



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Wednesday, April 28, 1999**

**Speaker: The Honourable Gilbert Parent**

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# HOUSE OF COMMONS

Wednesday, April 28, 1999

The House met at 2 p.m.

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*Prayers*

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• (1400)

**The Speaker:** As is our practice on Wednesday we will now sing O Canada, and we will be led by the hon. member for Thunder Bay—Atikokan.

*[Editor's Note: Members sang the national anthem]*

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## STATEMENTS BY MEMBERS

*[English]*

### NATIONAL DAY OF MOURNING

**Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.):** Mr. Speaker, today is the National Day of Mourning and I would like to remind my colleagues and Canadians everywhere of the role we can play in preventing work related accidents and occupational illnesses.

As a reminder of and in tribute to those who have lost their lives, the Canadian flag will be flown at half-mast today on Parliament Hill. The importance of protecting the health and safety of all Canadian workers must never be forgotten, especially given the recent tragedy that occurred at VIA Rail.

On behalf of the federal government I extend my deepest sympathies to the victims and to the families of those injured and killed in work related accidents. Together we can work to prevent future tragedies through increased awareness of the need for accident prevention measures. After all, occupational health and safety is everybody's business.

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### ROYAL CITY MUSICAL THEATRE COMPANY

**Mr. Paul Forseth (New Westminster—Coquitlam—Burnaby, Ref.):** Mr. Speaker, the Royal City Musical Theatre Company is alive and well in my riding of New Westminster—Coquitlam—Burnaby.

Unlike the big production theatres, the Royal City Musical Theatre Company is primarily made up of volunteer talent. The theatre is celebrating its 10th anniversary with a lavish production of Rogers and Hammerstein's classic *The King and I*.

My wife and I had the privilege to see this production. I can say that it is visually stunning, with colourful costumes, exquisite dancing and wonderful music with singing to match.

The spin-off to businesses that the Royal City Musical Theatre Company brings to New Westminster is worthy of accolades, but it is the quality and professionalism of the productions which have earned this amateur group the respect of patrons from all over British Columbia and the United States. It is estimated that over 19,000 patrons will see *The King and I* this year in New Westminster between now and May 2.

The theatre is certainly fit for a king and is testimony of what a community can do without much government help. Congratulations to director Ed Harrington, choreographer Dolores Kirkwood and musical directors James Bryson and Lloyd Nicholson for giving opportunity for Canadian talent and for New Westminster to shine.

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### ROYAL CANADIAN MOUNTED POLICE

**Mr. Rey D. Pagtakhon (Winnipeg North—St. Paul, Lib.):** Mr. Speaker, Manitoba, Saskatchewan and Alberta will serve as the stage for the RCMP's 125th anniversary of its historical 1874 March West.

From May 8 to July 25 the RCMP, with hundreds of volunteers, will re-enact their first crossing of the prairies by the frontier police and celebrate the contribution to the settlement of Canada.

This event will create the opportunity for citizens within the prairies and beyond to travel together the beauty of Canada's western landscape, thereby enhancing the RCMP's tradition.

The positive influence of the RCMP officers on the Canadian west has truly extended to include the whole nation. By their commitment to serve and protect they provide a symbol of pride and security for all Canadians.

Indeed, this anniversary, which is not merely of the past nor the present but of the future, deserves the jubilation of all Canadians.

*S. O. 31*

[Translation]

### JACQUES PARIZEAU

**Mr. Yvon Charbonneau (Anjou—Rivière-des-Prairies, Lib.):** Mr. Speaker, the new guru of the Bloc Québécois, Jacques Parizeau, continues to discredit himself and to blow with the wind.

A few years ago, this wise economist swore only by a Quebec currency. During the last referendum, he placed all his faith in the Canadian dollar. Now, or the past two weeks, he has been proclaiming his faith in the U.S. dollar. He said "When one has set an objective one wants to attain, one pushes any obstacles out of the way. I will become an advocate of the U.S. dollar just as I was before of the Canadian dollar".

Seeing the flip-flops he is capable of, I would recommend he join the *Cirque du Soleil*.

This same man claims that Canada is becoming centralist and refuses to allow Quebec to be part of Canadian delegations. Nothing could be more incorrect, as the Minister of Canadian Heritage has shown with her invitation to the Quebec Minister of Culture to join in the Canadian delegation for the next meeting in Mexico, and to speak there.

Once again, Mr. Parizeau has shown himself for what he is: a bad prophet and a bad adviser.

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[English]

### NATIONAL DAY OF MOURNING

**Mr. Carmen Provenzano (Sault Ste. Marie, Lib.):** Mr. Speaker, the Canadian flag flies at half-mast on Parliament Hill today as we observe a day of mourning for workers killed or injured in the workplace.

According to the Canadian Labour Congress, nearly 1,000 workers die each year because of their workplaces. Another million are injured or acquire an occupational illness.

On this day of mourning I would like to pay tribute to all those who attempt to build safer and healthier workplaces. In my riding of Sault St. Marie, employers and employees of many companies have recognized that by working together in the spirit of co-operation and mutual responsibility they can help to prevent workplace injury and deaths and that they can together make healthier workplaces.

As we enter a new millennium let us renew our commitment to the safety and health of Canadian workers.

### HEPATITIS C

**Mr. Grant Hill (Macleod, Ref.):** Mr. Speaker, today is the anniversary of a vote in the House on hepatitis C.

We listened to the excuses of the health minister, excuses that this would set a precedent, that it would break medicare and that there were too many victims.

• (1405)

Ontario, however, decided to compensate and now Quebec is moving down that same road. Over 60% of the victims of hepatitis C in this country will therefore receive some sort of compensation.

The Prime Minister says that everyone has forgotten about this issue. I want to let him know that victims have not forgotten, their families have not forgotten, the opposition has not forgotten and Canadians have not forgotten. Hepatitis C lives on.

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### YOUTH ENTREPRENEURSHIP

**Mr. Steve Mahoney (Mississauga West, Lib.):** Mr. Speaker, as chair of the Prime Minister's task force on youth entrepreneurship, I have had the privilege in the past few months of meeting some very creative and determined young Canadians.

They are entrepreneurs, they are techno-wizards, ice cream makers, wedding planners, private detectives and animators. Some of them were actually youth at risk who are now making positive contributions to their country and to their communities.

They have come before our task force, not with their hands out for cash, but with good suggestions on how we can encourage more youth to join their ranks.

They are our future and I want the young entrepreneurs of Canada to know how impressed we in the task force are with their accomplishments. We know that members in this House will look forward to our report to the Prime Minister this fall in celebrating youth entrepreneurship in Canada.

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[Translation]

### JAM DES NEIGES

**Ms. Hélène Alarie (Louis-Hébert, BQ):** Mr. Speaker, I am pleased to announce that, to mark the arrival of the third millennium, a scouting jamboree will be held from December 27, 1999 to January 5, 2000. The Jam des Neiges will bring together in the capital, Quebec City, on the Plains of Abraham, 10,000 scouts, both boys and girls, aged 14 to 18, from all over the world.

The scope of this winter camping event is a world first. We will be paying tribute to the world scouting movement by hosting young people from Europe, Africa, the United States, South America, Canada and Quebec.

The Jam des Neiges will house participants in five huge villages, each accommodating about 2,000. The scouts will be involved in some one hundred different activities, games, workshops, presentations, exhibits and exchanges.

Every day for 10 days, more than 45,000 meals will be served, and nearly 15,000 participants and volunteers will visit museums, movie theaters, observatories, outdoor centres, ski centres and other sports facilities.

The Jam des Neiges will be a unique event, and a major challenge. Let us prepare to welcome it.

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[English]

### THE ECONOMY

**Ms. Beth Phinney (Hamilton Mountain, Lib.):** Mr. Speaker, Canada's economy continues to grow under the strong leadership of the Liberal government.

Over half a million jobs have been created since December 1997. Nine out of ten of these new jobs are full time. Over 140,000 jobs have been created for youth. More Canadians over 15 years of age are now working than at any point in almost 10 years.

Short term and long term interest rates remain close to their historic lows. Inflation remains near its lowest rate in three decades. Also the unemployment rate has fallen to 7.8%, its lowest rate since June 1990.

Continued fiscal responsibility by this government and its Minister of Finance will mean one thing: Canada will continue to be an economic powerhouse.

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### NATIONAL DAY OF MOURNING

**Mr. Dale Johnston (Wetaskiwin, Ref.):** Mr. Speaker, April 28 has been designated as the national day of mourning to recognize workers who have been injured on the job and to honour those who have lost their lives in work related accidents.

The importance of this day becomes clear when we learn that on average three workers are killed every day and hundreds of Canadians are injured on the job each year.

Despite new age technologies and an abundance of safety first warnings, there was a 50% increase in fatalities in the federal jurisdiction in 1997.

### S. O. 31

As we approach the new century, new challenges will arise and new diseases and workplace illnesses will emerge.

The unprecedented rise in workplace violence requires special vigilance. We cannot ignore the sufferings of our colleagues and we must learn to recognize the danger signals.

Let us use this national day of mourning as a wake-up call to identify and eliminate potential hazards. Workers help to make this country productive and we have a responsibility to ensure that workplace health and safety are a priority.

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[Translation]

### CANADIAN FEDERATION

**Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.):** Mr. Speaker, once again the future of the federation will be the focus of major debate in the coming months.

My message will be a positive one. I want simply to mention that Canada includes all Canadians in a land whose wealth and resources we share in order to ensure an ever better quality of life for the present generation and for future ones.

• (1410)

In short, the Canadian federation offers Quebec every opportunity to occupy its rightful place. We must hope that governments will work in a spirit of co-operation to enable Quebecers to enjoy all Canada has to offer. Long live Canada.

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[English]

### NATIONAL DAY OF MOURNING

**Mr. Peter Mancini (Sydney—Victoria, NDP):** Mr. Speaker, I rise today on behalf of my party in respect of working people in Canada and around the world to mark the international day of mourning for workers who have been killed at work or suffered work related accidents and illnesses.

Over one million work related deaths occur annually, while hundreds of millions of workers suffer from workplace accidents and occupational exposure to hazardous substances worldwide.

In Canada, a thousand workers are killed on the job annually and close to one million will suffer some form of injury or illness. Many members of our federal public service still remain without even basic workplace health and safety protection.

On this national day of mourning, the NDP joins with workers and their families nationwide in urging the government and members of the House to stand up for working people and put an end to workplace tragedies.

*S. O. 31*

[Translation]

**WORK ACCIDENTS**

**Mr. Gérard Asselin (Charlevoix, BQ):** Mr. Speaker, on this national day of mourning for people who have been killed or hurt at work, the Bloc Québécois would like to point to the amount of progress that has been made in recent decades in work accident prevention and victim compensation.

However, accidents of varying degrees of seriousness continue to occur often. These accidents are always dramatic.

The measures and actions taken to prevent such accidents must be strengthened. In this regard, the wind of deregulation blowing across the world, including Canada, should give us cause for concern.

As regards financial compensation to accident victims, we regret that the federal government has yet to adopt a fairer universal system, like the one adopted by Quebec a long time ago. An effective prevention policy and a fair compensation system are the solution for the future.

To the families that have lost one of their members and to workers who have been in an accident and their families, we offer our sympathies.

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[English]

**CHARLOTTETOWN ABBIES**

**Mr. George Proud (Hillsborough, Lib.):** Mr. Speaker, I rise today to congratulate the Charlottetown Abbies on their recent victory at the Fred Page Cup in Charlottetown.

As a result of their victory at the Fred Page Cup, the Abbies earned the right to represent eastern Canada at next week's Royal Bank Junior A hockey championship in Yorkton, Saskatchewan. The Charlottetown Abbies eliminated the Hawkesbury Hawkes 2-0 last Sunday before a crowd that packed the Charlottetown Civic Centre.

A first period goal by Randy Taylor, a third period goal by Ryan Maxwell and the shutout goaltending of Mark Cairns propelled the Abbies to their first ever Fred Page Cup victory.

This marks the first time that the Charlottetown Abbies have won a chance to go to the Royal Bank Cup. It is the culmination of years of hard work and determination, and a coaching staff that is second to none.

I was reminded how thrilling Junior A hockey can be and it is a great honour to have a championship Junior A team within my riding.

I congratulate all members of this organization on their fine job and wish them the best of luck in Yorkton, Saskatchewan.

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**OPERATION RESPOND**

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, yesterday the transport minister stated that of the 27 million shipments of hazardous goods travelling through Canada annually, less than 1% is a problem. That would mean that approximately 270,000 shipments are dangerous to Canadians.

Firefighters who saw MPs on the Hill this week, who visited me yesterday, stated that to implement Operation Respond across Canada, the cost would only be \$236,000. I believe that the lives of our firefighters are well worth that cost. These brave men and women need to have information before going into situations that can jeopardize their lives, as well as the lives of other Canadians.

Operation Respond will get that information to them quicker and, in conjunction with CANUTEC, will give our firefighters the necessary data to do their jobs.

We know through results in the United States that the system works well. I ask the minister to give these brave people the tools they need to survive and to do their jobs.

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**HIGHLY INDEBTED POOR COUNTRIES**

**Mr. Alex Shepherd (Durham, Lib.):** Mr. Speaker, the poorest countries in the world are being made poorer because they are increasingly having difficulty servicing their debts owed to developed countries such as Canada.

I was pleased to take part in the 101st conference of the Interparliamentary Union in Brussels. It dealt with this very point. The most highly indebted poor countries, or HIPC's as they are known, are increasingly redirecting their expenditures away from their own domestic populations in areas of health care and education in order to service their debts.

Canada put forward a resolution requesting that debtor and creditor nations quickly convene a meeting to work out an accountability framework which would see an enhanced acceleration of the forgiveness of these debts.

● (1415)

The gap between rich and poor nations is greater than ever before. Citizens of the richest countries, the top 20%, consume 86% of the world's goods. The poorest 20% consume a mere 1.3%. The ability of these nations to lift themselves out of poverty is being choked off by massive debt.

Early action on this recommendation is required to—

**The Speaker:** Order, please.

*Oral Questions***ORAL QUESTION PERIOD***[English]***HEPATITIS C**

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, one year ago today the Prime Minister crushed the hopes of thousands of hepatitis C victims. He did this by forcing his members to vote against a motion calling for compensation for all victims of the tainted blood scandal.

It has been one year. What does the Prime Minister have to say to the families of the 800 hepatitis C victims who have died during the year without any financial help?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, the court will shortly have before it for approval an agreement reached by representatives of those with hepatitis C and the governments, all governments, which will provide payments to those persons over many years to come.

In addition, of course, last September I proposed to my provincial colleagues that the Government of Canada share half the costs of medical expenses beyond what are provided by insurance over the lifetime of those with hepatitis C.

The government has responded in a way that is important. We have offered care to those who are ill.

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, after that vote a year ago the Prime Minister fell back on the two tier approach to caring for hepatitis C victims.

He promised financial compensation for those who got sick from tainted blood between 1986 and 1991, and he ruled out compensation for anyone outside those years.

Why has the Prime Minister broken even his limited promise and failed to pay out a single cent in compensation to any hepatitis C victim?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, those who will receive payments will receive payments over their lifetime if the court approves the agreement, depending on their level of sickness, which is exactly what they should receive.

The cornerstone of our approach to this tragic and difficult issue has been to respond to the medical needs of those who were infected, to make sure that everybody infected by hepatitis C as a result of the blood system will have access to the medical services and the care they need without making payments from their own pocket.

**Mr. Preston Manning (Leader of the Opposition, Ref.):** Mr. Speaker, we do not want to hear from the government's lawyer on this case. We want to hear from the Prime Minister.

Over the last year the Ontario government set up a program and started compensating victims of hepatitis C. The Government of Quebec is contemplating the same thing.

How much longer will victims of hepatitis C have to wait before the government calls off the bureaucrats, calls off the lawyers, and does something to compensate these hepatitis C victims?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, this is an example of why our caring approach is far better than the political approach taken in Ontario.

Ontario offers \$10,000 per person once in their lifetime. Ten thousand dollars is the approximate cost, if they are not covered by insurance, of one regimen of Interferon which the victims sometimes take for their treatment.

We have offered to provide care for their lifetime, for their whole lifetime. That is the approach Canadians want to see us take.

**Mr. Grant Hill (Macleod, Ref.):** Mr. Speaker, behind closed doors here is the Prime Minister's response to the hepatitis C anniversary. He told Liberal MPs that they should be grateful to him for imposing the party line, because after one year nobody remembers what is going on.

Joey Haché remembers what went on. The victims of hepatitis C whom I met in Montreal on Monday know what is going on.

Why does the Prime Minister not just admit that he hopes everybody will forget what happened one year ago on hepatitis C?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, let us put aside the political approach to these victims and let us look at the care that those who are sick really need. Let us focus on the medical care and attention those who are ill will need. That has been our focus.

• (1420)

We have offered the provinces a way to ensure for all the years of their lives that those who were infected with hepatitis C can have access to medical services and care without paying from their pockets. That is the humane approach to this issue.

*[Translation]*

**Mr. Grant Hill (Macleod, Ref.):** Mr. Speaker, the Prime Minister is proud of having denied compensation to all the victims of hepatitis C. He boasts that, after a year, no one remembers this tragedy. The victims and their families remember. Canadians remember. And we remember.

Is the Prime Minister proud that 800 victims have died, abandoned by his government? Is he proud of that?

*Oral Questions**[English]*

**Hon. Allan Rock (Minister of Health, Lib.):** Yes, Mr. Speaker. The point is that if those who are infected with hepatitis C need care they ought not pay out of their own pockets for that care, for the cost of drugs that are not within insurance or for nursing services that they may need as their lives go on.

We have proposed to the provinces a way to pay these expenses so those who are ill need not pay from their own pockets. We believe that is the right approach to this issue.

\* \* \*

*[Translation]***KOSOVO**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, after 36 days of air strikes, newspapers are carrying photographs of mass graves on their front pages. Eight hundred thousand Albanians are facing famine. Refugee camps are overflowing. This conflict must end as soon as possible and perhaps the most effective way of achieving that is to deprive Milosevic's war machine of oil.

With Canada increasing the number of diplomatic missions, has the Prime Minister been assured that all NATO countries are not at present supplying oil in a roundabout way to Milosevic's regime?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, that was the decision taken by government representatives in Washington on the weekend. They decided to ensure that, while the refineries are being bombed, oil is not shipped through other provinces of Yugoslavia.

That was the decision taken and Canada intends to participate fully in this embargo.

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, Canada's position is clear and is to its credit.

However, we have learned that Texaco supplied 65,000 barrels of oil on April 10, two weeks after air strikes began, at the very time the refineries were being bombed and our planes were in the area. Such an attitude is wrong and, to date, only Texaco has said that it will not supply any more oil.

Is it not time the Prime Minister called President Clinton and made sure that no American oil company supplies Milosevic's regime? Unless he does, we are shooting ourselves in the foot and endangering the lives of troops, in addition to completely missing the boat.

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the decision was taken by Canada, as well as by the U.S. government. American companies have been accused of not re-

specting the embargo. If this is true, it is deplorable, because President Clinton gave an undertaking to the 18 other heads of state present in Washington that the U.S. would fully support the oil embargo.

**Mr. René Laurin (Joliette, BQ):** Mr. Speaker, in addition to the diplomatic measures that must be intensified, one way to put a quick stop to the conflict is to paralyze the Serb war machine by depriving it of oil. Without oil, even the best tank is worthless. It is easy to understand.

In its diplomatic efforts, has the government taken steps with the leaders in Montenegro to discuss ways of cutting supplies to Serbia without paralyzing Montenegro?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the way to go about it is to not let oil into Montenegro. It is part of Yugoslavia, not a foreign country. It is a province of Yugoslavia.

I hope we will take steps to prevent oil from entering through Montenegro. One way to do so would be to cut the roads or the railroads that might be used to carry oil from Montenegro to Serbia. I think this is part of future military plans.

• (1425)

**Mr. René Laurin (Joliette, BQ):** Mr. Speaker, the Deputy Prime Minister of Montenegro has said he has oil reserves to last two months approximately and that he would fight to defend them, should Belgrade try to get around a blockade by raiding Montenegro's oil supply.

As NATO made a commitment on the weekend to protect all the countries around Yugoslavia in the event of Serb aggression, what has the Prime Minister to say to the Government of Montenegro, which is saying it is prepared to take up arms against Milosevic to protect its oil reserves?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, if the Deputy Prime Minister of Montenegro said that, so much the better. However, Serbian soldiers are in Montenegro. It is a province of Yugoslavia.

So, it is preferable to prevent oil from entering Montenegro than to send it back there. Part of the population in this province is Serb, as is the army.

*[English]*

**Mr. Svend J. Robinson (Burnaby—Douglas, NDP):** Mr. Speaker, my question is for the Prime Minister. Yesterday the respected Russian envoy, Viktor Chernomyrdin, said "Ending or even temporarily suspending NATO's missile and bomb strikes would open up a good chance of settlement".

Will the Prime Minister urge our foreign minister to take this proposal in the context of a mutual ceasefire to Moscow, to NATO, to clear the way for negotiations for peace talks and for an end to

*Oral Questions*

the human and environmental tragedy of the war in Kosovo? Will he put that on the table now?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, it is very clear the position of NATO is that if Mr. Milosevic withdraws his troops we will immediately stop the bombing.

We have clearly put the condition that if he stops and takes away his troops, we will be able to move with peacekeepers to guarantee the freedoms that are needed for the people in Kosovo and we will stop the bombing.

It is up to Milosevic to take away his troops who are doing the cleansing and the murdering and all the atrocities that we still hear about every day. Some new ones were reported today. If he wants to stop the bombing it is very easy. If he takes his troops back to Belgrade then we will stop bombing.

**Mr. Svend J. Robinson (Burnaby—Douglas, NDP):** Mr. Speaker, my supplementary question is for the Prime Minister. Yesterday Canadian General Henault said that the 800 Canadian troops in Kosovo will do "whatever NATO supreme command identifies as the mission".

Will the Prime Minister now tell Canadians why our forces may be sent into combat duty in Kosovo when U.S. General Wesley Clark wants them but why the House will not be allowed to vote on this life and death issue affecting Canadian men and women in the armed forces?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, it is very clear that they are going there to be peacekeepers. In the meantime they will be helping with the tragedies that are occurring on a daily basis in Macedonia and in Albania. They are there for that.

If ever the mission were to be changed I said that we would come back to the House of Commons.

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, a government is about leadership and yesterday the Liberal government showed its lack of it by refusing to answer my question about passing an order in council to provide the proper benefits for our brave soldiers serving in the Balkans.

Canadians want to know if the minister of defence and his government will show true leadership and pass the necessary order in council to provide pay and veterans benefits to our troops serving in the Balkans.

**Hon. Arthur C. Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, as I said yesterday, we will certainly provide the appropriate pay and benefits.

In fact the area was declared back in 1992 to be a special duty area. That included all parts of what were then Yugoslavia, including the area where our troops would be deployed for peacekeeping purposes and where they will be stationed in Macedonia. That clearly covers them.

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, as I stated yesterday in the House, we checked with the legal counsel of the House of Commons and they stated it does not cover them.

My question is about leadership. The minister of defence and his advisers know that they do not have these benefits secured for our troops.

• (1430)

Once again I am going to ask him: Will the government show leadership and pass the appropriate order in council and make it retroactive to ensure benefits for our brave soldiers in the Balkans?

**Hon. Arthur C. Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, as I said a moment ago, we believe we have it covered. However, because of the hon. member's concern, I am having the matter double checked with our lawyers to make sure that in fact we are covering all of our troops. I think that is one thing we would agreed on. We want to make sure that we treat them in the proper way.

**Miss Deborah Grey (Edmonton North, Ref.):** Mr. Speaker, if NATO sends in ground forces to Kosovo our troops will likely be asked to help. Unfortunately our equipment is limited to peacekeeping roles only.

The auditor general has pointed out that the new Coyote reconnaissance vehicles are not able to take enemy fire. I was in a Coyote last week and they still have the old VHF radios. That makes them sitting ducks.

Why will the Prime Minister not just admit that our troops do not have the equipment they need to engage in a ground war?

**Hon. Arthur C. Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, they are being authorized to go for a peacekeeping mission and they are being deployed for that purpose. They are combat capable. That is part of their general training. The equipment they are taking is among the best. The Coyote has in fact state of the art surveillance capability. It is well protected and has all of the things needed. I think the hon. member must have outdated information.

In fact, all of the vehicles, the Coyotes, the Bisons and the Griffons, that are going are all less than nine years of age, each one of them.

**Miss Deborah Grey (Edmonton North, Ref.):** Mr. Speaker, the auditor general takes some exception to the minister, and I know who I would believe in a pinch.

The auditor general has also made comments about the Griffon helicopters. They have a limited reconnaissance capability. Both the Coyotes and the Griffons are only suited for peacekeeping roles. It is one thing for the minister to say it is only going to be peacekeeping, but once they are on the ground there and if it heats up, I think the minister knows that they may be in for a bigger battle than they expect.

*Oral Questions*

Can the Prime Minister guarantee—hello—that our troops and equipment will not be sent into the ground war, yes or no?

**Hon. Arthur C. Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, I think the hon. member needs a big wake-up call because she does not understand the fact that we are ensuring that our people have the proper equipment they need to do the job.

The Griffon is a very good utility helicopter. It has proven its benefit in Haiti. It has proven its benefit in Honduras during hurricane Mitch. It proved its benefit during the ice storm here. It does a very effective job. All of the equipment that is going with these people is among the best. It is totally interoperable with our allies.

\* \* \*

[Translation]

**HEPATITIS C**

**Mrs. Pauline Picard (Drummond, BQ):** Mr. Speaker, the federal government has established a shared-cost program with the provinces for the victims of tainted blood. But, when it comes to the cost to the provinces of looking after all victims, the Minister of Health would have us believe that the special \$300 million contribution is not a new shared-cost program.

Why is the federal government using semantics to deny Quebec its fair share of this new shared-cost program, as it promised to do in the 1996 throne speech?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, the federal government's position is very clear. Eight or nine months ago, we offered \$300 million in order to share with the provinces the cost of medical services required by those who were infected.

I hope that Quebec will accept this offer. Quebec's health minister, Ms. Marois, has not yet replied to my letter. I therefore have my own question for the hon. member: Will Quebec accept our offer?

**Mrs. Pauline Picard (Drummond, BQ):** Mr. Speaker, since the last budget was brought down, the federal government's contributions to social assistance, education and health programs have no longer been based on the number of recipients, but on the demographic weight of the provinces. In the case of hepatitis C, however, the federal government is reverting to the number of recipients.

Why is this government using demographic weight in its calculations only when it suits it, when this penalizes victims in Quebec?

• (1435)

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, our position is very simple. We want to help victims. To that end, we have offered money. Will Quebec accept our offer, yes or no?

\* \* \*

[English]

**TAXATION**

**Mr. Monte Solberg (Medicine Hat, Ref.):** Mr. Speaker, hockey clubs, high tech companies, small businesses and families are now calling for across the board tax relief. The line of people is getting longer and much louder.

Yesterday the president of Canada's largest high tech company, Nortel, said his company is ready to pull up stakes and move to the United States unless the government gets real and starts to lower income taxes.

How much more evidence does the government need? How many more reports does it need? How many more jobs must be lost? How many more hockey clubs have to threaten to pull out before the government gets real and starts to cut taxes?

**Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.):** Mr. Speaker, in every one of our six budgets we have recognized the need to bring down taxes. We have done so. We started, even when we were in deficit, bringing down taxes for the voluntary sector, for working families and for Canadians with disabilities.

In the last two budgets we have introduced \$16.5 billion in tax cuts over the next three years. This is our commitment to tax cuts.

**Mr. Monte Solberg (Medicine Hat, Ref.):** Mr. Speaker, that will be two minutes for roughing the taxpayer and a five minute major for high taxing.

The fact is that for six years the government promises and tells us how concerned it is about taxes. For six years all these people I have just mentioned have been waiting patiently. They are tired of waiting.

Can the minister not understand that tax relief delayed is tax relief denied?

**Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.):** Mr. Speaker, the government has and is committed in the future to bringing down personal income taxes but in a way that does not rip apart the fabric of this country. If personal income taxes were the sole determinant of where a business sets up, the Cayman Islands would be the industrial mecca of the world.

*Oral Questions*

[Translation]

**MILLENNIUMSCHOLARSHIPS**

**Mr. Bernard Bigras (Rosemont, BQ):** Mr. Speaker, 50,000 students will not be getting \$3,000 scholarships because that money will be going instead to the creation of a new federal bureaucracy, which will duplicate what is already in place for administering student loans and bursaries.

Since Quebec has already agreed to having the maple leaf on all the cheques, why is the Minister of Human Resources Development stubbornly insisting on creating another costly structure which will not give students anything more?

**Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.):** Mr. Speaker, I am pleased to see the Bloc Québécois getting stirred up about the duplication that exists between the two levels of government. I see this as just one more criticism of the Government of Quebec, which is putting up embassies here and there all over the world, choosing to open still more of them while international affairs are doing just fine.

There is much that could be said of this, but I can tell members one thing, we have—

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

**The Speaker:** The hon. Minister of Human Resources Development.

**Hon. Pierre S. Pettigrew:** Mr. Speaker, the Bloc Québécois takes it for granted that there will not be any agreement with the Government of Quebec, since he refers to duplication.

Yet I can assure hon. members that the National Assembly has unanimously passed a resolution, which would avoid any duplication, and that the foundation is perfectly capable of coming to an agreement with the Government of Quebec on this.

**Mr. Bernard Bigras (Rosemont, BQ):** Mr. Speaker, it takes some nerve to give us such an answer, at a time when there are Quebec students here in Ottawa.

It would be so simple for the federal government to pay Quebec its fair share of the funds, so that the scholarships could be distributed through the existing structures. The bureaucratic costs would be lessened and, as well, the money would end up going to the students.

If the minister really wants to help students, let him give us one good reason for being as stubborn as he is right now.

**Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.):** Mr. Speaker, we can avoid these administrative costs. All that is needed is a workable agreement. And all that this requires is for representatives of the foundation and the Quebec ministry to sit down together and ensure that what is arranged is in

keeping with the National Assembly resolution, which the Bloc Québécois and the Government of Quebec are in the process of denying. They are denying the Quebec National Assembly itself.

• (1440)

The proof that we have the good of students at heart is that we have chosen to celebrate the millennium by putting \$2.5 billion on the table to help them.

\* \* \*

[English]

**PENSIONS**

**Mr. John Williams (St. Albert, Ref.):** Mr. Speaker, the government is rushing a bill through the House that will raid the public service pension plan to the tune of \$30 billion, and the taxpayer will not see one penny of tax relief out of that \$30 billion.

If the government is so comfortable with this record-breaking pension rate, why the rush and why the closure? What is it trying to hide as it rams the bill through this place?

**Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, a sufficient amount of time was taken to fully discuss this.

I would remind the official opposition members that they are the ones who introduced dilatory discussion for the hours that they had. Obviously they did not need all that time.

What is important is that we have a good bill that gives back to taxpayers what is theirs.

**Mr. John Williams (St. Albert, Ref.):** Mr. Speaker, the government thinks four hours is too much. When we think that it did not cancel GST and kept \$20 billion of taxpayers' money, it did—

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

**The Speaker:** Order, please. The hon. member for St. Albert.

**Mr. John Williams:** Mr. Speaker, the government only gave us four hours of debate before it brought in closure. Let us look at the record: \$20 billion in GST that it did not give back to taxpayers; \$26 billion in employment insurance that it has kept from the taxpayer; and now it will take \$30 billion from the employees.

What is the government trying to do? Why the rush? Will it ensure that the employees have a say in what is happening to their pension plan?

**Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, this is the party that tried to delay needed legislation for six months. Obviously we have to question whether its members have the interests of the taxpayers at heart.

*Oral Questions*

We have at heart the interests of the taxpayers. We are giving the civil servants every benefit that is guaranteed in the act. We want to give back to Canadian taxpayers the \$30 billion that is due to them.

\* \* \*

[Translation]

**AMATEUR SPORT**

**Ms. Caroline St-Hilaire (Longueuil, BQ):** Mr. Speaker, in her reaction to the report on sports in Canada, the Minister of Canadian Heritage ruled out the essence of the specific measures intended to support amateur sport. At the same time, the Minister of Industry is preparing to come to the aid of professional sport.

Can the Prime Minister tell us why it is his government's policy not to invest a cent more in amateur sport, but to invest in professional sport, when we all know that the athletes and the team owners are millionaires for the most part?

**Mr. Mauril Bélanger (Parliamentary Secretary to Minister of Canadian Heritage, Lib.):** Mr. Speaker, the government's response has not been tabled in the House yet. We hope to do so in about twenty minutes. We therefore ask the member and other colleagues to wait until the government has tabled its response.

\* \* \*

[English]

**NATIONAL HIGHWAY SYSTEM**

**Mr. Mac Harb (Ottawa Centre, Lib.):** Mr. Speaker, the Canadian national highway system requires repairs and expansion.

Can the Minister of Transport tell Canadians what he is doing to provide leadership for a national solution to this ongoing problem?

**Hon. David M. Collenette (Minister of Transport, Lib.):** Mr. Speaker, I am very pleased to say that there seems to be unanimous approval on both sides of the House for improving Canada's highways. As I have said in answer to questions from hon. members before, it is all a question of financing.

I am meeting with my provincial counterparts on May 14 to look at these issues and to develop a national program. This is a continuation of what we have done since 1991. We will also look at the policy on tolls.

I would be very grateful for the continued support of members both on this side and on the other side.

I should say that there was a successful conference hosted by my colleague from London North Centre a couple of weeks ago that highlighted the urgency of this problem.

\* \* \*

**ABORIGINAL AFFAIRS**

**Mr. Mike Scott (Skeena, Ref.):** Mr. Speaker, yesterday the minister admitted in the House that aboriginal women do not enjoy the same rights as all other Canadian women in this country. She admitted that in the event of a marriage breakdown, aboriginal women most often do not have access to the matrimonial home. She admitted that the Nisga'a treaty does nothing to redress this. As a matter of fact it slams the door on Nisga'a women ever having these rights.

• (1445)

Why is the minister prepared to ratify this treaty when it slams the door on Nisga'a women having the right to matrimonial property as all other Canadian women enjoy?

**Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, in fact I said no such thing. When it comes to matrimonial property in the Nisga'a agreement, provincial laws will apply.

I note that a couple of days ago the hon. member was also talking about the Nisga'a treaty and the issues regarding the labour provisions and he had his facts wrong there.

I suggest before the hon. member asks any more questions about the Nisga'a treaty that he do what I suggested a few days ago which is to go and talk to his constituents, the Nisga'a people, and find out what the treaty is really all about.

**Mr. Mike Scott (Skeena, Ref.):** Mr. Speaker, perhaps if the minister would talk to the grassroots Nisga'a people instead of the chief, she would get the real story. Those people are concerned about their rights. Those Nisga'a women are concerned about their matrimonial rights. The minister by this agreement is slamming the door on the possibility of their ever having equal rights that all other Canadian women have.

I ask the minister again, why is she prepared to enter into an agreement that is going to rob these Nisga'a women of their rights that all other Canadian women enjoy?

**Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, let me point out yet again that the hon. member has his facts completely wrong. In the treaty, provincial laws associated with matrimonial property will apply.

When it comes to talking to grassroots Nisga'a, I have probably been in Nisga'a lands more often than the hon. member and it is his constituency. I suggest that maybe he meet with the chiefs and with

the Nisga'a people so he really understands why this treaty is so very important.

\* \* \*

### HEPATITIS C

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Mr. Speaker, a year has passed since this government ignored its legal and moral responsibility to compensate all victims of hepatitis C. Still nothing for those who were arbitrarily left out after a year. Not a penny of the limited \$1.1 billion compensation package has flowed. He cannot even get his meagre \$50 million community support program up and running.

Yesterday in the House the parliamentary secretary said that these issues will be resolved in the tradition of moderate compromise. Does the Liberal government not get it? It is Liberal compromising that has caused this mess in the first place. Will the Minister of Health stop compromising and start living up—

**The Speaker:** The hon. Minister of Health.

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, in fact the Government of Canada has committed \$1.3 billion to those who are infected with hepatitis C: \$800 million to settle the class action lawsuits from the period 1986 to 1990; \$300 million to ensure that those infected with hepatitis C have access to medical services without paying out of their pocket; \$125 million to help Canada's blood regulation to prevent another tragedy; \$50 million for research; and \$50 million for trace back. The point is to provide for coverage for those who need care.

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Mr. Speaker, what the minister does not say is that none of that money is flowing and there is no care for the people who need it. For a year now we have heard these hollow words about care, not cash. After a year we have no care and no cash.

Does the minister not realize that in the past year 200 victims have died? Has he not read his own study showing that hepatitis C victims are experiencing eight times the normal number of health problems?

Will the Minister of Health finally acknowledge that his plan has utterly failed to improve the lives of hepatitis C victims, and bring forward a just and fair compensation package for all those infected because of government—

**The Speaker:** The hon. Minister of Health.

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, the victims themselves have been at the table this last year arguing for and working on an agreement that is soon going to go before the courts for approval. Once agreed, the payments can begin.

**Mr. Greg Thompson (New Brunswick Southwest, PC):** Mr. Speaker, the government spent \$1 billion to cancel a helicopter deal. That was just the legal fees, no helicopters were built.

### Oral Questions

This is bizarre but the government just spent half a million dollars to help produce a dumb blond joke book. It is unbelievable. But it cannot find 50 cents to help those hepatitis C victims outside that 1986 to 1990 package.

Why can the government not find money to help those innocent victims? Let us see the Prime Minister answer that one.

• (1450)

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, the member could not have been listening when I responded to the member's question about the amounts we have committed to help those who have been made ill with hepatitis C. We are committed to providing the care they need in the future.

\* \* \*

### PUBLISHING INDUSTRY

**Mr. Mark Muike (West Nova, PC):** Mr. Speaker, on the front page of this morning's *Globe and Mail* it is reported that Canada and the U.S. are nearing an agreement on the magazine dispute. According to the article, Canada is willing to allow existing split-run magazines to operate while opening the door to a limited number of new subscriptions. Canadian ownership requirements are also being sacrificed in the deal.

Can the Prime Minister tell this House whether this article is accurate and does he personally support such a settlement?

**Mr. Mauril Bélanger (Parliamentary Secretary to Minister of Canadian Heritage, Lib.):** Mr. Speaker, nothing has changed. The bill that has been approved by this House is under scrutiny in the other place. It is proceeding at pace. There is no agreement. We have said and continue to say that we are open to suggestions, that we will respect the spirit of the bill this House has approved. That is the way things stand now. Discussions are continuing.

\* \* \*

[Translation]

### OCCUPATIONAL ACCIDENTS

**Mr. Bernard Patry (Pierrefonds—Dollard, Lib.):** Mr. Speaker, occupational accidents and disease in Canada continue to be a very serious problem.

My question is for the Minister of Labour. In this day of national mourning, what is the government doing to remember people who have been killed or wounded at the workplace, and, more importantly, to correct the situation?

**Hon. Claudette Bradshaw (Minister of Labour, Lib.):** Mr. Speaker, occupational accidents and disease continue to be a very serious problem in Canada.

*Oral Questions*

In 1997, accidents on the job resulted in over 817 deaths and 800,000 injuries. I am concerned by the number of accidents occurring at Canadian workplaces and their harmful effects on the families concerned.

In order to remedy the situation, I intend to table an amendment, shortly, to the Canada Labour Code for which I seek your support and that of all members of this House.

\* \* \*

[English]

**DANGEROUS OFFENDERS**

**Mr. Randy White (Langley—Abbotsford, Ref.):** Mr. Speaker, good old Robert Hawryshok was sent all alone on a Greyhound bus from Grand Cache prison in Alberta to be detained at Sumas corrections centre in Abbotsford, British Columbia, and guess what? Robert, who is considered a danger to the public, got off the bus somewhere and went astray.

I ask the solicitor general to tell the House, when did it become government policy to give a dangerous criminal a bus pass to get from one prison to another?

**Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.):** Mr. Speaker, these issues are handled by Correctional Service Canada and it decided this was how this individual would be transported.

\* \* \*

[Translation]

**AMATEUR SPORT**

**Ms. Caroline St-Hilaire (Longueuil, BQ):** Mr. Speaker, yesterday, the Parliamentary Secretary to the Minister of Canadian Heritage said that, even though federal funds are used to pay for training trainers—

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

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

**Ms. Caroline St-Hilaire:** Yesterday, the Parliamentary Secretary to the Minister of Canadian Heritage said that, even though federal funds are used to pay for training trainers, the government does not intend to meddle in the internal administration of national teams.

Are we to understand that the government's official position on the serious injustice done Danièle Sauvageau is simply to say that it will not meddle, and to wash its hands of the whole business?

**Mr. Mauril Bélanger (Parliamentary Secretary to Minister of Canadian Heritage, Lib.):** Mr. Speaker, before complaining

about unfairness and discrimination and making unsubstantiated charges, the member would perhaps do better to get the facts.

Twice in the last seven years, the team was headed by Quebecers. Even team members supported the decision that was taken.

That having been said, I repeat that it is not up to the government to select trainers. The government's role is to create programs and ensure that they run properly, and that is what we are doing.

\* \* \*

[English]

**ABORIGINAL AFFAIRS**

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, a few moments ago the minister of Indian affairs told this House that she understands the historical significance of the Nisga'a treaty, but it will mean nothing unless the federal government makes it clear that it is willing to live up to its commitment to approve and ratify this agreement.

• (1455)

I ask the minister, when will the legislation be brought forward? There should be no stalling, no excuses and no delays. The Nisga'a have waited far too long for justice. We want a clear answer from the minister. When will the legislation come to the House?

**Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, the legislation will come to the House when we are ready.

I will reiterate the strong commitment the government has, and it is a proven commitment to this treaty, to ensure that it is passed into legislation in Canada.

\* \* \*

**GOVERNMENT CONTRACTS**

**Mr. Gilles Bernier (Tobique—Mactaquac, PC):** Mr. Speaker, on Monday the Federal Court of Appeal ruled that public works unfairly adjusted its bidding rules so that it could award an \$8.5 million software contract to U.S. based Microsoft over Corel of Ottawa.

We already know the government does nothing to help Canadian high tech companies keep Canadian graduates working in Canada, but when will it stop its illegal bidding practices that discriminate against Canadian companies in favour of American ones?

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, I am aware of the judgment. My department, in co-operation with the justice department, is analysing the judgment. Whenever we complete the analysis we will make our decision known.

*Oral Questions***SMALL BUSINESS**

**Mr. John Harvard (Charleswood St. James—Assiniboia, Lib.):** Mr. Speaker, my question is for the Secretary of State for Western Economic Diversification.

The Prime Minister's task force on the four western provinces heard from a number of small businesses and business groups during its recent meetings in Manitoba. These groups consistently called for additional federal support for small and medium size businesses.

Will the secretary of state tell the House what his department is doing to meet the needs of small businesses across western Canada?

**Hon. Ronald J. Duhamel (Secretary of State (Science, Research and Development) (Western Economic Diversification), Lib.):** Mr. Speaker, yesterday I was in Edmonton. On behalf of the Government of Canada I had the honour of announcing \$90 million over five years in operational funds for 90 community futures development corporations that cover virtually the whole of western Canada.

These organizations are run by local volunteers. They work with partners in assessing the community and economic development needs of their communities. They provide a wide range of services to the private sector, particularly the small businesses. This is good—

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

**The Speaker:** The hon. member for Langley—Abbotsford.

\* \* \*

**DANGEROUS OFFENDERS**

**Mr. Randy White (Langley—Abbotsford, Ref.):** Mr. Speaker, I am not through yet. I have heard it all in my area: golf courses in prisons and a first degree murderer bringing in a horse to ride in prison. Now a man considered dangerous by police who is doing five years for armed robbery got a bus ticket from an Alberta prison with a request to go to another facility unescorted.

I would like the solicitor general to tell the House that under no circumstance will prison inmates receive unescorted bus passes to go from one prison to another.

**Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.):** Mr. Speaker, if my hon. colleague really wanted an answer on a specific issue, he would give me notice. The fact is my hon. colleague just wants to put on a show with his question.

[Translation]

**YOUNG OFFENDERS BILL**

**Mr. Michel Bellehumeur (Berthier—Montcalm, BQ):** Mr. Speaker, the flexibility of the new young offenders legislation is a myth. In fact, under the legislation, Quebec's courts will have to hand down sentences similar to those given adolescents elsewhere in Canada for the same offence.

When will the Minister of Justice wake up and realize that Quebec's approach is seriously threatened, particularly by the principle of harmonized offences in the bill?

[English]

**Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, I wish the hon. member would wake up and stop spreading these misrepresentations and half truths.

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

• (1500)

**The Speaker:** Order, please. I would ask the hon. minister to withdraw the word misrepresentations.

**Hon. Anne McLellan:** Mr. Speaker, I withdraw those words. In fact, what I would do is call upon the hon. member and all those wherever they live in the country who care about the challenges of youth justice to understand that the proposed youth justice legislation represents a balanced approach, understands the diversity of approach in the country and will permit Quebec to continue to deal with young offenders in the way it always has.

\* \* \*

**HEPATITIS C**

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, my question is for the Minister of Health.

Last summer Joey Haché travelled across the country collecting over 35,000 signatures asking for fairness in compensation for victims of hepatitis C. Joey Haché was with us today in Oral Question Period and a lot of people who have hepatitis C are watching what is happening here.

I want to give the Minister of Health an opportunity to speak directly to Joey Haché and others who suffer from hepatitis C and to tell them why they have not been fairly compensated with a just compensation and why it has not been done over the last several months.

**The Speaker:** The hon. minister will of course address himself to the Chair.

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, as I said earlier in Oral Question Period to anybody who is listening,

*Routine Proceedings*

the government has acted on something that perhaps the opposition does not recognize.

We acted on a principle. That principle was that those who are ill deserve care, not cash but care. Those who became ill because of the public blood system will get the care they need for their whole lives if the provinces will accept our offer.

We have offered to share the costs for the whole of their lives to make sure that any medical service they need, whether it is drugs that are not covered by insurance or nursing care, is provided without those people paying from their own pockets.

\* \* \*

**PRIVILEGE**

MEMBER FOR PROVENCHER

**The Speaker:** Earlier this week one of our colleagues in the House, the hon. member for Skeena, raised a question of privilege wherein he alleged that another of our colleagues whom he mentioned in his statement, the hon. member for Provencher, evidently made a statement in the House and the information could only have been forthcoming, as I understand the allegation, from a meeting which was held in camera.

• (1505)

We heard the hon. member's allegations to the House and I decided that I would wait to hear from the hon. member for Provencher himself on these allegations. The member for Provencher is with us and I recognize the hon. member for Provencher.

**Mr. David Iftody (Provencher, Lib.):** Mr. Speaker, on April 22, 1999, in responding during question period to the hon. member for South Surrey—White Rock—Langley, I made reference to remarks made by the hon. member for Skeena at the Standing Committee on Aboriginal Affairs and Northern Development.

In making this reference, without malice to the hon. member for Skeena and completely unintentionally, I overlooked the fact that the proceedings to which I referred were in fact in camera proceedings. I now of course fully recognize that I absolutely should not have made reference to such in camera proceedings. To have done so was a serious error that should not have occurred even in passionate debate during question period.

When the matter was brought to my attention by my House leader, I resolved immediately to set the record straight and address the matter on my first day back in the House. I have great personal respect for the dignity of the House, its traditions, practices, proceedings and, most of all, its members.

I therefore offer my apologies to the Chair, to members of the House, to members of the Standing Committee on Aboriginal Affairs and Northern Development and, most important, I offer my apology to the hon. member for Skeena. Now, Mr. Speaker, I respectfully submit this to your hands.

**The Speaker:** There are times in the House when we do say things. The hon. member not only has made a withdrawal to the House, to the hon. member for Skeena and to the members of the committee, but he has also offered an apology which is even one step beyond.

I accept, in the name of the House, this apology. This matter is now closed.

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[Translation]

**ACCESS TO INFORMATION ACT**

**The Deputy Speaker:** I have the honour, pursuant to section 38 of the Access to Information Act, to lay upon the table a special report of the information commissioner.

[English]

This report is permanently referred to the Standing Committee on Justice and Human Rights.

**ROUTINE PROCEEDINGS**

[Translation]

**COMMITTEES OF THE HOUSE**

CANADIAN HERITAGE

**Mr. Mauril Bélanger (Parliamentary Secretary to Minister of Canadian Heritage, Lib.):** Mr. Speaker, I have the honour today to table, in both official languages, the government's response to the sixth report of the Committee on Canadian Heritage, entitled "Sport in Canada: Leadership, Partnership and Accountability; Everybody's Business". The response will be available on the Canadian Heritage and Sport Canada web sites.

I would like to congratulate all of the members of the subcommittee who prepared this report. It will most certainly advance the cause of sport in Canada.

\* \* \*

[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 11 petitions.

• (1510)

## COMMITTEES OF THE HOUSE

### CANADIAN HERITAGE

**Mr. Randy White (Langley—Abbotsford, Ref.):** Mr. Speaker, I move that the sixth report of the Standing Committee on Canadian Heritage presented on Thursday, December 3, 1998, be concurred in.

It is important to note that there were some issues from the particular report tabled in the House. One of the issues is televised committees, which I want to address through this discussion.

Hon. members will find that the people who were travelling on this report need not have done so, had the particular committee televised its proceedings. I do not believe the committee could have televised its proceedings because the rules are such that they do not permit it, and I will tell hon. members why.

We have gone through this issue in the House and we will continue to go through it in the House until we find some way to deal with it properly.

We had a report come from the Standing Committee on Procedure and House Affairs, for instance, that dealt with televised committees. I will read one of the recommendations of that committee: "Members feel that it would now be appropriate to extend the coverage of committee proceedings. To permanently equip another room for broadcasting committees, however, is not feasible or desirable at this time, both because of the cost involved and the ongoing renovations on Parliament Hill". This issue was unanimous in that committee.

I guess what I want to talk a bit about is what exactly is wrong with committees in the House of Commons. I have my colleagues here going from—

**The Deputy Speaker:** I hesitate to interrupt the hon. member. I know that a general discussion on committees might be of great interest, but the report that the hon. member is debating is one on sport in Canada, and I know he will want to bring his remarks within the tenor of the report.

**Mr. Randy White:** Mr. Speaker, I did and I am. I am telling the House—

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

**Mr. Randy White:** Mr. Speaker, I tend to do that, I am sorry.

I am trying to express to the House what is in this report on sport in Canada. I am trying to express to the House what the problems are with that report.

### *Routine Proceedings*

There are two problems with that report. One of the problems is that members in the House have a great deal of difficulty understanding why it is we go into a committee meeting, a report comes into the House and it is not dealt with.

The other difficulty I am having with it is: Was it necessary for the committee on sport in Canada to travel to Toronto when in fact if it were televised it need not have made the trip?

Therefore, I am trying to express to the Chair how it is that we do not have televised committees. If we had had televised committees, we would not have had to travel to Toronto to talk about sport.

• (1515)

The difficulty the House is having on this side, and I know the government has had this difficulty before, is that when members of the House of Commons go to a committee, for instance the committee on sport in Canada, they expect two things: first, to have good debate on the issue, and second, that something will happen on that issue when a report is tabled in the House. We do not expect it to go into the dustbin of the House of Commons, and that is what is happening. The report on sport in Canada has gone to the bottom of the hockey bag, as my hon. colleague says.

This is much more serious than may be understood by the other side. The problem in the House of Commons is relevance. We are in the House today, and I see five members across the way—

**The Deputy Speaker:** I know that the hon. House leader of the official opposition is doing his best to remain in order, but he knows it is quite contrary to the rules to refer to the presence or absence of members of the House and I invite him to refrain from that sort of comment.

**Mr. Randy White:** Mr. Speaker, I apologize. There are six. I will not do that again.

We are talking about the relevance of members of parliament. We on this side expect to attend committees, we expect work to get done, we expect a report to be produced or legislation to be returned to the House, and we expect something to be done with it.

It is no different than issues like petitions. Most people in this country understand that when a petition comes into the House of Commons virtually nothing is done with it. We have time and time again gone across the way and said "Listen, 100,000 people the other day signed a petition", but all they get back is one letter. There is no action. We have to make changes.

The committee process is the same. We tried to make changes. We tried, for instance, to get television coverage of committees. That was one example and it could have been done at the committee on sport in Canada, but it was not.

This is what we want. It includes this particular report I am talking about. We want, as does the media, equal access to

*Routine Proceedings*

committees; not to show members' faces, but there is more work done in committees than all of the work done in the House of Commons in a week.

**Ms. Marlene Catterall:** That is why we are not here.

**Mr. Randy White:** I hear that one member is finally backing us up. It is too bad this would not come to a vote. We could get her to vote for it. She is saying yes, and that is where they are today.

The problem is, when members go to committees and get unanimous consent on an issue, like this televised issue, they get unanimous reports, they get all-party agreement, but it comes into the House of Commons and it sits and gathers dust. That is the problem.

How do we rectify it? There are several things we could do. We could do what the media has asked. We could stand today to vote for that. If we all agreed we could allow television cameras into committees.

We had a discussion the other day at the committee on procedure and House affairs. We were discussing leaked reports, when a report had already been leaked on the leaked report.

**The Deputy Speaker:** I hesitate to interrupt the House leader again. I know that whatever discussions happened in the procedure and House affairs committee would be of great interest to all hon. members, however, I hope it has something to do with the sports committee, which is, after all, the subject of this report. I know he will want to draw us back to the report. I steer him in that direction with all enthusiasm.

**Mr. Randy White:** Mr. Speaker, I am getting to that, but I have to set the stage, lay the foundation, by explaining what is wrong with the report on sport in Canada. What is wrong with the report on sport in Canada, in part, is that the report on televised committees has been ignored just as much as the report on sport in Canada.

• (1520)

What happens when the report is tabled in the House on sport in Canada? Where does it go? Who implements it? What standing order is changed? What legislation is changed? What is changed?

We discussed leaked reports in committee the other day. How do we get that into the House of Commons so that it means something? It is not brain surgery that we are talking about. The people on this side of the House are frustrated that the House does not work when it comes to committees. It does not work when it comes to petitions. It does not work when grassroots Canadians want some say in things.

My colleague from Fraser Valley and I spent about a month on one report in the procedure and House affairs committee. It was on televised committees. Nothing happened with the report and we are frustrated by that.

I put this question to the government, to the one member who is here. Where are these people when we want to talk to them? The lights are out over there.

**The Deputy Speaker:** The hon. House leader promised me a few minutes ago that he would not do this again. I hope he will refrain from referring to the absence of members of the House. He knows it is against the rules. If we did this all the time there would be constant battering and bickering back and forth, and that does not lead to good debate. I know the hon. member will want to control his urges in this regard and perhaps refrain from that kind of reference.

**Mr. Randy White:** Mr. Speaker, we could call quorum, but we do not want to.

If the minister, who has now come in, is all ears, I am going to repeat a couple of things for his information.

There are members of the House, including backbench members on that side, who are very concerned about the output and the genuine integrity of committees in terms of whether or not action will be taken when a report is developed in committee. These things are getting buried in the House of Commons.

We do not understand whether it is the cabinet saying "Nice report, but it is not in our interests, so go away", or whether it is "That is busy work in a committee. You keep busy there, but do not produce anything. Just stay there and we will ignore it". That is the concern. That is what this is all about.

I know that I have to get to sport. I am on sport, Mr. Speaker. I am telling the government that this report means zero in the House of Commons. It is going nowhere. I am trying to get through to members over there that this cannot continue to occur.

I will give one example. There was a report developed on televised committees on which all parties were in agreement. It came into the House of Commons—

**Ms. Marlene Catterall:** Mr. Speaker, I rise on a point of order. I believe the hon. House leader of the opposition may have mistaken the day of the week. I think he is debating the motion that he moved yesterday, not the motion he moved today.

**The Deputy Speaker:** The Chair has been fearful that this appears to be the tenor of the debate. I have done my best to steer the hon. House leader for the opposition to sports and the subject of the report by various means. I know he will want to perhaps use as a for instance the sports report and talk about that since that is the subject of the debate.

There is a motion for concurrence before us on that particular report and I know he will want to address it.

**Mr. Randy White:** Mr. Speaker, I realize the members across do not like the fact that I am trying to give relevance to a problem in committees, but you have to be a bit more patient with the issue. I cannot just stand here and talk about sport in Canada, everybody's

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business, leadership, partnership and accountability, without telling you what our frustration is.

This report hits the House of Commons floor and it collects dust until the government leaves office. Nothing gets done. All of those people who attended as witnesses from across the country on sport in Canada, everybody's business, think that something is going to get done and it is not. It is just a report. These folks bury it.

Our concern is for this report, the report on televised committees and the report on leaks in the House of Commons. All of those are serious issues.

• (1525 )

The government seems to think that it is A-OK to keep our members busy in committees and, when all of their productive work is done, it can just shove it off, throw it in the garbage and say "Let us carry on with something else". It will write a little press release if it is in its favour and that is it. It is not going to work that way any more.

The Reform Party whip, my colleague from Fraser Valley, and I are already looking at possibilities as to what we can do with committees to make them relevant.

Had the government taken the initiative from one committee, and one committee only, where there was unanimous consent on a report and done something with it, we might not be here today. We are getting darned sick and tired of busy work going on in the House of Commons when Canadian people think there is something going on. We are getting darned sick and tired of it going nowhere.

We are equally sick and tired of petitions coming into the House of Commons with 100 to 300,000 names on them and going nowhere.

This might be a majority government that can pass legislation through the House of Commons because it has more members who stand to vote, but we want more than that. We want input. We want input from grassroots Canadians to go somewhere and to be meaningful, not to be buried in committees.

Why can members across the way not get it through their thick skulls that there is more to democracy in Canada than the people who sit across the way? Only 38% of the population wants them in office and they think they can run the whole darned thing without asking anybody for any input.

I can only say this, Mr. Speaker. You can count on this issue coming up again. We are not going to let it go until we can get some changes made across the way. Either this place gets more in tune with democracy or there are going to be a lot of debates in the House on the issue.

Which is it going to be? Is it going to be the cabinet running everything, while backbenchers do as they are told? Is it going to

be the committees, which bring in witnesses from right across the country and develop reports, which deal with these things, or is the government going to shove them in the garbage like it usually does? Which way is it going to be?

**Mr. Jason Kenney (Calgary Southeast, Ref.):** Mr. Speaker, I would like to commend my hon. colleague from Langley—Abbotsford for his thoughtful remarks on sport in Canada. This is an important issue to all Canadians. It really brings to mind the question of the function of committees in this parliament.

There was once a tradition in this place that committees, such as the committee on sport in Canada, were considered to be somewhat independent. They had the ability to operate with some degree of independence from the executive, from the cabinet and from the Prime Minister's office, which, as Professor Donald Savoie recently pointed out in his book on Canadian governance, really runs the entire cabinet as though it is just a focus group.

If the cabinet is merely a focus group, then the committees dominated by the government's majority are just pure optics and have little or no relevance to the actual policy making function of this parliament, as witnessed by this committee decision on sport in Canada.

I would ask my hon. colleague why he thinks it is that committees, such as the one on sport in Canada, have continued to see their importance and independence diminished and marginalized by a government that centralizes all power in the hands of the cabinet and the Prime Minister.

• (1530 )

Does my colleague agree with the famous aphorism of Lord Acton that power tends to corrupt and that absolute power tends to corrupt absolutely?

**Mr. Randy White:** Mr. Speaker, that was a good question from my colleague. That is what we are dealing with today.

Some people might ask what televised committees has to do with all of this. Televised committees is just a typical example, such as the report on sport in Canada.

The power of the House rests with a few people on the front benches. The backbenchers may think they have input, but we know full well that is not the case. The backbenchers go to committees and talk a great storm. They talk a great deal about what things have to change. However, they know as well as we know that once their discussions formulate into a report it comes into the House of Commons, the minister looks at it and says "I do not like this", and it goes in the garbage and is gone.

Some of these committees work for five and six months on an issue, like the committee on drunk driving. What is the government going to do at the end of it? We have a suspicion that it is going to table these reports and leave them there to die, like the report on

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sport. That is what will happen to this report, like the one on televised committees.

Speaking about televised committees, we want that report dealt with. If it is a vote in the House and the government says no, so be it, but we should not leave it in the dust pile. That is what is wrong here.

In answer to my colleague's question, the problem is that this is all about democracy. This is all about Canadians who come into the House thinking they are going to have great input and change the laws of our lands through reports. They go home thinking that since they were at a committee things are surely going to change.

We had Lee Ellen Carroll and Craig Oliver at a televised committee. They thought something was going to change but it did not. The only thing that happened was that the government House leader came into a meeting that I was at and said that he would make me a deal. I asked him what kind of deal he wanted to make. He said he knew that the report on televised committees had a whole lot of recommendations but that he did not like them. What he wanted to do was make me an offer to set up another room.

When he did that we asked him why would he do it. The committee met for six weeks and the first recommendation was not to do that. It states:

To permanently equip another room for broadcasting committees, however, is not feasible or desirable at this time—

We got that offer for several reasons. I doubt the government House leader ever read the report. He did not attend any committee meetings. He was probably told by a minister to have somebody look at the report, even though he did not like it, and then threw it in the garbage. That is where it sits today.

I can tell the House that there will be a lot of discussions on this until we get some action on it. There will be lots of discussions on all other reports. There will be lots of votes in the House of Commons on these issues until we get some satisfaction. That is what is going to happen.

Either we get some satisfaction or the government will have to live with a lot of discussion on the issue. What is it going to be? Are we going to listen to Canadians or are we going to listen to the cabinet over there? Instead of sitting on the backbench, we should be speaking up for Canadians.

**Mr. John Solomon (Regina—Lumsden—Lake Centre, NDP):** Mr. Speaker, I am very pleased to ask the opposition House leader a question pertaining to this report that has been tabled by the Minister of Industry on the study of sport in Canada.

As many people know, the Liberal government has provided huge tax breaks in this year's budget to millionaire hockey players. For example, an average hockey player in the NHL makes about \$1.8 million Canadian and the recent budget has given these

individuals a tax cut of over \$13,000. The Reform Party has been fighting for tax cuts for these individuals for a long time.

• (1535)

The other point I would like to make is that this country has a significant tax expenditure, that is, a tax supporting system at the federal level for our professional sports franchises. For example, a hockey box that a business would buy at a hockey arena for the Ottawa Senators, the Montreal Canadiens or the Toronto Maple Leafs costs a business person about \$100,000. He or she gets to write that off against taxable income which costs the taxpayers approximately \$25,000 to \$30,000 per box. This is not for the whole arena but per box per year. We are looking at literally tens of millions of dollars of tax supported sports franchises currently.

Does the Reform Party continue to support those great tax breaks for the wealthy? Does the hon. member intend to keep pushing for additional tax breaks for the NHL franchise teams which are in jeopardy in Canada right now?

**Mr. Randy White:** Mr. Speaker, that is a very good question. I think virtually everyone in the country knows where the Reform Party stands on taxes. Lower taxes are an absolute must for everyone. A flatter tax would help.

We know that taxes of all kinds kill jobs. We have sons and daughters today who are waking up to that. I have two myself. One just got a job as a digital animator in Vancouver. He has had the job for nine or ten months. He phoned me the other day and said, "Dad, there is something wrong here. I make  $x$  dollars and I am not getting much back in return". I said, "Welcome to the real world, son". He had an offer from Seattle for a job, making about the same amount of money with a tax rate almost half of ours.

What is wrong in this country is that the tax rate is too high. In particular, we need a flatter tax rate to address that particular issue. What can we say? The taxes the Liberals have put on this country since 1993 are oppressive. Young people are hurting with the tax rates.

**An hon. member:** They are strangling our economy.

**Mr. Randy White:** That is right.

**Ms. Marlene Catterall (Ottawa West—Nepean, Lib.):** Mr. Speaker, I am very pleased to rise in debate on this most important motion. I move:

That the House do now proceed to orders of the day.

**The Deputy Speaker:** The question is on the motion. 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 yeas have it.

*And more than five members having risen:*

**The Deputy Speaker:** Call in the members.

• (1620)

[Translation]

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

(Division No. 390)

### YEAS

#### Members

Alcock	Anderson
Assad	Assadourian
Baker	Bakopanos
Barnes	Bélair
Bélanger	Bellemare
Bennett	Bernier (Tobique—Mactaquac)
Bertrand	Bevilacqua
Blondin-Andrew	Bonin
Bonwick	Borotsik
Boudria	Bradshaw
Brisson	Brown
Bryden	Cannis
Caplan	Casey
Catterall	Cauchon
Chan	Charbonneau
Chrétien (Saint-Maurice)	Clouthier
Coderre	Collenette
Comuzzi	Cullen
Davies	DeVillers
Dhaliwal	Dion
Discepola	Dockrill
Dromisky	Drouin
Duhamel	Earle
Eggleton	Finlay
Fontana	Fry
Gagliano	Godfrey
Godin (Acadie—Bathurst)	Goodale
Gray (Windsor West)	Grose
Guarnieri	Harb
Harvard	Harvey
Herron	Hubbard
Ianno	Iftody
Jackson	Jennings
Jordan	Karetak-Lindell
Keddy (South Shore)	Keyes
Kilger (Stormont—Dundas—Charlottenburgh)	Knutson
Kraft Sloan	Lavigne
Lee	Lill
Limoges (Windsor—St. Clair)	Lincoln
Longfield	MacAulay
Mahoney	Malhi
Maloney	Mancini
Manley	Marleau
Martin (Winnipeg Centre)	Massé
Matthews	McCormick
McGuire	McKay (Scarborough East)
McLellan (Edmonton West)	McWhinney
Mifflin	Minna
Mitchell	Muise
Murray	Myers
Nault	Nystrom
O'Brien (London—Fanshawe)	O'Reilly
Pagtakhan	Paradis
Parrish	Patry
Peric	Peterson
Pettigrew	Phinney
Pillitteri	Power

Pratt  
Proctor  
Provenzano  
Richardson  
Robinson  
Saada  
Sekora  
Solomon  
Steckle  
Stewart (Northumberland)  
Stoffer  
Szabo  
Thibeault  
Torsney  
Valeri  
Vautour  
Wappel  
Wayne  
Wilfert

Price  
Proud  
Reed  
Robillard  
Rock  
Scott (Fredericton)  
Shepherd  
St. Denis  
Stewart (Brant)  
St-Julien  
Strahl  
Telegdi  
Thompson (New Brunswick Southwest)  
Ur  
Vanclief  
Volpe  
Wasylcyia-Leis  
Whelan  
Wood—152

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### NAYS

#### Members

Abbott	Ablonczy
Alarie	Anders
Asselin	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Bergeron
Bigras	Breitkreuz (Yorkton—Melville)
Brien	Cadman
Canuel	Cardin
Casson	Chatters
Chrétien (Frontenac—Mégantic)	Crête
Cummins	Dalphonf-Guiral
de Savoye	Desrochers
Dubé (Lévis-et-Chutes-de-la-Chaudière)	Dumas
Duncan	Epp
Fournier	Gagnon
Gauthier	Girard-Bujold
Godin (Châteauguay)	Golding
Grewal	Grey (Edmonton North)
Guay	Guimond
Harris	Hart
Hill (MacLeod)	Hilstrom
Hoepfner	Jaffier
Johnston	Kenney (Calgary Southeast)
Laurin	Lebel
Lowther	Marceau
Marchand	Mark
Mayfield	McNally
Ménard	Mercier
Meredith	Mills (Red Deer)
Morrison	Picard (Drummond)
Plamondon	Ramsay
Reynolds	Schmidt
Scott (Skeena)	Solberg
St-Hilaire	Vellacott
Venne	White (Langley—Abbotsford)
White (North Vancouver)	Williams—72

### PAIRED MEMBERS

Augustine	Bernier (Bonaventure—Gaspé—
Îles-de-la-Madeleine—Pabok)	Bulte
Byrne	Carroll
Debien	Duceppe
Folco	Graham
Kilgour (Edmonton Southeast)	Lalonde
Loubier	Martin (LaSalle—Énard)
Normand	Nunziata
O'Brien (Labrador)	Perron
Pickard (Chatham—Kent Essex)	Rocheleau
Sauvageau	Speller
Tremblay (Lac-Saint-Jean)	Tremblay (Rimouski—Mitis)
Turp	

*Government Orders*

**The Deputy Speaker:** I declare the motion carried.

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## GOVERNMENT ORDERS

[*English*]

### NATIONAL HOUSING ACT

The House proceeded to the consideration of Bill C-66, an act to amend the National Housing Act and the Canada Mortgage and Housing Corporation Act and to make a consequential amendment to another act, as reported (without amendment) from the committee.

• (1625)

#### SPEAKER'S RULING

**The Deputy Speaker:** Order, please. There are 37 motions in amendment standing on the notice paper for the report stage of Bill C-66.

Motions Nos. 3, 26 and 37 are the same as amendments presented and negatived in committee. Accordingly, pursuant to Standing Order 76.1(5) they have not been selected.

The other motions will be grouped for debate as follows:

[*Translation*]

Group No. 1, Motions Nos. 1, 2, and 4 to 6.

[*English*]

Group No. 2, Motions Nos. 7 to 10, 13 to 24, and 35. Group No. 3, Motions Nos. 11, 12, 25, 27 to 34, and 36.

[*Translation*]

The voting patterns for the motions within each group are available at the table.

The Chair will remind the House of each pattern at the time of voting.

[*English*]

I shall now propose Motions Nos. 1, 2 and 4 to 6 to the House.

#### MOTIONS IN AMENDMENT

**Mr. Werner Schmidt (Kelowna, Ref.)** moved:

Motion No. 1

That Bill C-66, in Clause 3, be amended by deleting lines 8 to 12 on page 4.

Motion No. 2

That Bill C-66, in Clause 3, be amended by replacing lines 1 and 2 on page 5 with the following:

“8. (1) The Corporation may insure housing loans.”

Motion No. 4

That Bill C-66, in Clause 3, be amended by replacing lines 8 and 9 on page 7 with the following:

“the obligation.”

Motion No. 5

That Bill C-66, in Clause 3, be amended by replacing line 10 on page 7 with the following:

“18. (1) The Corporation may, subject to regulations made under section 465 of the Insurance Companies Act which regulations shall apply to the Corporation with such modifications as are necessary, obtain reinsur-”

Motion No. 6

That Bill C-66, in Clause 3, be amended by replacing lines 21 to 23 on page 7 with the following:

“this Part by Her agent the Corporation. Any amount so paid constitutes a dividend paid by the Corporation to the Government of Canada.”

He said: Mr. Speaker, it is a pleasure to rise to debate various amendments to Bill C-66 this afternoon. At the end of each of grouping will there be a vote, or will the votes be deferred until all the groups have been heard by the House?

**The Deputy Speaker:** In accordance with the standing orders all votes will be deferred at the end of each group until all have been completed and then all the votes will be held together.

**Mr. Werner Schmidt:** Mr. Speaker, I would like to address the amendments in Group No. 1 and put a title upon the five amendments that have been accepted by the House. These motions come to grips with the role of the Canada Mortgage and Housing Corporation as a financial institution. What the bill does in many ways is create a new crown corporation.

We all know that the Canada Mortgage and Housing Corporation is actually a crown enterprise corporation, which makes it a little different from other crown corporations. One of its mandates is to be sure it makes money. In other words, it is not designed to take money from the consolidated revenue of the Government of Canada.

• (1630)

The Canada Mortgage and Housing Corporation, through the provisions made by Bill C-66, becomes actually a financial intermediary in the financial marketplace. I ask why a crown corporation should become a financial intermediary in the financial marketplace. We have such institutions as the banks. We have trust companies. We have credit unions. We have insurance companies. We have various kinds of mortgage companies. And here we have a crown corporation which is given the powers under this legislation to borrow money, to lend money, to insure mortgages and things of this sort.

This principle of whether the Canada Mortgage and Housing Corporation should in fact become an institution that intervenes or

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that it become an intermediary in the financial marketplace is a very real question. I submit that the Canada Mortgage and Housing Corporation was set up to perform a function, and that was to make housing possible for Canadians.

Over the years the purpose of the Canada Mortgage and Housing Corporation, which is there to bring into practice and to implement the provisions of the National Housing Act, was to make housing available to ordinary Canadians who would otherwise not be able to afford to do so. Many, many people, and that includes myself, were able to purchase their first house because of the provisions of the National Housing Act. Millions of Canadians have benefited from this.

The recent amendments that have come into place allowing people to mortgage a house with only a 5% down payment has opened the market tremendously to a large number of people. This is a very commendable thing. Canada Mortgage and Housing Corporation insures the mortgages for the financial institutions.

We can debate for a long time whether in fact the financial institution should be protected to the point where it does not have to worry about the prudence of a particular mortgage. After all, if the mortgage goes down, the bank will never suffer, Canada Mortgage and Housing Corporation will simply pay it off. In one way it is actually a subsidy to the banks and allows them to give money away without incurring any risk on their own.

While I have some difficulty with that, I also know that there are some people who would never ever be able to buy a house unless the mortgages they sign were supported and insured by Canada Mortgage and Housing Corporation. I think that is a wonderful move.

There are some provisions in this bill though that cause me severe difficulty. One of these is the provision that dividends are considered for the purposes of this act to be expenses for the corporation. Any other corporation that pays dividends to its shareholders is not allowed to consider them as expenses. They are indeed a draw on the cash reserves of the company, but they are not expenses. There are other expenses like the payment of rent, utilities, salaries and things of this sort, but this bill allows the Canada Mortgage and Housing Corporation to somehow consider dividends as an expense. I think that is fundamentally wrong.

One of the amendments we are proposing is that these payments, in this case the dividends, would be paid to none other than the consolidated revenue fund, which is really the Government of Canada. Since the Government of Canada is the sole shareholder of Canada Mortgage and Housing Corporation, it in fact is paid these dividends. Those are not expenses. Those are clear outright payments to the Government of Canada.

There are other provisions in this legislation that we have to look at in some detail as well.

The Canada Mortgage and Housing Corporation is able to perform its functions of a financial nature, insurance, reinsurance, borrowing and issuing securities, outside the provisions of the Office of the Superintendent of Financial Institutions.

One of the purposes behind this legislation, we were told, was to make Canada Mortgage and Housing Corporation a more commercial enterprise. The suggestion was that it should compete on a more or less fair and level playing field with other competitors in that particular field.

There are three things that are complicated by the way in which OSFI does not govern or does not in any way have any say about what Canada Mortgage and Housing Corporation does.

• (1635)

The major competitor to Canada Mortgage and Housing Corporation is GE Capital which also insures mortgages. This company with which CMHC competes must abide by the rules of the Office of the Superintendent of Financial Institutions.

Here we have two companies, one a crown corporation and one a private corporation, both performing a function and a service for the people of Canada. The people of Canada can choose one or the other. To that degree it is okay and everything is level, except that the operation of the private company is under a different set of regulations from those of Canada Mortgage and Housing Corporation. It must have certain requirements in terms of reserves and certain ways and places where it can invest money that the Canada Mortgage and Housing does not have.

I ask is it fair and reasonable to expect an honest competitive field to exist between the crown corporation on the one hand and the private enterprise on the other? Both serve the public and the public can choose which one they would work with in terms of insuring their mortgage, but in fact one is at a clear disadvantage to the other one. That is only one area.

The other area is the requirement by the financial institutions, and I have to go back a little bit here. Canada Mortgage and Housing Corporation has 100% backing of its full mortgage. If it issues an insurance policy for a particular mortgage, it is totally 100% guaranteed by the Government of Canada or by Canada Mortgage and Housing Corporation. A financial institution runs absolutely no risk. It will always be able to look to the public treasury. If for some reason Canada Mortgage and Housing Corporation should have difficulty, the consolidated revenue fund is there to back up completely, 100 cents on the dollar, whatever shortfall there might be by Canada Mortgage and Housing Corporation.

Such is not the case with a private insurance company that also insures mortgages. The government as well has an agreement here, which is commendable, where it underwrites up to 90% of the

*Government Orders*

mortgages that are insured by an organization such as GE Capital or any other company that would come on the scene.

That difference of 10% is a pretty significant factor in terms of the particular financial institution that wishes to do business with a company like GE Capital, for example. It now puts GE Capital in the position of having to deposit additional moneys with the financial institution, or the financial institution has on its own right to commit a reserve against this exposure.

I submit that one of the major purposes behind the amendments of the bill is defeated by creating Canada Mortgage and Housing Corporation into a new creature, a financial institution that competes directly in the marketplace and as an intermediary in the financial marketplace.

The amendments that have been proposed by myself in the name of the Reform Party in fact come to grips with rectifying that situation and making it a better piece of legislation. I humbly submit that all members of the House support the amendments that have been proposed.

**Ms. Carolyn Parrish (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.):** Mr. Speaker, I am pleased to address the House and the issues raised by the member for Kelowna concerning mortgage insurance in Bill C-66.

I would like to respond at the beginning by asserting that the government is against Motions Nos. 1, 2 and 4 to 6 proposed by the member opposite.

I would like to stress that Bill C-66 supports the Government of Canada's efforts to make government more efficient and provide better service to Canadians. The changes to the mortgage insurance and guarantee legislation put forth by the member for Kelowna would put at risk the benefits Canadian families gain from CMHC's work in housing finance and threaten chances of progress.

Through CMHC's mortgage insurance and mortgage backed securities program, the Government of Canada has important levers to promote housing affordability and choice, to ensure access to mortgage funds as well as competition and efficiency in housing finance, to protect the availability of adequate housing funding at low cost, and to contribute to the well-being of the housing sector in the national economy.

Mortgage loan insurance and mortgage backed securities have been important public policy tools of the Government of Canada, tools which have made it possible for millions of Canadians to realize their dream of owning a home, and this at no cost to the government.

• (1640)

The hon. member for Kelowna would have us throw away the benefits of bringing in more funds from the capital market by limiting mortgage backed securities and proposes uses for mortgage insurance that could stifle our country's ability to improve the availability and affordability of housing.

The new section 3 of the National Housing Act clearly sets out the mandate and limits of CMHC's functions in housing finance:

The purpose of this Act, in relation to financing for housing, is to promote housing affordability and choice, to facilitate access to, and competition and efficiency in the provision of, housing finance, to protect the availability of adequate funding for housing at low cost, and generally to contribute to the well-being of the housing sector in the national economy.

How much clearer can one get? Why would this government give CMHC the uninspired and limited means proposed by the member for Kelowna when its mandate is much more compelling and much more clear? Why would the House regulate CMHC's activities in the same way it oversees privately owned financial institutions when it can govern more directly with the input of Canadians?

The dream of owning a home is one shared by a great many Canadians. Unfortunately, many are unable to buy a house despite the fact they can afford monthly mortgage payments. The reason for this is that many families find it hard to save the money required for the down payment on a conventional loan.

Mortgage loan insurance has provided many Canadians with the opportunity to own their own home. In some cases it allowed them to buy sooner due to the lower down payment. In other cases it opened the door for people who would have otherwise never been able to buy a home.

I would like to give an idea of just how many Canadians depend on mortgage loan insurance in order to fulfil their dream of owning a home. In the past year CMHC has helped Canadians gain access to over 300,000 homes with the use of mortgage loan insurance, and this was done at no cost to the government.

The Government of Canada is committed to ensuring that mortgage insurance is available to homebuyers in all regions of Canada. The proposed amendments would allow CMHC to operate its mortgage insurance program on a more commercial basis. This will ensure that CMHC is able to compete on an equal footing with any private mortgage insurer. This means that all mortgage insurers, both public and private, are subject to the same regulations.

By guaranteeing competition in this sector, we can ensure that Canadians are able to have access to the best possible price and a greater number of choices in home financing products. Besides helping Canadians to become homeowners, CMHC mortgage

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insurance has also been key to the health of the housing industry in Canada. By fully protecting lenders against default on the part of borrowers, mortgage insurance encourages investment in residential construction. As a result, CMHC plays a central role in creating numerous jobs in this key sector of our economy.

In recent years CMHC has been approached to support many innovative products. With the new National Housing Act, CMHC will be able to bring the benefits of some of these new types of home financing products to the marketplace.

By simplifying the National Housing Act, CMHC would have the flexibility to consider products such as insurance for a reverse equity mortgage to enable older homeowners to use the equity in their home to obtain funds while allowing them to continue to live where they have lived for a long time.

CMHC would also be able to consider such ideas as non-mortgage financing for remote areas where the land registry system does not facilitate mortgages, or financing arrangements on Indian reserves where restrictions exist on providing land as security for mortgages.

Any new products to give Canadians increased opportunities for housing choice and affordability would be developed after careful consideration of their potential success in the marketplace.

The failure to remain competitive could reduce CMHC to a residential insurer with riskier loans. This would jeopardize mortgage insurance, self-financing and create the need for public subsidies.

Passing this legislation would equip CMHC with the necessary financing tools required to continue to provide Canadians with the opportunity to own a house. Bill C-66 will also strengthen CMHC's capacity to accomplish its goal of contributing to the well-being of the housing sector and our nation's economy.

In summary, the new National Housing Act will improve the service CMHC provides to Canadians and support the housing industry. Why would the hon. member for Kelowna want to jeopardize the viability of CMHC's mortgage loan insurance? Mortgage loan insurance is a service that has made a difference to over three million Canadian families since 1954. With Bill C-66, we want to ensure that the benefits governments provided to past generations will continue to be available to Canada's future generations.

• (1645)

Canadians across the country will benefit because of Bill C-66. Consumers will benefit in the area of mortgage financing. The housing industry will benefit through increased promotions of Canadian products and services at home and abroad. Canadians in

general will benefit from new jobs created by the housing industry and enhanced service from CMHC.

The mandate of the national housing act is clear: to promote affordability and choice in housing while facilitating access to financial sources and encouraging competition and efficiency in this area. The legislation will ensure that this mandate will continue to guide housing policy implementation and future policy development.

Since its creation more than 50 years ago, CMHC has been involved in every aspect of housing. Its contribution to helping house Canadians is unequalled.

I hope that the members of the committee will support Bill C-66 so that CMHC can continue to make its contribution to improving the quality of life for all Canadians. I appeal to the members of the whole House to vote against the amendments and vote for the bill in its current form.

**The Deputy Speaker:** It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Halifax West, National Defence; the hon. member for London West, Foreign Affairs; the hon. member for Sackville—Musquodoboit Valley—Eastern Shore, Fisheries and Oceans.

[*Translation*]

**Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ):** Mr. Speaker, I am pleased to speak to the proposed amendments. I would first remind those joining us that the subject of the debate is housing. I thank the member for Québec for giving me a hand in difficult circumstances.

It is paradoxical, to say the least, that we have before us a bill such as this one, because it has two major flaws. First, it helps to further privatize the Canada Mortgage and Housing Corporation.

Let me make myself clear. We do not think privatization should be avoided at all cost. We think there is a room in the mortgage market for private enterprise. However, we do not understand the government making it a priority in the area of housing.

We would have been happier if the government had succeeded in the negotiations it began with the provinces. It made a commitment in the throne speech in 1996 to transfer \$1.9 billion to the provinces. This is something extremely important to Quebec.

There are a number of Reform amendments to privatize the corporation. What we would like for Quebec, if we must talk privatization, is to have the federal government not run the show and not be involved in housing, because the Government of Quebec is prepared to assume all responsibilities inherent in this area. This includes public housing, land use and, naturally, management of housing inventories.

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It is paradoxical, to say the least, that since 1996, negotiations with the Government of Quebec have not been entirely successful. We have introduced more specific amendments in this regard. However, members should know that federal spending on housing in Quebec for 1996-97 amounted to \$362 million. This corresponds to roughly 18% of the CHMC's spending.

However, both the PQ government and the government led by Robert Bourassa have admitted that Quebec was not receiving its fair share of housing dollars. Quebec should receive almost 29% of what the CHMC spends on housing, since 29% of those with urgent housing needs live in Quebec.

• (1650)

We would have liked to see the government tackle this problem rather than launch into what is more of an administrative reform. The public should know that the proposed reform is essentially administrative in nature. In fact, its purpose is to give the CHMC more powers and to amend the legislation such that, in many circumstances, the CHMC will be able to take decisions without going through parliament.

Members of the Reform Party, the New Democratic Party and the Progressive Conservative Party should know, and the member for Chambly will agree with me, that we will support any amendment giving parliament a greater decision making role. We feel it is important for parliamentarians to play their role of debating issues, taking decisions and, of course, understanding the decisions made by crown corporations.

With the member for Québec, who is the critic for issues related to poverty, early childhood and the family, present, I would like to take this opportunity to say again that we believe that poverty cannot be eliminated without a housing policy. This conviction is shared by all Bloc Québécois members.

Why? Because very often the main cause of poverty is, of course, the excessive amount that has to be allocated to rent. At the present time—one cannot predict the future—I know that there is a debate going on, to which the hon. member for Québec has referred, which may lead to a redefinition of poverty. Nevertheless, as we speak, although there is no official index for assessing poverty, the low income cutoff level is one indicator which shows us just how much poverty there is in Canada and Quebec.

The Progressive Conservative Party whip, whose sensitivity on this issue is well known, shares my conviction that we must do something about of poverty. I imagine that the hon. member for Chicoutimi shares my analysis that the government we have in Quebec City is working hard every day to do so, but the same does not go for the federal government. The government in Ottawa is not one particularly concerned with these matters.

I would even go so far as to call it rather heartless, rather indifferent, with a few exceptions. Some of the ministers are less

so. I would acknowledge, at any rate, that the Minister responsible for Human Resources Development is sensitive to these matters.

I would ask him to put out a little more effort, because his government, it must be admitted, does not have a very good track record in the matter. I think his sensitivity is real, and with his great intellectual capacity he will certainly make a positive contribution to the debate. However, the policies of his government are pitiful.

Let us take, as an example, the UN's evaluation of the government's policies. The UN was concerned, and members will recognize that the UN has no representation within the parties in this House. They are people who work for various commissions set up under this organization, often they are experts not bound by the imperatives of party life.

In fact, I have a major grievance against the government on this score. Canada is a signatory to the International Covenant on Economic, Social and Cultural Rights, ratified in 1996. Since 1994, we have been waiting for Canada's report, which was tabled only this year.

• (1655)

On a similar matter, when it comes to poverty, we cannot permit such inaction. If parliamentarians had taken the trouble to read the report, as did I, the member for Québec, the member for Chambly and the member for Tobique—Mactaquac, they would have realized that poverty has increased in Canada in the past ten years.

The United Nations focused on this. It appears there is a link with the dismantling of the public sector.

I do not know where the minister was in 1992. Perhaps he was working very successfully with Minister Ryan, perhaps he was an international affairs consultant. The long and the short of it is that he was not in this parliament. The fact is that, since 1992, the Canadian government has not put one red cent into developing social housing. In fact, the government began pulling out of various areas, particularly social housing, under the Progressive Conservatives. Facts are facts. The government began pulling out of such areas as social housing in 1992.

With a few exceptions for RRAP, the Canadian government has not, to all intents and purposes, put one red cent into developing social housing since 1992. This is not good enough.

Two provinces are developing social housing: British Columbia and Quebec. Quebec has invested \$43 million. If Quebec were a sovereign nation, we would be far more likely to have a cogent policy specifically directed at housing.

My time is up, but I will be back, by popular demand, for the second group of amendments.

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[English]

**Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP):** Mr. Speaker, I welcome the opportunity to comment on the amendments to this legislation, Bill C-66, dealing with the mortgage insurance function of the Canada Mortgage and Housing Corporation put forward by my hon. colleague from Kelowna.

As we debate the legislation, it is important to remember the original reason for CMHC's existence. It was at the height of the depression in 1935 that the federal government got involved in housing with the Dominion Housing Act. This involvement continued during the second world war with the Wartime Housing Corporation which was set up to address the housing needs of war workers. The CMHC was created in 1946 to address the housing needs of returning soldiers. The CMHC enabled thousands of Canadians to live in decent, safe, affordable housing by building housing or providing mortgage insurance.

Today, if one believes the government, CMHC's role in making housing affordable for Canadians is no longer required. The Conservatives got CMHC out of building new social housing in 1991. More recently, the Liberal government has tried to download its responsibilities for social housing to the provinces. Now, with this legislation, the role of CMHC in providing mortgage insurance for social housing or to people who may not otherwise be able to buy a house is under attack.

In the past, CMHC has been able to offer insurance on 100% of a mortgage loan for co-operative and non-profit housing. Without this support, there would have been very little co-op or non-profit housing for low and moderate income Canadians built in Canada, according to the Co-operative Housing Federation of Canada.

CMHC programs have also meant that many Canadians who could only dream of buying a house have become homeowners. It has played a particularly important role in areas which may be ignored by private insurers, remote and rural areas and first nations.

Now with this bill, which we in the New Democratic Party feel commercializes CMHC, the role it played in the past, financing the construction of social housing and opening up the possibility of homeownership to Canadians of modest means, may be lost.

In the past, when CMHC suffered a loss in underwriting a mortgage, the federal government absorbed that loss. Under this legislation, CMHC will have to absorb any losses from underwriting itself. Absorbing losses may force CMHC to deny mortgage insurance to high risk applicants such as people with limited means.

• (1700 )

How can the government justify reducing the role of CMHC? If all Canadians had access to decent, safe and affordable housing I

would see the sense in the bill. If the provinces had sufficient resources to meet the housing needs of Canadians I could accept that there were other governments or agencies that could fill the gap. However, that is not the case.

We have recently seen the government give the responsibility to the Minister of Labour to look into what we feel in the New Democratic Party is a national disaster; that is, homelessness in the country.

The generation entering the workforce today knows it is the first one in decades that will have lower real income than the generation that came before it.

Is the government trying to tell us that people in their twenties will not need the support their parents did? If members of the government are doing that, then I can assure them they will not be believed. Are they telling people trying to find a way to afford to buy their own home that there are agencies other than the CMHC which will offer service to higher risk customers? I would hope the government has more respect for the intelligence of Canadians than to try to suggest that.

The role of the CMHC as a bulwark against recession is also threatened. Currently, because it can underwrite mortgages in poor market conditions without risk, the CMHC can encourage housing development at a point in the market cycle when the market discourages it.

Commercializing CMHC's mortgage insurance will force it to weigh risk according to market cycles. Thus, it will no longer be able to play a valuable counter-recessionary role in the economy.

I realize, and this might explain the attitudes of some of my colleagues, that in relatively prosperous urban areas the loss of the service that the CMHC has been able to provide may not be noticed. However, in many of the communities I represent in Cape Breton, and thousands of similar communities across Canada, it would be a very serious blow. That is why I am disappointed to see the amendments put forward by the member for Kelowna. The amendments the member has moved do nothing to ensure that the CMHC is able to meet the housing needs of all Canadians. What they do is respond to the concerns of GE Capital, a large American owned multinational which is in competition with the CMHC.

When we vote on these amendments the decision we have to make is who comes first, a foreign owned multinational or Canadian families?

My party members know which side they are on. We will be voting against these amendments.

We should be ensuring that the CMHC is able to do what it was set up to do, that is, to work to improve the availability of decent, affordable accommodations for all Canadians. It is not only our responsibility, it is our duty to Canadian families.

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**Mr. Gilles Bernier (Tobique—Mactaquac, PC):** Madam Speaker, I am pleased to share a few brief thoughts on the group of amendments proposed by the member for Kelowna, for whom I have great respect.

Generally, I do not share the member's concern over the expansion of CMHC's insurance products. As a homeowner I can understand and appreciate the value of being able to buy insurance to protect my mortgage against any wild fluctuations in interest rates.

Yes, the financial institutions will benefit because the loan will be insured. More importantly, homeowners who hold mortgages will be protected against financial hardship. This is no different than any loan insurance. Car insurance, for example, protects the car owner as much or more than the bank that holds the car loan.

Regarding this group of amendments, I would specifically like to zero in on Motion No. 6, which proposes to amend the new section 18 of the National Housing Act. This section authorizes the CMHC to pay fees to the federal government in return for the crown backing of CMHC's loan insurance and guarantee operations. The principle of this change to the act is simple. GE Capital and any other private sector provider of mortgage insurance which may join the industry have to pay fees to have the crown back their insurance products, but the CMHC has not been required to do that. This meant that the CMHC had an unfair cost advantage to provide insurance products over private sector competitors. This provision in the bill changes all of that. Now the CMHC will have to pay fees equivalent to those paid by the private sector. That only makes sense and I agree with the intent of the bill on this matter.

• (1705)

Motion No. 6, if I understand the member for Kelowna correctly, deals with what we should call this payment; whether it should be called a fee or a dividend. I really do not care what the government calls this payment in the end, but I would point out that it is the intention to create a new expense for the corporation, just as the private sector companies have an expense involved in providing their insurance products. Therefore, the payment should be reflected on the government's accounts as such.

The Financial Administration Act recognizes payments to the government from crown corporations that are fees in exchange for services. To be consistent, these payments should be treated as a fee as opposed to a dividend.

If I may speak to this amendment more broadly, what the member is missing in his motion and what the government has missed in this section is the effect this change will have on the books of the corporation.

According to the CMHC corporate plan, between 1997 and 2002 the Canada Mortgage and Housing Corporation will have paid \$198 million to the receiver general in fees under this new section of the bill. This money will be paid out of the mortgage insurance fund

and put into general government revenues. In other words, this money will be lost to the Canada Mortgage and Housing Corporation forever and cannot be used by the corporation to increase its investment in the social housing portfolio.

Because this money will be dumped into general revenues, it could be used for any scheme the government might cook up. It could be used to redecorate the offices of the public works minister. It could be used to fly the finance minister across the country so that he can speak at fundraising dinners to pad his own leadership campaign fund. It could be put in some government slush fund to dole out grants to companies with devious connections to the Liberal Party, based on the flimsiest of criteria, not that we have ever seen that happen before.

Where the government has missed out and where the member for Kelowna has missed out with his amendment is that neither has addressed the concern about what to do with the money generated by this new fee.

I suggest to the member that we should take that money and put it back into social housing under the minister's account. This money will be generated by the commercial activities of the Canada Mortgage and Housing Corporation and should remain with the Canada Mortgage and Housing Corporation.

As I stated earlier, I agree that there must be a fee paid in order to put the Canada Mortgage and Housing Corporation on a level playing field with its private sector competitors. However, having said that, there is an opportunity here, which I am sure the hon. member will recognize, to put that money to good use.

The member proposed in his amendment that this payment be called a dividend. I say, let us give a dividend to the 1.2 million Canadians who lack affordable and adequate housing. Let us give a dividend to the tens of thousands of Canadians who are homeless in this country. To make this happen, all the government has to do is make a policy change in cabinet to return this money to the minister's account at the Canada Mortgage and Housing Corporation so that we can increase and fund the supply of affordable housing for all Canadians.

I know that \$198 million does not go as far as it used to when it comes to housing, but if the government is truly determined to make a dent in the problem of homelessness in this country, this would be a good place to start. I am sure the member for Kelowna would agree with me.

[Translation]

**Mr. Ghislain Lebel (Chambly, BQ):** Madam Speaker, I listened to the comments of my colleague, the member for Hochelaga—Maisonneuve, and it was music to my ears.

• (1710)

The member for Hochelaga—Maisonneuve has consistently demonstrated his concern with poverty, an issue to which ministers

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of the party in power have been completely and totally insensitive for a good long while. One example of this is the EI reform, which has left many in abject poverty. The minister responsible for this aspect of the legislation and for government management is unbelievably insensitive to the straits people are in.

Because of the misery that he is causing, his fellow minister sitting just two seats from him has a poverty problem on his hands, given that he has to provide housing for these poor people. Every human being must, at a minimum, have a roof over his head.

The minister responsible for the National Housing Act and the Canada Mortgage and Housing Corporation Act is faced with responsibilities that he may not have anticipated. He did not expect it would turn out this way.

In Montreal alone, 500,000 people are living below the poverty line. The number may actually be higher, because I am quoting a figure that is at least a few months old already.

I am trying to figure out the Canada Mortgage and Housing Corporation. I heard the parliamentary secretary praise the CMHC earlier. I am familiar with this corporation, since I used to work in the real estate sector. As I mentioned in a previous speech, the Canada Mortgage and Housing Corporation met the expectations that people had when it was first created, at the end of World War II, when Canadian troops back from the front were settling massively in cities. They settled in cities upon their return from Europe. People were leaving rural areas to settle in Montreal, Toronto or elsewhere. The CMHC was responding to a need.

Today, that need still exists. I am thinking of my young daughter who wants to buy a house—in fact she will do so next week—and would really have appreciated benefiting from the legislation, in the sense that, right now, the initial or minimal downpayment to buy a house is 10% of the total price. It used to be 5%. The minimum down payment has been changed to 10%. There are strings attached; CMHC does no one any favours. It charges for the services it provides and the guarantees it gives.

I have been asked to comment on this matter. When someone borrows \$100,000 from a bank, CMHC tells the bank “If the borrower does not make his payments to you, then we will”.

For this service, a certain amount is charged, according to the size of the loan. Often the amount charged by CMHC for its services is greater than the minimum down payment required to purchase the property, in absolute terms.

This is rather odd. They get involved because the borrower does not have a lot of money, and then they hit him with higher charges than the amount required for the down payment in order to have a secured loan.

There is something unclear about this, something that is hard to understand, a question to which no one has given any answers, particularly not the minister sponsoring this bill.

The CMHC makes loans. The risk it assumes is estimated at 5%. In the past, I have seen CHMC repossess properties and lose its shirt. Loans have been made on which the payments have not been kept up, and then the lending institution, the bank or *caisse populaire*, tells CMHC “Give us our money, and take back the house”. So CMHC repossesses it and sells it for a fraction of the value it had guaranteed.

• (1715)

All this because the CMHC, for a long time now and for reasons of economy, no longer evaluates houses or the risk it is taking. It goes by statistics. They can often be very precise. However, it is a good idea to at least superficially look at the risk being taken, so that the fees charged those who have no other way of obtaining housing are reduced because the CMHC is taking fewer risks. Everyone would be delighted, and those who turn to the CMHC would be the first to benefit.

However, the minister prefers to act on statistics, even if they are not always true. If we take as an example a country where the population averages three feet tall and another where the population averages seven feet, I, who make suits for people five feet tall, would have no clients. It is a bit like that. The statistics and the standards sometimes mislead us.

I wanted to take this opportunity in my speech to remind the minister that, even if he is hiding behind statistical arguments—a lot of things can be proven with statistics—but in truth, he can cause hardship and move the CMHC away from its prime objective, which is to provide access to property, but not just any property, decent property.

There is also a danger in this bill, which I cannot let pass, and that is regulation. The bill says that the governor in council may make, amend, add or remove regulations at any time. It does not say “by order”, meaning after consulting with parliament or cabinet. In other words, without consulting anyone about government policy, the minister will now be able to publish regulations in Part II of the *Canada Gazette*, obviously in the interests of speed.

When I co-chaired the Standing Committee on the Scrutiny of Regulations, this was the argument used by departments. They thumbed their noses at democracy as it were, but said it was in the interests of speed and efficiency. There is no denying that democracy always costs a little bit more. It is easier not to have to be accountable, not to have to justify an action or a position, and to do as one pleases.

But members of the public are already paying so much in taxes that, when all is said and done, they are entitled to a minimum of

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respect. They are entitled to be informed that regulations will be amended, that the rules of the game will change and that things will be different. In this case, however, regulations will not be published anywhere but in the *Canada Gazette*. Often, they will be published after they have taken effect. That is even worse, and often happens.

In conclusion, I wish to applaud the efforts of the member for Hochelaga—Maisonneuve, and those of the New Democratic Party member for Bras d'Or—Cape Breton, who participated in the debate on this bill to try and make it more humane and sensitive to poverty, unlike the Reform Party members, who saw it as an opportunity to reward private enterprise, which is in competition with the CHMC, and as a good business opportunity.

• (1720)

[English]

**Mr. John Cummins (Delta—South Richmond, Ref.):** Madam Speaker, I am pleased to rise today to contribute to the debate on Bill C-66, an act to amend the National Housing Act and the Canada Mortgage and Housing Corporation Act.

The general purpose of the bill appears to be to place the CMHC on a more commercial footing, particularly in terms of its mortgage insurance business. That in itself is certainly a commendable objective but, as we will see, there are certain problems with it.

As with much that has gone on in the House during the current parliamentary session, the significance of the legislation will likely be noticed by few in the media or the public. It so happens that the bill involves the most extensive changes in nearly 15 years, since 1985, to the National Housing Act and to the Canada Mortgage and Housing Act.

It was in the 1980s, as pointed out by my hon. colleague from Kelowna during his speech on second reading, that CMHC accorded greater priority to social housing needs. The position of the government is that these legislative changes are in keeping with the enhanced role of CMHC in facilitating home ownership, even though it is a crown corporation as an agent of government with respect to social housing concerns. For example, the government has made CMHC a missionary to the homeless through adding \$50 million to the CMHC's home renovation program.

Some see a contradiction with the federal government bent on downloading responsibilities for social housing to the provinces at the same time as favouring an enhanced social role for CMHC. Others believe that the very existence of the CMHC illustrates an all too familiar pattern of federal government encroachment on areas of provincial jurisdiction, doing so either directly, under the guise of an issue being of national concern, or indirectly through

the use of federal spending powers, in this case federal spending powers to facilitate home ownership with 5% down.

With regard to social housing the CMHC has played a pivotal role with respect to the expansion of co-operative housing. It is through the CMHC that mortgage interest subsidies are provided to these housing co-operatives. Some people argue that it is not equitable to provide mortgage interest subsidies based solely on the fact that a building is collectively owned by a non-profit corporation.

The profit to those living collectively in a supposed non-profit context is the shield from interest rate fluctuations which CMHC provides. In the longer term the profit to those living collectively is a mortgage free environment with the mortgage having been rapidly paid off due to taxpayer subsidies.

People living in non-profit housing co-ops never acquire any equity in the property though they acquire equity in other ways, some argue, based on taxpayer generosity with respect to the co-op mortgages. Some people question why several individuals cannot simply go to a financial institution and ask for financing through a collectively signed mortgage or by way of pooled funds and individual mortgages. To what extent should people who wish to live collectively be treated any differently in terms of government housing assistance than those who purchase homes individually?

Much of the debate on the bill has so far concerned whether it is appropriate for the CMHC to be competing with other financial institutions and whether expanded quasi-privatization of the CMHC is of general economic benefit.

In my riding there is a significant co-operative housing component. In addition, with respect to social housing, generally my hon. colleague from Kelowna mentioned during his second reading speech that as of 1992 an amendment to the British Columbia municipal act requires that municipalities include housing policies in their official community plan.

It may be said that in British Columbia social housing issues were being addressed far earlier than before they became politically fashionable in other provinces or even in the House.

I note that pursuant to the bill CMHC will be able to provide interest rate relief. However, such relief is regarded as only applicable to individual borrowers due to the competing provisions in the Interest Act. Many people understand that they can generally get out of an onerous mortgage interest rate by paying a three month penalty. These provisions are designed to protect consumers who may not appreciate interest rate fluctuations to the same extent as corporate borrowers.

Corporate borrowers generally are stuck with the mortgage interest rates they initially agreed to. This obviously causes

problems with long term high interest rate debt in circumstances where, as now, mortgage interest rates have been low for quite some time. One sector that is disadvantaged in this respect is the co-operative housing sector. Many housing co-operatives are tied to high interest rate, long term mortgage obligations.

• (1725)

They would prefer to be able to pay an interest rate penalty and to refinance. Their mortgage lenders would obviously prefer otherwise. The taxpayer through CMHC would appear to end up paying a higher interest rate subsidy to housing co-operatives than would otherwise be the case if they could refinance their mortgages at current rates.

In the same way people choosing to live collectively perhaps should not be accorded greater government housing assistance than those who prefer to purchase housing individually. People who choose to live collectively should not be treated any differently from individual purchasers in terms of mortgage prepayment privileges.

My point is that whatever one thinks of financial institutions, housing co-operative borrowers are really no different from individual borrowers in terms of sophistication and social need. Therefore I want to use this opportunity to put on the *Hansard* record my concern that mortgage prepayment privileges be made available to housing co-operatives.

I know that the government has been lobbied on this issue but has yet to see fit to act. Quite apart from this being the right direction to take, it cannot prejudice the government's relationship with the financial institution sector any more than the government has already managed to do.

Another issue I would like to address has to do with an issue that was raised by Ms. Janice O'Brien, executive director of the B.C. Association of the Appraisal Institute of Canada, who noted:

These amendments are designed to allow Canada Mortgage and Housing Corporation—to operate in a commercial manner. The Appraisal Institute's experience shows that they raise serious public policy issues.

In particular, the Appraisal Institute of Canada noted:

Bill C-66, amendments to the National Housing Act—is designed to allow Canada Mortgage and Housing Corporation—to operate its mortgage insurance business “on a more commercial basis”. However, as long as CMHC is a crown corporation, parliament has responsibilities to act as a watchdog.

The Appraisal Institute of Canada asks members of parliament to examine Bill C-66 to ensure that it doesn't provide CMHC with a licence to operate in a more commercial manner by compromising or sacrificing its responsibilities for public federal housing policy.

The concern is that we do not repeat the mistakes that were made in the U.S. While CMHC moves away from appraisals, federal

housing officials in the United States are strengthening appraisal requirements for all federal mortgage insurance.

Computerized underwriting is not replacing appraisals. Instead aggressive new consumer oriented standards are being prepared for all federal mortgage insurance appraisals. U.S. appraisals would be required to provide more detailed disclosures to the consumer about the condition of an appraised property. The U.S. experience by itself suggests the need to review CMHC's current practices.

As with opposition to any legislation, the fact that parts of a bill are objected to and the bill voted against does not mean that one is opposed to the direction of the bill.

The official opposition supports the principle that Canadians should have access to affordable housing in order to acquire housing and recognizes the role that public mortgage insurance plays in supporting it. However, in keeping with the general view of the official opposition that private sector options should be explored, it is suggested that greater private sector competition in the provision of mortgage insurance should be encouraged.

What the legislation does is further entrench government intervention in the housing market, an area of provincial and municipal jurisdiction. The prejudicial impact on existing financial institutions is largely unknown.

For these reasons, among others, the official opposition will oppose the legislation in its current form but nonetheless remain pleased to have had an opportunity to place the concerns of Canada housing co-operatives, which I fully support, on the record.

**The Deputy Speaker:** Order, please. It being 5.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's order paper.

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## PRIVATE MEMBERS' BUSINESS

[English]

**Ms. Marlene Catterall (Ottawa West—Nepean, Lib.):** Mr. Speaker, I rise on a point of order. There have been discussions and I understand you would find unanimous consent for the House to deal at this time with Bill S-25 at second reading, in committee of the whole, at report stage and at third reading, without debate and with any time consumed by this bill being added on to this private members' hour. For the information of the House, Bill S-25 is essentially a housekeeping bill. It modernizes existing legislation to provide the certified general accountants—

*Private Members' Business*

• (1730)

**The Deputy Speaker:** Order, please. Perhaps the hon. member could explain the purpose of the bill at second reading if we get consent to proceed with it.

Does the House give its consent to proceed as outlined by the deputy government whip?

**Some hon. members:** Agreed.

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**ASSOCIATION'S ACT**

**Ms. Marlene Catterall (Ottawa West—Nepean, Lib.)** moved that Bill S-25, an act respecting the Certified General Accountants Association of Canada, be read the second time and referred to committee of the whole.

She said: Mr. Speaker, as I said, this is essentially a housekeeping bill. It modernizes existing legislation with respect to the Certified General Accountants Association of Canada, to provide the association with a French name, Association des comptables généraux accrédités du Canada, and with an officially recognized short form name CGA-Canada. It clarifies the definition of the association's activities and powers to make the legislation fit the reality of the organization in its current form.

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, we of course agree that there is unanimous consent for this. It is a bill that is routine in terms of being accepted by all parties of the House.

However, I did want to register, on behalf of my party, an objection to the fact that this originated in the Senate. This appears to happen more and more often with this government. It is not elected, it is not accountable and it is not democratic. The bill should originate in the elected House of Commons representing the people of Canada. I am sure the member for Sarnia—Lambton would agree with that.

**Mr. John Williams (St. Albert, Ref.):** Mr. Speaker, as a member of the Certified General Accountants Association, I am pleased to see this bill receiving unanimous consent to move through the House quickly. It is a housekeeping bill, as the deputy whip of the government said, and I am glad to see it proceeding quickly.

(Motion agreed to, bill read the second time, considered in committee, reported, concurred in, read the third time and passed)

\* \* \*

• (1735)

**HEROIN PRESCRIPTION TRIALS**

**Ms. Libby Davies (Vancouver East, NDP)** moved:

That, in the opinion of this House, the government should, in co-operation with the provinces, implement clinical, multi-centre heroin prescription trials for injection to opiate users, including protocols for rigorous scientific assessment and evaluation.

She said: Mr. Speaker, I am very pleased to rise in the House today to debate my private member's Motion No. 454. I would like to spend a few minutes detailing why the issue is very important not just to my constituents but to people across Canada.

When I was first elected in the riding of Vancouver East in 1997, the first event I attended, before I actually arrived in the House of Commons, was a very tragic community gathering in Oppenheimer Park. The neighbourhood people, who were very concerned about the number of deaths from drug overdoses, had gathered to put up 1,000 crosses in the small park in the middle of this very low income community on the east side of downtown Vancouver. The 1,000 crosses were put up to represent the very tragic lives and deaths of people who had died from drug overdoses.

I have the sad duty to report that in British Columbia the leading cause of death now for men and women between the ages of 30 and 44 is actually from drug overdoses. In fact, in 1998 the number of people who died from drug overdoses was 371, which is an astounding number when one thinks about it.

I thought a lot about this issue and about what we needed to do to come to grips with a very serious health problem. Our local Vancouver-Richmond Health Board was so concerned about the issue of HIV, AIDS and hepatitis C infection among injection drug users that in October 1997 it actually declared a state of health emergency in the community on the downtown east side. This has caused me to bring the issue forward to the House of Commons.

I met with the Minister of Health on several occasions and have raised this previously in the House. I wanted to bring this motion forward to draw attention to the tragedy of what takes place in too many communities in Canada where, because we have had an emphasis on the criminalization of illicit drug use, we have seen many people become further marginalized in society.

The purpose in bringing this motion forward today is to have a debate in the House of Commons on the importance of what is called a harm reduction approach when it comes to drugs. The

purpose of Motion No. 454 is to reduce the harm associated with obtaining drugs on the street. The purpose of the motion is to look at how we can protect the community, reduce crime and also save lives because too many people are dying.

In bringing forward this motion, I really wanted to make it clear that the motion simply states that a medical approach to heroin maintenance is one alternative that should be explored. The motion is clearly not about the legalization of drugs or heroin. The motion does not encourage condoning heroin use. It is aimed toward facilitating the research needed to implement an effective alternative regulated treatment option for heroin addicts.

The research I have done has led me to the conclusion that we need to have health intervention. We need to focus on harm reduction. We need to have a medicalization of addiction that allows us as a society to say that the answer is not just to throw people in jail or to criminalize them. We need to provide support, treatment, education and, in some instances, help to people who are facing a chronic addiction because treatment may have failed.

We are now learning from other models, particularly in Europe, where they have been very successful in enrolling volunteers, hard core addicts, who become part of a heroin maintenance program. It is a very well controlled, scientific program which has actually reduced the amount of criminal activity taking place. It has actually reduced the amount of activity that takes place in terms of buying drugs on the black market. It has improved peoples' health status. In some cases, it has allowed people to go back to work, find jobs, be in better housing and basically put their lives together.

• (1740)

This motion is about opening up a debate and saying that our approach to illicit drug laws in the past has been based on views that do not make sense today. If we are really serious about saving lives, protecting the community and reducing the crime that comes about as a result of obtaining drugs on the street, then we need this kind of medical intervention.

There is no question that there is a growing number of health care professionals, people in the justice system and recently the Canadian Association of Chiefs of Police, who have been calling for the decriminalization of small amounts of illicit drugs, and for better treatment, better support and better education. The list is growing of people who recognize that the approaches we have had in the past simply are not working.

I would like to detail some of the support that is out there. The most notable one is the Canadian Medical Association. At its board meeting last December 1998, it passed the following resolution:

The CMA recommends to the federal Minister of Health that the investigation of prescription of heroin for opiate-dependent individuals follow the same approval protocol in practice for the use of any therapeutic drug in Canada; and that the CMA

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recommend that methadone maintenance and counselling programs be more widely available across the country with appropriate education and remuneration of professional delivering such programs. This recommendation applies also to correctional institutions.

That is from the Canadian Medical Association.

The former B.C. provincial health officer, Mr. Millar, in his 1998 report "HIV, Hepatitis and Injection Drug Use in British Columbia—Pay Now or Pay Later", also recommended that controlled legal availability of heroin, in a tightly controlled system of medical prescription, should be pilot tested as an option, as part of a comprehensive harm reduction program.

In 1997 there was a federally funded national task force on HIV, AIDS and injection drug use. It included representatives from the Canadian Association of Chiefs of Police, the Canadian Bar Association and the Canadian AIDS Society, among others. The task force recommended a continuum of treatment options and also called on the federal government to conduct clinical trials of prescription morphine, heroin and cocaine as alternative approaches, such as is being done in other countries.

Even a high ranking Health Canada official, Mr. Rowsell of the Bureau of Drug Surveillance of Health Canada, has been reported in the media as saying:

—an initiative to gather evidence looking at the benefits and risks of heroin maintenance will be helpful.

The list goes on. We had a chief coroner's report in 1994 in B.C. that came to the same conclusion. The Canadian Psychiatric Association has encouraged Health Canada and the government to look in this direction. The Canadian Addiction Research Foundation is on the list.

Organizations around the world are beginning to recognize that this kind of approach is something that will produce an overall benefit, not just in terms of individual users who are leading very desperate lives and are very marginalized, but in terms of the benefit to the community and to society as a whole.

This is a controversial issue. I have had people come up to me and say "You are just talking about legalizing drugs", or "This is something that we could not do". I believe that if the federal government and the Minister of Health were committed to working with some of these organizations, like the Canadian Medical Association, then we could set up the appropriate protocols that are actually being developed by the Canadian Addiction Research Foundation in consultation with other professionals and scientists. The protocols are now being developed, but it requires leadership from the health minister and from the Canadian government in co-operation with the provinces to say that this is a pilot program.

• (1745)

The notion of multi-centre clinical trials for a heroin maintenance program is something which we should set up as there would

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be a great benefit. We can learn from other countries which have already done this. We would not be carving out new ground.

Information from the Swiss program, for example, has told us that when nationwide heroin trials were implemented in 1994 there was overwhelming support for the program. Criminal offences and the number of criminal offenders dropped 60%. The percentage of income from illegal and semi-legal activities fell from 69% to 10%. Illegal heroin and cocaine use declined dramatically. Stable employment increased from 14% to 32%. The physical health of people dramatically improved and most participants greatly reduced their contact with the drug scene.

By making contact with people who are marginalized, who are living on the edge of society because we force them to do so by our laws, we can bring them into an appropriate model of health care, into an appropriate setting for social support, for housing and for counselling. People can then begin to put together the pieces and make choices in their lives.

I have been very honoured in my riding to meet quite frequently with drug users. Perhaps not many members of parliament have been able to do that. These individuals have their own organization in the downtown east side called the Vancouver Area Network of Drug Users, or VANDU. These people are trying to assert their own rights. They are trying to find their own voice to tell those of us in positions of responsibility and authority that they matter. Their lives matter. Because they have such difficulty in accessing the health care system, many of them live in slum housing, inappropriate housing, and most of them do not have access to adequate and proper services.

The injection drug users are calling on us to take responsible action. They have done a huge amount of very important work in my community in bringing forward to our local health board and to other bodies the fact that they have rights and that, in many ways, the health care system has failed them.

This issue generates a lot of debate. It deals with our mindset around illicit drugs. However, my interest is to bring forward the desperation and the urgency that exists, not just in my community in the downtown east side, but in many urban centres. People are dying on the streets from drug overdoses because they cannot get the help they need, the housing they need or the medical support they need.

We have a responsibility to look at this issue seriously. I encourage members of the House to be supportive of modernizing and updating Canada's drug laws. I encourage members to promote harm reduction strategies. I encourage members to continue that work and to impress upon the Minister of Health that we will support any initiative he takes to bring this forward. The minister will have support from the medical community. He will have support from the association of Canadian police chiefs and he will have support from the coroners who see the bodies that come in as a result of drug overdoses.

There comes a time when we have to have the courage to stand and say that we have to have change, that what we have done in the past is not working, and that we need a new approach.

• (1750)

I ask members of the House to look at the evidence. Look at what happened in Switzerland. Look at what happened in Europe. Look at our communities and see the people who are suffering and consider this motion as a way of bringing forward a program that will save lives, protect the community and deal with this very urgent health matter.

**Ms. Elinor Caplan (Parliamentary Secretary to Minister of Health, Lib.):** Mr. Speaker, the devastation of heroin addiction is of great concern to the government. We want to ensure the health and safety of all Canadians. It is our goal to prevent and eliminate the suffering that heroin addiction causes to individuals, to their families and to their communities.

Heroin addiction, however, is not straightforward. It is a serious and complex issue. Accordingly, the treatment of this terrible addiction requires a thoughtful, considered and sophisticated approach.

The motion put forward by the hon. member for Vancouver East, while well intended, would make clinical trials of using heroin to treat heroin addiction a priority. The success of such treatment is not well established and would not only be controversial, it would have uncertain outcomes. Before any risky clinical trials are embarked upon, all alternative treatments of heroin addiction should be given thorough and due consideration.

Simply put, I believe we need to walk before we run. That is because a number of alternatives for the treatment of heroin addiction are already in existence and are proven to work. I strongly believe that rather than chasing after risky treatments, our time, efforts and resources would be put to much better effect pursuing viable, well-established strategies.

That is why Health Canada is a strong advocate of increasing access to existing successful treatments, in particular methadone maintenance, as well as supplementing medical treatment with counselling and social support programs. Methadone maintenance is the most effective, proven and well established treatment for those who suffer heroin addiction.

Under Canada's drug strategy, any treatment or rehabilitation program must address all underlying factors associated with substance abuse. It must also meet the needs of drug users, many of whom unfortunately use more than one drug at a time. Any treatment that is chosen should strive to meet the basic principles, and methadone maintenance does that. Canada's drug strategy endorses its use to combat opioid dependence.

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While on methadone addicts are able to improve their lifestyles, social health, functioning and productivity. Many are able to recover and continue with their lives, such as living with families, completing education or training and remaining employed.

It is Canada's stated priority to increase access to methadone maintenance. To this end Health Canada has streamlined the authorization program and the authorization process, allowing doctors to treat patients quickly and more effectively. The number of physicians using methadone in the treatment of their patients has also increased in this country. Furthermore, the department has undertaken consultation with stakeholders to find ways of increasing access to methadone treatment programs, and we are continuing to do so.

As mandated in Canada's drug strategy, Health Canada is continually working to improve the effectiveness of and the accessibility to an array of safe and proven substance abuse interventions.

It is also true that methadone cannot help all of those who suffer from heroin addiction. However, there are even more alternatives, with equal promise, to methadone that are already in existence. I am speaking specifically of buprenorphine, levo- alpha-acetylme-thadol, better known as LAAM, and naltrexone. These alternatives could bring greater flexibility in combating this terrible and costly epidemic, especially to those patients who do not tolerate or do not respond to methadone.

Clinical trials in other countries which were referred to by the member opposite, particularly in the United States and Australia, have shown these other medications to be safe and effective. In addition, there is a ready, safe and secure supply of these other alternatives.

• (1755)

Let us also remember that medical treatment alone is not enough to fight drugs. Canada's drug strategy states that we must consider the determinants of health and address the underlying factors associated with substance abuse.

Many addicts feel a sense of hopelessness and helplessness that is not solely attributable to their habits. This is usually just a symptom of many of the larger issues they are dealing with, such as other health problems, poverty, lack of housing, poor education or a history of abuse.

Governments need to devote significant resources and energies toward providing greater and earlier access to conventional addiction counselling and social support programs, professional psychotherapy, education, vocational training and residential care. The delivery of these health services is the responsibility of the provinces.

This government sympathizes with the many Canadians caught in the trap of heroin addiction. We want to reduce the toll of this terrible affliction. We want to reduce the toll that it takes on individuals and on all Canadians. It is clear that the best and most effective route is to pursue existing treatments that are known to work. As I have said, Health Canada wants to expand access to well-established and proven treatments like methadone, as well as giving a chance to the newer treatments which I mentioned, LAAM and others. It is the course of action that we believe makes the most sense in terms of time, cost, resources, effectiveness and, most importantly, safety for the patient and for society.

Our goal is to prevent the harm this terrible addiction causes; the harm it causes to individuals, their families and our communities. While the member's proposal is well intended, we do not believe it is supportable at this time.

**Mr. Gurmant Grewal (Surrey Central, Ref.):** Mr. Speaker, Motion No. 454 states:

That, in the opinion of this House, the government should, in co-operation with the provinces, implement clinical, multi-centre heroin prescription trials for injection to opiate users, including protocols for rigorous scientific assessment and evaluation.

This is a complicated, tongue twisting motion that I am sure no one understands. We are talking about free heroin for addicts. What the NDP is proposing is a recipe for disaster. This is the kind of solution that was adopted in Switzerland. Addicts from all across Europe went to Zurich to live with their addiction and it created a mess. The same thing happened when Denmark tried the heroin trial solution.

It is no secret that there is a terrible drug problem, in particular on the east side of Vancouver. In fact the lower mainland of B.C. has the highest incidence of intravenous drug use in North America. This drug abuse problem is extensive throughout the region and extends to Surrey, Burnaby, North Delta and other suburbs. I have even seen videos demonstrating how easy it is for undercover police officers to purchase heroin.

There is no real government involvement in the solution to the problem. By that I mean that there needs to be an integrated approach which includes the federal, provincial and municipal levels of government.

The motion tries to address problems associated with heroin addiction, including social and family problems, health and crime related issues and high cost.

Many Canadians ruin their lives with heroin use. The problem extends much further in terms of people, the addicts. We need to do something to help these people. These people are our brothers and sisters, our children, our friends and neighbours who want to come home to recover.

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• (1800)

We need to be compassionate, to deliver the health care remedy necessary to solve the problem. When addicts finally try to recover and kick their bad habits, they try to return to the suburbs or quiet towns in and around the lower mainland.

This problem needs a two pronged approach. First, we need to deal with the problem of heroin entering Canada. If we could stop the drug from coming into our country we could stop producing addicts. I know our law enforcement agencies are trying to do the best they can with limited resources at their disposal.

Second, we have to help the addicts. They need medical help, all sorts of help. We need to stabilize the addiction and then integrate them back into their families and home environment so that we help them return to the community where they can pursue a healthy life. We need to support the addicts at every stage.

Far from freely giving out heroin to addicts, we need to have them voluntarily return to a stable environment where they can begin a medical program that will lead to their recovery.

The drug abuse problem affects all surrounding communities in the lower mainland including residents of Surrey Central. I have been made aware of the success we have had dealing with heroin addiction by using methadone in heroin addiction treatment. In Surrey we are leaders in dealing with heroin addiction. The federal government has been of little assistance, not that there is any co-ordination between different levels of government.

Our local medical community is on its own in struggling to save the program and the process. According to my information there are physicians all across the United States who have come to our province to learn about how we use methadone to treat heroin addicts. We teach these physicians what they need to know in order for them to return to their communities and establish methadone treatment programs within their own medical practices.

United States Drug Enforcement Agency members came to Vancouver to study our intravenous drug use problem. They did not go to Chicago, New York or Los Angeles. They came to Vancouver because the IDU problem is so large there.

We need to have the government support our own efforts in this regard. It is a well known fact in our health community that for every dollar spent fighting illicit drug use there is an \$11 saving to be realized.

Surrey Methadone Treatment Centre Ltd. and Renaissance Foundation have a successful program in Surrey which I visited last summer. I can cite many examples after talking to patients. One of the patients I talked with said he had seen his daughter after 12 years. Because he was a drug addict he never went to his family, community or home. After receiving successful treatment his

family visits him at the clinic. Now he is looking forward to rejoining his family.

Another addict told me he used to snatch purses and steal to support his addiction but now after receiving this successful treatment he is relieved. He is thankful to the organizers and owners of the clinic, those who offered him help. That is what we need in the community.

We in the House should consider expanding this program, sending it across the nation and exporting our expertise to fight this problem around the world.

I am not talking about legalization or decriminalization of drugs. Let me make that clear. The NDP would have us use the concept known as heroin trial that allows physicians to dole out heroin to addicts who are receiving treatment. Support must be provided for the injection drug use addict who chooses recovery instead of active addiction. I have been assured that a heroin trial prescription program is the wrong way to go. Furthermore, the methadone treatment has already been proven to be successful. It is the one that has been drawing the medical community to British Columbia to learn about it.

• (1805)

The free drug program on the other hand presents us with a defeatist attitude. We are beaten before we start, so we give in and give away heroin to those addicts. In my view this is not helping the addicts or the problem.

The Liberal government has a national drug strategy. We know it does not work. It is just full of Liberal rhetoric. A reduction in the illicit drug problem, as we know, is a reduction in our crime problem and a reduction in the drain on our limited health system resources. Therefore we must tackle the roots of the crime and not focus always on the punishment aspect.

As a society we continue to push for these kinds of changes, but the Liberal government on the other side does not listen. The government has cut \$23 billion in health care and education since it came to power. One year ago today Canadians witnessed a very important vote in the House on a matter that can only be described as a tragedy. The official opposition forced the House to vote on whether or not to compensate all victims of hepatitis C.

It is the federal government that controlled the Canadian blood supply that infected about 60,000 Canadians. Today, after a year of holding the minister's feet to the fire, he is willing to compensate only about 20,000 of the victims of tainted blood. In the last year 1,200 of these victims died while waiting for compensation.

Since my time is over I emphasize that the Liberal government lacks compassion and vision. Still, the member introduces the motion we are debating today as if there were the remotest

possibility that the government would listen to her and take action. How sad.

[*Translation*]

**Mrs. Pauline Picard (Drummond, BQ):** Mr. Speaker, I am pleased to rise to speak on Motion M-454, introduced by the hon. member for Vancouver East.

The purpose of her motion is to make sensible and regulated treatment options available to health professionals and the injection drug users under their medical supervision.

With Motion M-454, which calls for the implementation of clinical trials of prescription heroin, the hon. member for Vancouver East hopes to get parliamentarians to give serious thought to the extent of the drug addiction problem in Canada, with the ultimate goal of reducing street drug related crime, protecting the community, and saving lives.

As part of its national action plan submitted in May 1997, a expert task force on HIV/AIDS and drug issues gave a status report on the situation in Canada. At present, Canada is experiencing a true public health crisis as far as HIV/AIDS and injection drug use is concerned.

The age of those infected is constantly dropping; the average age of new HIV-positive people has gone from 32 years to 23. Since the penal system has not taken any remedial action, it has become one of the places the virus is being spread. The over-representation of aboriginal people among the groups at risk is of the greatest concern.

Because of this, there are several underlying principles against which the steps to be taken can be assessed. There are several different approaches.

In the past, the favoured approach in treating drug addiction was abstinence, or a total break with the substance being abused. While this approach is perfectly valid, more and more experts recognize that this is not always the best solution.

Abstinence, in the case of drug addiction, is not always a realistic objective achievable in the short term. It would be better, in the interest of public health, to consider other solutions.

• (1810)

There is also the harm reduction approach. This approach neither tolerates nor condemns the use of drugs. In fact, it allows the user to continue to consume, but at the same time encourages the taking of various steps to reduce the harm of consuming. This approach therefore does not rule abstinence out as the ultimate goal of an individual wanting it, but it takes a more progressive approach with the aim primarily of minimizing the negative effects of the use of drugs.

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Needle exchange and condom distribution services, instruction on safe injection methods and the provision of locations for injections are part of the harm reduction approach. More and more studies are concluding in its favour. Motion M-451 is right in line with this thinking.

Long term treatment with methadone is used for people with a heroin dependency of over 30 years. With the emergence of the HIV epidemic among intravenous drug users, there is more interest in methadone or other opioid agonist treatment. Long term treatment is associated with a reduction in risky behaviour associated with injection, a reduction in new cases of HIV infection in treated populations, reduced consumption of opiates, lower crime and death rates and rehabilitation in the community.

In the Vancouver area, a health emergency has been declared because of an epidemic of HIV infections among intravenous drug users. This health emergency affects all large urban centres in Canada, particularly those where drug use is on the increase.

Faced with this situation, we must lay all possible options on the table. We must also take a look at what is being done in other countries, such as Switzerland, Germany, England and the Netherlands.

When the Swiss government decided to issue heroin prescriptions on a trial basis throughout the country in 1994, the social advantages of keeping people on heroin were amply demonstrated.

The results were as follows: a 60% reduction in criminal offences; a 60% drop in revenue from illegal or semi-legal activities; a spectacular reduction in heroin and cocaine use; a 14% to 32% increase in the number of participants holding down a steady job; a considerable increase in their physical health and, in most cases, a noticeable drop in links maintained with the drug world; no deaths attributable to overdoses and no prescription drug sold on the black market; a net economic benefit of \$30 per patient, per day, largely because of the reduction in costs related to health care and the administration of the criminal justice system.

We cannot remain indifferent to human problems such as drug addiction and to its terrible repercussions, indeed to any human suffering. It is imperative that we open our minds to any possible solutions. Sometimes, this will require thinking differently, exploring new avenues.

That is what Motion M-454 does. And for that, we must thank the member for Vancouver East, who has shown much determination and devotion to the cause of helping the most disadvantaged members of society.

• (1815)

[*English*]

**Mr. Greg Thompson (New Brunswick Southwest, PC):** Mr. Speaker, I want to thank the member for Vancouver East for

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bringing this thought provoking issue to the House. Reading from her backgrounder, I want to remind the House and the Canadian public as to why the member did this. It is a problem all across the country but in her home province it is particularly bad.

I want to go through some of the numbers which the member so thoughtfully provided us with. She says that in her home riding of Vancouver East a health emergency has been declared as a result of an epidemic of HIV infection among injection drug users. She also states that in British Columbia the death toll is staggering. As of November last year a record 371 people died of overdose in 1998 alone, 195 in the Vancouver area. Those are compelling statistics.

Overdose from intravenous drug use has become the leading cause of death for adults in the age range of 30 to 49 years in the province of British Columbia. Over and above that, the leading cause of HIV infection is now IDU. It is estimated there are 15,000 regular or frequent injection drug users in the province of British Columbia alone, the member's home province.

It is estimated that one-quarter of injection drug users are HIV positive and at most 88% have hepatitis C. She also states that HIV infected drug users are showing up in larger numbers in the Kamloops and Kootenay regions. She goes through some of the numbers in Toronto, Montreal, Winnipeg and other Canadian cities.

Those are pretty grim statistics. We have to admire the member for wanting to do something about it. I know the issue is somewhat controversial. Some members on both sides of the House have said there are other examples in other countries and jurisdictions and what has been done.

In short, the intent of the motion is to implement clinical, multi-centre heroin prescription trials and hence the controversy. It is not an easy thing to deal with.

Let us look at what the Canadian Medical Association has to say about it. I am quoting from a document sent to me today:

The CMA recommends to the federal Minister of Health that the investigation of prescription of heroin for opiate-dependent individuals follow the same approval protocol in practice for the use of any therapeutic drug in Canada; and that the CMA recommend that methadone maintenance and counselling programs be more widely available across the country with appropriate education and remuneration of professional delivering such programs. This recommendation applies also to correctional institutions.

The CMA has laid out quite clearly what it thinks of the issue and the proposal before us.

I have done some research on this. I came across what they call rapid opiate detoxification. It is something that could be considered in this case. It is a cleansing therapy that curbs heroin addiction. It is somewhat new and exciting in the treatment of this addiction. It

is a treatment widely used throughout the world, but this sophisticated medical procedure has just arrived in Canada.

Thanks go to a couple of individuals, Peter Garber and Mike Greenberg. They tell us it is based on the work of psychiatrists Dr. Karl Loimer and Dr. Colin Brewer who in the late 1980s discovered that two drugs, naloxone and naltrexone, suppressed the addict's desire for heroin and other drugs such as methadone. The treatment does not purport to be a cure for heroin addiction but offers an essential and powerful first step toward achieving that objective.

• (1820)

They step through how this procedure works and talk about reducing withdrawal in five ways. First the process is accelerated so what used to take the body weeks to achieve on its own is now done in about six hours. Second, the body does not crave the missing narcotic because it is replaced by another substance. Third, the entire treatment is performed under anesthesia so the patient is unconscious and unaware. Fourth, unlike most programs, a physician and a nurse attend the patient as the anesthetic wears off. Fifth, short term symptomatic treatment is prescribed to alleviate any mild withdrawal symptoms which may occur in the following couple of days. We are talking about a detoxification system with some amazing results.

It comes down to what can we afford to do and what should we do. Let us go through some of these numbers again. A study done in Toronto says "Deaths from heroin overdose have risen in certain cities, they are also related to HIV infection in some cases. The social cost exceeds millions of dollars, more going to drug enforcement"—and this is an important point—"than to drug treatment". That is an important thing to consider. It is estimated that some \$40,000 per year is spent for every untreated user.

We are going back to some of these new and exciting detoxification programs that have recently appeared. The question is what is the cost and can we afford it? Considering the number of deaths, we cannot afford to sit back and do nothing. I am not sure we can sit back and rely on the old methods of treating addiction. We have to examine anything that comes along which might deal with this in an effective way.

The U.S. drugs are criticized in some of these programs but this is not unusual. We can look at some of the other countries involved. Australia has some major concerns as well. I guess we could take some satisfaction with some of the stats coming out of The Netherlands. Listening to some of the other experts, we wonder whether or not they are accurate and whether or not they are effective. It depends on who the listener is, who the recipient is and whether or not they are interpreting some of those statistics in the same way.

It is a big problem and one we want to see some progress on. The latest procedure which I talked about has to be examined in the

context of what has been used in the past. Remember that when heroin first appeared on the scene it was supposed to be the drug that was going to relieve morphine addiction. Look at what is happening with methadone which is an addiction of its own. It is a substitute for another addiction.

I think the jury is still out. But I think the consensus of this House is that this motion has to be examined very carefully by the Minister of Health. We have to encourage more thought provoking motions like this one and consider all options in the treatment of a very serious situation.

• (1825 )

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, I would like to thank the members who participated in this debate, in particular the member from the Bloc Quebecois and the member from the Conservative Party for their very thoughtful comments. That is what this discussion was about, to talk about this very serious issue and to examine what options and possibilities there are for dealing with the very very serious situation of chronic injection drug users who may be using heroin or cocaine or a combination of drugs.

It was disappointing to hear the response from the government member. To me this debate is about saying we must have a variety of options available. I would certainly agree with the Parliamentary Secretary to the Minister of Health that methadone must be improved, it must be expanded. There have been calls for that in all the reports I have read and I would certainly agree with that. Indeed the other options she mentioned need to be brought forward and put on the table as real possibilities that can be used.

My concern is that we not rule out what has been shown to be successful in other countries in terms of a heroin maintenance program that can be viable and beneficial in circumstances where individuals have not been able to get successful treatment using other options.

To characterize the heroin maintenance program in Switzerland or anywhere else as something that is not well established or that is very risky, I would encourage the member to look at some of the material that is available from the very credible organizations that have been monitoring the Swiss program. The evidence shows very clearly that we are not talking about risky situations but about a program that actually produced very amazing results.

To the member from the Reform Party, it is very disappointing that this would be characterized as the NDP wanting to give out free heroin to addicts. Morphine is also a controlled substance. We recognize that it has a legitimate use within our medical system. Nobody here is advocating handing out heroin all over the place to whoever wants it.

This motion talks about setting up a very tightly controlled scientific and medically supervised pilot program in which we can enrol people and make contact with people who otherwise are

totally marginalized and seem to be outside of our health care system.

To characterize a very complex health issue by throwing it away and saying that it is about free drugs really does not do service to the complexity and the compassion we need to show for people who are really suffering out there. I was very disappointed to hear the remarks from the Reform Party.

I have heard other members from the Reform Party say they have been to Vancouver's downtown east side in my constituency of Vancouver East and they are very horrified at what they have seen on the streets. If that is the case, I would encourage them to look at this seriously and to seek out information from the Canadian Medical Association, the Canadian Addiction Research Foundation, the Canadian Association of Chiefs of Police, coroners offices, and the list goes on and on.

This motion was brought forward to bring about a debate, to bring about understanding, to encourage the government not to close the door on this matter. It has had a lot of discussion within the health care community and the justice community. This is something that should be taken note of and examined further. We should be working with the medical community to look at the protocols that would be necessary.

From what I have been able to read in articles, even officials from Health Canada believe there is a place to have this kind of program set up. I would encourage the government not to reject this outright as being too controversial and risky but to look at it as an option, as part of a comprehensive harm reduction strategy for dealing with illegal drug use.

Mr. Speaker, I would like to ask for the unanimous consent of the House to make this a votable motion.

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

**Some hon. members:** Agreed.

**An hon. member:** No.

• (1830 )

**Ms. Libby Davies:** Mr. Speaker, I rise on a point of order. I would seek unanimous consent to have the matter sent for further discussion to the Standing Committee on Health.

**The Deputy Speaker:** Is there unanimous consent to refer the matter to the standing committee?

**Some hon. members:** Agreed.

*Adjournment Debate*

**An hon. member:** No.

**The Deputy Speaker:** There being no further members rising for debate and the motion not being designated as a votable item, the time provided for the consideration of Private Members' Business is now expired and the order is dropped from the order paper.

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## ADJOURNMENT PROCEEDINGS

[English]

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

### NATIONAL DEFENCE

**Mr. Gordon Earle (Halifax West, NDP):** Mr. Speaker, if the government were an individual Canadian, it would have been forced into bankruptcy long ago. If the government were a small business, the shop would have been boarded up for some time now. The government sees fit to waste taxpayer money with seemingly little regard and with even less respect.

On February 16, 1999, I challenged the Minister of National Defence on the issue of Canada's submarine purchase. The price the government has led the Canadian taxpayer to believe it will spend on our new submarines is \$750 million, but it appears the actual cost could be closer to \$2 billion.

Imagine a Canadian small business underestimating its cost by over two and one-half times the original estimate when it budgeted for new equipment. No respectable business could stand such gross financial mismanagement time and time again. However, that is exactly how the government treats its own books and how it treats taxpayers.

I wish the only problem with this deal was the cost, but the big picture is even worse. The Liberal government's priorities are so far out of whack it is hard to conceive how it must have gone about making decisions.

Let me ask why we are buying four used submarines and how this decision fits into the role our forces will play early in the 21st century.

Two of the suggested roles, drug surveillance and fisheries patrol, are clearly dubious at best. Does the government really think that increased submarine capability would have stopped the turbot war? The proposed third reason for protecting our sovereignty under the ice cap would require an incredibly expensive refit.

What about the cost of technical data and crew training? What about the cost of infrastructure refit and development to be able to house the submarines? What about the need, as I have mentioned,

to refit them with air independent propulsion so they can work under the ice without frequent resurfacing?

Furthermore, what will we do when these submarines break down? The production line for these submarines has ended and to get parts must we then cannibalize one of the four submarines we are purchasing? What about the cost of changing the communication suites to be compatible with the Auroras and helicopters?

I will detail my estimates and I trust the government will choose to do the same in its response: acquisition costs of \$800 million; shore facilities and modification, \$200 million; routine refits over the life of the program, \$1 billion; and air independent propulsion system, \$1 billion. This totals \$3 billion and if we add 30 years of operating costs at approximately \$2.7 billion, the grand total is \$5.7 billion or over seven times the cost to the taxpayer that the government is touting.

What about the big picture itself? The government needs to answer a question to the people of my riding of Halifax West, to Nova Scotians and to all other Canadians. How does this expenditure stand up against the need for adequate pay and housing conditions for Canadian forces personnel so desperately needed and so terribly missing? It is true there has been some money infused as a result of the recent report of a committee, but yet there is a long way to go.

How does this stand up against the need for immediate attention to finding a substitute for the flying accidents waiting to happen or the Sea Kings and Labrador helicopters? People deserve an answer and they are waiting.

**Ms. Elinor Caplan (Parliamentary Secretary to Minister of Health, Lib.):** Mr. Speaker, the cost of acquiring the four upholder class submarines and putting them into active service in Canada is still \$750 million in the year of 1998-99.

In April 1998 the government approved the acquisition based on this figure and nothing has changed except the names of the vessels. It was announced on March 30 that the vessels would be known as the Victoria class submarines.

The first Victoria class submarine is due to arrive in Canada in the autumn of 2000 and the navy is already preparing for this. Even as we prepare to take possession of the submarines we have already started to plan for the future, precisely because we expect these boats will have a long life in the Canadian navy.

• (1835)

As with any piece of equipment there will be maintenance and upgrade projects involved throughout the life of the vessel. It is unreasonable to think that one can buy any piece of equipment and keep it operating for 30 years without maintenance and upgrades.

For instance, the Victorias will require a mid-life refit to ensure that they meet their expected lifespan. We will also have to keep

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maintaining all the safety and rescue equipment so that it will be compatible with the newest technology.

Furthermore, as new technologies come available that would require enhanced operational capabilities of the submarines, they will need to be integrated into existing systems whenever possible. It would be unfair and irresponsible to add the costs of such eventual projects to the cost of acquisition because at this point we cannot predict the timing, the cost or the nature of any future projects with 100% accuracy.

When the time comes for any new expenditures I can assure the hon. member that these projects will be subject to the necessary government approval before they can proceed. Planning for the future is the responsible thing to do and it is particularly important in times of tight fiscal restraint.

## FOREIGN AFFAIRS

**Mrs. Sue Barnes (London West, Lib.):** Mr. Speaker, a growing number of children are directly involved in armed conflict as deliberate targets and as child soldiers.

The record of the past decade is grim. Close to two million children have been killed in armed conflict; more than four million children disabled; over one million children orphaned; over 300,000 girls and boys serving in armies and rebel groups as fighters, cooks, porters, messengers, spies and labourers; 12 million children homeless; and over 10 million children psychologically scarred by the trauma of abduction, detention, sexual assault and witnessing the brutal murder of family members.

The situation of children in armed conflict is worse today than it was 50 years ago when the Declaration of Universal Human Rights was signed. Today 90% of the casualties of war are civilian, mostly women and children, whereas it was only 48% in the second world war and 5% in the first world war.

Children usually become soldiers through coercion, either through mandatory conscription or forced recruitment. Child soldiers overwhelmingly are recruited from the poorest and most marginalized sectors of society. Particularly vulnerable are children without families or with disrupted family backgrounds. Coercion aside, children may join the military for security, food or medical care. The military may offer children the only path to wages to support themselves or their families.

The use of children in armed conflict is global in nature. It is a far greater problem than suggested by the scant attention it has received. The use of child soldiers violates international norms.

The UN Convention on the Rights of the Child, signed in 1989 and ratified by all but two nations, establishes 15 years as the minimum recruitment age. In fact, most countries have endorsed an optional protocol that boosts the minimum combat age to 18 years. However, in the face of armed conflict, military units in some

nations, whether governmental or rebel, often pay little attention to age.

International silence about the abuse of children must change. The welfare of the world's children merits special priority in Canada's human security agenda.

Children are the most vulnerable group. The experience of children during their early years affects them for life. It will affect their families as well as their own future. We simply cannot afford to let the current situation continue if we value our own future.

In February the Minister of Foreign Affairs addressed the UN security council on the impact of conflict on civilians. He outlined Canada's approach to this very serious issue. In light of this, could the Minister of Foreign Affairs highlight what Canada is doing to protect civilians in armed conflict and in particular children?

**Ms. Elinor Caplan (Parliamentary Secretary to Minister of Health, Lib.):** Mr. Speaker, as I respond to this question on behalf of the Minister of Foreign Affairs I would like to acknowledge the important contribution that the member for London West has made to the issue of child soldiers. She really has made a difference in advancing the cause of human safety and security when it comes to the lives that those children will have.

It is true that on February 12 the Minister of Foreign Affairs travelled to New York to preside over a special meeting of the security council sponsored by Canada on the issue of protection of civilians in conflict.

● (1840)

It is a recent innovation of the council to hold its meetings on a thematic focus. This enables the security council to consider cross-cutting security issues in a broader, more integrated context than its usual crisis mode of interaction. We support this practice which also permits the council to hear from outside non-state sources, for example the International Committee of the Red Cross.

This initiative is a key element of Canada's security council human security agenda which we hope to advance during our two year council term. At issue is the rising toll of modern conflict on civilians, particularly vulnerable groups such as women and children who are not only victimized by new forms of aggression but are often directly targeted, as the hon. member who has worked so hard on this difficult issue has noticed, and used as child soldiers, which is a very serious issue. Our goal is to explore new ways for the security council and the international community to address this pressing human safety concern.

The Minister of Foreign Affairs delivered Canada's statement on this theme and reiterated to council members that the ultimate aim of the council's work was to safeguard the security of the world's people, not just the states in which they live. Clearly, with the disproportionate toll modern conflict takes on civilians, the protection of individuals should be a primary consideration in the

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council's activities. The minister called on the council to meet its responsibilities and to face the challenges of this issue head on.

As a result of the February 12 briefing, the council adopted a presidential statement which condemned all attacks against civilians in conflict situations, including women, children and refugees, and called on the—

**The Deputy Speaker:** I am sorry to interrupt the hon. member, but her time has expired.

## FISHERIES AND OCEANS

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Mr. Speaker, I rise today, on behalf of all Atlantic Canadian fishermen, plant workers and their families, and on behalf of those in Quebec and in the territory of Nunavut.

The recent auditor general's report on the failed DFO management policies when it comes to the shellfish industry in Atlantic Canada, Quebec and Nunavut is one of the most damning reports ever on the policies of the Department of Fisheries and Oceans. The auditor general did great work. We in this party want to thank him very much for raising the red flag.

In 1992 devastation hit Newfoundland and many other parts of Atlantic Canada in terms of the groundfish collapse which has now been proven to be solely the responsibility of the Department of Fisheries and Oceans. Two levels of government mismanaged that fishery to the death knell of many people.

Unfortunately the auditor general says the exact same management policies that happened in the cod fish crisis is now happening in the shellfish industry. We just cannot allow this to happen. In committee report after committee report the facts are clear. We have studied this issue to death. The DFO cannot properly manage the shellfish industry of Atlantic Canada. It does not have the resources. It does not have the scientific people to do the job. It certainly does not allocate any money.

For example, the lobster industry is a \$500 million industry in Atlantic Canada. It spent \$330,000 a year on research. That is all it spent on this most important and crucial industry.

The DFO allowed the dragging of a brood stock of scallops in the Bay of Fundy. That was a nursery, for God's sake. It actually allowed a dragger to go through the Bay of Fundy and destroy an entire scallop industry.

The auditor general also pointed out that we have little or no at sea observer coverage on board ships within our own 200 mile limit. It even ignores the observer reports it gets.

In 1997 the Minister of Veterans Affairs who was then the minister of fisheries and oceans ignored the North Atlantic Fisheries Organization's scientific advice. We got this information

from court transcripts of the Federal Court in Vancouver. He ignored the advice of the Nunavut wildlife branch. He ignored the advice of the fisheries resource conservation council. Most important, he ignored the advice of his own deputy minister and opened up the turbot fishery two months prior to the federal election. Those are the facts.

Now the auditor general has pointed out that the current minister ignores advice from his own department and ignores the advice from observer reports. We can only come to the conclusion that it is based on political favouritism. It is not issuing quotas or licences, for example, on sound biological or scientific evidence. What it is doing is basing it on political favouritism. It is the same thing that the Liberal government accused the Conservative government of doing.

• (1845)

Unfortunately the people of Atlantic Canada do not have that much time to wait. If the industry collapses, which I suspect it may under the current regime we have, we know very well there will not be a TAGS 3 program.

Where will the answers be from the government then? The auditor general has raised the red flag, has put up a precautionary note, and has given sound advice to the Minister of Fisheries and Oceans and to the government. We are asking on this side of the House that the government of the day, the department and the minister heed his advice very carefully, understand exactly what the problems are, and move forward in the new millennium.

**Ms. Elinor Caplan (Parliamentary Secretary to Minister of Health, Lib.):** Mr. Speaker, I can give the assurance that there are effective monitoring programs in place. Fisheries enforcement is a priority for the Department of Fisheries and Oceans and every effort was made to protect the enforcement program from budget reductions. A number of steps have been taken to improve enforcement effectiveness.

Under a national recruitment strategy over 100 new fishery officers have been hired in the last three years. Physical fitness and competency standards have been developed for fishery officers along with new training courses, including one on forensic auditing.

Operating budgets have been increased and new surveillance equipment, computers and patrol boats have been purchased to augment program effectiveness. In addition, the department is reviewing the mix of enforcement resources and examining ways to better utilize data collected.

Major improvements are being made to dockside monitoring programs in 1999. Dockside monitoring companies will be required to meet standards set by DFO and will be subject to checks and audits.

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The at sea observer program will also undergo a major review in 1999 which will include the development of criteria for setting observer coverage levels. We have learned from the groundfish collapse and we are determined not to repeat the mistakes of the past. Conservation of the resources is the department's first and foremost priority.

Shellfish resources have been healthy and abundant in the 1990s. It is important to note that every shellfish fishery is managed through specific conservation measures such as minimum size, quotas, specific fishing areas and a limited number of licences. DFO's decisions on shellfish allocation are based on established criteria with conservation being the first priority. Where temporary sharing of abundant shellfish resources is authorized, it is done in such a manner that it ensures harvesting capacity does not increase on a permanent basis.

The auditor general has recommended that the department should clearly define its policies. I am happy to tell the member and the House that DFO has already begun a full review of its Atlantic fishery policy.

[*Translation*]

**The Speaker:** The motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at 2 p.m., pursuant to order adopted on Thursday, March 11, 1999.

(The House adjourned at 6.48 p.m.)

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