics lobbyist.

We have had ample opportunity to debate Bill C-43 here in the House. Why do we keep wanting to debate it? It is that we think, perhaps unreasonably, that our Liberal friends, our friends in the government, might listen to reason on the fact that all those concerned will be affected directly or indirectly, in one way or another. They fear the passage of this bill and the fact that the way it is implemented could harm them and take away their responsibilities and their independence in their respective areas of action.

Whether we are talking about SMBs, cities, provinces, or the largest of businesses, I think there is a consensus. We are wondering why, in the face of such unanimity, the government is so obstinate? It says "We want to continue, we want to continue, we want to continue". There is perhaps something a bit twisted there. We may well ask. Perhaps there is downright obstinacy on the part of the government and the minister involved.

Maybe the minister, in lobbying for Vancouver to hold the Olympic Games, forgot the file on his desk and his officials to the opportunity to move it along. However, I would be surprised if it were unionized staff because the 40,000 unionized employees at Revenue Canada stand to lose their rights and entitlements if the

minister relinquishes his responsibilities and shifts them to an agency like the one he is proposing.

While he was off campaigning for the Olympic Games in Vancouver at the expense of other municipalities, his employees, his staff, were moving this bill along, not accepting amendments and refusing to hear reason.

In his fine speeches and his press releases, the minister kept saying "Yes, but we consulted". Consultation has become a government catch phrase. True, they did consult. But did they listen during these consultations? Did they listen to those they consulted?

The government, through the minister, says the provinces agree. The fact is that there is not a single province that agrees to have an agency like this one. This agency would be authorized to collect federal taxes. It may also be authorized to collect provincial taxes. I read speeches from Reformers, saying "This is good, because in British Columbia, it is total chaos in this respect. Therefore, it is OK for big brother in Ottawa to come out and say it can put your fiscal house in order". This authority could extend to the collection of municipal taxes, and even to school taxes.

Such an agency would definitely step in exclusive provincial jurisdictions, not only in Quebec but also in all the provinces.

If the government turns a deaf ear to the provinces, small and medium size businesses, public servants, members of the opposition, perhaps it is because it has a superiority complex or thinks it is perfect.

Yesterday, during the television program *Maisonneuve à l'écoute*, Pierre Maisonneuve asked the Minister of Intergovernmental Affairs "Do you not find that you often sound like a grandfather with his grandchildren, or a father with his children?" This was said by Pierre Maisonneuve. "You seem to be saying I am the one who is right. Listen children, provinces, premiers and other provincial officials, I can hear your whining, but it is just whining".

It is like parents with teenagers. Parents tell them "you can argue all you want, father knows best". There was a program with that very title. This is how the federal government seems to be behaving. The federal government is the only one in step. The others are all out of step. One wonders.

• (1605)

Why are the provinces, the Bloc Québécois and several other parties and stakeholders opposed to a bill like this one? Primarily, although not exclusively, because of the government's loss of accountability to the agency.

The government is increasingly dumping its responsibilities. Could it be that it is becoming lazy? Is this the idea of a party in office?

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The establishment of this agency, if it comes about, unfortunately will result in a loss of accountability. Some of my colleagues said "Just imagine asking the minister to explain a scandal of one kind or another involving the agency". The minister would reply "It is not our responsibility. This is an independent agency for which the government is no longer responsible. We will ask questions, but it is no longer my responsibility".

The loss of accountability and responsibility on the part of a minister is like the lobbying minister for Vancouver, who just told us "I want to get rid of some of my responsibilities". It also makes us worry about the huge powers that this agency could use. It would get these powers through the people appointed by the Liberal government to the agency's board of management.

If we look at the board of directors of the agencies that were set up recently, it is not surprising to realize that true grits make up the majority of the board members. This agency that will collect taxes throughout Canada will be controlled and managed by people appointed by the Prime Minister. Things never change, which is why the people who have considered the issue and have legitimate concerns are not feeling too happy and secure right now.

And what about the approximately 40,000 public servants at Revenue Canada who will no longer come under the Public Service Employment Act if this bill is passed? For these public servants, this means losing the fundamental rights to be protected they currently enjoy as employees of Revenue Canada.

Why are we not taking into consideration the views of small businesses, which have said unanimously or by a clear majority that they are against such a bill?

These are the questions my colleagues in the Bloc Québécois and members of the other parties as well as provinces and businesses have put to the minister but remain unanswered. I would like to know why the minister does not want to sit down with the provinces and why he does not want to examine how Quebec manages to harmonize the GST with the QST and then send what we owe to Ottawa.

We now know where we stand in Quebec, in this respect. The Heritage Minister often talks about "victims" in the House. However if there are concrete and positive achievements, why not draw from their example? Why always try to interfere with something that works in Quebec or another province? The federal father or grandfather is always explaining to his children that they did well, but he is capable of doing better. He will crush the work of a province, a municipality or a region to prove he is the best.

Members of the Bloc Québécois are speaking on behalf of revenue employees, small businesses and individuals, and they are

saying to the minister: "Listen. Listen to us. Listen to them. Stop the juggernaut of tax collection. Let us work together on changes that will bring harmony". But for the federal government "harmony" means to implement what we have decided, because anything we decide is good for you.

Quebeckers have had enough for a long time, but now we are hearing the same thing from other provinces which are saying: "That's enough. Hold everything and listen to us".

[English]

Mr. Paul DeVillers (Simcoe North, Lib.): Madam Speaker, some hon. members in the course of this debate have said that they cannot support this bill unless it includes provisions ensuring that taxpayers are fairly and impartially treated by the agency. In effect they want to entrench the taxpayers bill of rights in the legislation itself.

• (1610)

I would like to remind hon. members that in 1985 Revenue Canada was the first revenue administration to proclaim the rights of taxpayers with its declaration of taxpayer rights. This declaration is entrenched in the day to day operations of the department and is part of the public service's ethos that will carry over to the agency.

Bill C-43 also ensures that the Minister of National Revenue will continue under the agency to be accountable to the public and to parliament for all aspects of the agency's performance, including the way officials exercise program authorities such as assessing and collecting taxes and duties.

Under the agency members of parliament will continue to be able to deal directly with the Minister of National Revenue to resolve their constituents' problems. If there is ever a problem of abuse of power, the minister will have both the authority and the responsibility to correct it.

The Minister of National Revenue launched a fairness initiative in March of this year to solicit feedback on the fairness of Revenue Canada programs. To ensure the entire process would be objective, Revenue Canada partnered with the Conference Board of Canada to analyse the results, hold a national symposium to verify priorities, and produce an independent report. According to this independent report, Revenue Canada is well regarded among Canadians.

I would like to assure hon. members that feedback from consultations show that Canadians are pleased with the current declaration of taxpayer rights. The conference board report specifically states that Revenue Canada has already made significant strides in making fairness an ongoing part of every employee's job and that it is well equipped to provide fairness to Canadians.

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Many suggestions have been received to make further improvements to the fairness of Revenue Canada. Department officials are in the process of developing an action plan for the minister's consideration.

In addition to not being necessary, adding a taxpayers bill of rights to the agency legislation would have the effect of amending program legislation such as the Income Tax Act. Provisions such as those proposed should therefore be directed specifically at that act and other similar statutes that the agency would administer.

Some hon. members have also argued that five years is too long to wait for a parliamentary committee to review and assess the new agency. I would like to assure those hon. members that there is nothing to prevent parliament from undertaking an additional review at an earlier date, if considered necessary. Allowing a period of five years to elapse before a formal review is undertaken is a fairly common approach in federal statutes. The reason for this timeframe is to give the agency adequate time to implement and fine tune its policies and to operate for a sufficient length of time for an effective assessment to be made.

I also remind hon. members that parliament will have other opportunities to assess the agency on an ongoing basis. It will review the agency's corporate business plan, just as it now reviews Revenue Canada's plan. It will also review the agency's annual report regarding its performance during the preceding year. Before the agency can spend any money, parliament will have to approve the appropriations just as it does now for Revenue Canada. Finally, the auditor general will be the agency's auditor and will report to parliament just as he does for Revenue Canada.

Some hon. members have proposed that even if passed by parliament, this bill should not be proclaimed in force without the approval of at least one-half of the provinces. There is no reason or rationale why the federal parliament would make coming into force of this federal statute subject to provincial approval.

I can assure hon. members that the agency would provide the means to serve the collective interests of the federal, provincial and territorial governments as well as the national interest by setting the right conditions for even greater co-ordination in tax administration.

I would stress that there is no obligation on the part of any province to have the agency administer more programs on its behalf.

• (1615)

The agency is about creating options and opportunities for the provinces. It must earn the business of the provinces and would be well placed to do so once it is established.

[*Translation*]

All provinces, except Quebec, have left a door open to allow the agency to deliver services to them. Detailed agreements may not be signed until the agency has been established. This is why I invite all members of the House to support the bill so the agency can reach agreements with provinces to eliminate duplication.

Mr. Ghislain Fournier (Manicouagan, BQ): Madam Speaker, I am pleased to speak on Bill C-43, an act to establish the Canada Customs and Revenue Agency. This bill establishes an agency that will enforce and administer the Income Tax Act instead of Revenue Canada.

This bill, which was introduced by the government last June, is a result of the Speech from the Throne in the previous Parliament. At the time, the government announced its intention to set up a national revenue recovery agency.

The government has followed up on this and proposes in Bill C-43 to establish a semi-independent agency that will be responsible for collecting all taxes in Canada.

The agency would administer all forms of taxes, from provincial sales taxes to taxes on gas and liquor, on a country-wide basis. There is, to say the least, cause for concern when a single agency is given so much power, specially in an area of such importance as taxes. I believe we are justified in asking if the real interests of citizens can be protected by the private sector.

Moreover, this superagency will be able to expand its powers even more if provinces and municipalities accept. Indeed, according to the bill, this agency will be responsible for negotiating with interested parties to collect all forms of taxes in Canada.

Yet, the numerous efforts of senior officials of Revenue Canada convince the provinces to allow Ottawa to administer their tax programs have failed.

When the government tabled its bill, not a single new tax administration agreement with any province was in sight, and not even a single letter of intent had been signed by a province to be part of an agreement. Quebec and Ontario categorically refused to even consider the possibility of dealing with the agency. Even P.E.I. has indicated that it is not ready to transfer further tax powers.

One of the reasons for creating this agency is doomed to failure from the outset.

Provinces simply do not want to relinquish to the federal government what little taxation power they have left. Quebec is no exception. The creation of a huge tax collection agency through which the governments hopes to extend its powers flies in the face of Quebec's position and demands.

Naturally, the Quebec government is all for improving tax legislation administration, which should be streamlined, but not at

the expense of its own administrative authority. One way of making the system more efficient would be to have all tax collection operations, both provincial and federal, concentrated in Quebec.

The Quebec revenue department already collects the income tax and other taxes in Quebec, as well as the GST. It could also collect the federal income tax.

• (1620)

Quebec's proposal is to have the Quebec revenue department collect all taxes in Quebec. Unlike the proposed federal agency, this department is fully accountable.

I find profoundly disturbing the concept of an agency not reporting directly to a government being responsible for all tax collection activities. How can we make sure such an agency will give priority to the public interest rather than to its own interests?

Also, in this era of computers and e-mail, many companies buy and sell confidential data. It is normal to wonder whether an agency, which will be less accountable than a department such as Revenue Canada, will be able to adequately protect people's privacy. It is easy to imagine the wealth of personal and financial information that could be concentrated in the hands of this body.

As well, with the Canada Customs and Revenue Agency, we are talking about 40,000 employees, that is 20 per cent of the whole public service that from now on will be at the mercy of the agency's board of management.

Clause 30(1) of the bill states that "The Agency has authority over all matters relating to general administrative policy in the Agency; the organization of the Agency; Agency real property; and personnel management, including the determination of the terms and conditions of employment of persons employed by the Agency." Therefore, the Agency will have the power to raise or lower salaries, hire and fire employees and improve the managerial staff's terms and conditions of employment.

As we know, there is a very different salary scale in the private sector. Just think of the large banks' CEOs, for example. Everything in the current market suggests that officials and managers will be very well paid, whereas the working conditions of support staff, processing officers and so on will not be as good. This is hardly reassuring.

The government said it wanted to modernize the public service and improve the way fiscal legislation is implemented. But it is on the wrong track with the establishment of this agency. Modernization and privatization are not synonymous. It is unfortunate that the government did not try instead to work together with the public service unions in order to find ways to improve the system. There is

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nothing to suggest that the agency, as defined in Bill C-43, will improve anything. Quite the contrary.

As a matter of fact, according to a study by the Public Policy Forum, 40% of the businesses surveyed saw no advantage to this agency, and more than two thirds felt that it would increase or maintain their costs and, therefore, would have no positive effect in that sense.

Moreover, the structure proposed in Bill C-43 adds another level of bureaucracy in the form of an appointed board of management, which would only have a supervisory role, or so the Liberals say. Nevertheless, this board will require time, money and additional staff, and the agency will still be accountable to Treasury Board for administrative issues.

So the government is keeping all the old mechanisms in place while adding this new board. This means that we end up with yet another level of bureaucracy that makes the system even more cumbersome.

I just do not understand. If the mechanisms are the same and if, as the government says, the minister and his staff will still have control and will make sure the agency is transparent, then we certainly have good reason to wonder what purpose this agency will serve.

Is the government saying these things to ease our concerns and is it planning to eventually give more latitude to this agency, or is it simply trying to shirk its responsibilities and to distance itself, among other things, from negotiations with the provinces on tax administration issues?

• (1625)

It is always easier to blame an agency and to establish commissions of inquiry than to be accountable.

With what I just said, no one will be surprised to learn that I too am strongly opposed to this bill.

Like my colleagues from the Bloc Québécois, I think that a task as fundamental as enforcing the Income Tax Act cannot be performed by an agency such as the one proposed in Bill C-43. This is not the way to modernize and simplify the administration of our tax system.

Mr. Yves Rocheleau (Trois-Rivières, BQ): Madam Speaker, I am very pleased to have the opportunity to speak to Bill C-43 establishing the Canada Customs and Revenue Agency.

As the labour critic for the Bloc Québécois I feel concerned by this bill. As the member for Manicouagan just mentioned, 20% of the public service of Canada will disappear, that is 40,000 employees. This agency will be a quasi-private business, and it will be independent from the whole government administration. In our view this goes against public interest and it will also change the working conditions that prevail in the federal public service.

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I will also remind the House that this bill, slipped by us in June, at the end of the last session, is very insidious, particularly in an historical perspective. While I am not a constitutional law specialist, I know that this bill really goes against the spirit of the Constitution of Canada and of the Canadian confederation, two words that are no longer used because, over the decades, Canada has miraculously evolved from a confederation to a federation of provinces.

The Minister of Intergovernmental Affairs is a perfect example of this. Again last night, we saw him on television mixing up issues and concepts. It is as if two and two no longer make four. It is difficult to know where this country is going and this is just the beginning.

People should know that the authority to collect income tax was the exclusive prerogative of the provinces in the spirit of the 1867 Canadian confederation. Now the federal government, as it did before during economic crises or wars, is assuming the right to tax Canadians directly, going against the spirit of Confederation. This we can never stress enough, particularly on the eve of a debate as important as that on the Canadian social union.

In this spirit we must be grateful and perhaps do like previous governments, such as the Duplessis government in 1954, which invoked the Constitution and its spirit when levying direct taxation. We must thank him for having done so because we can now rationally think and dream of making Quebec sovereign.

If the Quebec government had not assumed this right to direct taxation, if it were still at the mercy of the federal government, historically, where would Quebec be? Where would the distinct society be? Where would our distinct character be? It is because of direct taxation that Quebec can, in conformity with the spirit of the Canadian Constitution—keep its dreams alive and reach its full development.

• (1630)

There is the historical aspect I just mentioned. As a member of parliament, something else worries me in this bill. The bill uses wording found in a speech by the President of the Treasury Board and talks of modernizing the public service. That was the term used when unemployment insurance was reformed. The unemployment insurance reform gave birth to employment insurance. As the months have gone by, we have come to see what came out of that. Previously, about 80% of those paying unemployment insurance were eligible for benefits. Now, after modernization, 42% of those paying employment insurance can become claimants.

Buzz words like “modernizing the public service” scare me. They indicate that the government has some very neo-liberal projects or intents. They are very anti-union and anti-labour. They encourage a weakening of the middle class and of unions, widening

the gap between the rich and the poor in our society. They are the reason for statistics like the ones published today indicating that child poverty is growing in this country, in spite of the commitments the government made.

These results did not appear as if by magic. They are the outcome of decisions made secretly without any of us being really made aware that they have been made.

Another aspect one must remember in this bill is it will reduce once again the role of Parliament. Parliaments are more and more weakened, not only in Canada, but in all the western world, because elected representatives can no longer ask for accountability and the executive longer has any accountability.

These past years, especially in the transportation area, very important decisions have resulted in the fact that Parliament can no longer ask for accountability in the management of public assets. I am thinking of Nav Canada and air traffic controllers, who used to be part of the department of transport. When faced with certain decisions elected representatives used to be able to ask questions and question the government. This is no longer possible. This is a private agency.

I am thinking of Air Canada, where I met with union representatives last week. The union is very worried about the experiment under way at the Ottawa airport, where automated tellers will replace some Air Canada employees. They will directly serve clients, eventually causing massive layoffs. Parliament has no authority to ask for accountability because Air Canada has been privatized. Likewise with the CN, where they made massive layoffs but we were unable to talk about it here because it is a private agency.

And I did not mention the Canadian food inspection agency that was established a few months ago. Elected representatives could question the government on its management, but they cannot anymore, because it is a private agency.

Take the ADM, Mirabel-Dorval. The government hid behind this organization and said it could do nothing. It gave a mandate to ADM and experts, who did what they could.

As parliamentarians, whom can we hold accountable? How is public interest served in all this? What is left for taxpayers who pay their taxes and see decisions being made which have an impact on their daily lives? Parliamentarians, who are asked questions—whom else can people ask but their elected representatives?—will have to give up sooner or later because they will not have the authority to hold accountable those who should be.

The government is losing control. This is very serious. This is very neo-liberal. This is very undemocratic. Disappointingly, this is done with the approval of senior officials, who instead of having the best interests of the public at heart only have theirs. Here is

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what is written in a clause on the loyalty directors will have to have for the agency.

Subclause 42.(1) states, and I quote:

Every director of the Agency, exercising their powers and performing their duties and functions, must

a) act honestly and in good faith, with a view to the best interests of the Agency—

• (1635)

Where is the public interest when the bill refers to the best interests of the agency, an agency that is partly privatized and that will soon be fully privatized? The clause reads “must act. . . with a view to the best interests of the agency”. It is immoral to write such things. When one is paid by the state, one should act in the public interest. It is our first responsibility. We act on behalf of the state, not even on behalf of the government.

Members know how things work. A government that puts things like that in its legislation is not even trying to hide its intent, and this must be condemned. I cannot understand that the Canadian elites have not done so.

For Quebec, this is a great lesson, in view of what we will all be called on to ponder. This is a unitary Canada, a centralized Canada, in which the provinces will become regional governments and in which Ottawa will control everything. This may be good for Canada—it is their problem—but it is obvious that Quebec must get out of this crazy situation as soon as possible, otherwise Quebecers will become increasingly diminished and enslaved in that Canadian federation.

The Acting Speaker (Ms. Thibeault): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Yukon, the Environment; the hon. member for Hochelaga—Maisonneuve, AIDS.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Madam Speaker, I wish to dedicate my speech to the Minister of Canadian Heritage. I believe her to be a minister who has shown open-mindedness in the past, and I believe she has an understanding of a number of things.

I would like to ask her, through you, Madam Speaker, to give a warm hand to our colleague, the hon. member for Rivière-des-Mille-Îles, who has done an excellent job for the official opposition in connection with Bill C-43.

Some hon. members: Hear, hear.

Mr. Réal Ménard: I am asking the Minister of Canadian Heritage to join in our enthusiasm and feign applause at least for Mayor L'Allier. I believe she needs encouragement to do so.

We feel obliged to explain to everyone listening why we, as a responsible opposition, I would even venture to say one of the best oppositions ever in the House of Commons, are opposed to—

Hon. Sheila Copps: Let's not get carried away here. We were in opposition too.

Mr. Réal Ménard: —this bill, which creates the Canada customs and revenue agency.

Hon. members should take just a second to imagine what it will mean if we pass this bill—and I cannot imagine in my wildest dreams that the hon. member for Hamilton East would stand up and vote in favour of such a bill. If we pass this bill it will mean that we have no belief in ministerial accountability and no belief in the quality of the Public Service of Canada.

If such a bill is passed, in one fell swoop, without any warning, and in a cavalier, peremptory and grotesque manner, 20% of the Public Service of Canada is eliminated.

I wish to tell all ministers present, and I wish to tell the somewhat left-leaning wing of the Liberal Party personified in the heritage minister, that if they want to show interest in the public service, they ought to call for anti-scab legislation with all their might. If the Liberals want to do something about the public service, what needs to be done is not getting rid of people but addressing the real problems.

If the government wants to legislate labour relations, why does the Minister of Canadian Heritage not rise and congratulate the Bloc Québécois, which since the early 1990s, when it appeared in the House, when she was on this side and was the Rat Pack incarnate in her vehemence, why does she not rise and congratulate the Bloc for having introduced antiscab legislation very early on? Is this not democratic? Is that not honourable? Is this not an issue the government should raise?

There is a whole lot of legislation we would support as the opposition, but do not ask me or the members of the Bloc to support this centralizing, anti-union, anti-province pile of papers.

I have a challenge to put to our ministers present. I would like the Minister of Canadian Heritage to stop writing and listen. Perhaps she could tell us if there is one province supporting her bill.

• (1640)

I challenge her to rise. We all know her sweet voice that is sometimes cruelly silenced in Oral Question Period. Could she tell us as Minister of Canadian Heritage and to the best of her knowledge—I know she is not responsible for this and has her arms full at the moment—but could she tell us if she can whether one province, her province of Ontario for example, supports this bill? Does her friend Mike Harris support a bill like this?

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Hon. Sheila Copps: He is certainly no friend of mine.

Mr. Réal Ménard: We know full well that there is no support for this bill, which is obviously an unreasonable measure. This is a bill that you should forthwith ask all your pages to collect, Madam Speaker, so that we never hear about it again. That is the best thing that could happen to it. Do not think for a minute that we will let it go through without putting up a fight.

We are all here today to let our listeners know that, if passed, this bill will result in the establishment of a government agency that is not accountable to this Parliament.

Why is the Minister of Revenue—who was so voluble when it came to promoting Vancouver's bid for the Olympic Games—unable to explain by virtue of what principle it is consistent with ministerial responsibility to surrender our powers and offload onto non-elected representatives the responsibility of destroying 20% of the public service? This is not serious. I think this bill should be immediately withdrawn.

There is at least ten good reasons justifying the Bloc Québécois' opposition. First, as I said, there is no support for such a bill. There is an old principle in the British parliamentary system, which the heritage minister must know and which states that lawmakers must not legislate for no good reason.

How is it that a bill like this does not address the real problems? If the government wants to talk about taxation, it should get cracking and introduce a bill on Canadian transfer payments that would return to the provinces the money taken away from them.

Between 1993, when the Prime Minister closed the red book, and now, the provinces have been done out of \$42 billion. Quebec alone lost \$7 billion. Is this the kind of federalism the Minister of Canadian Heritage wants to see? Once again I ask the Minister of Canadian Heritage to listen to what I am saying and to tell me whether this is the kind of federalism government members favour, that is to say a system that allows the central government to literally destabilize the public finances of the provinces.

When I was a hot-headed and dashing young university student thirsting for knowledge, I was taught that federalism had three characteristics. I was told it was a political system with two levels of government: a central government and provincial governments. In their respective areas of jurisdiction, each level of government was supposed to be sovereign. That was the first characteristic.

The second characteristic, they said, was that, under constitutional law, a higher level of government was not supposed to interfere in the affairs of so-called lower levels of government. Well, what about bill like this, which goes right to the heart of taxation in Quebec? I know that you will hardly believe it, Madam

Speaker, but if this bill is passed, municipalities might even be asked to help with tax collection.

Is there anything more closely related to provincial governments than municipalities? Why would the federal government need to interfere in an area such as this one?

The problem is that there is nobody in cabinet to defend Quebec's interests. Nobody in this government speaks for Quebec. They have no backbone when it comes to defending Quebec's interests. I am convinced we could not name a single minister who did so. Certainly not the member for Vaudeuil—Soulanges. He does not talk much. He is not one to raise his voice.

• (1645)

As a matter of fact, Madam Speaker, if I asked you, would you be able to name one minister who defended Quebec's interests when it came to putting an end to such interference by the federal government? No.

That is the sad part about it. If not for the members of the Bloc Québécois who are totally dedicated to defending Quebec's interests, which is why we are respected and have the support of the people, this bill would have passed without a hitch.

No, we will not let it happen because we have too much respect for the Government of Quebec.

We fought hard to have our own tax system in Quebec. We just have to think of Maurice Duplessis, of the Union nationale, who asked Ottawa to give him back his loot. He was the first to create a direct taxation system in 1948.

So we will not let it happen. The day is not over yet, and we still hope this bill is withdrawn.

Madam Speaker, would it be possible to have the unanimous consent of the House—which, I think, will be granted—to continue my speech for another ten minutes? I am not finished yet.

The Acting Speaker (Ms. Thibeault): Does the member have the unanimous consent of the House to continue his speech?

An hon. member: Agreed.

Some hon. members: No.

Hon. Sheila Copps: Madam Speaker, I know the member does not want to mislead the House. He mentioned a \$7 billion cut in transfer payments, when he knows this is totally untrue. I want to give him the opportunity to correct this—

The Acting Speaker (Ms. Thibeault): Order, please. I am sorry, but the debate must resume.

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Madam Speaker, in February 1996, in a rather trivial throne speech, the

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federal government announced the establishment of a national revenue collection agency. We believed this plan had been dropped, when just before the House adjourned last spring the revenue minister introduced Bill C-43 establishing the Canada customs and revenue agency.

I want to say I support every amendment aimed at reducing the scope of Bill C-43 because the Bloc Quebecois is opposed to the creation of the Canada customs and revenue agency.

What the minister pulled out of his hat like a rabbit, is not an innocuous collection agency, but an evil creature, a bureaucratic monster that threatens privacy, the rights of Revenue Canada workers as well as provincial jurisdiction over tax collection. Even the business community is against the creation of the agency.

The minister said he wanted the House to pass Bill C-43 before the holiday season. Why the rush? One wonders why he is going ahead when nobody wants this customs and revenue agency.

The minister is proposing to alter the current structure of Revenue Canada by turning it into a quasi-independent agency. Therein lies the danger. This agency would be responsible for collecting taxes on behalf of the federal government, but also all manner of other taxes including sales and property taxes, if collection agreements are signed with provinces and municipalities.

I will set out the arguments against this bill.

• (1650)

First, the customs and revenue agency is a threat to the privacy of Quebecers and Canadians. In this era of electronic communications, the risk of trafficking in personal information increases proportionally with the concentration of information within private organizations. If it sees the light of day, this agency will have access to an incredible quantity of personal and financial information.

What is more, this agency would be less subject than Revenue Canada to ministerial responsibility and parliamentary control. Consequently, the dissemination of this personal information on taxpayers would not be under public surveillance.

Second, the CCRA could prejudice the working conditions of Revenue Canada employees, and even threaten their jobs. In fact, 40,000 Revenue Canada employees would be removed from the Public Service Employment Act. In two years, therefore, it could cut salaries, dismiss people, or decide on their working conditions, without their having a word to say in the matter. By adopting this bill, the government is using a heavy hand to modernize the public service, instead of seeking to reach an agreement with the unions.

Third, the CCRA does not greatly impress small business owners. Business was meant to be the primary beneficiary, yet

announcement of its creation met with an ambivalent reaction, to say the least. Organizations such as the Canadian Federation of Independent Business expressed their distrust of the concentration of powers in the agency.

According to a public policy forum study commissioned by Revenue Canada, fewer than 40% of businesses had any interest in the agency. More than two thirds felt that it would cost as much if not more than the existing structure.

Finally, and this is vital, the Canada customs and revenue agency contravenes the federal principle that the provinces are sovereign in their areas of jurisdiction. This is not the first time that the Liberal government has come crashing into provincial jurisdictions. This agency will violate the division of powers between the federal government and the provinces. If the provinces have separate revenues, they should collect them themselves.

Even Pierre Elliott Trudeau, who we cannot call overly sovereignist, rose some 30 years ago in opposition to the practice of having the federal government collect more tax than it needed to implement policies that were not within its jurisdiction. He even thought at the time that such action was illegal. In 1957, he wrote that "the federal government cannot legally have money in its coffers it claims after the fact to be for provincial use".

What will happen if the federal government gives a central, Canada-wide tax collection agency the power to collect taxes in the place of the provinces and the municipalities? In our opinion, it would be impossible to stop the centralization of the Canadian federation once the federal agency is given the power to collect taxes belonging to the provinces and municipalities.

It is reasonable to assume that the federal government collects its own taxes so it can carry out its responsibilities under section 91 of the Constitution Act, 1867. However, its plan to entrust appointed officials who are not directly accountable for their actions with collecting provincial and municipal taxes is unacceptable.

• (1655)

In conclusion, at a time when the federal Minister of Finance is announcing that he has billions of dollars in surpluses, he should comply with the consensus reached by the provinces and give back the revenues he slashed in recent years, to allow them to look after health, education and social services, for which they are responsible under the Constitution Act, 1867.

Unfortunately, we should not count too much on the members opposite in that regard. Indeed, the Liberal members' mandate is to defend the federal government, not the interests of Quebecers.

The example of the customs and revenue agency should convince those who have not yet realized it that, for the past 50 years, Canada has been headed inexorably toward centralization. The

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federal government, and particularly this Liberal government, has always tried to annihilate any desire for autonomy, whether at the Quebec, provincial or regional level.

The proposed customs and revenue agency will concentrate in the hands of a few superbureaucrats the power to dig into the pockets of Canadian and Quebec taxpayers, at the expense of Revenue Canada employees, small businesses and provincial and municipal governments.

The federal government already collects too large a share of tax revenues and it uses its spending power in an inconsiderate manner. We will not, on top of that, give it carte blanche to collect all taxes across Canada.

This is why the Bloc Québécois is opposed to Bill C-43, which proposes the establishment of such an agency, and this is why we support all the amendments that seek to reduce the scope of the bill.

Ms. Hélène Alarie (Louis-Hébert, BQ): Madam Speaker, I welcome this opportunity to address this House on Bill C-43, establishing the Canada Customs and Revenue Agency. This bill stems from the Speech from the Throne delivered in February 1996, when the government announced its intention to set up a national revenue collection agency.

The CCRA for short will be spawned by the conversion of the existing Department of Revenue into an agency operating almost at arm's length from the government, whose mandate will be to negotiate with the interested provinces and municipalities an arrangement for the collection of all taxes in Canada. This is what this agency is all about.

But where did the idea to establish this agency come from? Obviously, this has to do with the centralizing vision of this Liberal government, which keeps trying to strip the provinces of their powers in the pursuit of a single vision dictated directly from Ottawa.

The consultations carried out across Canada show that this centralizing vision does not appeal to any of the provinces. None of them readily supports this bill. I do not understand why we are still debating it, when those concerned have not shown any interest in it, quite the contrary.

We support the principle of single window tax collection, whether the taxes are provincial or municipal, but in Quebec, the provincial department of revenue should continue to collect taxes as it has done quite competently for many years. We are able, within the present structure, to collect all taxes, even federal taxes and the GST, until we no longer have to.

Unlike the proposed federal agency, Revenue Quebec is fully accountable, as is Revenue Canada, at least until the federal government turns this department into a bureaucratic monster.

• (1700)

I like to talk about accountability, because some words have apparently dropped from favour. "Responsibility" is one such word. But "accountability" has sunk even further in the popularity polls. Whenever a minister is responsible, accountable, we at least have someone we can address, blame, make demands of.

We are living at a time when the responsibility of people and the accountability of those to whom they report is not valued. In a society such as ours, a modern society where youth are watching what their elders do, and I am one of those elders, I think it is too bad that we eliminate this very important aspect of the role of those in charge of large organizations.

There is a major political abdication here. An independent agency would mean that the Minister of Revenue could evade his responsibility to protect taxpayers against abuses of power. When we are talking about the Canada customs and revenue agency created by this bill, this is serious. This government is forever taking cover behind independent agencies and shifting the blame.

In the case of scrapie, to which we devoted much time and emotion, we never managed to find out who was responsible. We were told it was the agency, it was someone in the agency, or it was an agency regulation. There was so little accountability that I would estimate they succeeded in destroying 10% of Quebec's livestock before the Bloc Québécois woke people up demanding that they do something, and stop destroying flocks, because something was wrong and they had not looked into the matter. But it was not serious, no one was accountable, it was the agency's fault.

This situation went on for months. We raised the issue in the House several times. So if they have to keep increasing the number of agencies, it puts a society like ours at a very great risk.

Why create an agency? The bill does contain some very important provisions, such as clauses 30 and 50, to do with the agency's authority. The agency has authority over "personnel management, including the determination of the terms and conditions of employment of persons employed by the agency". Clause 50 deals with public service staff relations. The agency would have control over classification, training, development, terms and conditions of employment, hours of work, awards, merit recognition, and so on.

As a result of the authority granted to the agency, we will have two classes of employees, those employed by the government, and those employed by an agency partly accountable to the government.

I was a public servant once, luckily only for a short time, thank God. I always wondered when I was in the public service why things that were simple were made so complicated.

If the area of taxation and revenue has a culture, as a government organization, which is such that the strict and austere rules of the public service as a whole do not apply, I believe there are all kind of ways to improve efficiency while keeping the same rules with some exceptions—this is what we look for within an accountability framework.

I want to talk some more about accountability because I believe it is a major issue. Why chose a complicated roundabout way, create different structures from those already in place and working fairly well—even though there is always room for improvement—to end up with two classes of employees, public servants and quasi-public servants who will be better taken care of because the agency will be able to do so? I object to that completely.

• (1705)

There are also very interesting things to be said about this bill. I am thinking, for example, of the accountability to the public and to Parliament. It always boils down to accountability.

In its present structure, Revenue Canada is accountable to Parliament and to taxpayers through the Department of National Revenue. The government cannot avoid difficult questions even though he would like to sometimes. When we discussed the family trust scandal, we could talk to someone, ask questions and get answers. If everything is diluted in an agency, things will happen and sometimes we will not even be aware of what is going on.

The agency will be subject to a less stringent parliamentary scrutiny than the one currently imposed on the revenue department. An agency would be less inclined to answer questions that members would ask on behalf of the public, compared to a department that has to be accountable. We know how the government is behaving these days, constantly hiding behind inquiries and independent agencies to avoid answering questions regarding air safety, food inspection, abuse of power by the RCMP and all kinds of things.

In this context, it is very difficult to see what we would get out of it. However the worst part of it, apart from the lack of accountability and responsibility, is the possible threat to our privacy. It is a major concern. Tests conducted with our social insurance number have shown how many firms, agencies and people have access to our personal information through a computer. It is a bit overwhelming when you go to a bank and ask to see the information they have on you. Three quarters of that information was not provided by you, but obtained through your SIN.

In a world where computers are everywhere and employees are supposed to be bound by professional secrecy—but we know how things are these days—and no one is accountable at the top, we have good reasons to ask ourselves serious questions. What kind of

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information do they have on us? Who are they allowed to sell it to? We know it has been done before. What will happen of all that?

The new agency would be less accountable than Revenue Canada, which is itself subject to leaks. I do not know if people remember the old TV series on the future called Future Shock. It tried to define how to protect people's interests and it came to the conclusion that even our brain can be protected.

I would not like to end up in such a situation. For all those reasons, the Bloc Québécois cannot support the bill and will oppose it at all stages. The easiest way to put an end to our debate would be to simply withdraw it.

[English]

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

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen.

The Deputy Speaker: The recorded division on Motion No. 1 stands deferred. The recorded division will also apply to Motions Nos. 4, 5, 12 to 24, 27, 30, 31, 34 to 36, 39 to 54, 57 to 63, 66 to 70, 73 to 99, 104, 105 and 108 to 204.

• (1710)

For Group No. 2, pursuant to order made earlier this day, Motions Nos. 3, 7, 8, 10 and 11 in the name of the member for Calgary Southeast are deemed to have been moved and seconded.

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 2

That Bill C-43 be amended by deleting Clause 2.

Mr. Jason Kenney (Calgary Southeast, Ref.) moved:

Motion No. 3

That Bill C-43, in Clause 2, be amended by replacing lines 22 and 23 on page 1 with the following:

“(a) that Parliament authorizes the Minister, the”

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Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 6

That Bill C-43 be amended by deleting Clause 5.

Mr. Jason Kenney (Calgary Southeast, Ref.) moved:

Motion No. 7

That Bill C-43, in Clause 5, be amended by replacing line 18 on page 2 with the following:

“forcement of the program legislation in a manner that respect the principles of fairness, impartiality and accountability;”

Motion No. 8

That Bill C-43 be amended by adding after line 36 on page 2 the following new clause:

“5.1 (1) In carrying out its responsibilities under section 5 with respect to the administration and enforcement of program legislation, the Agency shall, in its dealings with taxpayers, promote, respect and protect the following rights of a taxpayer:

- (a) to be provided with a plain English or French version of any provision of the Income Tax Act on request to the Agency;
- (b) to be given the opportunity to provide a general explanation of a question regarding tax liability before being subjected to an audit or a requirement to produce receipts and other records to document the matter;
- (c) to have assessments, appeals and other procedures related to tax liability dealt with expeditiously;
- (d) to receive any information in the possession of the Agency that shows or tends to show that the taxpayer may be entitled to a refund of tax paid or a reduced assessment of tax owing;
- (e) to confidentiality of all information provided by or respecting the taxpayer to the Agency, except as may be necessary for the administration of the Income Tax Act, and authorized by law;
- (f) to complain to a designated officer of the Agency of the conduct of or a communication from any employee of the Agency and to receive an explanation of it from the officer, and if necessary, to complain further to the Commissioner;
- (g) to refuse to provide information that is not required for the administration of program legislation;
- (h) to appoint counsel or an agent to represent the taxpayer at any meeting that deals with liability to pay tax under the Income Tax Act and to record, without being required to give notice, the proceedings of any such meeting;
- (i) not to be assessed interest or a penalty on tax found to be owing unless the taxpayer has deliberately evaded the payment of the tax or duty;
- (j) in cases where the taxpayer has acted in good faith, to reasonable, negotiated terms of payment of taxes owing so as to avoid undue hardship to the taxpayer and the taxpayer's dependants and employees;
- (k) to be subjected to steps to recover tax owing, including the seizure of property or freezing of assets, only if such steps are necessary to ensure payment of taxes owing, and to have the steps taken in a manner that protects, if possible, the interests of the taxpayer's dependants and employees.

(2) The Agency shall include in every annual report made pursuant to section 88, a review of the steps that have been taken by the Agency during the year to fulfil its responsibilities under subsection (1).”

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 9

That Bill C-43 be amended by deleting Clause 6.

Mr. Jason Kenney (Calgary Southeast, Ref.) moved:

Motion No. 10

That Bill C-43, in Clause 6, be amended by replacing lines 17 and 18 on page 3 with the following:

“to the Minister by Parliament.”

Motion No. 11

That Bill C-43, in Clause 6, be amended by replacing line 19 on page 3 with the following:

“(2) The Minister is responsible for all aspects of the”

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 205

That Bill C-43 be amended by deleting Clause 188.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP) moved:

Motion No. 206

That Bill C-43, in Clause 188, be amended by adding after line 16 on page 77 the following:

“(2) The Governor in Council may not make an order under subsection (1) without the approval of at least one-half of the provinces.”

[Translation]

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ): Mr. Speaker, I am pleased to rise to speak to the motions in Group No. 2 before us, which we consider to be nonsense.

First, I would like to express my objection and frustration because by its arrogance, the government has gagged us on this bill. Our time is very limited and we cannot discuss the bill in length.

I would like to know to what extent provinces are favorable to the bill. New Brunswick is the only province suggesting that the bill is worth examining, that it could perhaps create economies of scale. However, before supporting the bill it wants to know what is in it.

We ask ourselves the following question. In order for this bill to be workable, would it be necessary to harmonize all federal tax legislation throughout Canada? If this is the case, what would be the cost? Members will recall that harmonizing the Maritime provincial sales taxes with the federal tax cost \$3 billion.

The majority of people who came as witnesses before the finance standing committee were opposed to the bill. Public service union members were opposed to it. And more than 60% of small businesses are against it. Everyone is against it. Yet, with his arrogance, the revenue minister still wants to impose this bill on

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Quebec and the rest of Canada, when we know full well it is not workable.

There is one another question the revenue minister has not answered and I hope a government member will be able to answer us. How much did the bill's formulating cost us, you, me and the other taxpayers?

As the minister likes to say, "we have created a new vehicle",. This new vehicle is not a Formula 1 race car. This new vehicle will not work.

• (1715)

The revenue department set up 12 committees made up of lots of mandarins who worked on this for months, years even. How much did it cost us taxpayers, just to come up with this utterly useless bill?

There is something else I am wondering about in this bill. It is the position of the commissioner who will head the proposed Canada Customs and Revenue Agency. This person will be appointed by the governor in council. There is a big chance he or she will be a friend of the governing party, someone who has rendered valuable services to the party opposite. He or she will hold office for a term of five years.

How much will the commissioner be paid? What will the annual salary be? Is it possible this person will go to his bosses, the ministers opposite and tell them: "I have as many employees under me and I manage the same amount of money as the president of the Royal Bank, so I should get the same salary he is getting". That is another absurdity.

The agency will simply be an added layer of bureaucracy. We are the first to admit that the revenue department may not be always up to par, so why add another layer of bureaucracy that will not solve any of the problems we now have with the department, like the auditor general told us this week. We simply do not understand.

The only purpose this agency can serve is to take the 40,000 public servants targeted here and tell them: "We do not need you any more". The government is simply taking an axe to the Public Service Act under the jurisdiction of the President of the Treasury Board. They are looking for a way to say—and it will never happen—that they have cut expenses. It is not true. By creating this new agency, they are only shuffling the money around. There will be fewer employees, but the agency's staff will be better paid. We are getting four quarters for a dollar, as they say.

That is why I am so vigorously opposed to this agency. We simply do not understand why it is being established. What is its purpose? Why does the government want to create this agency? They already created agencies like Nav Canada, ADM, the food inspection agency and the brand new Canadian wheat agency and,

to date, none of these agencies are working. So why set up another one?

We are strongly against the creation of this agency, because we care about the well-being of all Canadians and most particularly about the well-being of Quebecers. I urge all of the provinces to stand up and clearly tell the government: "This is not what we want. As provincial governments, we want to be able to collect taxes and hand Ottawa its share".

This is why the Bloc Québécois and I are strongly opposed to this bill.

• (1720)

[English]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am glad we finally got to Group No. 2. I also regret that we have time allocation on this so that we cannot express our genuine concerns about these things.

While we have been sitting here I wrote my newspaper column. One of the things I put in my column is that there are two ways of getting legislation through the House. One is to engage in a fair and an even handed debate, negotiation, give and take, and to come up with a set of rules that is good for people.

I hope that when Canadians trust us to form the government I will not have changed my mind on this. I believe it is a legitimate role for the government to listen to what members in opposition are saying. I noticed one of the members over there gave a hearty laugh. I guess he is eagerly looking forward to being on this side of the House again.

When that happens I think it will be important for us, when we are on the government side, to recognize that everything may not be perfect every time. If I have any role to play in it, I will listen very carefully to what the Liberals on this side of the House have to say on our legislation. I hope we will have the humility to receive fairly legislation the Liberals bring to our attention that they feel is not as good as it could be.

I have not spoken on this group at all and so I would like to address myself primarily to the motions put forward by the Reform Party, although the others also have merit. I am not going to spend as much time on those.

I am going on the assumption that this independent agency will happen. We have seen this over and over. The government will arrange for this vote to pass. This government has already, with its majority, voted for closure. I think this is the tenth time in the last few months.

I will not mention names since I am not allowed and I will not mention ridings since I do not want to embarrass anyone here, but some in the Liberal Party when they were in opposition raised a

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hue and cry when time allocation was used by the Conservatives of the day. The Liberals said this is wrong, it is a defeat of democracy. The Liberals had all sorts of bad things to say about the use of closure. Now they are on the other side and on command they vote in favour of it.

I suppose I am setting myself up for another quotation maybe four or five years down the road, whenever the next election is, when we form the government.

I think it is important to listen to these debates and to when an amendment is put forward to improve it. That is what I am trying to do now. I know members will not have been given the freedom by their party to vote in favour of these very reasonable and rational taxpayer protecting amendments.

I wonder if we would find among them some statesmen, if we would find among them some politicians who will rise up and represent the people who sent them here, the electors, and they will vote in favour of those people instead of simply following the party line. The purpose of my speech is to persuade Liberal members to do that and to give them solid reasons for so doing.

One of the problems with this agency is the question of accountability. Right now we have some degree of prime ministerial accountability. We have some ministerial accountability. Last night on TV I saw a clip of the Prime Minister when he was leader of opposition. He wagged his finger and said "when we form government you can count on it that ministers will accept responsibility". We have seen a number of instances in the last little more than five years where that has really not quite been the case. Of course, the Prime Minister continues to say they have no scandals, because what he does is pinch his eyes shut and pretend they are not there and then he can proclaim that there were no scandals. There have been a couple. The Prime Minister said he believes in ministerial responsibility.

• (1725)

What I want to do right now is simply challenge the Liberal members when the vote is held on these amendments to vote in favour of Motion No. 3. Motion No. 3 increases the responsibility and the accountability of this new agency to parliament instead of making it into a faceless irresponsible bureaucracy whose function is to separate the taxpayers from their money and which will not have political of any other kind of accountability to parliament.

We insist that should be done. We want to ensure that the employees, the directors and the commissioner of the new agency are held accountable not to the minister in the backrooms but to parliament directly. I do not think anyone on the Liberal side, if they were on this side and the Reformers were speaking on the other side, would be against this motion. They would vote in favour of it.

Let us not allow walking across two sword lengths of aisle change important principles we believe in. I would simply urge them to do the right thing for taxpayers. I suppose basically everyone in the country is affected by this legislation. That is another reason why it is so odious for the government to have invoked closure on this.

It is absolutely necessary that the government so arrange its affairs that people believe in our government and believe in our tax system. Our tax system is predicated on voluntary compliance. If that is missing, the system falls apart.

We have seen it in the last number of years where with the very undemocratic imposition of the GST many people have gone into the underground economy. They do not agree with it. They said it was not done correctly. They did not have representatives representing them in parliament.

If we just jam this legislation through, two days of debate and it is finished. It is a fait accompli. It is mandatory for us. We have no option but to make sure people support this legislation.

We should take the full length of debate on it so that we as members of parliament can hear what our constituents are saying and we can respond to them and make sure the taxation system is fair, which I believe most people believe in. I have yet to hear anyone in my riding say to me they do not want to pay any taxes at all. But I have heard many times that they want fair taxation and a fair taxation system.

If we vote in favour of Motion No. 3, put forward by my Reform colleague, it would help to provide accountability of this new agency to parliament. It would help people to have faith in and to really have a good feeling about paying their taxes, something they have never had before in their lives. I am sure the Liberals would want the taxpayers to feel good when they send their money to Ottawa.

• (1730)

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, in response to hon. members who are asking for the deletion of a number of clauses in Bill C-43, an act to establish the Canada customs and revenue agency, I will explain why such an agency is needed. The most important reason is the demand of Canadians for streamlined and more responsive tax, customs and trade administration services.

The agency is designed to improve services to Canadians, to businesses, and to provinces and territories. This will be accomplished in a number of ways. One way is expanding and improving the co-ordination and administration of federal and provincial revenue programs.

This will result in a number of benefits: a reduction of overlap and duplication among levels of government, a potential for significant reductions in costs to governments, a potential for

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significant reductions in costs to taxpayers in complying with tax laws, one level of tax collector that will create major advantages for businesses, and an improvement in the competitive position of Canadian businesses.

Another benefit of the legislation is that it will improve the management of the agency. The board of management will help to bring a client oriented focus to agency activities. The board will also help to bring a strategic perspective to management by using some private sector techniques to ensure efficient and effective management. The agency will be able to tailor its programs for administrative activities to meet its own needs. As a result of this improved efficiency, the agency will be able to reinvest productivity gains in programs for Canadians.

This improved management will also mean significant improvements for employees. Employee representatives will be able to bargain directly with the employer. This will result in more responsive and simplified staffing and classification systems. In addition, a new approach of recourse will focus on alternative dispute resolution mechanisms such as fact finding and mediation. This will also incorporate access to independent third party review.

Design teams comprised of employees, managers and unions have been involved in designing the new human resource regime for the new agency. The agency model proposed in the Canada customs and revenue agency is unique since it combines the strengths of both the public and private sectors while remaining fully accountable to parliament and the Canadian public.

In developing the Canada customs and revenue agency the department has been sensitive to the concern of the concentration of too much power in one place. Tax, customs and trade administration affect the lives and livelihoods of most Canadians. They want to be sure they are dealt with fairly and that their rights are protected.

In the design of the new agency the essential checks and balances that govern the activities and ensure the accountability of Revenue Canada have been maintained. For example, the enforcement powers of the new agency will be the same as those currently provided to Revenue Canada through legislation like the Income Tax Act or the Customs Act.

If there is a problem or a complaint, the minister will still be fully accountable to parliament and the public for the administration and enforcement of specific legislation. The minister will have the authority, as is currently the case, to answer questions in the House and to ensure the agency is acting properly in its dealings with the Canadian public. The existing provisions for accountability are being enhanced by the addition of three new accountability mechanisms.

The confidentiality of a taxpayer's personal information will be protected under the agency just as it is currently with Revenue

Canada. The authorities governing confidentiality are clearly set out in the legislation and they will not be changed by the bill.

Bill C-43 will permit the agency to offer new and better services to the provinces and territories. For example, at the present time Revenue Canada can only collect provincial taxes that are harmonized with federal taxes. The new agency would be able to collect non-harmonized taxes, expanding the potential for single window tax collection with considerable savings for businesses and individual Canadians.

● (1735)

Greater co-ordination among the federal, provincial and territorial governments will simplify tax administration for Canadians and reduce costly overlap and duplication between governments. Increased operational flexibility in the management of internal resources is a major change that will allow the new agency to adopt a more client oriented approach.

The new legislation will allow the proposed agency to customize its own resources and administrative functions to meet the needs of Canadians as well as those of its employees. All of this means better service.

Doing something better is not an expansion of power but an extension of service, service to individual Canadians, service to businesses, and services to provinces and territories. Better service means savings in time and money, savings in compliance costs for businesses and savings in administration costs for government.

The intention of Bill C-43 is not to create an agency with unlimited powers but rather to establish a framework with all the checks and balances for a more efficient agency. The bill is important and beneficial, beneficial for the government, beneficial for business, and beneficial for individual Canadians. This is what is expected of good government.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Madam Speaker, I have a motion on the floor of the House right now. It is one that I think is perfectly reasonable and that members across would like to support. It is the one that says the agency should not come into force until at least half the provinces agree to participate.

That is very reasonable. We are a federation. We tend to work together as a federation. It will be a new program in which the federal government expects the provinces to participate. Before the agency takes effect we should have an amendment accepted by the House that at least half the provinces sign on to beforehand.

One of the problems I have with the agency is that nobody has actually said we are going to do this, we are going to sign on. We know, Madam Speaker, that your province will not sign on. Quebec will collect its own taxes. We know hear the province of Ontario is not very enthused. The member who just spoke is from Ontario. She is very close to her premier. Her premier will probably not sign

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on to it, at least not at this stage. Maybe they will in four, five or six months.

Until that happens the bill should not take effect. In the provinces of Saskatchewan, British Columbia and Alberta there is a great deal of skepticism about the bill. It is a brand new agency.

[*Translation*]

This is a new agency in this country. Income tax is now collected by the Department of National Revenue, but with this bill a new agency will be established, with approximately 40,000 employees, or 20% of the federal public service. A good number of people are very unhappy with this bill: Revenue Canada employees, provinces and many taxpayers from coast to coast.

I moved an amendment to this bill, to get half of the provinces to agree with it before it was passed.

[*English*]

I see in the House the member from Abitibi. He would certainly agree with my motion. He is a great federalist. I think he would also want to see the majority of the provinces agree before the bill proceeds. It is a very reasonable motion.

The Acting Speaker (Ms. Thibeault): It being 5.39 p.m., pursuant to order made earlier today, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of report stage of the bill now before the House.

The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

• (1740)

The Acting Speaker (Ms. Thibeault): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed to will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): The recorded division on Motion No. 2 stands deferred.

The next question is on Motion No. 6. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Ms. Thibeault): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): The recorded division on Motion No. 6 stands deferred.

The next question is on Motion No. 9. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Ms. Thibeault): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): The recorded division on Motion No. 9 stands deferred.

The next question is on Motion No. 205. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Ms. Thibeault): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): The recorded division on Motion No. 205 stands deferred.

Mr. Ken Epp: Madam Speaker, I just want to float something here. We have some 200-plus motions to do this way. There have been no discussions, but I wonder whether hon. members in order to expedite the matter would consider giving unanimous consent to deem all motions moved, seconded, recorded divisions requested and deferred.

The Acting Speaker (Ms. Thibeault): The hon. member is seeking unanimous consent to expedite the process. Is there unanimous consent?

Some hon. members: Agreed.

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 25

That Bill C-43 be amended by deleting Clause 20.

Mr. Jason Kenney (Calgary Southeast, Ref.) moved:

Motion No. 26

That Bill C-43, in Clause 20, be amended by replacing line 28 on page 6 with the following:

“from their ordinary place of residence and those expenses shall not exceed guidelines established by Treasury Board respecting travel and living expenses incurred by employees in the public service of Canada.”

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 37

That Bill C-43 be amended by deleting Clause 29.

Mr. Jason Kenney (Calgary Southeast, Ref.) moved:

Motion No. 38

That Bill C-43, in Clause 29, be amended

(a) by replacing line 1 on page 8 with the following:

“29. (1) The Commissioner and the Deputy”

(b) by adding after line 6 on page 8 the following:

“(2) A summary of expenses paid to the Commissioner and Deputy Commissioner under this section shall be disclosed to any person on request, and shall be published annually in the Public Accounts of Canada.”

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 55

That Bill C-43 be amended by deleting Clause 46.

Mr. Jason Kenney (Calgary Southeast, Ref.) moved:

Motion No. 56

That Bill C-43, in Clause 46, be amended by replacing line 8 on page 14 with the following:

“paid out of the Agency’s annual operating budget.”

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 71

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That Bill C-43 be amended by deleting Clause 60.

Mr. Jason Kenney (Calgary Southeast, Ref.) moved:

Motion No. 72

That Bill C-43, in Clause 60, be amended

(a) by deleting lines 11 to 13 on page 19.

(b) by replacing line 14 on page 19 with the following:

“(b) payments received under contracts en-”

(c) by replacing line 16 on page 19 with the following:

“(c) refunds of expenditures made in the”

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 28

That Bill C-43 be amended by deleting Clause 22.

Mr. Jason Kenney (Calgary Southeast, Ref.) moved:

Motion No. 29

That Bill C-43, in Clause 22, be amended

(a) by replacing line 36 on page 6 with the following:

“22. (1) The Chair of the Board must be”

(b) by adding after line 41 on page 6 the following:

“(2) Before the Governor in Council’s appointment of any person as the Chair of the Board becomes effective, that person must appear before an appropriate committee of Parliament.”

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 32

That Bill C-43 be amended by deleting Clause 25.

Mr. Jason Kenney (Calgary Southeast, Ref.) moved:

Motion No. 33

That Bill C-43, in Clause 25, be amended

(a) by replacing line 9 on page 7 with the following:

“25. (1) The Commissioner of Customs and”

(b) by adding after line 14 on page 7 the following:

“(2) Before the Governor in Council’s appointment of any person as the Commissioner becomes effective, that person must appear before an appropriate committee of Parliament.”

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 64

That Bill C-43 be amended by deleting Clause 54.

Hon. Lorne Nystrom (Regina—Qu’Appelle, NDP) moved:

Motion No. 65

That Bill C-43, in Clause 54, be amended

(a) by replacing line 10 on page 17 with the following:

“54. (1) Subject to subsection (1.1), the Agency must develop a program”

(b) by adding after line 12 on page 17 the following:

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“(1.1) An employee of the Agency has the same rights of recourse with respect to non-disciplinary demotion or termination of employment as if the employee were occupying a position in the Department of National Revenue.”

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 106

That Bill C-43 be amended by deleting Clause 91.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP) moved:

Motion No. 107

That Bill C-43, in Clause 91, be amended by replacing line 9 on page 27 with the following:

“7.2.2 of the Directive, except that a reference therein to two years is deemed to be a reference to five years; and”

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 100

That Bill C-43 be amended by deleting Clause 88.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP) moved:

Motion No. 101

That Bill C-43, in Clause 88, be amended by replacing line 34 on page 25 with the following:

“lished in the corporate business plan, including information respecting implementation of harmonization with taxes or other fiscal measures imposed by the provinces, and a”

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ) moved:

Motion No. 102

That Bill C-43 be amended by deleting Clause 89.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP) moved:

Motion No. 103

That Bill C-43, in Clause 89, be amended by replacing line 3 on page 26 with the following:

“89. (1) Three years after the coming into”

The Acting Speaker (Ms. Thibeault): The recorded divisions on Motions Nos. 25, 37, 55 and 71 in Group No. 3; Motions Nos. 28 and 32 in Group No. 4; Motions Nos. 64 and 106 in Group No. 5; and Motions Nos. 100 and 102 in Group No. 6 stand deferred.

Pursuant to order made Wednesday, December 2, the recorded divisions on the motions stand further deferred until Monday, December 7, at five p.m.

* * *

• (1745)

MESSAGE FROM THE SENATE

The Acting Speaker (Ms. Thibeault): I have the honour to inform the House that a message has been received from the Senate

informing this House that the Senate has passed certain bills, to which the concurrence of this House is desired.

It being 5.50 p.m. the House will now proceed to the consideration of Private Members' Business as listed on the today's order paper.

PRIVATE MEMBERS' BUSINESS

• (1750)

[Translation]

SALARIES FOR STAY AT HOME MOTHERS AND FATHERS

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.) moved:

That, in the opinion of this House, the government should legislate to grant a salary to mothers and fathers who stay at home to care for their children.

He said: Madam Speaker, I have tabled this motion many times already. In 1970, the royal commission on the status of women said that women who stay at home provide as much goods and services as women who have paid employment. And if they had paid employment, we could help our children and get some regions of Quebec and Canada out of poverty. We could review our approach and develop legislation that is most of all fair for all families, that gives back parents their primary responsibilities and allows them to choose the method they prefer to raise their children.

Since the guaranteed annual income system is much superior, we could provide an income supplement for all those who need it, not only for low income workers. Our findings reinforce the idea of implementing a guaranteed annual income to eliminate poverty.

As an example, I will read a letter from Julie Dupont, of the Montreal area, dated September 10, 1998. She says:

I am not in the habit of writing letters to newspapers to complain or to make comments. I must say I do not have much time for that—my husband and I have five children between 18 months and nine years of age.

On July 20, the day of our wedding anniversary, we received a nice gift from the federal government: a reduction in our child benefits. The notice was related to the new Canadian child tax benefit.

Some gift! While our 1997 income was \$11,530 less than our 1996 income, we were told that our tax benefits would drop by \$82 a month.

She is not the only one in this situation. In my riding, there is a couple, Germain and Clémence Côté, whose child tax benefit was reduced by \$280 a month, and, furthermore, they are not even entitled to a GST refund.

I will get back to Mrs. Dupont, whose tax benefit was reduced. Here is another quote from her letter:

For a family of seven, I do not think one could say that we have a very high income.

Because I could not believe it, I reread the whole notice and the pamphlet that was sent with it. It says that this new benefit "...includes the basic benefit plus a new supplement. This supplement is the Canadian government's contribution to the national child benefit program". It also says that the program's goals are "to reduce child poverty and to help the parents of low-income families to return to the work force". I might also add that it discourages middle income parents who work to stay in the work force.

Of course, we chose to have many children. And we live adequately on one salary. We live adequately because we are very frugal and because we have different strategies to save money and to get the basics in life without becoming the victims of the consumer driven society. We have simple needs and our life is focused on the lives of our children, to our great pleasure.

However, raising five children with an income like this means there must be limitations, sacrifices even. We are not asking for charity, but it would seem normal to me to receive a little support from society. After all, our five children will be taxpayers one day. Very few families want to have more than one or two children. We are constantly told how much courage and patience we have and so on. Of course, we have more courage, patience and energy than we need. The only thing that is lacking is the federal government's recognition of our valuable contribution to society, as parents of five future taxpayers.

This letter is asking for a salary for the parent staying at home to raise the children, whether it is the mother or the father. It could be a contribution or a supplement. Right now, a committee of Liberals wants to pay stay-at home parents a supplement to foster the children's development. There must be something fairer for parents who stay home to take care of their school age children. We are not telling working women to go back home and cook. This is not the point.

• (1755)

This is strictly about families, mothers raising their children. There are examples where families are losing money to federal taxes because they choose to take care of their kids at home.

Here is a quote from a letter sent to me by the Centre de femmes de La Sarre:

If there is adequate pay for adults having decided to work at home, great, but every woman must have the choice between working full-time or managing the family home—

—We are pleased to see that you mention very clearly the large part of the work accomplished by women, in many cases without being paid—

—The perverse effect of poverty among women and children has an impact on living conditions and education, but we should first address the problem of poverty without creating more problems concerning the isolation and excessive responsibility given to women with regard to the education of children. Women are not the cause of poverty, and they are not the solution to this problem either. It is the social conditions that are the cause of poverty. Consequently, the time has come to

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address the real social causes in order to fight more efficiently against the increasing problem that poverty is.

We believe that your concern about the elimination of poverty among women and children is very important and very relevant.

This letter comes from Lulu Hébert, president of the Centre des femmes l'E.R.I.G.E.

She also writes:

We are expecting you, Mr. St-Julien, as our representative in the House of Commons, to adjust what you say in the House. Trying to take women and children out of poverty is in itself a good thing. But we must at the same time let families decide to have one of their members work in the home. This way, nothing would stop you from paying a salary with marginal benefits to an adult willing to work at home and that would give more opportunities to women who wish to invest outside the home. As the Centre des femmes, our objective is to improve women's living conditions, including the fight against poverty. This is why we are pleased to share our thoughts with you. We are hoping for your co-operation in considering this vision which supports greater equality between women and men.

The purpose of this motion is to bring the government to legislate to grant a salary to mothers and fathers who stay at home to care for their children. The hon. member who prepared a document for the Liberal Party said "It is imperative, financially and socially, that the state do something to help children. Many studies underline this need and demonstrate beyond any doubt that the quality of early childhood care has a significant impact on the physical and mental health of children and on their social integration".

Several reports on this were carried in the media in my area and in my riding. With regard to taxation and tax rates, why are families, in my region and elsewhere in Canada, penalized because of the number of children they have? Here are some examples. Mr. Germain's family loses \$280 per month. Mrs. Côté is expecting her 10th child, so the 12 of them will be living on a net salary of \$22,000 or \$23,000. Why? We keep asking ourselves.

Such situations exist in my riding. A destitute child grows up to be even poorer and does not function well socially.

I have reintroduced this motion in the House to hear what other members of our great parliament have to say, and to debate about legislating to grant a salary to mothers and fathers raising children.

I am looking forward to hearing other members, and I will reply later.

[English]

Mr. Reed Elley: Madam Speaker, I rise on a point of order. Pursuant to consultations with all House leaders, I believe you will find that there is unanimous consent for the Reform members to split their speaking time on this important issue. I would ask therefore for unanimous consent.

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The Acting Speaker (Ms. Thibeault): The hon. member for Nanaimo—Cowichan is asking for permission to split the 10 minutes into two five minute segments. Is that agreed?

Some hon. members: Agreed.

Mr. Reed Elley (Nanaimo—Cowichan, Ref.): Madam Speaker, I will be splitting my time this evening with the hon. member for Lethbridge.

• (1800)

I rise today to speak to Motion No. M-486 and in so doing to pay tribute to a group of people that go largely unnoticed in our modern society. This group of people is largely made up of women but there are some men also. This group is stay at home parents.

In today's society it is not easy to be a stay at home mom or dad. Career paths are demanding. To step off of that path can often mean various forms of reprisals or discrimination and second class status from many different sources. Fortunately many parents are willing and able to make this commitment to their family. In so doing they raise their children in the manner they think is best.

I would be remiss also if I did not recognize the extremely heavy burden that single parent families carry today. Single parent moms and dads do not have this same option and in no way am I passing my judgment on them.

As we all know, today's society has picked up the pace of living tremendously from days gone by. The cost of virtually everything from groceries and clothing to transportation and other essentials has risen faster than the incomes of most people. This continues to cause further economic strife in many families today. Overall tax relief is necessary for families now, not at some distant time in the future.

One way that some of the economic stress can be relieved is to address how the child care expense deduction is formulated. The current system clearly differentiates between single and dual income families. In addition, the expenses are only allowable if they are receipted, therefore restricting eligibility to institutional daycares.

Parents that choose to stay at home are not eligible for this same tax credit. The discrepancy between single and dual income families is apparent in how the child tax credit applies to them. One example of this is that in dual income families the lower earner must claim the child care expense deduction, thus ensuring that the value of the deduction is minimized.

The member's proposal does nothing to address this disparity and inequity that stay at home parents face under our current tax laws. Specifically I refer to their inability to claim the child care

expense deduction. Rather than treat all parents equally, this motion would divide people into a multitude of different camps.

There are at least four alternative options that should be looked at closely and used as a replacement for this motion. These alternative options would better address the inequalities that exist under the current child care expense deduction.

The first option would be to give further consideration for income splitting. The second option would be to give stay at home spouses access to independent RRSPs. While both of these concepts have merit, a further examination is necessary to determine the specific financial and operational considerations of them prior to any implementation.

A third consideration is to make the spousal exemption equal to the personal exemption. In order to provide equity, the spousal deduction needs to be equal to the personal exemption of the primary income earner. In light of a more demanding economy, this levels the field for those parents who are able to and choose to stay at home.

A fourth consideration would be to convert the child care expense deduction into a refundable child tax credit for all children. Currently this is only available to those parents using commercial daycare.

At this time only 16% of families use commercial daycare. Contrary to past doctrines, current psychological and sociological research supports the concept that children become better balanced and more productive citizens when in the care of a family.

As a parent of eight and a foster parent for over 25 years to over 140 children, I strongly believe in the role of the parent and the family institution. However, I believe that Motion No. M-486 does nothing to lessen these pressures, nor does it really address the needs of today's families.

Mr. Rick Casson (Lethbridge, Ref.): Madam Speaker, it gives me great pleasure to speak to Motion No. M-486.

Family issues are very important to me as a husband, a father and a grandfather and they are important to my constituents.

• (1805)

I find it very encouraging that the quality of family life is finally receiving attention by this House. For too many years the family has been ignored in the mad rush to be politically correct. It is time the inequalities faced by stay at home parents by our current tax laws were being addressed. As I have said before in the House, as the family goes, so goes society.

I acknowledge this motion may be a step in the right direction, however I am concerned with this motion which I will read for the benefit of those who may not have heard it:

That, in the opinion of this House, the government should legislate to grant a salary to mothers and fathers who stay at home to care for their children.

I am concerned this motion does not fully address the unfairness inherent in our tax code. The current Income Tax Act is discriminatory, plain and simple. It discriminates against loving parents who forgo the riches of a second income in order to provide parental care for their children.

I will illustrate with the example of two families living side by side. Family A has a single income of \$60,000 and mom cares for the children at home. Family B has a combined income of \$60,000 and daycare provides for the children. In spite of living side by side, family A has an after tax income of \$3,365 less than that of family B. Why is there a difference? Because this government discriminates against families.

The Reform Party has a long history of representing the family. We are committed to fair family taxation. We have consistently called for revision of federal income tax regulations to end discrimination against parents who provide child care at home. We support equitable tax treatment for one income families with dependent children. Family taxation should be simple, flexible and efficient.

Reform would replace the child care expense deduction with a fully refundable child care expense credit. This is a much better method to address inequities in the tax structure. Paying parents a small stipend to stay at home with their children only encourages further government dependency in addition to creating another layer of inefficient bureaucracy. A child care expense credit would give parents the freedom to choose how to care for their children.

We recognize the most important caregiver for a child is its parent. Study after study show how important parental care is to the long term emotional stability of children. It is no coincidence that as we see the number of dual income families rise, we see youth crime skyrocket. Strong families are the foundation of our society and preventing crime starts with a commitment by the government to support our families.

The Canadian public is squarely behind me and my party on this issue. In a recent Southam News Compas poll, 82% stated that the government should make changing tax laws to allow one parent to stay home a priority. Eighty-one per cent of respondents indicated they want the government to make families the cornerstone of a wide range of policies. When working mothers were asked if they would rather stay home with their children or go to work, a majority said that they would rather stay home but felt they could not afford it. Why? Because of the oppressive taxes levied by this government.

There are elements in the Liberal caucus that do not agree with what I have to say next. Seventy per cent of Canadians feel that the

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needs of children receive too little attention in divorce courts. Sixty-two per cent feel that the needs of fathers are being ignored.

I have spoken with many fathers who have never seen their children after they got divorced. There are groups in this country supported by grants from this government that feel divorced fathers should have input into raising their children. I cannot imagine anything more heartbreaking than not being able to raise your own children.

The Reform Party supports the right of fathers to play an equal part in the upbringing of their children. There are members in the Liberal caucus who also support these efforts and I wish them all the best in their endeavours.

The people have spoken. Canadians want their government to ease pressure on working parents and to focus more policy on helping families. This government needs to realize the people of Canada elected it and it is time for the government to sit up and listen.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Madam Speaker, I thank the hon. member for Abitibi—Baie-James—Nunavik, because I know his concerns, which motivated this motion, are genuine.

However, we think this is the wrong venue. The member for Abitibi probably picked the wrong assembly, as the heritage minister knows full well. Family matters should not be raised in this House.

If he wants to help women who deliberately chose to stay home, he should make representations to his own government.

• (1810)

First of all, he could ask his government to reinstate transfer payments. Should I remind the House—the heritage minister knows this even if she chooses to evade the question—that the federal government has cut \$42 billion since 1993. Of course, it means that the various provincial governments are less able to offer services. The heritage minister knows it and I wish she would make the necessary representations.

Second, he should know what the Government of Quebec did in its field of jurisdiction. Coming from Quebec the hon. member for Abitibi must know that, since 1994, the Parti Québécois government in the National Assembly—where it was re-elected with flying colours—has put considerable effort into implementing a family policy.

Let me give you a few examples: day care centres at \$5 a day, something very important; the policy allowing children to access the education network with government assistance starting with kindergarten. We have also reviewed the tax legislation as regards

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income tax. Those are several initiatives that come under provincial jurisdiction.

We could go even farther, if we were able to do so in the National Assembly, with more financial resources. That is why it is very important to understand that the best service we could do, as federal parliamentarians, for provinces that want to put in place a real family policy would be to restore as soon as possible the funding that was unfairly cut.

If the hon. member for Abitibi, whose intentions I do not question, really wants to help women who have decided to stay at home, he must also ensure that his government is fairer to them. How can he not be concerned by pay equity, for instance?

Everyone knows an appeal is now before the Federal Court. If heard, this appeal could mean much less money for women than anticipated because we continue to discriminate on the basis of sex in the public service, and the government was unable to remedy this situation.

It is very important that we be able to improve the employment insurance system. Again, I know very well that the hon. member is sensitive to these concerns but we cannot have this kind of inconsistencies within the same party. The hon. member cannot stand from his seat and ask the government to provide additional money to give women a salary when the policies of his own party have made them poorer.

How can the hon. member ignore the issues of employment insurance and of access to maternity leave? Feminist voices within the cabinet were sadly silent with one possible exception. The qualifying conditions for access to maternity leave have been changed. It is now harder for someone receiving EI benefits to qualify for maternity leave than it was when the Liberals came to power in 1993.

Before, you needed 300 hours of work to qualify for unemployment insurance, compared with 700 today. There is something missing in the hon. member's arguments. He should review this motion to make sure he addresses the real issues.

To conclude, I know that feminist and women's organizations in general believe that saying "We will pay a salary to those women who choose to stay home" would send an extremely negative message.

I do not dare even imagine what it would be like to be deprived of the presence of the Minister of Canadian Heritage if she had opted to stay at home.

Hon. Sheila Copps: It is a free choice.

Mr. Réal Ménard: We are very much aware that she has made another career choice. We are pleased to have her with us.

Ms. Jocelyne Girard-Bujold: We would miss her.

Mr. Réal Ménard: I think it would be very wrong to send the message "If you are a woman who chooses to stay at home, you will get a salary". That is not what women are asking for. That is not what the feminist organizations are asking for. And I believe this must be taken into consideration.

• (1815)

It is quite right to say that it is a matter of free choice. I come from a family of five children. I have a twin brother, an older brother, a sister and a younger brother. My mother decided to stay at home. She gave her best for her family—and you can judge the results by what you see before you—but it was a free choice. I am profoundly convinced of that.

There is no question of not addressing the real problems. The real problem is taxation. The real problem is transfer payments.

The provinces are \$42 billion short. The province of Quebec is \$7 billion short. Family policy ought to be developed at the provincial level. Why? Because of its connection with education and child care. In this respect, I call on the Minister of Canadian Heritage.

You should have seen her in 1994. There was no holding her back from brandishing her little red book. What did that book say? That the government would create 150,000 new child care spaces. There was something about a national child care network. The Minister of Canadian Heritage has not forgotten that, has she?

What is happening? First, funds should have gone to the provinces. Today, five years later, nothing has been done with respect to child care. I have even been told that \$650 million earmarked by Treasury Board for this purpose had not been used because the federal government said that the provinces did not want this money.

That is not true. I am convinced that all provincial governments want their own family policies. Had the government given them this \$650 million and let them manage their own family policies, they could have used this money according to their own priorities.

Let us be clear, family is an important component of society. It does not always fit the traditional concept of family. We often talk about blended families. Two individuals who choose to live together and raise children form a family. There are all kinds of families nowadays. The traditional, nuclear family is no longer the norm.

The family in which I grew up was made up of two parents who lived together all their lives, with my mother staying at home while my father was the breadwinner, and five wonderful children. This may no longer be the norm, but one must accept such realities.

We would be sending an extremely negative, incomplete and strategically wrong message, and I would like the hon. member for Abitibi—Baie-James—Nunavik to take that into consideration. I do not think that the status of women council and feminist

organizations, which know about and have studied these issues, want the support—

Hon. Sheila Copps: It is a free choice.

Mr. Réal Ménard: Is the Minister of Canadian Heritage referring to Quebec City?

THE ROYAL ASSENT

• (1820)

[*English*]

A message was delivered by the Usher of the Black Rod as follows:

Mr. Speaker, The Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, the Speaker with the House went up to the Senate chamber.

• (1825)

[*Translation*]

And being returned:

The Acting Speaker (Ms. Thibeault): I have the honour to inform the House that when the House went up to the Senate chamber the Deputy to His Excellency the Governor General was pleased to give, in Her Majesty's name, the royal assent to the following bills:

Bill C-29, an act to establish the Parks Canada Agency and to amend other Acts as a consequence—Chapter 31.

Bill C-52, an act to implement the Comprehensive Nuclear Test-Ban Treaty—Chapter 32.

Bill S-16, an act to implement an agreement between Canada and the Socialist Republic of Vietnam, an agreement between Canada and the Republic of Croatia and a convention between Canada and the Republic of Chile, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income—Chapter 33.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

SALARIES FOR STAY AT HOME MOTHERS AND FATHERS

The House resumed consideration of the motion.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Madam Speaker, before being interrupted by what half this House considers totally sacred, I was saying I thought that the member for Abitibi—Baie-James—Nunavik had not addressed the real problem, and I

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sincerely do not believe that women's organizations, women and their representatives want us to pass a motion that, essentially, would send the message that if women choose to remain at home and are prevented from participating in the labour market, they will be compensated for it.

I close by asking the member for Abitibi—Baie-James—Nunavik, whose influence on this government we know, to ask his government to use its surpluses to restore transfer payments to the provinces for social programs so that the Government of Quebec, the only one permitted to develop a family policy, may do so.

I close by thanking the member for Abitibi—Baie-James—Nunavik, who made us aware of this issue, but we in the Bloc Québécois will not be able to support his motion.

• (1830)

Mr. Mark Muise (West Nova, PC): Madam Speaker, I wish to inform you that I rise on behalf of my colleague, the hon. member for Shefford. She is currently attending an international conference on an issue that comes under her responsibility in the Progressive Conservative caucus.

I am pleased to take part in the debate on Motion M-486, which provides that the government should legislate to grant a salary to mothers and fathers who stay at home to care for their children.

I want to congratulate the hon. member for Abitibi—Baie-James—Nunavik for moving this motion and for his relentless efforts to help Canadian families.

Let me say from the outset that I support any proposal promoting greater parental involvement in the first few years of children's lives. The purpose of this motion is to put these parents on an equal footing with those who work and enjoy tax benefits for expenses relating to child care.

But before getting to the financial aspects of such an initiative, let me talk about those ultimately concerned by this motion, the children.

[*English*]

Numerous studies have shown that the quality of care received during the first few years of a child's life has a decisive impact on their physical and mental health, as well as on their ability to integrate into society. It is therefore imperative, in my view, that the state make a special effort to help children from a financial as well as from a social standpoint.

Like most industrialized countries, Canada is at a crossroads. The choices that we will make over the next few years will determine our ability to participate in the economy of the future, an economy that will be increasingly global and knowledge based.

As we debate the strategic investments we will be required to make during this period of economic and social change, our

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growth could be impeded by a lack of vision which in turn could diminish the quality of life of Canadians and of children in particular.

If economic growth is favoured at the expense of our social environment, problems could arise. Studies on health and human development have highlighted the importance of investing in children during their critical formative years if we harbour any hope that our society of the future will be populated by well balanced, competent and healthy individuals.

It is now widely accepted that each dollar we spend today on our children will ensure that we save double that amount in future on health care, social and criminal justice programs.

By enhancing support for children and their families during the initial developmental years we will be helping our children gain some self-confidence and learn to adapt more easily. We will be promoting sound learning habits, positive social behaviour and good lifelong health habits.

[Translation]

Investing in our children is therefore essential to ensure the quality of our social and economic life.

At a time when huge economic and social changes are taking place, and when the gap in revenues is getting wider, the pressures on Canadian families increase the risk that parents may have neither the time nor the ability to take good care of their children.

This brings us to today's motion. In light of what I just said, members will agree with me that it is important to give parents the means, the flexibility and the options they need to ensure a good start for their children.

But before getting any further, let us take a look at the preferences of parents when it comes to child care. According to a 1997 poll by Compas Research in Alberta, 95% of respondents thought that it was better for parents to care for infants and pre-schoolers.

An earlier country-wide poll by Decima Research found that 70% of households with young children and both parents working would prefer one of the parents to be able to stay home to care for the children, if they could afford to.

• (1835)

The question is therefore as follows: should parents have to choose between a job that they need and the attention a child needs to become a healthy and responsible adult.

[English]

The Norwegian government answered that question with a resounding no. As of August 1998 it is allocating \$570 per month

per child under three years of age to households where one parent remains at home to provide child care.

Should we broach this issue by focusing on equal opportunity and equality between two income households and households where one parent must provide child care?

In other words, since each taxpayer finances tax benefits, without automatically claiming these benefits, could the current Income Tax Act be deemed discriminatory toward households where one parent stays home to care for the children?

That is a thorny issue, if ever there was one. However, this is the view held by the national forum on health. It maintains that Canada is the only country in the industrialized world that does not take into account in the calculation of income tax expenses incurred by households where a parent cares for children at home. It further argues that households with children are discriminated against in the process.

[Translation]

Some would say that the child tax benefit, which incidentally should be indexed, provides assistance for low income households, and that parents who pay for child care are entitled to a tax deduction of up to \$7,000 per child.

But some people fall between the cracks: households that do not qualify for the child tax benefit and do without a second income so that one of the parents can stay home and care for the children.

On April 14, 1997, the *Devoir* featured an article that tackled the issue head on, and I quote:

What about those who fall between the cracks? The market alone has no answer, and neither do existing social solidarity mechanisms. Another solution must therefore be found. For some time now, people from widely divergent disciplines that rarely have anything to do with each other (economics, philosophy, sociology) are rediscovering the old idea of a universal income. All the proposals focus on the same principle: pay each member of society a basic allowance, with no strings attached.

[English]

Why should we reconsider at this time an idea hatched 200 years ago by Thomas Paine, the great English human rights thinker, and later borrowed by 19th century French utopian thinkers and later still, by at least two Nobel Prize winners for economics who hold generally opposing views, namely Englishman James Meade and American Milton Friedman? As far back as the 1960s, they were calling for the introduction of a negative tax. We could give a Keynesian answer to that question: When circumstances change, my position has to change as well.

I am not someone who has ever shied away from exploring new and innovative ideas that could shed new light on our social conditions which no longer meet the changing needs of a modern society.

This being said, I do not wish to comment on or argue the feasibility or even the eventual terms and conditions of a program to financially compensate parents who remain at home, as

recommended in today's motion. I will leave this up to those who are qualified to do that.

[*Translation*]

What I think we should do, however, is offer new opportunities to parents wishing to stay at home to care for their children, which would mean a better start and, ultimately, improved opportunities for this country's most important resource, our children.

[*English*]

The Acting Speaker (Ms. Thibeault): I must advise the Parliamentary Secretary to the Minister of Human Resources Development that she will have only five minutes since we must give the proposer his right of reply.

• (1840)

Ms. Bonnie Brown (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, I welcome this opportunity to address the private member's motion introduced by the hon. member for Abitibi—Baie-James—Nunavik.

Let me say at the outset that I applaud my colleague for his interest in the matter of support for families. Last month we debated his previous motion on this issue.

Few issues matter more to the government than nurturing Canadian children, both for their inherent value and for our collective future. There can be no debate that we need to support all Canadian families if they undertake the important work of raising the next generation of workers, artists, parents and community leaders.

This government shares my hon. colleague's concern for Canadian families and the challenges they face. However, I am not convinced that the best way to address those challenges would be by providing a salary for stay-at-home parents with pre-school aged children.

It is important to recognize that the Income Tax Act already includes a number of provisions to assist parents who choose to remain in the home. The spousal credit reduces income tax when one spouse earns little income and stays at home. This measure allows the taxpayer supporting a spouse to reduce the amount of federal tax paid by \$915.

As well, the Canada child tax benefit is based on family income and provides a special annual supplement of \$213 for each child under the age of seven for families where one parent stays home. This benefit is provided to three million Canadian families.

There is also the caregivers tax credit which offers a credit of up to \$400 to individuals who care for either elderly relatives or disabled children.

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The child care expense deduction available to working parents is designed to provide assistance to families who must incur child care expenses. Without this support many would not be able to earn an income, attend school or take a full time training course. Eight hundred thousand taxpayers count on this deduction to help compensate them for the additional costs they must bear for child care.

This debate should also focus on the crucial consideration of the needs of children. While we must ensure that parents receive credit for the task they are doing, our overriding concern ought to be the health and welfare of the next generation.

It is precisely because this government is committed to ensuring a good start for all of Canada's children that we launched the national child benefit system with our provincial partners. It will help millions of low income Canadian families with children, regardless of their child care arrangements.

With the additional \$850 million committed in the 1998 budget, there will be a total of \$1.7 billion each year in new income support for Canadian families. This is in addition to the \$5.1 billion in existing benefits and will bring federal income support for families with children to just under \$7 billion.

Our innovative and progressive programs, such as the national child benefit system, will get Canadian children off to a good start in life by improving benefits and helping parents re-enter the job market so they can better meet their own children's needs.

Even though Motion M-486 is obviously well intentioned, our government remains convinced that the best course is to build on the programs we have and that is why I am unable to support this motion at this time.

The Acting Speaker (Ms. Thibeault): I would like to tell the hon. parliamentary secretary that there was a mistake in the amount of time allotted to her. If it is her wish to do so, she may conclude her remarks.

Ms. Bonnie Brown: Madam Speaker, there is one more point that I would like to make and I will take advantage of this bit of extra time. I am speaking about the point raised by the member for Hochelaga—Maisonneuve when he suggested that this government wanted to take away Canadian women's maternity rights. I believe if we check *Hansard* that is what the member said.

I want to assure the member and all Canadian women that this is the last thing in the world this government would ever intend to do. Every woman has the right to be a mother and we would never, ever take away her maternity rights.

I am sure the member can rest easy knowing that we are not trying to change human nature in this country. We are trying to support those women and men who wish to be parents and raise their children.

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Mr. Ken Epp (Elk Island, Ref.): Madam Speaker, I am delighted to be able to speak to this important motion. The parliamentary secretary has assured us not to worry, that the Liberals are in charge and everything will be fine. I guess we should relax easy knowing that the family is protected. Yet I find it rather ironic that while it is undoubtedly true that the Liberals are committed in principle to supporting families and to not undoing the facts of biology, they do indeed tax families much more heavily if those families make the determination that one of the parents is to stay home and look after the children.

• (1845)

I have some firsthand experience with this since my wife has worked as a nanny. The best and most important principle is that parents should be given a free choice as to who looks after their preschool children and their school age children before and after school. Different parents for different reasons make different choices. My wife has done such a great job raising our own three children so I can go on public television and tell all the members in the House that the family that had my wife as nanny probably could not have chosen better, except if their mother could have stayed at home, but she was working and that is her choice.

When our children were young my wife said she would be a full time mom and stay with the children. All our lives we lived on one income. We chose to live on only my income because we thought it was very important for the children to at least have mom home. It would have been wonderful if we both could have stayed. We would have been even more skinny than we are now. That would have been most unfortunate. All those years we paid a penalty for that choice. Had we made the same amount of income between us, with my wife earning some and me earning some, our tax bill would have been considerably less.

I remember teaching night classes. I taught at a technical institute. One of the pleasures of that job was to teach night courses. We had wonderful young people during the day and in the evening the institute filled up with working people who went there in order to upgrade their skills. I taught mathematics and computing. I had a lot of people who wanted to learn how computers worked. You can tell by my age that I was invented about the same time as computers were. They were new when I was a young man giving instruction at the technical institute. I worked Tuesdays and Thursdays. I remember saying back then that I work on Tuesdays for Trudeau and on Thursdays I get to work for my family. That was because even then the marginal tax rate was around 50%. If my wife had been able to earn that money she would have had a lower taxation rate because that is the way the tax structure was.

I always felt that the real solution, not the solution this member is proposing of paying a salary with taxpayer dollars, is simply to arrange our tax system in such a way that families that make that

choice are not discriminated against by the tax system. That is something I strongly believe in. It is something I hope this government will very quickly implement. I do not expect it but I would like to see it in the next budget. We are probably only about two and a half months away from the next budget and I would like to see that happen in the next budget.

I wish the Minister of Finance would say, as the parliamentary secretary just said, we value families. I hope he follows that by saying beginning today we will no longer have discriminatory tax practices against those families that choose to have one parent at home. I would be so appreciative. If that happened it would be very persuasive because it is such an important thing, although maybe not enough to make me vote Liberal.

• (1850)

Of course I will not vote Liberal because the Reformers are the ones who thought of this and that is one of the reasons I joined the Reform Party. We are promoting the idea. That is one idea I really wish they would steal. I think it is so critically important.

I remember over the years sometimes it was tough, especially with my working overtime and being involved in a lot of voluntary organization for which I got no extra money. Sometimes I did not get to see my family as much as I wanted. I really wished that there would have been a less discriminatory tax practice even against the parent who was out trying to earn a living so that I would not have had to work as many hours in order to provide for my family.

I strongly urge the government to consider that. Certainly the member who has brought forward this private member's business today has the right principle, to free up parents to make those choices. We just disagree in the detail of how it should be done.

[*Translation*]

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Madam Speaker, I would like to thank all the members who spoke on this motion. I honestly believe all contributions are important. I want to thank the Liberal member for Anjou—Rivière-des-Prairies, who seconded this motion.

I would like to pick up on a few points. The member for Hochelaga—Maisonneuve talked about the province of Quebec and mentioned 1994. It is true that, on September 18, 1994, the Premier of Quebec presented the major elements of the government's employment program. This program is aimed at reforming social security and creating a healthy fiscal environment.

He said:

Any contribution to the discussions is welcomed. It is only with everyone's participation that we will succeed in developing a system that is efficient, fair, flexible and affordable and that will meet the existing and future needs of Canadians.

*Adjournment Debate***ADJOURNMENT PROCEEDINGS**

According to the Quebec Commission of Inquiry on Health and Social Welfare, the first official proposal to provide an annual guaranteed income in Canada was made in 1971 by a provincial commission in Quebec, the Castonguay-Nepveu Commission, which proposed an income security program for that province.

Right now, Quebec is part of the Canadian family, that is very important, but I did appreciate what the hon. member said about pay equity. Pay equity is a much talked about issue in the public service. However, nobody talks about pay equity in a family setting, for those who raise children, the mothers who stay home to take care of the children. They too should get a pay cheque and pension for that work.

Pay equity for work done at home is the fight of every Canadian woman and many Canadian parents today. It is a fundamental right. That is my position. We must find a way to help families. Giving more money to the poor will contribute to the eradication of poverty.

In my documentation I read something on Newfoundland income supplement program that was set up in 1993. I quote:

The commission believes that an aggregate guaranteed annual income, however modest, with an income supplement program based on an earnings test can be financed through savings made in our EI program and the replacement of the provincial welfare system, without any new taxes or increased deficit.

Finally, I want to remind the House that we seem willing to grant tax breaks to hockey teams, to all of the Canadian hockey teams and hockey players who are earnings millions of dollars.

Clémence Côté, from Val d'Or, always told me that there is a serious deficiency in the Canadian tax legislation, because it penalizes families with children, in the sense that the Government of Canada does not take into account the number of children a family has.

In conclusion, I think we need to set up, on an experimental basis, a Canadian annual basic income program. This is the only way to assess how a guaranteed income program can help to eradicate poverty.

• (1855)

I have listened to all the members who took part in this debate. The time has come for a new solution, for a commission of inquiry on poverty and the family. As Réal Caouette used to say all the time "A guaranteed annual income would help families out".

The Acting Speaker (Ms. Thibeault): The time provided for the consideration of Private Members' Business has now expired and this item is dropped from the order paper.

[English]

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

THE ENVIRONMENT

Ms. Louise Hardy (Yukon, NDP): Madam Speaker, in November I asked the Minister of the Environment to make a commitment to clean up the Marwell tar pit in Whitehorse. It has been designated a contaminated site.

Environment Canada file No. 4186-3-19 of September 1989 provided background information on the contamination on this site. It was a U.S. military refinery during World War II. It was sold and then left. There was an attempt to clean up the pit. However, a large bermed storage tank has been left there.

In 1958 Billy Smith was trapped in the pit and died of exposure because he sank into the tar. In 1970 the land was transferred to the commissioner of Yukon. Contrary to the Fisheries Act, the departmental analysis indicated that hydrocarbons, oil, grease and manganese have been released to or near fish bearing waters. The Yukon River runs almost directly through the area.

Yukon has hundreds of contaminated sites. This is just one of them. In 1994 the Yukon government asked the then ministers of the environment and northern affairs to clean up the site. These letters were acknowledged but never answered. More recently the Whitehorse mayor has asked for the clean-up.

Canada negotiated with the United States \$135 million to clean up old U.S. military sites. There is also an abandoned DEW line site in Yukon as well. But this agreement does not address or resolve the mess left by the U.S. military.

Will the government commit to protecting the vulnerable northern environment and start by cleaning up the Marwell tar pit. As well there are Conal road, the Haines highway, the pipeline, abandoned airstrips and another Conal pipeline. It is very critical. The northern environment is vulnerable. It has been over 50 years. Will the federal government take its responsibility and clean up the Marwell tar pit?

Mr. David Iftody (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.): Madam Speaker, I am pleased to respond to the hon. member for Yukon on behalf of the Minister of Indian Affairs and Northern Development concerning contamination at the Marwell tar pit within the city of Whitehorse.

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The site is not under the administration and control of the Department of Indian Affairs and Northern Development. The land has been under the control of the Government of Yukon since 1965-66.

In 1994 the department worked in partnership with both territorial and city of Whitehorse officials to assess the site in question. As part of the assessment process, the Department of Indian Affairs and Northern Development funded two pilot studies investigating the effectiveness and feasibility of each of the two remediation options identified. This work was funded under the Arctic environmental strategy which was established in part to assist communities with issues such as this.

Departmental officials in Yukon have and will continue to offer expertise and assistance to territorial and community officials in assessing and remediating contaminated sites within Yukon. The Department of Indian Affairs and Northern Development in conjunction with an established public policy advisory group will address agreed upon priorities within the constraints of available funds.

Finally, the Government of Canada recognizes that the north is a dynamic and important part of Canada. That is why we work closely with our partners in a broad range of initiatives affecting the environmental, political and economic aspirations of northerners. That is why the Department of Indian Affairs and Northern Development will continue in its efforts to address environment issues in Yukon.

• (1900)

[*Translation*]

AIDS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Madam Speaker, last Tuesday, I asked the health minister, on world AIDS day, about the situation concerning the approval of medication in Canada.

It is acknowledged the approval process for new drugs in Canada is not very competitive, and this is evidenced by the fact that two antiviral agents have been available for a year and a half in the United States, but are not available in Canada.

It has been estimated that the workload of the health protection branch, the unit that approves and market new drugs, is similar to what exists in the United States. However, here in Canada, we have one third of the resources available in the United States. I rose in the House several times to ask the health minister to review the process, to provide resources, and groups have proposed some solutions.

One of these solutions could be a joint approval process for new drugs. There is no rationale for a drug company that has an affiliate in Canada and one in the United States to submit the same research monographs in both countries, and this could be a joint process. This solution was proposed to the minister.

The second part of the solution has to do with the fact that the Health Protection Branch, now called the Therapeutic Products Branch, sees to it that different persons work on the analysis of the files at each stage of the process. With the Canadian AIDS Society and other organizations concerned with these issues, we think that one way to improve the drug products licensing process would be to mandate the same public servants from the beginning to the end of the process.

So I am asking the government to review this process. I would be very happy to work on it in a parliamentary committee, but members must know that Liberals have defeated a motion I put forward in the standing committee on health asking for the creation of a task force and a parliamentary committee on this issue.

So, I hope that the Parliamentary Secretary to the Minister of Justice—who is not very knowledgeable in these matters, but very knowledgeable in other areas—will give me some hope.

Ms. Eleni Bakopanos (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Madam Speaker, it is a pleasure for me to be able to give a more detailed answer to the member for Hochelaga—Maisonneuve about the approval process for AIDS medication.

The Canadian approval process is still one of the most highly respected drug regulation mechanisms in the world. At the present time, 13 antiretroviral drugs have been approved for AIDS therapy in Canada. There are several other medications especially designed to target opportunistic infections and illnesses affecting AIDS victims.

[*English*]

HIV-AIDS drugs submissions are eligible for priority review or fast tracking where there is probable clinical evidence that the drug may provide an important therapeutic gain. A number of HIV-AIDS drugs were reviewed on a priority basis. New drug submissions for HIV-AIDS drugs are generally reviewed within defined performance standards which are comparable to international standards.

[*Translation*]

Medication for HIV/AIDS that is still experimental, or is not for general sale in Canada, is accessible to Canadians through

Adjournment Debate

clinical trials, extended access programs, and the special access program. The latter provides AIDS patients with rapid access to experimental drugs on special authorization at the attending physician's request.

[*English*]

Additionally, with the announcement of the notice of compliance with conditions policy, drugs are permitted to be marketed in Canada when there is predictive rather than conclusive evidence of clinical benefit in the treatment of serious life threatening diseases. Under this policy the drug product manufacturer is required to continue to study the drug in order to confirm its benefit.

[*Translation*]

Health Canada is involved in several initiatives which ought to simplify the drug examination process. These include development of an electronic drug submission system, harmonization—

The Acting Speaker (Ms. Thibeault): I am sorry to interrupt the hon. parliamentary secretary.

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

(The House adjourned at 7.03 p.m.)

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