



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Wednesday, June 7, 2000**

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**Speaker: The Honourable Gilbert Parent**

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# HOUSE OF COMMONS

Wednesday, June 7, 2000

The House met at 2 p.m.

[English]

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*Prayers*

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• (1400)

[Translation]

**The Speaker:** As is our custom on Wednesday we will now sing O Canada, and we will be led by our colleague, the fabulous tenor from Perth—Middlesex.

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

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## STATEMENTS BY MEMBERS

[Translation]

### SENIORS' MONTH

**Mr. Yvon Charbonneau (Anjou—Rivière-des-Prairies, Lib.):** Mr. Speaker, I would like to remind my colleagues and all Canadians that June is seniors' month pretty well across Canada.

It is an opportunity for all of us to reflect on the positive aspects of population aging and to recognize the contribution seniors make to the life of the family, the community and society in general.

The role seniors play is irreplaceable. Within the family, they provide care and support. They provide advice. They provide a continuity and pass on knowledge and values from one generation to another.

[English]

Also, many seniors volunteer their fine efforts to good causes. In fact, seniors represent the age group that spends the most time volunteering. Next year will be another opportune time to pay them tribute, since 2001 has been declared the International Year of Volunteers.

[Translation]

It is in this context that I invite Canadians to pay tribute to seniors throughout the month of June.

## ABORIGINAL AFFAIRS

**Mr. Philip Mayfield (Cariboo—Chilcotin, Canadian Alliance):** Mr. Speaker, six months ago we sat in the House vigorously debating the Nisga'a Final Agreement.

My party argued that the Nisga'a treaty was poor public policy, that it would be a flawed model for the more than 50 treaties still to be signed in British Columbia, and that the final cost would be beyond reason and beyond the capacity of Canadian taxpayers.

Regrettably, these predictions are already coming true. Last week we learned that the Sechelt Band in British Columbia is renegeing on its treaty agreement in principle, believing it can obtain more now that Nisga'a has set the standard. Other bands will legitimately wish to reopen treaty agreements to obtain what Nisga'a promises.

After seven years in power this government has demonstrated no competence to deal with aboriginal issues. A Canadian Alliance government would provide aboriginals with the same rights as other Canadians, including private ownership of property, democratic accountability for finances and transparency in treaty negotiations.

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## THE ENVIRONMENT

**Ms. Paddy Torsney (Burlington, Lib.):** Mr. Speaker, today marks Clean Air Day 2000 in the middle of Canada's Environment Week.

Under this year's theme, "Community Action on Clean Air and Climate Change", Canadians across the country are doing their bit for cleaner air and to reduce climate change.

Today 18 communities joined Canada's "Commuter Challenges". They are adopting healthy and environmentally sustainable transportation alternatives to the single passenger car and reducing harmful air emissions. They are walking, cycling, telecommuting, carpooling, using public transit and making a huge difference.

More than 61 transit companies are involved in the campaign and it culminates today with activities to encourage the use of public transit.

*S. O. 31*

Just think, one busload of passengers takes 40 vehicles off the road during rush hour, saves 70,000 litres of fuel and avoids 175 tonnes of emissions a year.

Congratulations to all those who are participating today and to Canada's Minister of the Environment for delivering on our Speech from the Throne commitment for action on environmental issues.

\* \* \*

**PAUL ATKINSON**

**Mr. Walt Lastewka (St. Catharines, Lib.):** Mr. Speaker, I have the privilege and pleasure today to honour a young Canadian entrepreneur who is making a difference in the world of high technology.

Mr. Paul Atkinson is a local St. Catharines boy who, at the age of 35, has just sold Solect Technology Group Inc. for \$1.15 billion, making it the largest acquisition of a technology related private company in Canadian history.

Paul Atkinson has become a local hero and respected entrepreneur in a region where economic success has been achieved by utilizing our human capital: the dedicated business people, entrepreneurs, educators, investors and government officials who work together to make things happen.

These same people got together last week to honour Paul Atkinson and to launch the Atkinson Centre for Entrepreneurship. The centre will be chaired by Mr. Atkinson and will focus on enhancing opportunities for e-commerce and Internet centred businesses. It will be a major boost for high tech and e-commerce entrepreneurs in Niagara, and a welcome addition to our small business infrastructure.

Congratulations to Paul Atkinson on his successes to date and on the continuation of his work and dedication.

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[Translation]

**TRUCKING**

**Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.):** Mr. Speaker, by increasing from 13 to 14 the number of hours a truck driver is at the wheel, the governments of Canada and Quebec are putting people squarely at risk.

The governments are agreeing to lengthening rest time to 10 hours, but are also lengthening the work period to 14 hours.

Most accidents charged to truck drivers occur after 12 hours of driving. In the case of Canada's major trucking firms, the period is 12 hours of work that includes a rest break of two hours.

The governments will have to listen carefully to the recommendations by the truckers and by Canadian and Quebec unions. For a trucker to drive 14 hours a day is too much.

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[English]

**HEALTH**

**Mr. Jim Hart (Okanagan—Coquihalla, Canadian Alliance):** Mr. Speaker, I rise on behalf of the people of Okanagan—Coquihalla who are concerned about the state of our health care system.

Recently the people of Princeton were told they would lose eight acute care beds at the Princeton Regional Hospital. That is a 45% reduction while demand is increasing.

A nursing shortage means the hospital is unable to carry out its caregiving activities. Acute care patients will now have to travel at least an hour and a half to receive the medical attention they need.

The crisis facing the hospital is clearly the result of a health care system reeling from \$21 billion in federal Liberal government cuts since 1993. The Liberal government's token effort in the budget to increase funding over five years is only a fraction of what is actually needed.

It is time the Liberals stopped playing with the health and welfare of Canadians and restored full funding to the health care system.

\* \* \*

● (1405 )

**GUELPH—WELLINGTON**

**Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.):** Mr. Speaker, Montreal can have its jazz festival and Ottawa can keep the tulips, because Guelph—Wellington knows how to throw a party.

This weekend I will be attending the Guelph Multicultural Festival 2000 as well as Destination Guelph. Both festivals proudly celebrate the multicultural mosaic of Canada.

As well, I am always proud to be a part of the spring festival in Guelph and the jazz festival. These festivals, along with spectacular venues, make Guelph—Wellington the greatest community in the world.

Mr. Speaker, I invite you and all of my hon. colleagues to visit me in Guelph—Wellington and help me celebrate the summer.

S. O. 31

[Translation]

**FIGHT AGAINST POVERTY**

**Mrs. Pauline Picard (Drummond, BQ):** Mr. Speaker, a true fight against poverty absolutely must include stable and consistent funding, restoration of social transfers to their 1994-95 levels, construction of new social housing units and an in-depth reform of the employment insurance program.

On behalf of Quebec children and their families, the Bloc Québécois is urging the Prime Minister to make the fight against poverty a priority, so that Quebec children can have the necessary resources to achieve their potential; so that Quebec children living in families where unemployment is common can still have the necessary resources to ensure their physical and psychological well-being; so that Quebec children and their families can live in good health; so that Quebec children and their families can live in housing units that their low income will allow them to pay.

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**YUKO MATSUZAKI**

**Mr. Denis Paradis (Brome—Missisquoi, Lib.):** Mr. Speaker, I want to salute long distance swimmer Yuko Matsuzaki who, at the international crossing of Lake Memphremagog, will attempt a double crossing, over 80 kilometres, an achievement which could take from 28 to 32 hours. If successful, that 80 kilometre swim will be certified in the *Guinness Book of Records*.

Allow me to salute the courage and the determination of this athlete, who will take part in a swimming event where the cold, the waves, the weather, the physical effort and the loneliness are among the obstacles that she will have to face.

Behind this great challenge, there is also a great dream: Yuko has long wanted to take part in an ultra-marathon to raise money to help sick children in the region of Magog.

[English]

Thank you, Yuko, on behalf of our population of Magog and particularly on behalf of our children who dream to recover their health.

[Translation]

You are not only a swimmer blessed with exceptional endurance, but you are also a great person whose generosity and humanity are an example for us all.

[English]

**HIGH TECH BRAIN DRAIN**

**Mr. Eric Lowther (Calgary Centre, Canadian Alliance):** Mr. Speaker, the Liberals are so busy giving out public money for fountains and golf courses that they cannot find the plug for the brain drain.

The U.S. Congress recently introduced legislation to increase the number of foreign high tech workers fast tracked into the U.S., which means we will lose more of our brightest.

There is global competition for high tech workers, and the Liberal tax and spend policies keep us out of the game.

We can be the most connected nation in the world, but if we cannot keep our skilled workers or encourage entrepreneurs, Canada will never reach its potential.

The Canadian Alliance's solution 17 is a uniquely competitive tax structure, which experts say would make us a magnet for the new economy jobs.

The Liberal refusal to accept that high taxes hurt high tech is a demonstration of their brain drain.

With the Canadian Alliance solution 17 tax plan, brain drain will turn into brain gain.

We have the potential in Canada and there is a growing alliance of Canadians who are determined to capture it.

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**THE HON. MEMBER FOR PARKDALE—HIGH PARK**

**Ms. Aileen Carroll (Barrie—Simcoe—Bradford, Lib.):** Mr. Speaker, it is my great pleasure to congratulate our colleague, the hon. member for Parkdale—High Park, who has been selected by Soroptimist International of Toronto for its Women of Distinction Award.

The Women of Distinction Recognition Program began in 1974 as the Making a Difference for Women Program. Its purpose is to reinforce the advancement of the status of women by honouring those women in the community who have done the most to help other women.

The hon. member has been selected to receive the 2000 Women of Distinction Award in the area of economic and social development for her significant and ongoing contributions to the political system in Canada, to the arts in Canada, to women's issues, to the Latvian community in Canada, and to women entrepreneurs in Canada.

Mr. Speaker, friends in the House, please join me in congratulating our hon. colleague.

*S. O. 31*

### NOVA SCOTIA ECOLOGY ACTION CENTRE

**Mr. Gordon Earle (Halifax West, NDP):** Mr. Speaker, the Nova Scotia Ecology Action Centre is the oldest environmental organization in my home province. Every year its Environment and Development Committee searches the province to find a community or community organization that has shown leadership and commitment to the principles of sustainable development.

• (1410)

Former recipients of the award are the Mi'Kmaq Fish and Wildlife Commission and the community of Sambro. These communities and this year's recipient have been recognized for their work in creating healthy communities with a vision of a balanced environmental, economic, social and cultural well-being.

It is with great pride and honour that I stand today to report to my colleagues that the community of Spryfield, where my constituency office is located, is this year's recipient of the Ecology Action Centre's Sustainable Communities Award.

There are a number of community based groups which, working together and on separate projects, have made Spryfield the active, vibrant, well organized and now recognized as the environmentally conscious community that it is today. According to the Ecology Action Centre, such work has helped to address local environmental concerns, create a positive and cohesive community atmosphere and promote local economic development.

\* \* \*

[Translation]

### RICHARD VERREAU

**Mr. Odina Desrochers (Lotbinière, BQ):** Mr. Speaker, Richard Verreau, our great tenor, has conquered several generations of Quebecers and has also made his mark on the international scene.

Mr. Verreau was recently made an officer of the Ordre national du Québec in the National Assembly's red room, at the annual ceremony presided by the Premier of Quebec, Lucien Bouchard.

Richard Verreau is now living in Saint-Antoine-de-Tilly, a charming town in the riding of Lotbinière, located along the majestic St. Lawrence River, of which he has become a staunch protector by advocating the cleaning up and maintenance of its shores.

Richard Verreau, all Quebecers are proud of you. Congratulations.

[English]

### NATIONAL HIRE-A-STUDENT WEEK

**Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.):** Mr. Speaker, this is National Hire-a-Student Week. I am taking the occasion to point out the success of this HRDC program.

Last year, for instance, more than 447,000 young Canadians received job search assistance, or they found employment through the HRDC offices for students.

Students who have had the experience of job searching are on the staff of the HRDC offices to make the search easier for fellow students. They provide information on programs especially designed to help in the job search. They organize career planning sessions. They assist in developing resumes and cover letters. They offer advice on job interview techniques.

The riding I represent, Hastings—Frontenac—Lennox and Addington, is an example of the success of this program. More than 200 students have been placed in jobs in the riding already this year.

Sarah Doran and Murray Maracle in the HRDC office in Napanee and Kathy Barkley in the Bancroft office are examples of the outstanding student leaders across Canada helping others.

Employers in my riding and in ridings across Canada benefit greatly from the National Hire-a-Student Week sponsored by HRDC.

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### HAMPTON HIGH SCHOOL

**Mr. John Herron (Fundy—Royal, PC):** Mr. Speaker, Hampton, New Brunswick in my constituency is the hometown of John Peters Humphrey, the principal architect of the United Nations Universal Declaration of Human Rights.

His life's work has made a significant impact on our community and our youth. Local schools have entrenched the study of human rights in their curriculum in the hopes of building a better and more tolerant generation of Canadians.

This month the students and staff of Hampton High School launched a human rights art exhibit entitled "Between the Lines" at the New Brunswick Museum. The show is a unique display of the ties our community has to the legacy of our town's most famous son. In dynamic and creative fashion, these students used their artwork to espouse the ideals of human dignity and freedom that John Peters Humphrey dedicated his life to promoting.

Mr. Gordon Fairweather, a colleague with whom you served, Mr. Speaker, the first Canadian Human Rights Commissioner and a

former member of parliament for Fundy—Royal, opened the exhibit.

Congratulations to the students and teachers of Hampton High and, in particular, Alex Pearson, his fellow students and John Murphy for their commitment to this worthy venture.

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### LIBERAL VALUES

**Mr. Hec Clouthier (Renfrew—Nipissing—Pembroke, Lib.):** Mr. Speaker, as a Liberal I believe my community is bigger than Petawawa, bigger than the great riding of Renfrew—Nipissing—Pembroke, bigger than Canada. The world is my community.

A Liberal always looks ahead to the future and welcomes new ideas and new people without rigid reaction, recognizing the value of dissent and daring, and greeting each controversy as a hallmark to healthy change.

A Liberal cares about the people, cares about their health, cares about their housing, cares about their schooling, cares about their jobs, and cares about their civil rights and their civil liberties.

A Liberal believes that we must not be burdened by old antagonisms and old conflicts of race against race, language against language, region against region and ego against ego.

We must call on the strong Liberal values of hope and confidence, compassion and decency, understanding and compromise. Then, and only then, will we build a free, fair, just and responsible society.

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## ORAL QUESTION PERIOD

• (1415)

[English]

### HUMAN RESOURCES DEVELOPMENT

**Miss Deborah Grey (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, it just takes your breath away, does it not? The HRD minister continually claims that she is being really open about the disaster that she is responsible for. The facts do not lie. The executive summary of the billion dollar bungle audit, dated last August 9, funnily enough states: “An additional 29 transitional jobs fund files were reviewed bringing the total TJF files to 49” but “only 20 were included in order not to skew the global results”.

I would like to know just how bad were those files that removing them from the billion dollar bungle would look good.

### Oral Questions

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, I guess we are going to have to review some details here. Indeed, if the hon. member would take the time to understand what the internal audit was all about, it was not just about one program. It was about seven different programs.

What we found was that in all of those we had administrative failings. What we were looking at was the work of all the grants and contributions in the department. What we found was that we had to do a better job. We made it public and we are improving the system.

**Miss Deborah Grey (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, doing a better job does not mean that you can just simply exclude 29 files. Obviously the worst news of all was just simply excluded from that audit.

It seems to me that 29 files were removed from the audit report because they would “skew the global results”. That comes right out of the document. Is it not something that the taxpayer is always the one to get skewed? Surely the minister would not have us believe that these were good news stories that she had left off.

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, surely the hon. member will understand that we reviewed 17,000 of all the active files in the department and still indeed found that there were \$6,500 in overpayments.

It really was not about money. It was about administration and the internal audit gave us the right direction. It said it was about paper, very important paper that was missing, and we have implemented a program that will deal just with that problem.

**Miss Deborah Grey (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, the minister surely stood in her place here and said that it was only \$6,500 that was unaccounted for, nothing to worry about. She said there was really nothing for anybody to sweat about. She says it is about paper.

We found that the audit deliberately left off 29 files. I am sure they were just full of paper. Funny they did not make it into the audit. I would like to ask her again: How bad were those 29 files that she left off so that they could make this billion dollar bungle look good?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, indeed we were looking at all the grants and contribution programs in the department. What we were reviewing was the administration of those programs. Indeed we did find some shortcomings, some significant shortcomings.

What this is all about is a government that is prepared to make its problems public, to deal with them in an open and effective way, and to make sure that these very important programs, those programs that side of the House would like to destroy, can continue to make a difference in the lives of Canadians.

*Oral Questions*

**Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance):** Mr. Speaker, the minister popped up in the House yesterday strenuously arguing that she was open and forthcoming.

We got an access request. That is the only way we could ever get information from this minister. The access request had three appendices, A, B and C. Appendix C was missing, though. Appendix C was a detailed breakdown of the results for all 49 jobs grants files that were reviewed, only 20 of which made it into the final audit. What is the minister hiding that she would not give us?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, I categorically reject what the hon. member is saying in the context of getting information from this minister.

I would remind this House, as I did yesterday, that it was through my department that 10,000 pages, 10,000 pages, listing all the grants and contributions from my department into ridings across the country, were made public. That was an unprecedented amount of paperwork, an unprecedented amount of information. We will continue to work in an open and transparent manner.

• (1420)

**Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance):** Mr. Speaker, those 10,000 pages did not even have dates on them. The minister again avoids answering a simple question.

We have an access request. The access request had a list of files that mysteriously were censored from the final audit. The appendix that listed those files was mysteriously censored from the access request. Why is this honest and forthcoming minister not giving information that Canadians are entitled to have?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, again I must remind the hon. member that I do not determine what goes out under access to information. That is arm's length from the minister. I have no involvement in the information that is brought forward.

What can be provided is provided. Certainly the hon. member knows that there is also an appeals process. If she does not like what she got and thinks there should be more, there is a process that she can follow.

\* \* \*

[Translation]

**PARENTAL LEAVE**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, yesterday, with his usual arrogance, the Prime Minister turned down Quebec's requests with respect to parental leave.

The man who has nothing to say about the scandals rocking his government was quick to reject any negotiations with Quebec, and said that all parental leave benefits would be the same across the board.

Why does the Prime Minister always take this confrontational approach where Quebec is involved, and why is he so quick to ignore the consensus in Quebec on such matters as parental leave?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, a few years ago, we gave the Government of Quebec a chance to negotiate regarding this issue, and it decided that it was not appropriate to do so.

So the government made arrangements under the existing legislation, with the money collected by the federal government for employment insurance. Our last budget included a measure effective January 1, 2001, to extend parental leave throughout Canada from that date on, for one year.

I think that it is a very good program and that we intend to continue. We have already offered to negotiate and were turned down. So it was up to the provincial government—

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

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, here we have one of the odd effects of the new "Canadian way" the Prime Minister has been bragging about during his travels abroad. This government's new vision is simple: it drags everyone down to the same level.

Does the Prime Minister realize that the message he is sending to families in Quebec is that nobody will have more than the lowest common denominator?

What he is saying to families in Quebec is that they should be happy with what Ottawa is offering, and that he will not let Quebec give Quebec families more, even if it is to the detriment of young parents. Is that his idea of compassion? Is that his third way?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the Government of Quebec is free to top this up, if it is very generous. I have nothing against that. They are starting from an excellent base, the federal program, and they can add to that.

This is what was done in the past with family allowances. There were federal family allowances and the provincial government decided to top them up. They can do the same again.

**Ms. Caroline St-Hilaire (Longueuil, BQ):** Mr. Speaker, the federal parental leave program allows people to draw 55% of their salary for 50 weeks, to a maximum of \$39,000 in insurable earnings.

*Oral Questions*

The Quebec program is far superior, as it offers a choice, is open to all, provides higher benefits and has a maximum of insurable earnings of \$52,500.

In light of these undeniable advantages, has the Prime Minister not closed the door a bit too hastily, and does he not think that a bit of back-tracking would be in order? Ought he not to acknowledge that Quebec families will be penalized because of his stubbornness?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the Government of Quebec can give more, and deserves our applause. Nothing is stopping it.

We have a generous program that was set out in the budget of the Minister of Finance and was very well received. There was a broad consensus in Canada at that time. The Minister of Finance was applauded last February when he announced this program.

• (1425)

**Ms. Caroline St-Hilaire (Longueuil, BQ):** Mr. Speaker, what the Prime Minister seems not to understand is that, for more than two years, cuts to employment insurance have been penalizing young workers and women, who have trouble qualifying.

The program proposed by the federal government will be accessible only to those who qualify for employment insurance, and this will exclude many young families, whereas the Quebec plan will apply to everyone.

Is this not sufficient to make the Canadian government back off and show some openness?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, if they want to be more generous, let them. We have a very good program, and when we wanted to discuss this matter before, they decided it was not appropriate.

Now that we have reached a decision and announced it publicly, here they are turning up with a new plan. They are late. It is not my fault. They had all the time in the world to negotiate and did not do so.

So if they have money to spare, all the better. I will applaud them, and my constituents of Saint-Maurice will be pleased to get money from both the federal government and the provincial government.

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[English]

**THE ENVIRONMENT**

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, I want to ask the Minister of the Environment what the government is doing about its environmental responsibilities.

In 1970 parliament passed the Canada Water Act. It requires that the government table an annual report on water quality. Yet four years in a row the government failed to do that. It has ignored the law.

I would like to ask the minister a very straight question. Why has the government refused to table the annual water quality report?

**Hon. David Anderson (Minister of the Environment, Lib.):** Mr. Speaker, the water quality standards in Canada are set by a committee formed of the provinces, the territories and the federal government. Health Canada chairs that committee.

The standards that are set are for a number of potential pollutants. In the case of E. coli the tolerable figure is zero parts per million; in other words a total ban on the release of any water that might be affected by E. coli.

It is important to recognize that we do work with the provinces as closely as we can on water quality issues. We provide them with expertise and scientific materials, but the actual operation of—

**The Speaker:** The hon. leader of the New Democratic Party.

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, we are still waiting to hear why the government has not tabled its annual report on water quality. No wonder David Schindler, one of the world's leading experts in water, condemns Canada's cavalier attitude to water and its lack of a national water strategy.

Yesterday the minister spoke about factory farms and their effect on water quality. Let me say we agree. That is why we tried to amend the Canadian Environmental Protection Act to include water waste from factory farms. The government defeated our amendments. Canadians want to know why the government watered down this legislation, putting at risk the safety of—

**The Speaker:** The hon. Minister of the Environment.

**Hon. David Anderson (Minister of the Environment, Lib.):** Mr. Speaker, it is customary in the House when legislation is being debated for all points of view to be put forward. If the hon. member was not here, or did not hear when she was here, perhaps there would be an explanation for why she does not know what was said when this legislation was debated.

If she is asking me to read out the debate in *Hansard*, it would take a few hours. She is really going to have to do a better job of posing questions on that if she intends to get precise answers in the 35 seconds that I am allowed to reply.

\* \* \*

**AIRLINE INDUSTRY**

**Mr. Bill Casey (Cumberland—Colchester, PC):** Mr. Speaker, the possibility of an Air Canada pilot strike is growing more likely

*Oral Questions*

every day. In fact, next week the pilots will be in a position to go on strike.

Now that Air Canada has 80% of the aviation industry, a strike would be totally devastating. What action is the government taking to address this situation and to be prepared for a potential strike?

**Mrs. Judi Longfield (Parliamentary Secretary to Minister of Labour, Lib.):** Mr. Speaker, we on this side of the House are taking appropriate action. We have appointed a federal mediator who is prepared to sit down with the parties at a moment's notice.

We on this side of the House believe in the collective bargaining process and want to see it come to a conclusion with both parties sitting down at the table.

**Mr. Bill Casey (Cumberland—Colchester, PC):** Mr. Speaker, we know that the government got caught off guard with the airline merger situation. Then last year it got caught off guard with the native lobster fishery, even though there was lots of notice.

There is now a clear potential for a strike in Canada. Is the government prepared to call back the House in the event of a strike or is it prepared to make us sit extended hours to address the situation if there is a strike?

• (1430)

**Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, this government will take its responsibilities, as it always does. Insofar as actions to be taken in a hypothetical situation, House leaders are consulted on a weekly basis, and sometimes even on a daily basis. The people of Canada can be assured that this government will, as it always does, fulfil its responsibilities.

**Ms. Val Meredith (South Surrey—White Rock—Langley, Canadian Alliance):** Mr. Speaker, when Air Canada took over Canadian Airlines one of the biggest fears was that a strike might occur with this new airline and that it would cripple air travel in Canada. It now appears that we may reach that point next week as talks have broken down between Air Canada's pilots and management. The government said that it has appointed a mediator. I would assume that the mediator has always been in place.

What action is the government prepared to take to ensure that summer travellers in Canada have uninterrupted flights and that their travel will not be held hostage?

**Mrs. Judi Longfield (Parliamentary Secretary to Minister of Labour, Lib.):** Mr. Speaker, the mediator who is involved in this is very experienced and knows the file well. He is prepared to sit down at any time with both union and employer to resolve this issue.

We on this side of the House support the collective bargaining process. We feel very confident that this will be resolved to the benefit of all parties.

**Ms. Val Meredith (South Surrey—White Rock—Langley, Canadian Alliance):** Mr. Speaker, Canadians who are trying to travel in the summer are not reassured by the government's position.

The competition commissioner called this new Air Canada an unregulated monopoly. The competition bureau recognizes that the only way to protect Canadians travellers in through real competition.

The government has the ability to make that happen. The cabinet can pass a regulation through an order in council upping the foreign ownership component to 49% and provide that competition. Is the government prepared to do that so Canadians are not held hostage?

**Mr. Stan Dromisky (Parliamentary Secretary to Minister of Transport, Lib.):** Mr. Speaker, what this government is prepared to do is to adhere to the regulations and to the statutes in Bill C-26. We guarantee that the statements and conditions within that bill will be adhered to.

I am hopeful and positive that resolutions will take place to cater to the needs of the travelling public in the months ahead.

\* \* \*

[Translation]

#### PARENTAL LEAVE

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, in preparation for the elections, the Prime Minister seems to be checking out his style and trying to update his look a bit. However, he is becoming entangled in his old habits. We can see this in parental leave.

The Prime Minister is out of touch with the facts of today's labour markets. In fact, the federal parental leave proposal makes no provision for self-employed workers, who nevertheless represent 18% of the labour force.

How will he defend his refusal before these families?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, it is up to the Government of Quebec with the resources it has to look after those not covered by the federal government program. It is perfectly free to do so. We will not stop it.

The program we proposed was well received by everyone and is funded through employment insurance. As I have said many times, there is nothing to prevent the Government of Quebec from adapting its program to ours.

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, the Prime Minister

claims to be the champion of liberal compassion. While the parental leave proposed by Quebec is based on human values of solidarity and openness, the Prime Minister is refusing to negotiate with Quebec.

Who does the Prime Minister think is going to believe his words of compassion are not empty?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the parental leave program is an excellent one. If there are other problems with social development policy in Quebec, the government can establish a program to cover those left out.

I think the program we have proposed addresses the problems we wanted to resolve, that is, to give more time to people to adjust to the birth of a child in their family.

\* \* \*

• (1435)

[English]

#### AIRLINE INDUSTRY

**Mr. Dale Johnston (Wetaskiwin, Canadian Alliance):** Mr. Speaker, the parliamentary secretary says that she believes in the collective bargaining process. So do we over here. We think that the best deal is a negotiated deal—

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

**The Speaker:** Order, please.

**Mr. Dale Johnston:** Mr. Speaker, we certainly do think that a negotiated deal is by far the best deal.

I want to ask the parliamentary secretary what will happen if the mediator does not negotiate a deal. Will she guarantee uninterrupted air flights?

**The Speaker:** Order, please. I will let the question proceed even though it is a hypothetical case. I see the parliamentary secretary is on her feet but we should not have hypothetical questions. Put them in another way.

**Mrs. Judi Longfield (Parliamentary Secretary to Minister of Labour, Lib.):** Mr. Speaker, first I want to congratulate the labour critic on the other side for publicly admitting that he supports the collective bargaining process.

We on this side of the House are not prepared to jeopardize the delicate negotiations that are going on now, with wild speculations and what ifs. We expect the collective bargaining process to work.

**Mr. Dale Johnston (Wetaskiwin, Canadian Alliance):** Mr. Speaker, it is hardly wild speculation, there is a deadline looming. I would like to know from the parliamentary secretary what sort of plans the government has in case the negotiations go badly. Does it have a plan to make sure that Canadians are not totally inconvenienced in their flight plans?

#### Oral Questions

**Mrs. Judi Longfield (Parliamentary Secretary to Minister of Labour, Lib.):** Mr. Speaker, the member opposite points to the obvious difference between that side of the House and this side. On this side of the House we remain very positive. We support the collective bargaining process. We will not speculate, as you are doing. It will—

**The Speaker:** Order, please. I ask members to please address their comments always to the Chair.

\* \* \*

[Translation]

#### CANADA INFORMATION OFFICE

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, the Bloc Québécois is continuing its research on the now infamous Canada Information Office, the CIO.

We have found a file in which the behaviour and writings of journalists are analyzed and the media for which they work as well.

How can the Minister of Public Works justify the fact that the Canada Information Office writes the following about CKAC's Paul Arcand: "Mr. Arcand interrupted the Minister of Intergovernmental Affairs several times during the interview and seemed to willfully use a somewhat sardonic tone".

Of what use is that kind of information to the CIO?

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, I am sure that my colleague, the Minister of Intergovernmental Affairs, has a great deal of admiration for Paul Arcand, and that he will continue to admire him.

I want to reassure the hon. member—I can see they are running out of material—that what the Canada Information Office does, as any information office does, is a media review, which is made available to the various departments and ministers and which involves analysing comments made by journalists on current political issues.

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, the least that we can say is that their side of the House is not very demanding when it comes to information.

What does the Minister of Public Works have to say about this note on journalist Guy Gendron, which says that "Mr. Gendron has often pointed out the apparent differences of opinion between the minister and the Minister of Intergovernmental Affairs. He covered the NO campaign during the referendum and he often spoke about the problems encountered by that side"?

• (1440)

Does the Canada Information Office file on journalists include many behavioural assessments such as the ones I just mentioned, and what is the purpose of these notes?

*Oral Questions*

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, I am sure that the leader of the Bloc Québécois in the House gets the same reports. He has a service. Funding is allocated to him by the House for media analysis. I am sure that the hon. member receives that kind of media analysis every morning.

We will continue to get that kind of media analysis to allow all parliamentarians and all departments to do their job.

**An hon. member:** This is a compliment to journalists.

**Hon. Alfonso Gagliano:** I see that the journalists are all smiles in the gallery, because I think—

**The Speaker:** The hon. member for Edmonton—Strathcona.

\* \* \*

[English]

**THE ENVIRONMENT**

**Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance):** Mr. Speaker, this government is quick to point fingers at the provinces for their handling of the water supply but it neglects to mention that the federal government has water problems of its own.

For years the government has been warned about the dangerous state of water supplies on native reserves. For years the government has been warned about the raw sewage being dumped on Canada's coast lines. These are both federal responsibilities.

Why will this government not take responsibility for its own water problems before it starts blaming the provinces for theirs?

**Hon. David Anderson (Minister of the Environment, Lib.):** Mr. Speaker, the logic of the hon. member's question is very faulty. First he said that the provinces have certain responsibilities and then he said that we have certain responsibilities. We take full responsibility for our area—

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

**The Speaker:** Order, please. We will hear the minister's response.

**Hon. David Anderson:** Mr. Speaker, the question asked was essentially whether we accept responsibility for areas of water quality under federal jurisdiction. The answer is yes. That has nothing to do with our desire to give the provinces and leave the provinces the responsibility for their areas of jurisdiction.

That party, not that it understands the constitution, should understand that there are certain areas of provincial jurisdiction that we should respect. It does not, but we do.

**Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance):** Mr. Speaker, on December 10, 1999, I asked the environment minister to clarify the government's position on the issue of sewage and water treatment in Canada. He replied:

—that if the member's party wants to spend an extra \$400 to \$600 million in one Canadian city for something that has no environmental advantage, go ahead and propose it. We see nothing in this House but increased expenditure—

I wonder if, in the wake of Waterton, the minister will stand by those words and say that there is no sewage or water problem facing Canadian municipalities.

**Hon. David Anderson (Minister of the Environment, Lib.):** Mr. Speaker, may I correct the hon. member? It is Walkerton, not Waterton.

The second point is that if \$600 million is to be wasted for doing something which has no environmental benefit, obviously resources are misplaced. We want to spend money where it will help protect the lives of Canadians and protect their health. That is why the Prime Minister, the Minister of Finance and the Federation of Canadian Municipalities have outlined a strategy for infrastructure for clean water, sewage treatment and solid waste disposal.

\* \* \*

[Translation]

**CANADA INFORMATION OFFICE**

**Mr. Ghislain Lebel (Chambly, BQ):** Mr. Speaker, ever since the Big Brother affair, we have been aware of this government's propensity to gather information on just about everybody. The worrisome facts that have been released today in connection with the Canada Information Office worry us a great deal.

Can the Minister of Public Works tell us whether there are many files on people at the CIO, like the one on journalists? Is there, for instance, one on intellectuals, artists, business people, politicians and sovereignists? If so, what is in them?

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, there is no file on anyone. What the Canada Information Office does is media analysis. They read the papers, they monitor television and radio programs, and they provide a media analysis to departments and ministers.

There is no file on any individual whatsoever.

\* \* \*

• (1445)

[English]

**THE ENVIRONMENT**

**Mr. Rick Limoges (Windsor—St. Clair, Lib.):** Mr. Speaker, today is the second annual Clean Air Day.

The Minister of the Environment met with his provincial colleagues earlier this week to discuss among other things the air in Canada. In Windsor—St. Clair we are very concerned about the air we breathe. Can the Minister of the Environment tell the House what action we can expect which will improve the air that Canadians breathe?

**Hon. David Anderson (Minister of the Environment, Lib.):** Mr. Speaker, after two days of discussions with my provincial and territorial colleagues in Quebec City, we made substantial improvements with respect to air quality.

I would like to congratulate the province of Ontario's change of position. It has altered the schedule for reduction of the ozone problem in Ontario. We now will have a 45% improvement over the next 10 years rather than 15. In addition the province has said that it will drop that date to 2005 if I, as Minister of the Environment, and my colleague the Minister of Foreign Affairs are successful in negotiating an effective ozone annex to the clean air agreement with the United States, which we fully intend to do before November.

**Mr. Darrel Stinson (Okanagan—Shuswap, Canadian Alliance):** Mr. Speaker, we just heard the Minister of the Environment claim that the government is taking responsibility in the area of drinking water.

I would like to ask the hon. minister, what has the government done to clean up the water systems on the 171 aboriginal reserve communities, systems which were identified in 1995 by Health Canada as defective?

**Hon. David Anderson (Minister of the Environment, Lib.):** Briefly, Mr. Speaker, over the last five years some \$400 million of federal money has been devoted to that problem.

**Mr. Darrel Stinson (Okanagan—Shuswap, Canadian Alliance):** Mr. Speaker, we just heard the minister say that there has been \$400 million spent to address that problem. Let the minister stand in the House and identify one reserve where the problem has been corrected.

**Hon. David Anderson (Minister of the Environment, Lib.):** Mr. Speaker, as the hon. member mentioned, I think the number he used was 171 different reserves. Mr. Speaker, as you know, I only have 35 seconds but I would be glad to provide him—

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

**The Speaker:** Order, please. Please put your hands down. The hon. Minister of the Environment.

**Hon. David Anderson:** Furthermore, Mr. Speaker, we are adding an extra \$50 million this year.

### Oral Questions

#### CHILD CARE

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, study after study and poll after poll confirm that accessing quality child care is a major concern for parents.

This week the B.C. government announced a \$7 a day child care plan. Last month the Manitoba government committed an additional \$9 million to child care initiatives.

Is the HRDC minister going to take the lead from these NDP premiers and commit to extending these excellent initiatives so that all Canadians can benefit?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, I would remind the member that it was the government not only in the Speech from the Throne but also in the budget that outlined a very fulsome and comprehensive strategy to support Canadian children. I am very much looking forward to working with the provinces as we together build a solid platform of support services for Canadian children.

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, the problem is that we have seen no action.

This week the provincial social services ministers are meeting in Toronto. It is a perfect opportunity for the government to back up its big talk finally with some action.

I would like to ask the minister again, will she come to the table this week with something tangible on child care and on the children's agenda, and if not, why not?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, let me point again to the investments that we are making through the national children's benefit and through the expanded parental leave program.

I would ask the hon. member to make sure that all the provincial social services ministers come to Toronto ready to join with us to focus on early childhood development, because we have already said we want to help them.

\* \* \*

• (1450)

#### GASOLINE PRICES

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, yesterday across Canada we saw record highs in gas prices. Prices surged by up to nine cents per litre in some areas of the country.

The petroleum industry tells Canadian motorists to expect more this summer. Just in time for summer vacation, we could be seeing gas prices of a dollar per litre in Canada.

*Oral Questions*

What is the government doing to protect the Canadian motorist against rising gas prices in Canada?

**Mr. John Cannis (Parliamentary Secretary to Minister of Industry, Lib.):** Mr. Speaker, I thank the member for the question, but I do not know where he has been all along.

Some time back, 47 members started this activity. Today the Conference Board of Canada has undertaken a very extensive study right across the country.

When it comes to pricing, the hon. member's provincial counterparts, Mike Harris—

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

**The Speaker:** Order, please. The hon. parliamentary secretary.

**Mr. John Cannis:** Mr. Speaker, I think the member is spending too much time on his other job. If he has any influence over his Conservative counterparts in Ontario, they have the ability to regulate pricing.

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, the member on that side of the House continues to give Canadians gaseous emissions over a very important issue.

As Canadians are looking forward to their summer vacations, the government is giving them a pending airline strike and potentially dollar per litre gas prices.

Will the government continue to sit on its hands and tell Canadians to sit at home this summer?

**Mr. John Cannis (Parliamentary Secretary to Minister of Industry, Lib.):** Mr. Speaker, let me tell the hon. member what his counterparts in Ontario are telling Canadians. Bob Runciman is telling consumers to buy smaller cars. That is what he is telling them.

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

**The Speaker:** Order, please. The hon. member for Fredericton.

\* \* \*

**HEALTH**

**Hon. Andy Scott (Fredericton, Lib.):** Mr. Speaker, my question is for the Minister of Health.

I understand that the minister will be making an important announcement later today regarding the Canadian Institutes of Health Research.

Can the minister tell the House now how the CIHR will improve existing research in Canada and at the same time focus on new and emerging priority health research for all Canadians?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, it will be my great pleasure on behalf of the Government of Canada to launch the Canadian Institutes of Health Research with a record breaking budget of almost \$500 million a year.

The CIHR is a bold new initiative which will transform the way health research is carried on in this country.

At 4 o'clock I will introduce the president and the 19 members of the new governing council, individuals who are recognized around the world for their expertise and their contribution in the area of health research.

I am proud to be part of a government under the leadership of the Prime Minister who understands the importance of investing in knowledge to make sure the best and brightest remain in this country to the benefit of all Canadians.

\* \* \*

**NATIONAL DEFENCE**

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** Mr. Speaker, for seven years the government has watched while the combat capability of our armed forces went into decay.

First the government produced a white paper and then refused to fund the forces to fulfil their missions. Then it began to slash personnel levels to a point where they can no longer even function as a force because they have been overtasked. They had to sell off aircraft and they mothballed ships.

When will the minister acknowledge that the infusion of \$2 billion over four years is not enough to stop the bleeding or avoid the eventual collapse of the Canadian armed forces?

**Hon. Arthur C. Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, that is nonsense. The Reform Party alias the Canadian Alliance came out with a new defence policy paper today, but it is hard to take it seriously when we consider that in the last election, those members were saying there should be \$1 billion in further cuts to defence.

It is hard to take it seriously when that party on the one hand says we should cut, cut, cut our tax revenues and on the other hand it says we should spend, spend, spend. Where will the money come from? Canadian Alliance members should tell us that. One of their recommendations I find particularly meanspirited, because they are saying we should not try to get—

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

**The Speaker:** Order, please. The hon. member for Rimouski—Mitis.

*Oral Questions*

• (1455)

*[Translation]***CANADA DAY**

**Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ):** Mr. Speaker, the Bloc Québécois has learned through access to information that the Canada Day budget for Quebec is \$5 million, but we have never—

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

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

**The Speaker:** Order, please.

**Mrs. Suzanne Tremblay:** We have learned that this budget is \$5 million, but we have never been able to find out what the budget was for other provinces.

If the total budget for Canada Day is not a state secret, could the minister tell the House what it is, since her answer will certainly be of interest to members from other provinces, including her own colleagues?

**Hon. Sheila Copps (Minister of Canadian Heritage, Lib.):** Mr. Speaker, I am very happy that we can work together to organize celebrations for Canada's big birthday, as well as for Saint-Jean-Baptiste Day.

I read in the newspaper this week that the Government of Quebec has doubled its funding for the national holiday.

There is such a spirit of partnership that I myself received a cheque for \$350 from Guy Bouthillier, the president of the Société Saint-Jean-Baptiste, in support of Canada Day. I thank Mr. Bouthillier.

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

**The Speaker:** Order, please.

\* \* \*

*[English]***PERSONS WITH DISABILITIES**

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker, my question is for the minister responsible for Canadians with disabilities. Currently if any recipient of CPP disability does limited volunteer work for any community agency, there is no action taken by CPP because volunteering is recognized as a useful and necessary experience. But if a recipient receives any payment of any kind for his or her efforts, CPP is immediately cut off.

Can the minister tell the House why her ministry encourages those with disabilities to volunteer, but punishes them for trying to work?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, I would remind the hon. member that the CPP disability pension is like a pension. It is a pension of last resort as if a person is retired. Having said that, it is extraordinarily important for us to work with Canadians with disabilities to find effective ways of ensuring that they can participate in the Canadian economy and that they can contribute to their country and to their own needs.

I recognize the work of the hon. member and those on the standing committee, the suggestions and recommendations they make to me and the improvements that this government is making in support of Canadians with disabilities.

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**NATIONAL DEFENCE**

**Mr. David Price (Compton—Stanstead, PC):** Mr. Speaker, yesterday Hon. John Fraser's report on land forces reserves restructuring was tabled. Now we wonder if it was irrelevant. In fact, Mr. Fraser wrote to the Minister of National Defence on March 30 asking just that. The new funding model of March 2 states a \$30 million cut in reserve pay this year and next year a \$30 million input in equipment and rerolling.

Can the minister tell the House how he could approve \$60 million in cuts and new spending three months before the tabling of the report?

**Hon. Arthur C. Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, the \$30 million being referred to was in fact restored. There is nothing that is prejudicing the reserve restructuring. We want to revitalize the reserves. That is why I commissioned the report from Mr. Fraser and his team. I think he has come in with an excellent set of recommendations that will become the foundation for the revitalization program.

\* \* \*

• (1500)

**PRESENCE IN GALLERY**

**The Speaker:** I draw the attention of hon. members to the presence in our gallery of two visitors today. The first is His Excellency Adalberto Rodriguez Giavarini, Minister of Foreign Relations, International Trade and Worship of the Argentine Republic.

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

**The Speaker:** Second, I would like to draw the attention of hon. members to the presence in our gallery of Her Excellency Maria Eugenia Brizuela de Avila, Minister of Foreign Relations of the Republic of El Salvador.

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

**The Speaker:** I see the government House leader is trying to seek the floor. Before he does so, two days ago the hon. opposition

*Routine Proceedings*

House leader raised a point of order. At that time the government House leader said, I believe, that the member for Pickering—Ajax—Uxbridge would be here in the House so that I could hear the other side.

I noticed that the member was here yesterday for the vote. I noticed that the member was here today. If he does not appear in the next very short while, I will make my decision without having heard from him. I will give it a few more minutes. In the meantime I will hear the point of order of the hon. government House leader.

• (1505)

**Hon. Don Boudria** (Mr. Speaker, on the point that you have just raised, I know colleagues are attempting to contact the member who has just left for a committee. Hopefully we can have the member rise briefly on a point of order to address the House.

\* \* \*

[Translation]

**POINT OF ORDER**

## ORAL QUESTION PERIOD

**Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, the Minister of Canadian Heritage earlier today made reference to a cheque she had received from the Saint-Jean-Baptiste society in the amount of \$350.

She has asked me, as is the custom, to table in the House a copy of the document she referred to. I am therefore pleased to table a copy of the document, namely, a photocopy of the cheque for \$350 by Guy Bouthillier payable to the hon. Sheila Coppins.

**Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ):** Mr. Speaker, on this same point of order, I would simply like to clarify something for the benefit of all members.

The cheque the government House leader is referring to is simply the payment of funding the Minister of Canadian Heritage herself denied a community, I believe the Sephardic community, because the celebration occurred on July 2. So, the president of the Saint-Jean-Baptiste society thought that, as a measure of generosity, it would be better to pay it in the minister's stead.

## PRIVATE MEMBERS' BILLS

**Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I would ask for a delay in a ruling on the matter of the member for Pickering—Ajax—Uxbridge. He had to withdraw for medical reasons. I would ask you to wait until tomorrow to rule on this.

[English]

I will consult informally with other colleagues. It is a medical situation.

**The Speaker:** If it is a medical situation, I will take that as a given. I will wait until tomorrow, but I would like him to address this House on this matter as soon as he is physically able to do so.

\* \* \*

**WAYS AND MEANS**

**Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, there have been consultations among House leaders. I would like to seek unanimous consent of the House for the following motion:

That ways and means proceeding No. 11 be deemed to have been put and division thereon requested and deferred until the expiry of the time for consideration of Government Orders later this day.

**The Speaker:** Is there agreement to proceed in such a fashion?

**Some hon. members:** Agreed.

(Motion agreed to)

**ROUTINE PROCEEDINGS**

[English]

**GOVERNMENT RESPONSE TO PETITIONS**

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

\* \* \*

**COMMITTEES OF THE HOUSE**

## PROCEDURE AND HOUSE AFFAIRS

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I have the honour to present the 33rd report of the Standing Committee on Procedure and House Affairs regarding the selection of votable items in accordance with Standing Order 92. This report is deemed adopted on presentation.

## JUSTICE AND HUMAN RIGHTS

**Hon. Andy Scott (Fredericton, Lib.):** Mr. Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on Justice and Human Rights pursuant to the order of reference of Tuesday, March 21.

Your committee has considered Recommendation No. 73 of the province of Nova Scotia's public inquiry into the Westray disaster, specifically with the goal of ensuring that corporate executives and directors are held properly accountable for workplace safety.

• (1510)

[*Translation*]

Your committee agreed, on Tuesday, June 6, 2000, to recommend to the Minister of Justice and her department that they introduce a bill, pursuant to the notice of motion and the principle stated in Bill C-259, for consideration by the Standing Committee on Justice and Human Rights.

FOREIGN AFFAIRS AND INTERNATIONAL TRADE

**Mr. Bill Graham (Toronto Centre—Rosedale, Lib.):** Mr. Speaker, I have the honour to present, in both official languages, the sixth report of the Standing Committee on Foreign Affairs and International Trade on the crisis in Fiji.

[*English*]

I also have the pleasure to present, in both official languages, the seventh report of the Standing Committee on Foreign Affairs and International Trade respecting Bill C-19, an act respecting genocide, crimes against humanity and war crimes and to implement the Rome Statute of the International Criminal Court, and to make consequential amendments to other acts. The committee has agreed to report it with amendments.

I should like to take one minute and share an observation with the House. It is often said that in committee time is not given to study bills properly and to amend them. I urge members of the House to have a look at the many amendments which were made to this bill with the co-operation of all members of the committee including opposition members.

I particularly single out several members such as the hon. member for Mount Royal and others who worked very hard with the government to ensure that these amendments, which represented the opinion of many NGOs, would be brought forward to amend the bill.

I believe all members of the committee are of the view that the bill is a better bill than it was originally presented. We agree and we thank the government and members of the committee for the enormous work they have done in amending the bill. All members of the committee participated.

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**INCOME TAX ACT**

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP)** moved for leave to introduce Bill C-486, an act to amend the Income Tax Act (expenses incurred by caregivers).

He said: Mr. Speaker, it gives me great pleasure to rise in the House to introduce this bill which I personally named the Pearl Fleming bill. Pearl Fleming was a woman who weighed over 100 pounds when diagnosed with an illness. She died when she weighed well under 100 pounds.

*Routine Proceedings*

Her husband, instead of institutionalizing his wife in her final year, brought her home and cared for her in her last year there. The expenses he incurred in terms of oxygen, new equipment, a new bed, et cetera, were not tax deductible.

This bill would enable her husband and many other people in the future to claim medical expenses incurred by caregivers for ailing family members in order to deduct them as tax deductible expenses.

I am sure, after careful consideration by every member of the House of Commons, this legislation will sweep through the country like a strong wind and receive accolades and support from all members of the government.

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

\* \* \*

**PETITIONS**

NATIONAL ORGAN DONOR REGISTRY

**Ms. Val Meredith (South Surrey—White Rock—Langley, Canadian Alliance):** Mr. Speaker, it is my great pleasure to present before the House 40 pages of signatures from British Columbians who are calling upon parliament to urge the Minister of Health to establish a national organ donor registry. What a marvellous thing these people are asking for. I think the country requires this petition to move the government forward.

• (1515)

MAMMOGRAPHY

**Mr. Rey D. Pagtakhan (Winnipeg North—St. Paul, Lib.):** Mr. Speaker, I wish to present a petition on behalf of Canadians who call upon parliament to enact legislation to establish an independent governing body to develop, implement and enforce uniform and mandatory mammography quality assurance and quality control standards in Canada.

HEALTH CARE

**Mr. Svend J. Robinson (Burnaby—Douglas, NDP):** Mr. Speaker, I have the honour to present a petition signed by hundreds of residents of Burnaby and other communities across the land urging the Parliament of Canada to stop two tier American style health care moving into Canada.

The petitioners draw to the attention of the House that the federal Liberals have ignored the top priority of Canadians in the 2000 budget by giving only 2 cents for health care for every dollar spent on tax cuts. They point out that the federal government is paying just 13.5% of health care costs and that the federal Liberals opened the door to two tier American style health care by cutting a secret deal with the province of Alberta, which in turn paved the way for Alberta's bill 11.

*Routine Proceedings*

Finally, they note that Canadians want immediate action to save public health care in Canada and, therefore, they call upon parliament to stop for-profit hospitals and to restore federal funding for health care, to increase the federal government's share of health care funding to 25% immediately, and to implement a national home care program and a national program for prescription drugs.

## THE CBC

**Mr. Norman Doyle (St. John's East, PC):** Mr. Speaker, I have the honour today to present a petition signed by 6,000 Newfoundlanders from every part of our province. The petitioners are very discouraged and upset that the CBC is cutting the national supper hour news program *Here and Now* from one hour to half an hour. An Atlantic Canadian poll released today reveals that 70% of Canadians are telling government to reverse that decision and 79% of Newfoundlanders are saying the same thing.

These 6,000 people are petitioning parliament to intervene to protect a program that is essential to the culture of our very large and sparsely populated province.

There are over 30,000 names on various petitions and these petitioners want all of their Newfoundland Liberal MPs to present those petitions as well, which they have not been doing. I am asking Newfoundland Liberal MPs to have some courage, to stand for their province, to stand for their people and to stand for jobs in Newfoundland and Labrador.

## QUEEN'S OWN CAMERON HIGHLANDERS

**Mr. John Harvard (Charleswood St. James—Assiniboia, Lib.):** Mr. Speaker, I would like to present a petition signed by hundreds of Manitobans who are concerned about the future of the Queen's Own Cameron Highlanders.

The petitioners point out that current studies toward the restructuring of the Canadian reserve forces imply a reduction in the number of infantry regiments. The petitioners further point out that the Camerons are Manitoba's only highland kilted regiment and they believe the regiment must be retained as an important symbol of Manitoba's great Scottish heritage.

Therefore, the petitioners call upon parliament to reject any plan to abolish the Camerons and amalgamate the regiment with another militia unit.

## CHILD PORNOGRAPHY

**Mr. Leon E. Benoit (Lakeland, Canadian Alliance):** Mr. Speaker, I have a petition to present today from people from the Lakeland constituency regarding child pornography and the fact that the British Columbia Court of Appeal on June 30, 1999 refused to reinstate subsection 163.1(4) of the criminal code regarding child pornography.

The petitioners therefore request that parliament use, if necessary, the notwithstanding clause of the Canadian Charter of Rights and Freedoms to reinstate subsection 163.1(4) of the criminal code so that child pornography will not be legal in this country.

## HUMAN RIGHTS

**Ms. Eleni Bakopanos (Ahuntsic, Lib.):** Mr. Speaker, I have the honour to present three petitions today.

The first petition condemns the Chinese government for its persecution of the Falun religion.

## BREAST CANCER

**Ms. Eleni Bakopanos (Ahuntsic, Lib.):** Mr. Speaker, the second petition which I wish to present has to do with breast cancer. I fully support the petition.

## NUCLEAR DISARMAMENT

**Ms. Eleni Bakopanos (Ahuntsic, Lib.):** Mr. Speaker, in the third petition which I wish to present the petitioners call upon Canada to object to the national missile defence program and to show a leadership role in banning nuclear weapons and missiles.

[*Translation*]

## CENSUS DATA ACCESS

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, I have the honour to table two petitions.

Some people in my riding are calling upon parliament to take the necessary steps to make a retroactive amendment to the provisions of the Statistics Act relating to the prohibition against divulging information, in order to allow access to the census data after a reasonable period with respect to post-1901 data, beginning with the 1906 census.

## PARENTAL LEAVE

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, I am pleased to present another petition, this one relating to parental leave under employment insurance, which is going to be raised from 10 weeks to 35.

This extension of parental leave will apply only to parents whose babies are born after December 31, 2000. Parents of children born prior to that date will not have the same privilege as those whose children are born after.

• (1520)

Consequently, the petitioners are calling upon parliament to make the extended parental leave effective immediately, so that parents of children born prior to December 31, 2000 may also take advantage of it. Parents should be able to reap immediate advantage from the \$30 billion surplus in the employment insurance fund.

## GASOLINE PRICING

**Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.):** Mr. Speaker, I have the honour to table a petition protesting predatory gasoline pricing.

Given the soaring price of gasoline at the pump and Canadian consumers' inability to take action and protect themselves against increases in gasoline prices, the petitioners from Saint-Hubert, Lachine, Mirabel, Saint-Constant, Longueuil, Lachenaie, Quebec City and Sainte-Martine are calling on parliament to pass a resolution to stop world petroleum cartels in order to bring down overly high gasoline prices.

[English]

## QUEEN'S OWN CAMERON HIGHLANDERS

**Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance):** Mr. Speaker, I wish to present two petitions. The first petition concerns the Queen's Own Cameron Highlanders of Canada, the Camerons, Manitoba's only highland kilted regiment. The petitioners would like the regiment to be retained in Manitoba. The Queen's Own Cameron Highlanders should be sustained as a vital contribution to Canada's defence.

This petition is sponsored by the St. Andrew's Society of Winnipeg and the city of Selkirk.

## NUCLEAR DISARMAMENT

**Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance):** Mr. Speaker, I wish to present a second petition from many Manitobans who are concerned about nuclear weapons in the world. The petitioners request the immediate initiation and conclusion by the year 2000 of an international convention which would set a binding timetable for the abolition of all nuclear weapons.

## CANADA POST

**Mr. Joe McGuire (Egmont, Lib.):** Mr. Speaker, pursuant to Standing Order 36, I have the pleasure to present two petitions on behalf of Prince Edward Islanders, specifically those from Vernon River, Vernon Bridge and the Lake Verde area. The petitioners are concerned that rural route mail couriers are being denied their collective bargaining rights under subsection 13(5) of the Canada Post Corporation Act and that this denial keeps the wages and working conditions of the RRCMs at an unfair level and discriminates against rural workers. Therefore, the petitioners would like this section to be repealed.

[Translation]

## BILL C-20

**Mr. Daniel Turp (Beauharnois—Salaberry, BQ):** Mr. Speaker, as the debates on Bill C-20 are continuing in the Senate, I have the honour to present, on behalf of Quebec citizens, a petition to tell the House that they alone control their destiny, that they alone can

## Routine Proceedings

decide their future, and that Bill C-20 is undemocratic. It respects neither the letter nor the spirit of the supreme court opinion. I am tabling this motion on behalf on these citizens.

[English]

## ETHIOPIA

**Mr. Bill Graham (Toronto Centre—Rosedale, Lib.):** Mr. Speaker, sometimes catching the Speaker's eye is like operating in a busy restaurant and I am grateful to be recognized.

I have the honour to present a petition on behalf of the citizens of Toronto who call on the House to urge the Canadian government to use its influence on the Ethiopian government to renounce the use of force and to adhere to the OAU plan in that troubled region; to call on the Ethiopian government to respect human rights and ensure the reunification of some 2,600 children who have been separated from their families; and to ensure that the Canadian government intervenes to alleviate the humanitarian crisis in the area.

**The Deputy Speaker:** The Speaker wants to thank the hon. member for Toronto Centre—Rosedale. While on occasion I feel like a waiter, I was very jumpy going back to the hon. member after the lengthy speech he made on presentation of reports from committees.

## THE CBC

**Mr. Loyola Hearn (St. John's West, PC):** Mr. Speaker, I wish to present a petition from over 1,000 people from all over the province of Newfoundland. The petitioners ask that the CBC not diminish nor eliminate the news and current affairs program *Here and Now* from the Newfoundland and Labrador region.

I would suggest to members opposite that unless they support this before the next election, they might be here now, but they won't be here then.

• (1525)

## HEALTH CARE

**Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP):** Mr. Speaker, it is an honour to rise pursuant to Standing Order 36 to present a petition from a number of constituents, who I think made a mistake on their petition. It states that the federal government pays only 13.5% of health care costs, which has led to a shortage of nurses, hospital beds and emergency room spaces across the country. I think it is 14%.

The reality is, whether it is 13.5% or 14%, it still makes the point.

The petitioners outline a number of concerns about the health care system. Basically the petitioners are calling upon parliament to stop for profit hospitals and restore federal funding for health care.

*Business of the House*

## PENSIONS

**Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.):** Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition on behalf of my hon. colleague from Parry Sound—Muskoka. Hundreds of his constituents are urging the government to reduce the tax penalty on early RRSP and RRIF withdrawals from 50% to 10% for senior citizens who may use the money to retire their mortgages.

## HEALTH CARE

**Mr. John Solomon (Regina—Lumsden—Lake Centre, NDP):** Mr. Speaker, it is indeed an honour on behalf of many constituents to present to the House of Commons, pursuant to Standing Order 36, a petition addressing the very unfortunate situation we are facing with health care in the country.

Saskatchewan has lost \$1.4 billion in health care since 1993 when the Liberals were elected. To say the least, the people of Saskatchewan are a little ticked off at the Liberal government for its lack of priority in health care.

The petitioners believe very strongly that, even though we have lost \$1.4 billion from the Liberal government transfer payments for health care, the NDP government in Saskatchewan has backfilled every one of those dollars plus, even though it has lost the federal share. These people are really ticked off at the Liberal government because it is not only continuing the cuts, but the petitioners say that the government is also embracing two tier American style health care.

The petitioners call for the House of Commons and the government to stop for profit hospitals. They call for federal funding to be restored for health care, keeping in mind that if \$1.4 billion has been lost in seven years to Saskatchewan what that means to Ontario, where the loss would be multiplied.

The petitioners also ask that the federal government share of health care funding be increased to a more suitable level to meet the very urgent needs of Canadians who require health care services.

\* \* \*

## QUESTIONS ON THE ORDER PAPER

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

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

**Some hon. members:** Agreed.

## MOTIONS FOR PAPERS

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I would like Motion No. P-30 to be called.

Motion No. P-30

That an Order of the House do issue for copies of all studies which were done prior to the banning of the 2% and 5% solutions of strychnine to show the effect the banning of these solutions would have on Canadian Farmers.

**Mr. Derek Lee:** Mr. Speaker, no studies were done on the effect—economic impact—on Canadian farmers of the withdrawal of the registration of the concentrated strychnine solutions, 2% and 5%, used by farmers to mix their own 0.4% end-use products.

I therefore ask the hon. member to withdraw his motion.

**Mr. Leon E. Benoit (Lakeland, Canadian Alliance):** Mr. Speaker, I ask that Motion No. P-30 be transferred for debate.

**The Deputy Speaker:** The motion is transferred for debate pursuant to Standing Order 97(1).

**Mr. Derek Lee:** Mr. Speaker, I ask that all Notices of Motions for the Production of Papers be allowed to stand.

**The Deputy Speaker:** Is it agreed that the remaining Notices of Motions for the Production of Papers stand?

**Some hon. members:** Agreed.

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## BUSINESS OF THE HOUSE

**Mr. Bob Kilger (Stormont—Dundas—Charlottenburgh, Lib.):** Mr. Speaker, discussions have taken place between all parties and the member for Churchill River concerning the taking of the division on Motion No. 237, scheduled at the conclusion of Private Members' Business later today, and I believe you would find consent for the following:

That at the conclusion of today's debate on M-237, all questions necessary to dispose of the said motion be deemed put, a recorded division deemed requested and deferred until Monday, June 12, 2000, at the expiry of the time provided for Government Orders.

(Motion agreed to)

● (1530)

**Mr. Dan McTeague (Pickering—Ajax—Uxbridge, Lib.):** Mr. Speaker, I want refer to a matter of privilege that was raised on Monday of this week by the Chair and, more important, by the Canadian Alliance member for Fraser Valley.

I was about to head over to the doctor to have my foot looked at as a result of a very good game of soccer last night with the pages. They were a little zealous in their duty and I believe their aim was to reduce the number of members who played in that event.

*Government Orders*

I am here because I want to give some clarification on Bill C-201. To understand this, Bill C-201 is at the report stage. It was, however, sent back from committee as a blank piece of paper. This is the first time the House has ever dealt with a situation wherein a committee has deemed, in its wisdom, to do what the wider parliament did not do and to return a blank piece of paper.

In the meantime, for a variety of dates, circumstances and other reasons, we have been trying to find an amenable way to restore through amendments the effect of Bill C-201.

I am concerned that those who raised this issue are somewhat incognizant of the fact that their own party, the Canadian Alliance, stood four square behind the destruction of Bill C-201, a bill that ironically deals with changes in the Competition Act for predatory pricing, the very thing that Microsoft will be facing in the United States in the next little while. The subtle differences between our two jurisdictions are important.

We as a parliament are dealing with rather new territory. We are really creating a new path as far as Private Members' Business is concerned. I believe this is an important bill and a good bill. We have taken measures, on a number of occasions in the past, to ensure that notice was given so that Private Members' Business could be substituted with other more ready bills. I remember one instance when there was an illness. I hope to have a resolution in the near future on this matter.

I can assure you, Mr. Speaker, that we are dealing with a situation that we have never seen before wherein we have those who are concerned about debating this bill actually having had a hand in gutting the bill in the first instance through the industry committee.

I hope that is satisfactory, and I would hope that those who have any questions about Bill C-201 in the first instance will explain why they want to bring up the issue of Bill C-201 beyond the question of simple privilege.

**The Deputy Speaker:** I thank the hon. member for his comments. I know the Speaker, who has taken this matter under advisement, was looking forward to hearing from the hon. member. His comments will be noted and the Speaker will render a decision on this matter in due course.

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## GOVERNMENT ORDERS

[*Translation*]

### INCOME TAX ACT AMENDMENTS, 1999

The House proceeded to the consideration of Bill C-25, an act to amend the Income Tax Act, the Excise Tax Act and the Budget

Implementation Act, 1999, as reported (with amendment) from the committee.

#### SPEAKER'S RULING

**The Deputy Speaker:** There are two motions in amendment standing on today's notice paper for the report stage of Bill C-25.

[*English*]

Neither motion can be proposed to the House because they are not accompanied by the recommendation of the governor general. Standing Order 76(3) requires that notice of such a recommendation be given no later than the sitting day before the beginning of report stage consideration of a bill.

[*Translation*]

Accordingly, the question on the motion for concurrence at report stage will be put without debate.

#### MOTION FOR CONCURRENCE

**Hon. Stéphane Dion (for the Minister of Finance)** moved that the bill, as amended, be concurred in at report stage.

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.

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

**The Deputy Speaker:** I declare the motion carried, on division.

(Motion agreed to)

**The Deputy Speaker:** When shall the bill be read the third time? At the next sitting of the House?

**Some hon. members:** Now.

*Government Orders*

• (1535)

**Mr. Yvan Bernier:** Mr. Speaker, on a point of order. I agree that summer is knocking at the door and that the government is in a hurry to get things done, but I want to make sure I understand things properly.

When you asked if we were ready for the question, five Bloc Québécois members rose to express their disagreement. I would like to know your decision on this point or hear it again.

**The Deputy Speaker:** I regret to inform the hon. member that, when the Chair put the question, I asked the House to answer ye or nay according to its pleasure. I then said "In my opinion, the yeas have it". Five members had not risen at that point. I am sorry, but I counted the members and there were not five. That is the only reason I asked "When will the bill be read the third time?" And that is how it went. We are now at third reading.

**Mr. Réal Ménard:** Mr. Speaker, I rise on a point of order. With all due respect to the Chair, we were five members, and it is the prerogative of the members to call for a vote.

We are in parliament and we would not understand that you impede our ability to vote. We were five members, and I ask you to reconsider your decision so that we may continue our debate calmly as we ought. We were five members and we want to vote on this question. This is the prerogative of the Bloc Québécois to request it.

**The Deputy Speaker:** I do not agree with the hon. member that it is the prerogative of just anyone in the House to call for a vote. However, five members of this House must rise, and five had not risen when I put the question. I am sure that, while I was saying "I declare the motion carried", other members arrived, but it was too late. The decision has been made and that is the end of that.

**Mr. Yvan Bernier:** Mr. Speaker, I rise on a point of order. To help those who are watching us and the members opposite understand what is going on, I wonder if the Chair or the clerk could clarify, under the standing orders whether when a vote is called it is necessary for a member to be in his or her own seat?

It is necessary to be standing and to say that we want to vote. I believe this is what happened earlier when five Bloc Québécois members stood up asking for one. The hon. member for Hochelaga—Maisonneuve told the Chair that he was present and he was indeed present. I would not want the call of summer to make us proceed too quickly.

• (1540)

**Mr. Bob Kilger:** Mr. Speaker, if you will give me a few seconds, I first want to say that I understand very well and I think you were right in how you interpreted the rules.

I also appreciate the fact that the Bloc Québécois still continues to co-operate regarding Bill C-25. Even if we did not have the opportunity to ask for a recorded division, under the rules that were properly interpreted by the Chair, I always appreciate their co-operation and that of the other parties because it allows us to go ahead with this bill.

**The Deputy Speaker:** I appreciate the comments made by all the members on this issue but I would like to find the applicable standing order.

**Mr. Réal Ménard:** On a point of order, Mr. Speaker. If you agree, I propose that we carry on with the business of the House and that the Chair gets back to this issue later on. We do not want to delay the House in its proceedings.

**The Deputy Speaker:** I thank the hon. member. When I issued my ruling, there were not five members who had risen. This is the only reason why I made that ruling. I am aware of course that five members must rise. If five members rise, there is a recorded division.

[*English*]

I posed the question, when shall the bill be read a third time. The question may be put now and I propose to put it to the House because apparently that is the request.

**Hon. Maria Minna (for the Minister of Finance)** moved that the bill be read the third time and passed.

**Mr. Roy Cullen (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, I am pleased to speak to the House today at third reading of Bill C-25, the 1999 income tax amendments act.

Hon. members are familiar with this legislation so I will not take up valuable House time discussing the bill in any detail. Instead, I will briefly review the highlights of the bill.

[*Translation*]

This bill brings into force many of the tax measures that were announced in the 1999 budget, together with some non-budget tax measures. For those hon. members wondering about the tax measures in the 2000 budget, they will be contained in separate legislation.

[*English*]

Every one of the government's budgets to date have provided targeted tax relief designed to achieve key social and economic goals. With the deficit eliminated in 1997-98, the door was subsequently opened to the introduction of some broad based tax relief measures.

The tax measures in the 1999 budget build on those that were introduced in previous budgets. Most important, as members of the House know, for the first time since 1965 the 1999 budget provides

tax relief for every taxpayer without the government having to borrow money to pay for it and, as with the previous relief measures, low and middle income Canadians benefit the most.

• (1545)

Hon. members will be aware of the government's commitment to provide ongoing tax relief to Canadians as we can afford it. Hon. members will also know that the Minister of Finance followed through on the promise he made in the fall fiscal and economic update and announced a five year tax reduction plan in budget 2000.

[*Translation*]

This plan will provide real and lasting tax reductions for Canadians and ensure that all taxpayers will see their taxes reduced in a manner consistent with the government's tax-cutting principles. These measures, however, will be introduced under separate legislation.

As we did in eliminating the deficit, the tax reduction plan will be achieved as quickly as possible—and further expanded as resources permit.

[*English*]

It is important that we pass this bill without delay. Let me continue my remarks by outlining the measures in this bill that stem from the 1999 budget.

Bill C-25 includes three general tax relief measures which, subject to this legislation being enacted, all took effect on July 1, 1999. The amount of income Canadians can receive tax free is increased. This amount is increased further in the 2000 budget, a provision that will be contained in separate legislation. The supplement to personal amounts provided for low income taxpayers in the 1998 budget is extended to all taxpayers and increased by a further \$175. Bill C-25 eliminates the general 3% surtax for all taxpayers.

Standing to benefit the most from these measures are low income earners. A single filer with an income of \$15,000 for example will pay 15% less federal tax, while a similar person earning \$30,000 will pay 6% less tax.

Income splitting with minor children is also covered in this bill. Income splitting occurs when high income individuals divert income to low income earners, generally family members, to avoid tax. In most cases only high income individuals with dependants reap any tax benefits from income splitting. Bill C-25 rectifies this situation by introducing a special tax that is specifically directed at structures designed to split income with minors.

Individuals age 17 and under will have to pay this special tax on any taxable dividends or any benefits on unlisted shares of Canadian and foreign companies that they receive from a trust or

### *Government Orders*

partnership. In addition, income they receive from a partnership or trust that comes from a business carried on by a relative will also be subject to this special tax.

[*Translation*]

Bill C-25 also deals with the taxation of retroactive lump-sum payments. These payments are taxed in the year they are received, even though a significant portion may relate to prior years. Because of the progressivity of the tax system, an individual's tax liability on these payments may be higher than if they had been made, and taxed, year by year as the income arose.

[*English*]

There will now be a special relieving mechanism in place to compute the tax on qualifying retroactive lump sum payments where those payments are \$3,000 or more in a given year.

Bill C-25 also effects a change on the tax treatment of Hutterite colonies. For tax purposes, Hutterite colonies are viewed as communal organizations and subject to section 143 of the Income Tax Act. The intent is that their income be taxed at roughly the same level as farming income earned outside these organizations by allocating colony income among adult members.

Until now, income in a communal organization was allocated to only one designated spouse in a family. To allow for the tax burden on communal organizations to be reduced and more fairly distributed, Bill C-25 provides for income to be allocated to each spouse in the family. This change will help maintain roughly equivalent taxation on income earned by Hutterite colonies and other groups.

Bill C-25 also contains a number of other tax provisions that were included in the 1999 budget.

[*Translation*]

Third parties making false statements that could be used for tax purposes will now be subject to two new civil penalties. One deals with tax shelter and other tax-planning arrangements; the second concerns advising or participating in a false tax filing.

• (1550)

There will now be a culpable conduct test—consistent with what the courts have used in the past when applying civil penalties to taxpayers—along with a “reliance in good faith” exception to the test.

[*English*]

There has been some discussion about the culpable conduct test. I would like to briefly describe for the House and for Canadians what it is and what it is not.

Culpable conduct as defined in the act means conduct, whether an act or a failure to act, that (a) is tantamount to intentional

*Government Orders*

conduct, (b) shows an indifference as to whether this act is complied with, or (c) shows a wilful, reckless or wanton disregard of law. I am sure members of the House will agree that conduct such as this is truly not acceptable. Honest errors of omission or commission will not be applicable under the culpable conduct test.

Bill C-25 also addresses the tax situation that arises when an individual dies and the value of their RRSP or RRIF is included in their income for the year of their death. When there is a surviving spouse but RRSPs and RRIFs have been left to dependent children, it is the children, not the deceased's estate, who will now be responsible for any resulting income inclusions. With income tax rates for dependent children usually lower, this provision will help them when a parent dies.

Through the bill the care of people with severe disabilities living in a group home, therapy for those with severe disabilities, and tutoring for the learning disabled will now be covered under the medical expense tax credit. In addition, talking text books for people with perceptual disabilities who are enrolled at educational institutions will be included on the eligible equipment list for persons with disabilities.

Corporations producing electrical energy for sale or steam for use in such production will now be eligible for the manufacturing and processing profits tax credit. This measure will help the electricity generating sector to become more competitive.

The next measure will also help corporations. Faced with multiple taxation years being reassessed at the same time, corporations are often caught in situations where refund interest is taxable while arrears interest is non-deductible. There will now be a relieving mechanism in place so corporations can ask for such amounts to be offset for interest calculation purposes.

[Translation]

Another component in Bill C-25 is designed to help the Canadian investment services industry compete more effectively internationally. A new rule will ensure that, subject to conditions, if a non-resident hires a Canadian firm to provide certain investment services, the non-resident is not, for that reason alone, considered to be carrying on business in Canada.

[English]

Canadian firms serving offshore clients will continue to pay tax in Canada on their profits. Non-residents who receive income from Canadian sources will continue to be subject to Canadian tax.

Other measures in the bill will encourage labour sponsored venture capital corporations to focus more on small business investments under the 12% part VI surcharge on large deposit making institutions. The 12% part VI surcharge on large deposit making institutions is being extended further to October 31, 2000.

As I indicated at the beginning of my remarks, this bill also contains some non-budget tax measures. One exempts the income of the trust that has been established by the federal, provincial and territorial governments to provide compensation to hepatitis C victims from income taxation.

Finally, the bill ensures that for tax purposes cash demutualization benefits are treated as dividends and therefore are subject to the low dividend rate. While there is no immediate tax benefit associated with a policyholder receiving a share as a demutualization benefit, a capital gain would be recognized once the share is sold.

In conclusion, I encourage my hon. colleagues to support the bill. Each of these measures improves the operation of the tax system and each adheres to the principle of tax fairness. Together the measures introduced in the 1997, 1998 and 1999 budgets reduce the income tax burden of Canadians by some 10%.

• (1555)

[Translation]

But, as the Minister of Finance said last fall, these are only the first steps. Combined with the actions in those budgets, the measures in the 2000 budget will see personal income taxes reduced by 22% in 2004-05.

[English]

Let us pass this bill quickly, colleagues, so we can move on to implementing the five year tax reduction plan.

**Mr. Jim Hart (Okanagan—Coquihalla, Canadian Alliance):** Mr. Speaker, we have heard the smoke and mirrors from the government side on Bill C-25 in all the things those members have been saying.

I come from the area of Okanagan—Coquihalla. The people in my riding of Okanagan—Coquihalla are hard working and diligent. They want to have families and create an environment in their communities that is good for themselves and for their community. They want to prosper.

Mr. Speaker, you probably knew this, but in my riding there are two communities with interesting names. One is Merritt and the other is Hope, British Columbia. I often say that the people of Okanagan—Coquihalla reflect the names of those two communities. They are hard workers. They give meritorious service to their communities. They have hope. They have hope for the future. They have hope that they will prosper. But that hope has been dashed by the Liberal government over the last seven years because it has failed to deliver to Canadians the things that make people prosperous, the things that encourage entrepreneurship and so on.

Bill C-25 is an omnibus bill that contains amendments to the Income Tax Act, the Excise Tax Act and implements certain

provisions of the 1999 federal budget. Canadians are not in support of this bill.

I want to touch on a point that preceded this debate. That is the issue of the two amendments that were proposed by the finance critic for the Canadian Alliance. Both of those amendments would have seen increased accountability to the powerful revenue agency. Both of those amendments have been disregarded by the House. The excuse was that they were not accompanied by a Governor General's recommendation. We hear all the time from the government how it has broad based consultations, that it speaks to Canadians and tries to find out what Canadians are really after. Let us look at what these two amendments did.

There was broad consultation. We talked to people in the financial services industry, the accounting industry, the life underwriting industry. These were people in the professional tax field. They came to the finance committee to give testimony. They talked about how the bill is too broadly based, how it does not offer a neutral appeal process. That is pretty serious when we are talking about taxes.

If the revenue agency goes after a Canadian with the allegation of a problem with his tax return, there has to be an appeal process, does there not? We think there would be. The amendments the hon. member for Medicine Hat brought forward did that, but they have been disregarded by the Liberal government. It is outrageous. However I am used to it and I think Canadians are used to it.

We will not sit idly by and watch this continually happen time and time again. In the next campaign the Liberal government is going to feel the wrath of the Canadian people when it comes to taxation. I assure the Liberals that they are plummeting now, but they are going to plummet even further in the polls the day we go to the people of Canada and ask them what they think of the Liberal government's record on taxation over the last seven or eight years.

• (1600)

I would like to look at payroll taxes for a minute. In 1999 the increased payroll taxes taken to fund the Canada pension plan removed any savings Canadians expected to see on their paystubs. Canadians will be faced with increases to the Canada pension plan for the next four years. In fact the increased payroll taxes taken to fund the Canada pension plan is the single biggest tax increase in the country.

Does the Liberal government talk about that? No, it does not, but the fact is that its increases to payroll taxes are the biggest that Canadians have ever seen, the largest tax grabs in the history of the country.

Despite the Liberal claims in the 1999 budget, Canadians are still faced with the highest personal income taxes of all the G-7 states, a major factor in the continuing brain drain of skilled Canadians to lower tax regimes like that of the United States.

### *Government Orders*

The Liberal government claims that the 2000 budget will change the distinction we held in 1999. Budget 2000 proposes a five year tax reduction plan that is supposed to create the most important structural changes to the federal tax system in more than a decade.

We all remember the finance minister in his speech in the House. He said:

Today, we are setting out a five year plan so that individuals, families, small businesses and others will know for certain that their taxes will fall this year, next year and in years to come.

The finance minister stated that Canadians could expect tax relief equalling \$58.4 billion over the next five years. He even admitted that tax dollars were not the property of the federal government, which was quite a revelation for the Minister of Finance, but really the property of Canadian taxpayers. He said "It is your money after all". That is exactly what he said in the House. Can Canadians really expect to receive \$58.4 billion in tax relief from the federal Liberal government?

**An hon. member:** Hardly.

**Mr. Jim Hart:** My hon. friend says "Hardly". Let me explain. The answer is no. He is absolutely right. After all the hoopla died away it became clear that new spending initiatives combined with tax increases from previous budgets like those in Bill C-25 would wipe out the vast majority of the \$58.4 billion tax cut.

Over the next five years spending on programs will increase by \$7.5 billion. This brings the supposed tax cut down to just over \$50 billion, but there is more. It is kind of like buying one of those vegamatics on TV: "But wait, there is more".

Subtract from this \$50 billion the whopping \$29.5 billion payroll tax hike caused by the multi-year increase to Canada pension plan premiums. As I mentioned earlier, every January for the next four years Canadians will have to pay more of their hard earned dollars to bankroll a public pension plan that for all intents and purposes is broken.

Now the tax cut is down to about \$20 billion, but wait, there is more. Some \$13.5 billion of this amount are nothing more than a cancellation of scheduled tax hikes. Is cancelling a scheduled tax hike a tax break? I do not think so, and judging from the response from my constituents they do not think so either.

That leaves a grand total of \$7.9 billion for tax relief or, to put it another way, \$107.60 per taxpayer per year. We could put it another way, \$8.97 per taxpayer per month, or we could take it down even lower to \$2.07 per week, enough to buy a medium size Tim Horton's coffee.

Canadian taxpayers are getting no meaningful tax relief from the Liberal government. Each Canadian is still paying over \$2,000

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more in taxes than they were in 1993 when the Liberals formed the government. That is quite a different story from what we have heard from the Liberals. They keep telling Canadians that there are tax cuts. It is absolute smoke and mirrors.

• (1605)

**An hon. member:** Not to mention rubbish.

**Mr. Jim Hart:** It is rubbish. This is a real blow to Canadians like people in my riding who work hard. At the end of the year they try to have some disposal income left over so that maybe they can send their children through university, take a bit of a holiday or make renovations to their homes. There are a number of things they could do, but their disposal incomes have shrunk so much that they cannot do many of those things.

The Liberal government policy of high taxation is a blow to Canada's economy as a whole. In Toronto last March a summit of 200 chief executive officers, brought together by the council on national issues, tried to come up with remedies for Canada's poor economic performance compared to a number of other new economic jurisdictions. While Canada fell behind during the 1990s, Ireland, a nation that traditionally had a lower standard of living than that of the United Kingdom and much lower than that of the European community, has become an economic hot spot.

We might ask ourselves another question. Why has Ireland, but not Canada, been able to draw in so much high tech wealth and talent, when high tech companies in Canada continuously lose many of their brightest and best employees to the United States market? The answer is taxes. During this past decade Ireland has acted decisively to lower taxes, creating a pro-business atmosphere. Ireland now has one of the lowest tax rates and, as a result, one of the most buoyant economies. The standard of living of its citizens has also increased dramatically vis-à-vis its neighbours.

At the same time Canada's standard of living under the regime of Liberal governments has decreased dramatically vis-à-vis that of the United States. Ireland has achieved financial prosperity for its people partly through a conscious policy decision of a government not afraid to cut taxes. Our government does not believe that but I will continue anyway. I know its members are making notes on this point.

Canadians are not as fortunate as people in the United States or in Ireland. The modest tax cuts in the current Liberal budget will do nothing to stem the slide of our standard of living or the flow of skilled Canadians to lower tax jurisdictions in the United States. Like Ireland, Canada must act decisively through conscious policy decisions. This is what Canadians expect of their Liberal government.

The Liberals have gone out of their way to make it difficult for small businesses to conduct business in Canada. Any contractor

who subcontracts work to others is now forced by the government to police them by filing a summary of contract payment forms with the Canada Customs and Revenue Agency. This is an additional burden on small businesses with serious fines of up to \$2,500 for those who fail to file their summary of payment forms on time.

The current Liberal budget also fails to make serious inroads into paying down debt. The Liberals have totally forgotten about the debt. I think their strategy was that they would try to confuse the public with relation to balancing the books, the deficit and the debt, which are two different things. The Liberals do not like to talk about the debt any more, which is at approximately \$580 billion. This has remained steady for the last two years with only a minute reduction of \$6.4 billion scheduled over the next five years.

• (1610)

At the rate we are going it could take 100 years. You will be a very old man, Mr. Speaker, before our national debt is paid off. We should contrast that to the United States which intends to pay off its national debt in 12 years.

Without a feasible game plan to pay off our national debt in a timely manner, the standard of living of Canadians will continue to decline. At the same time the lower taxed, debt free U.S. market will continue to attract Canada's best and Canada's brightest. It is called the brain drain.

The Prime Minister does not believe it exists. In fact it does. It is happening in my riding. It is happening in your riding, Mr. Speaker. It is happening right across the country. Our brightest university students are finding high tech, medical and research jobs in the United States and are leaving our country. That hurts our productivity and it hurts the country's future.

To make matters worse, Canadians are also deeply concerned about the way the Liberal government spends their hard earned tax dollars. Instead of offering Canadians tax relief, the Prime Minister and the Minister of Human Resources Development have spent the last two months demonstrating to Canadians why they should not trust the Liberal government with their money. It is reflected in the polls. We see the Liberals plunging in the polls, and that will continue.

The scandal surrounding grants and contributions for a variety of ill defined and unproven job creation schemes clearly shows that the Liberal government has no sense of financial accountability. The scandal does not stop at the Department of Human Resources Development.

The auditor general has pointed out that numerous other departments mismanage billions of dollars in grants and contributions. Our tax dollars are being spent on make work projects designed in effect to re-elect or try to get Liberals re-elected, not to serve the best interest of all Canadians coast to coast to coast.

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That fact that real permanent jobs and economic prosperity can only be created through a combination of real tax relief, not disguised tax relief like the Liberals try to give us, and business friendly policies is of no consideration.

Ireland is an example that is ignored by the government. The Liberals are so out of touch with the average Canadian taxpayer that they were actually considering giving subsidies to NHL hockey teams last January.

While the Liberals mismanage billions of dollars in one portfolio, they grossly underfund other portfolios such as health. Health care, for example, is the number one concern shared by my constituents and I am sure every one across the country.

By the year 2004, the Liberal government will have starved the provinces of \$35 billion for health care at a time when the population is rapidly aging. New technologies are advancing which come with a very hefty price tag.

Since 1993 the Liberal government's contribution to health has been slashed by 28%. The Liberals claim they will put \$2.5 billion back into health care every year for the next four years. That sounds pretty good, but the reality is there is still a serious funding shortfall of \$25 billion. The provinces are up in arms, and rightly so. While the Liberals would rather funnel this money into the ridings of the Prime Minister or senior cabinet ministers, hospitals across the country are suffering.

In my own riding the hospitals are suffering. The people of Princeton, B.C., were recently told that they would lose eight acute care beds at the Princeton General Hospital. That may not sound like a lot, but it is a 45% reduction. At the same time the demand for those acute care beds is increasing. There is a nursing shortage which means that the hospital is unable to carry out its caregiving activities. Acute care patients will now have to travel at least an hour and a half to receive the medical attention they need. It is clearly unacceptable.

Why is it that the Prime Minister can funnel money that should be spent on priorities like health care into pet projects like a water fountain in the Prime Minister's riding? How can the Liberal Party justify these actions? Members opposite should be absolutely ashamed of what is happening.

• (1615)

Another example from my riding is the case of the Okanagan Similkameen Neurological Society, the child development centre that helps children with neurological disorders. It is a very prestigious institution and does excellent work but it has a budget shortfall of about \$200,000 each and every year.

For the last two years, I have had the privilege and opportunity of hosting a golf tournament where we get businesses, community leaders and people from the area to sponsor and make donations to this one day fundraising effort. It has become quite a great event. In fact, this year the charity golf classic raised about \$17,000 for the child development centre.

The \$200,000 shortfall that institute experiences each and every year should not have to be made up by golf tournaments and fundraising activities like that. These people are doing necessary work that benefits the community. It is part of the health care system but it has a shortfall.

It is about time the federal government ponied up to the table and started to put back into health what it took away. The people of Okanagan—Coquihalla demand it and people across the country demand it. What the government is doing with Bill C-25 is not good enough, despite its best efforts.

There are some other areas of concern in my riding when we talk about how taxes are collected and the implementation of the budget.

For years we have had problems at the Penticton airport. It is all part of the nationalization of the airports policy where the federal government was going to transfer the operations of the airport to the city of Penticton. Unfortunately, there is a land claim involved in this and an agreement cannot be reached. It is at a stalemate. It has been going on for years, and it is frustrating.

One of the things that happened was that a Liberal senator came out to Penticton one bright morning and arrived without any announcement. He did not even tell the mayor of Penticton that he was coming. In his hand he held a cheque for 650,000 taxpayer dollars. A couple of flags were flying and a podium had been set up on the runway at the Penticton airport so he could tell the people of Penticton that the federal government was going to put \$650,000 into repaving the Penticton airport. It needs to be done but why was this done in secrecy?

The other thing that happened was that the Penticton Indian Band came out and stopped the work from proceeding. The federal government knew there was a problem yet it came in under the cover of darkness, trying to put one over on the people of Penticton and the Penticton Indian Band. It is absolutely outrageous what the government is doing with taxpayer money.

I want to make the point very clear that this budget implementation bill, Bill C-25, is 100% pure balderdash.

When we go to the gas pumps and fill up our gas tanks, we pay taxes. Canadians have heard for years that the tax money was to improve highways. Does it ever get to improve highways? I do not think it does. As a matter of fact, I know it does not because we have a stretch of highway between Peachland and Summerland in

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my riding that is a very dangerous highway. The coroner has said that it is one of the most dangerous highways in Canada. Almost every week there is an accident on that highway, some minor but some have also fatal. The people of the Okanagan area are saying that they want that highway to become part of the national highway system. There has been no action by the government whatsoever, even though Highway 97 is a key transportation link from Alaska all the way down through the United States. Highway 97 is very important to the economy not only of the people of the Okanagan but the economy of the entire province of British Columbia because it is used to transport goods and services.

• (1620)

What I am saying is that the people of Okanagan—Coquihalla are fed up with the Liberal government. They feel isolated because they do not get the things they need. When the government finally comes through with something it is something that is not a priority item for the people of the riding. The government just continues on its merry way doing these crazy things.

The people of B.C. will soon feel the effects of the Nisga'a agreement. The B.C. ministry of agriculture of the NDP government has admitted in a memo that it was a template for future land claims agreements. When we passed the Nisga'a agreement in the House what we in effect did was allow the creation of some 1,600 other sovereign nations in Canada. We should think about the devastating effect that will have on our country and British Columbia in particular because most of those will be in the province of British Columbia.

When we start connecting forestry, natural resources, the economy of British Columbia and what the Nisga'a agreement has done, we will feel more and more severe effects from that agreement.

Canadians and people in my constituency are also concerned about our criminal justice system. I had a terrible thing happen in Summerland, my hometown, where a person who was on day parole murdered two women in front of one of the woman's pre-school children, a two year old and a four year old. The fellow was on day parole from Calgary.

The rules say that Correctional Service Canada is supposed to put a Canada-wide warrant out within 10 minutes. Twenty-four hours had elapsed in which time this person allegedly travelled to Summerland and murdered, execution style, the two women. It was horrific. That same person is now playing with the court system, using every legal option available to him, firing his lawyers and using all kinds of delaying tactics.

What has the government done to improve the criminal justice system? Where is the money that should be allocated to do that. We will not find it in Bill C-25.

Another problem the federal government created across the country, with the impact being felt particularly in British Columbia, was when it negotiated the softwood lumber agreement. In Boston Bar just outside Hope, British Columbia, there is a large sawmill and lumberyard employer by the name of J.S. Jones Holdings Inc.

When the softwood lumber agreement was being negotiated, the government looked at a mill's production and the amount of wood it was transporting to the United States over a two year period. J.S. Jones was in a situation where it was re-tooling its shops. Half of the mill was shut down while it was putting in new equipment. It was upgrading its equipment because it wanted to produce a good quality product in the best possible way.

When the quotas were finally handed out, J.S. Jones did not have enough quota to continue operations. Workers are on lay-off notice right now. That agreement will shut down the largest employer in the Hope and Boston Bar area and put 200 people out of work. What does Bill C-25 hold for those folks? Absolutely nothing.

The softwood lumber agreement negotiated by the Liberal government has to be scrapped. If we are a free trade country, and we are supposed to be, then let us put the free trade agreement in place.

• (1625)

We heard something from the parliamentary secretary about hep C victims and Bill C-25. The only people who have to worry about income tax implications when it comes to hep C victims are the lawyers because they are the only ones who have been paid.

I meet with the victims of hep C in my riding of Okanagan—Coquihalla. Leslie Gibbenhuck and her family have been in my office in Ottawa and I have been helping them all the way along. There is no relief for these folks in sight but the Liberal government has made sure that all the lawyers have been paid.

When it comes to Bill C-25 and hep C victims, this bill falls short again. Why can we not ensure that those victims are paid? It is very sad.

Another issue that is important to the Okanagan region is the wine industry. We have some of the best produced wines not just in the country but in the world. We have award winning wineries. I have more wineries in my riding of Okanagan—Coquihalla than any other constituency in Canada, yet this federal government has failed to recognize the vintners quality assurance, the VQA label we see at the top of all Canadian produced wines. The best wines have the VQA symbol.

Agriculture Canada and this government will not endorse the VQA as the standardization of wines for Canada. That seems like a simple thing. Do members know what that means for our industry?

It means that the Europeans will not accept our wine. Last year they imported about \$1 million worth of Canadian wine. Do members have any idea how much wine we imported from the European community? Canada imported \$385 million worth of wine from Europe. As a matter of fact, the Europeans have totally banned our ice wines. I think that is terrible.

The wine industry is growing and jobs are being created in the Okanagan Valley, but this federal Liberal government will not do one small thing for these people and all the wine industry in Canada, which is to accept the VQA. The government has known about this issue for years and it has done nothing to address it.

Despite Liberal promises in Bill C-25, the Canadian Alliance is the only party in the House today with an effective financial plan to increase the wealth of Canadian families while allowing businesses to thrive in a competitive environment. We call it solution 17.

Solution 17 is a tax system with a single income tax rate of 17% for all Canadian taxpayers combined with a number of progressive deductions. Every single Canadian would benefit financially from our plan.

Highlights of solution 17 include an increase to the basic personal and spousal credits to \$10,000 from \$7,131 and \$6,055 respectively. RRSP limits would be significantly increased to \$16,500 from \$13,500. Businesses would thrive in a solution 17 economy. The corporate tax rate would be reduced from 28% to 21% while the small business tax rate would be reduced to 10% from 12%.

Solution 17 would encourage success and risk taking by reducing the capital gains tax to 20% from 40%. It would remove 1.9 million low income Canadians from the tax roles altogether. That is so good I want to say it again. Solution 17 would take 1.9 million low income Canadians off the tax roles completely. That would benefit families.

Solution 17 eliminates the current discrimination against single income families vis-à-vis dual income families. Currently, a single income family of four earning \$45,000 per year pays 136.5% more in federal tax than a dual income family of four with the same income level. Is that what the Liberals call fairness in our tax system? I do not think so. This is an absolute fact. This is not the smoke and mirrors of the Liberal government. When we get into it, it is terrible what the Liberal government has done to families.

• (1630)

Under solution 17, the Canadian Alliance plan, single parents would receive a significant increase in the amount that can be earned before earnings become taxable. The threshold for a single parent of one will increase to \$23,000 from the current \$13,186.

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That is a \$9,814 increase which is substantial. The Canadian Alliance will be presenting solution 17 in detail as we get closer and closer to the election.

The whole notion in this debate that the Liberal government is somehow offering tax relief to Canadians is a falsehood. It is just not happening, as can be seen from my remarks. The Liberal Party has always lived by a tax and spend tradition and it is continuing today. It is about time we put an end to it.

The Liberals tax everything. If it moves, they tax it. If it moves slowly, they tax it. If it moves fast, they tax it. If it stops, they subsidize it and try to get it moving again. They tax, tax, tax. It is what they do. They cannot help it.

The people of Okanagan—Coquihalla of course will be voting against Bill C-25.

**Mr. John Solomon:** Mr. Speaker, I rise on a point of order and seek unanimous consent to ask a question of the member who just spoke.

**The Acting Speaker (Mr. McClelland):** The hon. member for Regina—Lumsden—Lake Centre has asked for the unanimous consent of the House to break from the orders to ask a single question and receive a single response, the sum total of which will not exceed three minutes.

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. McClelland):** A member can deny unanimous consent provided the member is in the purview of the Chair. It is to vote that a person needs to be in his seat.

**Mr. Dale Johnston:** Mr. Speaker, I rise on a point of order. I could not help but note some of the excellent points made by my colleague from Okanagan. I was just reflecting how too bad it is that there are no ministers in the House to hear those great comments.

**The Acting Speaker (Mr. McClelland):** The hon. member for Wetaskiwin is a learned and long time member of the House. He knows full well we do not refer to the presence or absence of members in the House. He knows full well that members are occupied in other parliamentary duties, in committee and all over the place, so that their absence here does not necessarily reflect the absence of members of parliament doing parliamentary work.

**Mr. John Solomon:** Mr. Speaker, I rise on a point of order. During the course of his remarks, the member for Okanagan—Coquihalla made reference to particular support for all these great tax breaks. As the member would recall, Bill S-9 which was passed—

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**The Acting Speaker (Mr. McClelland):** Nice try, but that is debate.

[Translation]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, the 1999 budget presented by the Minister of Finance was terribly disappointing, given the immense possibilities for intervention that we calculated were available, even as far back as 1998. The surplus, which he estimated at a minimal figure, was in fact far larger than he implied.

To give the taxpayers, who are entitled to know the true state of this country's finances, a bit of an idea of the situation, in the three years between 1997 and 1999 the Minister of Finance made a forecasting error of an average of \$15 billion. He was an average of \$15 billion off in forecasting the surplus.

• (1635)

Year in and year out since 1998, the Minister of Finance has been forced to revise his forecasts on the surplus. Again recently he told us in the 2000 budget that his forecast surplus for the next five years was \$95 billion in all. Knowing him, it is far more than that. The Minister of Finance is, once again, being sneaky.

When the forecasts are looked at by anyone, whether by specialists or by the Bloc Québécois, we expect as a minimum over the next five years, conservatively, a surplus of \$140 billion.

So the minister could have done far more in 1999 to help those who are worst off, the most disadvantaged, and could have taken a different tack as far as tax reform is concerned, particularly by decreasing the income tax. He could have re-established a proper employment insurance program, but he did not either then or in his budget 2000.

Recently, I read a document which the Prime Minister of Canada presented in Germany. In this document, *The Canadian Way in the 21st Century*, he said the following:

The success we have achieved as a nation has come not only from strong growth but from an abiding commitment to strong values—caring and compassion, an insistence that there be an equitable sharing of the benefits of economic growth.

A little later, page 5 of the document states:

—a society of excellence with a commitment to success—

In speaking of Canadian society, the Prime Minister added:

—a society where prosperity is not limited to the few, but is shared by the many and where every child gets the right start in life.

Since 1993, when this government came to office, the third way, the Canadian way, has primarily consisted of cutting everywhere,

particularly in the Canada social transfer and in the employment insurance program. The government also constantly displays inertia with regard to tax reform to lighten the burden of low and middle income taxpayers.

The Prime Minister's document presents a picture that is just the opposite of reality in Canada. It says that children must get the right start in life, but since this government has been in office, the number of Canadian children living in poverty has increased from one million to one and a half million. There are 1.5 million children who are not all getting the right start in life, to use the expression found in the document entitled *The Canadian Way in the 21st Century*. In this document, the Prime Minister describes a theoretical reality, a utopia, a picture that is totally different from the true picture in Canada.

The Prime Minister talks about an "equitable sharing of the benefits of economic growth". For the past seven years, the economy has constantly been growing. This is unprecedented. The economy is continually growing. How is it that we find ourselves with figures such as the ones I just mentioned, with 1.5 million children living in poverty, while there were one million in 1993, before this government took office?

How is it that, for all categories, particularly single mothers with children, poverty has increased so steadily? How is it that, for the first time in 30 years, it was noted—by the National Council of Welfare—that the income of seniors had dropped? This is something not seen in 30 years, since measures such as old age pensions, and so on were introduced to help old folks, as they were then called, out of their poverty. How is it that we have reached this state of affairs?

The situation for female seniors living alone is even worse. They are one of the poorest categories in the country.

When the government is talking about sharing, equity and compassion, how is it that—the Prime Minister is going to say this in Germany, but he would not dare to say it here—the situation in Canada is actually the opposite? If the government has so much compassion, how is it that, when it tabled its budget in 1999, and again last February, it did not restore the Canada social transfer that has been so drastically cut since 1994?

• (1640)

How is it that this situation is allowed to continue and that, in 2001-02, there will be cuts of more than \$30 billion in the Canada social transfer to the provinces to fund health, postsecondary education and social assistance, and income security for the poorest Canadians?

How is it that in 1993, 1994, 1995, 1996, 1997, 1998, 1999 and 2000, this government, with all its compassion, has not set aside

one additional dollar for the construction of social housing, when people growing poorer and poorer are spending over 50% of their income on accommodation? Already at 30%, people are considered badly off and unable to afford to put a decent roof over their heads, buy food and clothing, pay for drugs, and so on.

How is it that this compassionate government has been working since 1993 to make people poorer? How is it that for about the past four years the new employment insurance plan has marginalized some 60% of the unemployed? How is it that such a compassionate government is allowing a situation to go on in which, according to its own figures, only 43% of the unemployed are entitled to employment insurance?

How does this government, with the Canadian way, the third way of the Prime Minister, let the situation happen? How is it that, despite the huge surpluses of the past three years, the government has given no thought to the disadvantaged? Is this the Canadian way? Is this the third way? Is this a vision?

We in the Bloc Québécois think it is, because, since this government came to office, the only way it has shown us is the way of further centralizing powers in all areas of jurisdiction. It involved keeping taxpayers' money in its pockets. It involved stealing money from the unemployed and putting it in its own pockets. It involved stealing money from the most disadvantaged. It involved taking money from the poorest families in this country. It involved stealing bread from the mouths of the 500,000 children who have been added to this government's record of poverty since its arrival in office.

That is what the Minister of Finance is doing. That is what this government has done since 1993.

If the Minister of Finance forecasts a surplus of \$95.5 billion for the next five years, it means that some of the 30 million Quebecers and Canadians will have less in their pockets. This means that those who already did not have enough have just had some of what they did have stolen from them by the Minister of Finance.

Over the next five years, the plan is to take still more from them. Their money will be taken from them. What little they have in their pockets to meet their basic needs will be taken from them. That is what is being announced to us.

When the minister tells us that there will be a surplus of \$95.5 billion—that is a very conservative minimum, because our estimate is \$140 billion, and our forecasts have not been a single percentage point off since 1994 when we started doing them—this means that he is going to get it somewhere, and that somewhere will be our pockets, as it has been since 1993.

Part of the large surpluses that have accumulated in the past three years, and will continue to accumulate in future, comes

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essentially from three sources: cuts to the Canada social transfer, which goes to provide sick people with a decent health care system, cuts to the Canada social transfer for income security—those poor children I referred to a while ago—and cuts to post-secondary education. This is the first major source: the Canada social transfer.

The next is the employment insurance surplus, which is some \$6 or \$7 billion every year.

The Minister of Finance helps himself to that. Already a \$32 billion surplus has accumulated in the employment insurance fund, and the Minister of Finance has helped himself to it. Most of it comes from small and medium size businesses and from workers. He also helps himself from the pockets of the unemployed who are not eligible from employment insurance.

That is the Canadian way. That is what the Canadian way has meant to us since 1993. There is no compassion; they go after the most disadvantaged, they cut transfer payments to the provinces.

• (1645)

The government leaves it up to the provinces, which provide the first line of direct services to the public, to deal with problems that have their roots here. In the meantime, the Prime Minister travels all the way to Germany to talk about the Canadian way.

It is the same with taxes. The situation is so serious that the federal tax has become a major contributing factor to families getting poorer. This is unprecedented. Originally, federalism meant policies based on fairness, compassion, redistribution and equalization. We now have a situation where, from a tax point of view, instead of helping poor families and families saddled with huge responsibilities, the government is crushing them.

Families—and I am talking about families with two adults and one child—start paying federal tax as soon as their income reaches \$13,700. By comparison, families begin to pay tax to the Quebec government only when their income reaches \$30,000.

At the federal level, because of the tax structure and the lack of indexation during all these years, a family with two adults responsible for a dependent child starts paying federal tax when its income reaches \$13,700. Of course, this is hard to understand for a millionaire, for the Minister of Finance, for a shipowner who does not pay tax in Canada but, instead, pays a minimal amount to tax havens. It is difficult to understand that an income of \$13,700 is well below the poverty threshold.

The poorest find themselves in that category: \$13,700, two adults, one income and one dependent child. They pay federal income tax in order to fatten the surplus of the Minister of Finance, to cover the income tax he does not pay because his ships fly the Panamanian flag, because he does business in the waters off tax havens. As the Minister of Finance, he takes money from couples

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with one child when their income reaches \$13,719, whereas in Quebec it is at \$30,000—a bit better—that this family starts paying income tax.

The government has not reformed taxes, as we have been asking it to do since 1993. The aim of such a reform is to re-establish some balance and fairness in the federal tax system, which now adds to poverty.

With the tax paid at this income level, it means that the people Statistics Canada and others call the poorest people, the most disadvantaged, who spend probably more than half their income on housing, who have a hard time making ends meet, are beginning to fill the pockets of the Minister of Finance, a millionaire shipowner, the owner of ships flying the Panamanian flag, who pays tax elsewhere than in Canada.

I do not understand why, up to now, people have not rebelled more against this. It is an absolute scandal to find ourselves in such a situation. And the federal tax system is not unfair solely for a family of two adults and one child. It does not add to the poverty of just this one socio-economic category; it also adds to the poverty of a single parent family with two dependent children. This family too starts paying income tax at \$13,719. It is already having trouble—because it is usually headed by a single mother with children—making ends meet. There is never enough at the end of the month to feed and dress her two children, keep them warm and pay the rent. This government, with the Minister of Finance at the helm, will drain them of the few resources they have.

That, then, is the Canadian way, the Prime Minister's third way: crushing the weaker members of society, who can barely manage, crushing the most disadvantaged, those who are already discouraged and depressed, who have perhaps lost the will to fight. And all to help the rich get richer. The opposite of Robin Hood is what the Prime Minister's third way is.

● (1650)

In the 1999 budget, the one that we are interested in, there was one tax relief measure, and one only, that made sense. I should say that it was consistent, because in my view, it did not make sense, but perhaps it did to the millionaire friends of the Minister of Finance and the Prime Minister.

The 3% surtax was abolished. This was a surtax introduced in order to reduce the deficit. The thinking was that, since there was no longer a deficit, they would abolish the tax. What is not mentioned is that the category that has benefited most from the elimination of this 3% surtax is those with incomes of \$250,000 and up.

These guys, the Prime Minister's friends, people like Mongeau and company who are getting their palms greased with our money—you know, the buddies—got a \$3,700 tax break in one shot, whereas single families with two children earning \$13,719 a year got nothing in 1999.

In 2000, they will not get much more. A few years down the road we might hope that, with full indexation of the tax tables, they might start paying taxes on a slightly higher income of \$14,000, \$15,000 or \$16,000. Nevertheless, they are below the poverty level and federal taxes are making them poorer.

This is compassion, according to the Prime Minister of Canada, who goes to Germany to deliver his speech. He is afraid to deliver it here, because he is afraid that people will point out to him that the only tax break in 1999 was for the rich, and that it is the same thing in 2000. The only significant tax break was the lowering of the surtax from 4% to 3% in 1999, and its phasing out in 2000.

Again, those who benefit from the bulk of this tax break, which amounts to more than \$4,000 in the 2000 budget, are people making over \$250,000 a year. This is what the Prime Minister calls compassion and a fair redistribution of the dividends of economic growth.

Taxation is one of the reasons retired couples over 65 years of age are getting poorer. I mentioned earlier that for the first time in 30 years the welfare council found the elderly were getting poorer. This is happening for the first time in 30 years, because measures had been taken to allow senior citizens who had worked all their lives to have a decent retirement income. Yet, retired couples over 65 start paying federal tax when their income reaches \$20,000. An annual income of \$20,000 is not much. It is below the poverty level, yet federal income tax makes those people even poorer.

With surpluses coming out of his ears, the Minister of Finance could have made a small effort in 1999 and in 2000 and reduced income tax, given back what he took to the poor, made the employment insurance system somewhat fairer, invested more money in social housing and restored some balance in the tax system.

If he believes that surpluses are still not high enough, when he is strangling us with income tax, crushing the neediest and raising all statistics on poverty, the minister might have changed the corporate tax system as well. He could have forgotten his cronies. He could have said to Thomas d'Aquino and others, as well as to large companies, that the time has come for them to pay income tax like everybody else.

The statistics are alarming, at least the ones we know about, because the Minister of Finance stopped publishing this type of data several years ago, the statistics on taxes deferred by large corporations and due to Revenue Canada. This is alarming.

Figures were published by the Canadian Labour Congress, figures which we had ourselves compiled in 1994 when we arrived. In 1995, we could no longer compile these numbers because the Department of Finance had asked, by order of the Minister of Finance, that the data no longer be published.

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Some large corporations, which make a profit year in and year out, have paid no income tax for the last ten years. In 1994-1995, it was estimated that the federal government was losing \$35 billion a year. The situation has not changed considering the fact that, since 1994-1995, our economy has been growing and businesses, especially large ones, have been making record profits.

• (1655)

Believe it or not, even the most profitable businesses never pay taxes even if they owe taxes to the federal government. For example, Bell Canada, whose chairman, Mr. Monty, has been appointed as head of the millennium scholarship foundation, owes Revenue Canada \$2.1 billion. These taxes are deferred year after year, but it is money owed to Revenue Canada.

BCE, Bell Canada Enterprises, which includes all of Bell Canada's communications businesses, owes Revenue Canada \$2.3 billion. I see that the secretary of state is smiling over there. I do not see anything funny in the fact that businesses such as Bell Canada and BCE, which are worth billions and are making money, and whose chairman, Mr. Monty, has stated that he wanted to buy CTV for \$2.3 billion, are not paying taxes. That is exactly the amount he owes Revenue Canada.

In other words, Bell Canada Enterprises wanted to buy CTV with our money, the money it owes us. Let us not forget that, when BCE does not pay its taxes to the federal government, that money has to come from somewhere. It is taxpayers like you and me, the single parent with dependants, who have to make up in part for the taxes not paid by Mr. Monty and Bell Canada. They will also have to make up in part for the taxes not paid by the Minister of Finance. They will have to make up in part for the taxes used for patronage, for contracts awarded by the CIO, the Canada Information Office.

We saw that this week. The Bloc Quebecois leader and House leader have raised these questions with my colleague for Chambly. People's palms are being greased with our tax money. It is already hard enough to earn a living, to have to file our income tax, because doing so—excuse the expression—irks us, but what is even worse is to know that these people are using our money to butter up their friends. The Mongeau affair is just the tip of the iceberg.

With the Human Resources Development Canada scandals, the CIO scandals, with communications contracts being awarded for the monkey business of having federal ministers traipsing about Quebec spreading propaganda, trumped up contracts for checking spelling and punctuation to the tune of \$250,000 and other such stupidities, we can see where our money is going.

When we see a grant intended for the riding of our colleague from Rosemont end up in the riding of the Prime Minister, when the invoices supporting this are not forthcoming, there is a

problem. We can now see that the scandals, the propaganda, the buddy system, the sloppiness in administering public funds, have become systemic. We have, to use Fabienne Larouche's term, become a banana republic. This is totally senseless.

The Minister of Finance, with surplus money spilling out of his pockets, is announcing some very bad news at the same time. It is very human to behave that way: the more money a person has, the less attention a person pays to it, especially when it is someone else's money. The Minister of Finance will have a big surplus over the next five years, a lot of money but not his. In time, the financial administration will become still sloppier. The Minister of Finance has surplus money coming out of his ears but it is not his money, so what does he care? This government's sloppiness will increase, that is a sure thing.

Therefore, the Minister of Finance is announcing the very bad news for Quebecers, who pay \$32 billion in taxes to this government, that their hard-earned money, part of which goes to the federal government, is being used for propaganda, choosing political friends, greasing the palms of party friends, providing grants so as to arrange under the table for donations to the Liberal Party of Canada. This is unacceptable.

The 1999 budget is like the other ones; it is just like the others. It is, in any case, just like the 2000 and 1998 budgets.

• (1700)

It is a totally heartless budget, compared with the third way, supposedly the Canadian way, as presented by the Prime Minister.

These budgets contain no provision for lightening the burden of low and middle income taxpayers. Like the others, this budget offers nothing to ease misery in Canada. On the contrary, it contains the seed of what appeared in the last budget and what may well appear in future budgets, the failure to restore the Canada social transfer.

The government will continue to dip blithely into the annual employment insurance surpluses of \$6 billion to \$7 billion by keeping contributions high.

As for tax cuts, we can forget about those, because every time the Minister of Finance makes a dramatic announcement about lowering taxes, a closer look reveals that he has done nothing. A closer look reveals that he is taking away with one hand what he is giving with the other.

Mention was made of cost recovery for expanding government services, particularly for agricultural SMEs. The government lowers taxes a bit and increases indirect taxes by implementing cost recovery for expanding federal programs, which was recently criticized by the Canadian Federation of Independent Businesses as one factor cutting into the competitiveness of SMEs.

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I would like to make one further comment about this budget. The 1999 budget contained a sad piece of news. It had to do with the level of compensation for victims of contaminated blood, of hepatitis C.

The House will remember, as the Bloc Québécois has done since the beginning of this issue, in connection with the work done by the member for Drummond and continued by the member for Hochelaga—Maisonneuve, that victims who contracted the disease before 1986 and after 1990 are still not entitled to any compensation, although they contracted the disease in exactly the same way as everyone else.

It is sad to be talking again about the 1999 budget when we know that there may be thousands of people who deserve compensation because they have suffered serious health consequences. Some of them may already have died. With surpluses of \$95.5 billion, this government is not even thinking about revisiting this issue and providing compensation for victims who contracted the disease before 1986 and after 1990, who have still not received anything.

I will conclude by saying that, for all the reasons I have given and because of the fact that there has not been adequate compensation for hepatitis C victims, the Bloc Québécois will be voting against this bill, with our usual vigour.

[English]

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, I would like to say a few words in this debate in terms of some of the important tax issues that are being implemented by this legislation.

When we look at the taxation system, Mr. Speaker, I think you would agree even from the Alberta perspective that the tax system must be fair in how it treats ordinary people. I also hope you would agree that the tax system should be very progressive.

We should have a tax system that taxes people on their ability to pay. We have moved away from that a bit in the last few years in terms of what the Mulroney government did when it reduced the number of marginal tax brackets from seven to three. Now we have a 16% tax bracket, a 26% tax bracket and a 29% tax bracket. The 26% would be rolled back to 23% which will make it a bit more progressive.

One thing I have been advocating is that we should make it a bit more progressive. If I had my way on the drawing board, I would return to maybe not seven tax brackets, but five marginal tax rates. There would be a bit more progressivity in the system. The United States has more tax brackets than we have.

We should also raise the basic exemption for Canadians to an amount much higher than what it is today. Today I think it is \$6,700

or \$6,800 for Canadians across the board. I would like to see it go up to \$10,000 or \$12,000 in terms of making it more progressive. Also, lower income people would not be taxed to the same extent as they are today. It would take many more people off the tax rolls.

• (1705)

I do not want to speak for too long. My friend in the Conservative Party from Nova Scotia wants to say a few words before we adjourn, so I will try to keep my comments to about 10 minutes. Perhaps you could give me the nod at that time, Mr. Speaker.

There are a couple of things which I think should be talked about a bit more in this country. Often the comparison is made by more conservative minded politicians, in particular the people in the Canadian Alliance, that taxes in Canada are so much higher than in the United States.

A study came out in the news today which compares income tax rates in Canada and the United States. I am sick and tired of comparing apples and oranges, just comparing tax rates in isolation. The study says that in general the tax rates in the United States are lower than those in Canada. I will give a couple of examples.

In 1997 a family with an income of \$40,000 paid about \$6,900 in income tax in Canada. In the United States they paid about \$5,200 in income tax.

If we look across the board we find that the percentage in this country is a bit higher in every bracket, high, middle or low than it is in the United States. What is forgotten are some of the other costs of living in the United States.

For example, in the United States if one is lucky enough to get health care, one may have to pay \$1,000 U.S. a month. Health care in Canada is paid through general revenue and general taxes. That is one of the benefits of our taxes. The taxes are a bit higher and one reason for it is we do not have health in the private sector. We do not have private premiums. We do not have a user fee or a user tax on health care. In the United States it costs perhaps \$1,000 a month to get health care.

Also in that country around 40 million people or more are not insured. There are about 100 million people who are underinsured in the United States for health care. That is a radical difference between our country and the United States.

If the average family is paying an extra \$2,000 or \$3,000 in taxes a year, health care by itself will more than eliminate the gap between the American taxpayer and the Canadian taxpayer. If one is paying \$1,000 U.S. per month in premiums for health insurance, that adds up to \$12,000 to \$13,000 U.S. or about \$18,000 Canadian per year for health insurance. Our health insurance comes out of general revenues from the provincial governments in the main but

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also from the federal government under a cost sharing plan. That is one of the benefits of being in Canada.

I want to throw two other arguments on the table as well. It is rather facetious just to compare the tax rates of the two countries.

Canada has a much lower crime rate than the United States. That makes our cost of living lower than that of the United States in terms of policing costs. It makes insurance costs in Canada lower because the crime rate is radically lower. We do not have to carry a handgun or weapons or have the insecurity in most parts of the country that we see in the United States. Again, when making tax comparisons, an issue like crime is not factored in in terms of the higher costs south of the border.

The third area is education. Everyone knows it costs an awful lot more to send a young person to university in the United States than it does here. Tuition fees are too high here; we all agree on that. Many of us are lobbying the federal government to put more money into post-secondary education and are lobbying the provinces to make sure they put more money into it and tuition fees are lowered to make university education more accessible to everyone.

In the United States tuition fees often are around \$15,000 U.S. per year. For a unique university such as Columbia it could be perhaps \$25,000 U.S. a year for tuition. We are looking at \$15,000 to \$30,000 Canadian and more in tuition per year for a student in the United States. Someone told me today that the average student debt in the United States is probably over \$100,000 U.S. My recollection is that the average student debt in Canada is between \$15,000 and \$25,000 Canadian.

• (1710)

Again one reason that the student debts and tuition fees are lower in this country is that the money comes out of taxes to a much greater extent than in the United States of America. We are getting some benefit from the taxes that Canadian people are paying.

When we hear the arguments by members in the Canadian Alliance that our taxes are so much higher than the United States, they are really comparing apples and oranges. They are not comparing some of the benefits that we get from the taxes we pay.

There is a very strong argument that we be concerned that there is enough taxpayers' money to ensure that we do have good progressive programs, that we do have social programs, that we do have an infrastructure. There is a role for government and for the mixed economy in this country. The economy should not be left totally to the free market.

I look at some of the leadership candidates of the Canadian Alliance, like Tom Long and others, who believe that almost everything should be left to the so-called free market, that there should not be a role for government. That party is almost anti-government in what it advocates, not so much the former leader of the

opposition as Stockwell Day and Tom Long who are on the far right, the extreme radical right.

There is a role for government. If there is a role for government, then we have to have a fair taxation system so we can fund the government programs. The whole issue in Canada is fair taxes and making sure we have a tax rate based on the ability to pay, so that the ordinary citizen pays less in taxes, so that the poorer people do not pay taxes and the wealthier people in some cases pay even higher taxes than they do today.

I will give an example of what I mean. The Bronfman family is one of the wealthiest families in this country. In 1991 the Bronfmans moved a lot of their assets, I believe it was stocks, to the United States from Canada. Officials in the Department of National Revenue, under the previous government, made a ruling that the Bronfmans would not have to pay capital gains tax on the appreciation of their assets when they moved them out of the country to the United States. According to the auditor general and according to information that has now come out in court cases, the Bronfman family basically got a \$700 million gift when they moved that money out of Canada into the United States.

On the other hand, if an ordinary bus driver in Kingston, Ontario owes \$200 or \$300 to the federal government, the Department of National Revenue will track that poor bus driver down and demand that he pay the bill and that he pay interest on top of it, but not the Bronfman family. They got a \$700 million tax holiday, a tax gift, because officials in the department of revenue were able to write it off.

We need tax fairness. Four years ago the current government said that it would bring in legislation to change this. That did not happen until a ways and means motion was tabled in the House yesterday. That will bring in some legislative changes promised back in 1996.

This is what I mean when I talk about tax fairness. The Bronfmans with a family trust can get away with a tax gift of \$700 million, and the ordinary citizen who owes a few hundred dollars on a tax bill is hounded, searched down, charged a penalty and interest. That is not fair. It is unjust. That is what I mean by tax fairness and equity in terms of how we treat people.

Some people say we should not do it that way, that we should have a flat tax where everyone pays the same tax rate. The Peter Pocklington and the wealthier people would pay the same tax rate, such as 17%, as the middle class. That would increase the burden on the middle class or would cut back on government programs, or a combination of both. I do not believe that is tax fairness either.

These are some of the issues I wanted to raise. Before I cede my place on the floor to a member of the Conservative Party, I conclude by saying that the main issue is fairness when it comes to taxes. There should be no special status and no special exemptions

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for wealthier people or bigger corporations, like the family trusts we have had in the past.

I believe in tax fairness. I believe lower income people need to get a tax break.

• (1715)

I also believe there is a role for government. We need a government that is proactive, a government that will provide leadership in terms of stronger social programs. There is a role for a mixed economy in this country. I think that is the direction most people want to go.

If I read public opinion correctly, I think the ordinary working families believe that large corporations have too much control and too much influence over the agenda of our country. Canadians see the Liberal Party as being a bit wimpy in terms of standing up to the agenda of large corporations. Canadians want the government to have more spunk and more backbone. They want a people's agenda, where people are put first and there is a more equitable distribution of wealth and power. That is the way the ordinary people of Canada want to go.

We have tremendous opportunities. One way to give people opportunities and to build a strong country is to make sure that we have a very fair and equitable tax system.

**Mr. John Herron (Fundy—Royal, PC):** Mr. Speaker, I am pleased to speak to Bill C-25, an act to amend the Income Tax Act, the Excise Tax Act and the Budget Implementation Act, 1999.

For Canada to succeed in a global, knowledge based economy we must be more innovative, productive, invest in skills and development and seek out new opportunities around the world. The Liberal track record, however, has been declining productivity and investment, with record levels of taxation, and punishing regulations and red tape. The government is not providing Canada with the leadership and the vision it needs to maintain our competitiveness and our place in the world as we head into a difficult era of global economy.

Canada has the second highest corporate tax rate in the industrialized world. I am sure the House is also aware that as a percentage of our economy Canada has the highest personal income tax rate. Some individuals may look at that and say that we are perhaps getting a good bang for our buck. We are able to maintain these taxation rates and still maintain our position in the global economy. The fact is that those individuals are wrong.

It is true that we have a very valuable society. Our health care system is a treasure. It is a valuable program which Canadians hold very dear. I prefer Canada's health care system to that of the United States. I do not know if the House is aware, but I know the

new member for St. John's West is aware that half the bankruptcies in the United States are created because people get sick. Thirty million Americans do not have access to any health care system whatsoever. If someone gets sick it should not result in economic hardship or economic ruin.

Canada is an export driven country. We need to remain so to keep our competitiveness. Canadians have always valued our capacity to build prosperity, to build a stronger nation. It was the Progressive Conservative government of 1984-93 that was indeed a prosperity builder. I want to illustrate that fact by talking about not only privatization and deregulation issues brought forth by the Progressive Conservative government, but also the fact that we really led the G-7 in terms of winning the war on inflation between 1984-93.

This is best illustrated with the free trade agreement. In 1988 our trade with the Americans was approximately \$90 billion. The members from St. John's East and St. John's West both know that our trade with the Americans now is \$260 billion each and every year. Our growth has come from the economy.

• (1720)

We are also coming through one of the most buoyant periods of economic growth in the industrialized world. Growth in the United States was 18% between 1992 and 1998. In the U.K. and in Germany, in the same time period, their growth was 14%. The Finns had very similar growth.

We could look at the Irish economy. They took very bold, progressive steps in terms of getting their corporate tax rates slashed in half and exponentially lowering their personal tax rates. The Irish economy over that same period doubled.

What the Progressive Conservative Party of Canada is advocating is that we need to do with tax what the Progressive Conservative Party did for trade in order to build a more prosperous society. We set leadership. In fact, just recently a study by very learned economists and political scientists at the University of McGill, which ranked former prime ministers, stated that our government between 1984 and 1993 did far more to prepare Canada to take its appropriate place in the world as a world economic leader than any other government before it.

There are some initiatives that we want to put forth at this point. We think it is wrong that individuals who make \$14,000, which is less than the poverty line, should have to pay any tax at all. As a first step, our tax task force report, which was voted on by the membership of the Progressive Conservative Party in Quebec City, stated that the basic personal exemption should be raised to \$12,000.

That fundamental initiative on its own would take two and a half million Canadians off the tax rolls overnight. Those two and a half

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million Canadians simply should not have been put there in the first place.

In terms of getting our economic fundamentals in order to maintain our world competitiveness, we need to address the national debt. Quite simply, it is a mortgage on every Canadian, in particular a mortgage on every young Canadian. I have referred to the national debt as being fiscal child abuse, as we are mortgaging the fiscal competitiveness or the economy of every generation yet to be born.

While the government will say that it has made a payment on the debt or lowered taxes, it is taking baby steps while the rest of our trading partners are taking giant leaps.

I am very proud of our conference that we held in Quebec City, where the membership of the Progressive Conservative Party said that, at a minimum, our party would pay down the national debt by an aggressive legislative format. That is the minimum that we owe every young Canadian.

When I advocate lowering taxes it is not simply for the sake of lowering taxes, it is to maintain our world competitiveness and to instil more growth and investment in our economy overall.

I would like to talk about another issue that I am very concerned about, and that is the issue of brain drain. In order to keep our best and brightest within our borders in this global economy, our most entrepreneurial, the individuals who invest, and the risk takers, we need to provide them with a tax regime in which their initiative and their intellect will be rewarded.

In that vein, let us ensure that Canada's taxation rate can fund the economy which we need. The Progressive Conservative Party believes that a strong economy is the root of providing a healthy and educated society.

Before we do anything else, when it comes to income tax implementation or the focus of the budget, let us do the following fundamentals properly. Let us pay down the national debt in a legislative way. Let us ensure that our tax regime in terms of our personal taxes and corporate taxes becomes more competitive. Let us put money back into our priority spending areas in terms of post-secondary education. We know that the average student debt of \$30,000 is wrong. We want to fix that. We also want to put more money back into our health care system. Let us pay down the debt. Let us lower taxes. Let us invest in health care and post-secondary education.

• (1725)

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I appreciate the opportunity to speak for a few minutes to Bill C-25.

Primarily what I want to do in the few minutes that I have is to debate some of the misconceptions that are out there.

First of all, when I asked the Minister of Finance a question the other day about a plan for debt reduction, he went on and on about how the debt is in fact going down as a ratio to GDP. However, he failed to answer the real question, which is, why not reduce the debt itself, because it is not going down.

The budget documents of the last couple of years indicate very clearly that the Liberal plan is to keep the debt constant in terms of dollars and to hope that the GDP goes up and the ratio of debt to GDP goes down, which in fact it is because our economy is growing, so the GDP is going up.

As my hon. colleague from the Conservative Party just said, the debt is a huge load on our country because of the interest payments required.

My second point concerns the misconception about our solution 17. NDP members in particular keep talking about this as being a tax reduction for the rich, saying that it would be unfair to poor people. It is really quite the opposite. I find it very difficult to defend against what they are accusing us of, because what they are accusing us of is exactly the opposite of what it is.

This plan would be more progressive than the one we have now, which, because of its steps and different rates, takes huge leaps. In some instances Canadian citizens who earn more money actually take home less because of the change in the rates as they go from one category to another. There is a tremendous disincentive to being successful, to working and earning money.

The one rate plan which we are proposing would make a smooth transition and would be truly progressive. By example, a single mom with one child, under the present Liberal government, pays \$1,700 in taxes. Under our plan she would pay \$170. In other words, she would get a 90% tax break, a 90% reduction.

For the many Canadians who are making less than \$20,000, the government takes between \$6 billion and \$7 billion from them in taxes. Our plan would take them off the tax rolls completely, giving them a 100% tax break.

Compare, for example, another single mom, this time a rich mom who has an income of \$240,000 instead of \$24,000. Ten times as much income. She would pay \$36,890 in income tax. In other words, 10 times the income, but 217 times as much tax. That is progressive. The Liberals have their system going so that it is even more abrasive than that.

The final point I would like to make is that it is not tax rates that pay for things like health care. There is this misconception out there that if the tax rates are cut, there will be less money for health care. That is not true. NDP members keep saying that we will take

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it away from the middle class or we will have less money for programs. That is not true. Anybody who knows any economics at all has heard of the Laffer curve, which shows that there is a maximum rate of income which is produced at certain percentage rates of income tax.

We are past that point. Reducing the tax rates would almost certainly increase total government revenue, giving us more money. That is the misconception that I wanted to correct.

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

**Some hon. members:** Question.

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

**Some hon. members:** Agreed.

**Some hon. members:** No.

• (1730)

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

**Some hon. members:** Yea.

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

**Some hon. members:** Nay.

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

*And more than five members having risen:*

**The Acting Speaker (Mr. McClelland):** At the request of the chief government whip, the division on the motion is deferred until later this day.

\* \* \*

**CAPE BRETON DEVELOPMENT CORPORATION  
DIVESTITURE AUTHORIZATION AND DISSOLUTION  
ACT**

The House resumed from June 6 consideration of the motion that Bill C-11, an act to authorize the divestiture of the assets of, and to dissolve, the Cape Breton Development Corporation, to amend the Cape Breton Development Corporation Act and to make consequential amendments to other acts, be read the third time and passed.

**The Acting Speaker (Mr. McClelland):** It being 5:30 p.m. the House will now proceed to the taking of the deferred recorded division on the motion at third reading stage on Bill C-11. Call in the members.

• (1800)

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

(Division No. 1352)

**YEAS**

Members

|  |  |
|--|--|
| Adams                                  | Anderson                                 |
| Assad                                  | Assadourian                              |
| Axworthy                               | Baker                                    |
| Bakopanos                              | Barnes                                   |
| Beaumier                               | Bélair                                   |
| Bélanger                               | Bellemare                                |
| Bennett                                | Bertrand                                 |
| Blondin-Andrew                         | Bonwick                                  |
| Borotsik                               | Boudria                                  |
| Brown                                  | Bryden                                   |
| Bulte                                  | Byrne                                    |
| Caccia                                 | Calder                                   |
| Cannis                                 | Caplan                                   |
| Carroll                                | Catterall                                |
| Cauchon                                | Chamberlain                              |
| Charbonneau                            | Clouthier                                |
| Coderre                                | Collenette                               |
| Cotler                                 | Cullen                                   |
| DeVillers                              | Dion                                     |
| Discepola                              | Doyle                                    |
| Dromisky                               | Duhamel                                  |
| Easter                                 | Finlay                                   |
| Fontana                                | Gagliano                                 |
| Galloway                               | Godfrey                                  |
| Goodale                                | Graham                                   |
| Gray (Windsor West)                    | Grose                                    |
| Harb                                   | Harvard                                  |
| Hearn                                  | Herron                                   |
| Hubbard                                | Iftody                                   |
| Jackson                                | Jennings                                 |
| Jordan                                 | Karetak-Lindell                          |
| Keddy (South Shore)                    | Kilger (Stormont—Dundas—Charlottenburgh) |
| Kilgour (Edmonton Southeast)           | Knutsen                                  |
| Kraft Sloan                            | Lastewka                                 |
| Lee                                    | Leung                                    |
| Limoges                                | Lincoln                                  |
| Longfield                              | MacAulay                                 |
| MacKay (Pictou—Antigonish—Guysborough) | Malhi                                    |
| Maloney                                | Manley                                   |
| Marleau                                | Matthews                                 |
| McCormick                              | McGuire                                  |
| McLellan (Edmonton West)               | McWhinney                                |
| Mifflin                                | Mills (Broadview—Greenwood)              |
| Minna                                  | Mitchell                                 |
| Muise                                  | Murray                                   |
| Myers                                  | Nault                                    |
| Normand                                | O'Brien (Labrador)                       |
| O'Reilly                               | Pagtakhan                                |
| Paradis                                | Parrish                                  |
| Patry                                  | Peric                                    |
| Peterson                               | Pickard (Chatham—Kent Essex)             |
| Pillitteri                             | Pratt                                    |
| Proud                                  | Proulx                                   |
| Provenzano                             | Redman                                   |
| Reed                                   | Richardson                               |
| Robillard                              | Rock                                     |
| Saada                                  | Scott (Fredericton)                      |
| Sekora                                 | Sgro                                     |
| Shepherd                               | Speller                                  |
| St. Denis                              | St-Jacques                               |
| St-Julien                              | Steckle                                  |
| Stewart (Brant)                        | Stewart (Northumberland)                 |
| Szabo                                  | Telegdi                                  |
| Thibeault                              | Torsney                                  |
| Ur                                     | Vanclief                                 |
| Whelan                                 | Wilfert—132                              |

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## NAYS

## Members

|  |                           |
|--|---------------------------|
| Abbott   | Ablonczy                  |
| Asselin  | Bachand (Saint-Jean)      |
| Bailey   | Bellehumeur               |
| Benoit   | Bergeron                  |
| Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok) | Breitkreuz (Yellowhead)   |
| Blaikie  | Brien                     |
| Breitkreuz (Yorkton—Melville)                          | Canuel                    |
| Cadman   | Chatters                  |
| Cardin   | Crête                     |
| Chrétien (Frontenac—Mégantic)                          | de Savoye                 |
| Davies   | Desjarlais                |
| Debien   | Dockrill                  |
| Desrochers   | Duceppe                   |
| Dubé (Lévis-et-Chutes-de-la-Chaudière)                 | Duncan                    |
| Dumas  | Epp                       |
| Earle  | Gauthier                  |
| Fournier   | Girard-Bujold             |
| Gilmour  | Godin (Châteauguay)       |
| Godin (Acadie—Bathurst)                                | Gruending                 |
| Gouk   | Guimond                   |
| Guay   | Hill (Macleod)            |
| Hart   | Hilstrom                  |
| Hill (Prince George—Peace River)                       | Johnston                  |
| Jaffer   | Konrad                    |
| Kenney (Calgary Southeast)                             | Lalonde                   |
| Laliberte  | Lebel                     |
| Laurin   | Loubier                   |
| Lill   | Mancini                   |
| Lowther  | McDonough                 |
| Mayfield   | Mercier                   |
| Ménard   | Mills (Red Deer)          |
| Meredith   | Nystrom                   |
| Morrison   | Picard (Drummond)         |
| Perron   | Proctor                   |
| Plamondon  | Riis                      |
| Reynolds   | Rocheleau                 |
| Robinson   | Schmidt                   |
| Sauvageau  | St-Hilaire                |
| Solomon  | Stoffer                   |
| Stinson  | Tremblay (Lac-Saint-Jean) |
| Strahl   | Venne                     |
| Tremblay (Rimouski—Mitis)                              | White (North Vancouver)   |
| Wasylycia-Leis   |                           |
| Williams—86  |                           |

## PAIRED MEMBERS

|          |          |
|----------|----------|
| Bradshaw | Lefebvre |
| Nunziata | Valeri   |

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

(Bill read the third time and passed)

\* \* \*

## WAYS AND MEANS

## INCOME TAX ACT

(Motion No. 11. On the Order: Government Orders)

June 5, 2000—Consideration of a Ways and Means motion to amend the Income Tax Act, the Income Tax Application Rules and certain Acts related to the Income Tax Act.

**The Speaker:** Pursuant to order made earlier today the House will now proceed to the taking of the deferred division on Ways and Means Motion No. 11.

[Translation]

**Mr. Bob Kilger:** Mr. Speaker, I think you would find unanimous consent for the members who voted on the previous motion to be recorded as having voted on the motion now before the House, with Liberals voting yea.

[English]

**The Speaker:** Is there agreement to proceed in such a fashion?

**Some hon. members:** Agreed.

**Mr. Jay Hill:** Mr. Speaker, Canadian Alliance members present this evening wish vehemently and unanimously that their vote be recorded as opposed to this motion.

[Translation]

**Mr. Stéphane Bergeron:** Mr. Speaker, the members of the Bloc Québécois oppose the motion.

**Mr. Yvon Godin:** Mr. Speaker, members of the New Democratic Party vote no on this motion.

[English]

**Mr. Norman Doyle:** Mr. Speaker, the Progressive Conservative members are opposed to this motion.

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

(Division No. 1353)

## YEAS

## Members

|  |                              |
|--|------------------------------|
| Adams                                    | Anderson                     |
| Assad                                    | Assadourian                  |
| Axworthy                                 | Baker                        |
| Bakopanos                                | Barnes                       |
| Beaumier                                 | Bélair                       |
| Bélangier                                | Bellemare                    |
| Bennett                                  | Bertrand                     |
| Blondin-Andrew                           | Bonwick                      |
| Boudria                                  | Brown                        |
| Bryden                                   | Bulte                        |
| Byrne                                    | Caccia                       |
| Calder                                   | Cannis                       |
| Caplan                                   | Carroll                      |
| Catterall                                | Cauchon                      |
| Chamberlain                              | Charbonneau                  |
| Clouthier                                | Coderre                      |
| Collenette                               | Cotler                       |
| Cullen                                   | DeVillers                    |
| Dion                                     | Discepola                    |
| Dromisky                                 | Duhamel                      |
| Easter                                   | Finlay                       |
| Fontana                                  | Gagliano                     |
| Galloway                                 | Godfrey                      |
| Goodale                                  | Graham                       |
| Gray (Windsor West)                      | Grose                        |
| Harb                                     | Harvard                      |
| Hubbard                                  | Iftody                       |
| Jackson                                  | Jennings                     |
| Jordan                                   | Karetak-Lindell              |
| Kilger (Stormont—Dundas—Charlottenburgh) | Kilgour (Edmonton Southeast) |
| Knutsen                                  | Kraft Sloan                  |
| Lastewka                                 | Lee                          |
| Leung                                    | Limoges                      |
| Lincoln                                  | Longfield                    |
| MacAulay                                 | Malhi                        |
| Maloney                                  | Manley                       |
| Marleau                                  | Matthews                     |

*Government Orders*

|                              |                             |
|------------------------------|-----------------------------|
| McCormick                    | McGuire                     |
| McLellan (Edmonton West)     | McWhinney                   |
| Mifflin                      | Mills (Broadview—Greenwood) |
| Minna                        | Mitchell                    |
| Murray                       | Myers                       |
| Nault                        | Normand                     |
| O'Brien (Labrador)           | O'Reilly                    |
| Pagtakhan                    | Paradis                     |
| Parrish                      | Patry                       |
| Peric                        | Peterson                    |
| Pickard (Chatham—Kent Essex) | Pillitteri                  |
| Pratt                        | Proud                       |
| Proulx                       | Provenzano                  |
| Redman                       | Reed                        |
| Richardson                   | Robillard                   |
| Rock                         | Saada                       |
| Scott (Fredericton)          | Sekora                      |
| Sgro                         | Shepherd                    |
| Speller                      | St. Denis                   |
| St-Julien                    | Steckle                     |
| Stewart (Brant)              | Stewart (Northumberland)    |
| Szabo                        | Telegdi                     |
| Thibeault                    | Torsney                     |
| Ur                           | Vanclief                    |
| Whelan                       | Wilfert—124                 |

## NAYS

## Members

|  |                               |
|--|-------------------------------|
| Abbott   | Ablonczy                      |
| Asselin  | Bachand (Saint-Jean)          |
| Bailey   | Bellehumeur                   |
| Benoit   | Bergeron                      |
| Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok) | Borotsik                      |
| Blaikie  | Breitkreuz (Yorkton—Melville) |
| Breitkreuz (Yellowhead)                                | Cadman                        |
| Brien  | Cardin                        |
| Canuel   | Chrétien (Frontenac—Mégantic) |
| Chatters   | Davies                        |
| Crête  | Debien                        |
| de Savoye  | Desrochers                    |
| Desjarlais   | Doyle                         |
| Dockrill   | Duceppe                       |
| Dubé (Lévis-et-Chutes-de-la-Chaudière)                 | Duncan                        |
| Dumas  | Epp                           |
| Earle  | Gauthier                      |
| Fournier   | Girard-Bujold                 |
| Gilmour  | Godin (Châteauguay)           |
| Godin (Acadie—Bathurst)                                | Gruending                     |
| Gouk   | Guimond                       |
| Guay   | Hearn                         |
| Hart   | Hill (Macleod)                |
| Herron   | Hilstrom                      |
| Hill (Prince George—Peace River)                       | Johnston                      |
| Jaffer   | Kenney (Calgary Southeast)    |
| Keddy (South Shore)                                    | Laliberte                     |
| Konrad   | Laurin                        |
| Lalonde  | Lill                          |
| Lebel  | Lowther                       |
| Loubier  | Mancini                       |
| MacKay (Pictou—Antigonish—Guysborough)                 | McDonough                     |
| Mayfield   | Mercier                       |
| Ménard   | Mills (Red Deer)              |
| Meredith   | Muise                         |
| Morrison   | Perron                        |
| Nyström  | Plamondon                     |
| Picard (Drummond)                                      | Reynolds                      |
| Proctor  | Robinson                      |
| Riis   | Sauvageau                     |
| Rocheleau  | Solomon                       |
| Schmidt  | St-Jacques                    |
| St-Hilaire   | Stoffer                       |
| Stinson  | Tremblay (Lac-Saint-Jean)     |
| Strahl   | Venne                         |
| Tremblay (Rimouski—Mitis)                              | White (North Vancouver)       |
| Wasylcia-Leis  |                               |
| Williams—94  |                               |

## PAIRED MEMBERS

|          |          |
|----------|----------|
| Bradshaw | Lefebvre |
| Nunziata | Valeri   |

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

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**INCOME TAX AMENDMENTS ACT, 1999**

The House resumed consideration of the motion that Bill C-25, an act to amend the Income Tax Act, the Excise Tax Act and the Budget Implementation Act, 1999, be read the third time and passed.

**The Speaker:** Pursuant to order made earlier today, the House will now proceed to the taking of the deferred recorded division on the motion at the third reading stage of Bill C-25.

**Mr. Bob Kilger:** Mr. Speaker, I believe you would find consent to apply the results of the vote just taken to the motion now before the House.

**The Speaker:** Is there agreement to proceed in such a fashion?

**Some hon. members:** Agreed.

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

(Division No. 1354)

## YEAS

## Members

|  |                              |
|--|------------------------------|
| Adams                                    | Anderson                     |
| Assad                                    | Assadourian                  |
| Axworthy                                 | Baker                        |
| Bakopanos                                | Barnes                       |
| Beaumier                                 | Bélair                       |
| Bélangier                                | Bellemare                    |
| Bennett                                  | Bertrand                     |
| Blondin-Andrew                           | Bonwick                      |
| Boudria                                  | Brown                        |
| Bryden                                   | Bulte                        |
| Byrne                                    | Caccia                       |
| Calder                                   | Canniss                      |
| Caplan                                   | Carroll                      |
| Catterall                                | Cauchon                      |
| Chamberlain                              | Charbonneau                  |
| Clouthier                                | Coderre                      |
| Collenette                               | Cotler                       |
| Cullen                                   | DeVillers                    |
| Dion                                     | Discepola                    |
| Dromisky                                 | Duhamel                      |
| Easter                                   | Finlay                       |
| Fontana                                  | Gagliano                     |
| Galloway                                 | Godfrey                      |
| Goodale                                  | Graham                       |
| Gray (Windsor West)                      | Grose                        |
| Harb                                     | Harvard                      |
| Hubbard                                  | Iftody                       |
| Jackson                                  | Jennings                     |
| Jordan                                   | Karetak-Lindell              |
| Kilger (Stormont—Dundas—Charlottenburgh) | Kilgour (Edmonton Southeast) |
| Knutson                                  | Kraft Sloan                  |
| Lastewka                                 | Lee                          |
| Leung                                    | Limoges                      |
| Lincoln                                  | Longfield                    |
| MacAulay                                 | Malhi                        |
| Maloney                                  | Manley                       |
| Marleau                                  | Matthews                     |
| McCormick                                | McGuire                      |
| McLellan (Edmonton West)                 | McWhinney                    |
| Mifflin                                  | Mills (Broadview—Greenwood)  |

Minna  
Murray  
Nault  
O'Brien (Labrador)  
Pagtakhan  
Parrish  
Peric  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Redman  
Richardson  
Rock  
Scott (Fredericton)  
Sgro  
Speller  
St-Julien  
Stewart (Brant)  
Szabo  
Thibeault  
Ur  
Whelan

Mitchell  
Myers  
Normand  
O'Reilly  
Paradis  
Patry  
Peterson  
Pillitteri  
Proud  
Provenzano  
Reed  
Robillard  
Saada  
Sekora  
Shepherd  
St. Denis  
Steckle  
Stewart (Northumberland)  
Telegdi  
Torsney  
Vanclief  
Wilfert—124

## NAYS

### Members

Abbott  
Asselin  
Bailey  
Benoit  
Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)  
Borotsik  
Breitkreuz (Yorkton—Melville)  
Cadman  
Cardin  
Chrétien (Frontenac—Mégantic)  
Davies  
Debien  
Desrochers  
Doyle  
Duceppe  
Duncan  
Epp  
Gauthier  
Girard-Bujold  
Godin (Châteauguay)  
Gruending  
Guimond  
Hearn  
Hill (MacLeod)  
Hilstrom  
Johnston  
Kenney (Calgary Southeast)  
Laliberte  
Laurin  
Lill  
Lowther  
Mancini  
McDonough  
Mercier  
Mills (Red Deer)  
Muisse  
Perron  
Plamondon  
Reynolds  
Robinson  
Sauvageau  
Solomon  
St-Jacques  
Stoffer  
Tremblay (Lac-Saint-Jean)  
Venne  
White (North Vancouver)

Ablonczy  
Bachand (Saint-Jean)  
Bellehumeur  
Bergeron  
Breitkreuz (Yellowhead)  
Brien  
Canuel  
Chatters  
Crête  
de Savoye  
Desjarlais  
Dockrill  
Dubé (Lévis-et-Chutes-de-la-Chaudière)  
Dumas  
Earle  
Fournier  
Gilmour  
Godin (Acadie—Bathurst)  
Gouk  
Guay  
Hart  
Herron  
Hill (Prince George—Peace River)  
Jaffer  
Keddy (South Shore)  
Konrad  
Lalonde  
Lebel  
Loubier  
MacKay (Pictou—Antigonish—Guysborough)  
Mayfield  
Ménard  
Meredith  
Morrison  
Nystrom  
Picard (Drummond)  
Proctor  
Riis  
Rocheleau  
Schmidt  
St-Hilaire  
Stinson  
Strahl  
Tremblay (Rimouski—Mitis)  
Wasylcia-Leis  
Williams—93

## PAIRED MEMBERS

Bradshaw  
Nunziata

Lefebvre  
Valeri

## Private Members' Business

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

[Translation]

**Mr. Yvon Godin:** Mr. Speaker, I rise on a point of order. The hon. member for Winnipeg—Transcona was not present for this vote.

**The Speaker:** It will be recorded.

(Bill read the third time and passed)

[English]

**The Deputy Speaker:** Order, please. It being 6.07 p.m. the House will now to proceed to the consideration of Private Members' Business as listed on today's order paper.

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## PRIVATE MEMBERS' BUSINESS

• (1805)

[Translation]

### INTERNATIONAL CIRCUMPOLAR COMMUNITY

The House resumed from April 11 consideration of the motion and of the amendment.

**Mrs. Maud Debien (Laval East, BQ):** Mr. Speaker, first of all I want to thank the member for Churchill River for presenting to the House a motion which increases our awareness of the various issues concerning Canada's and Quebec's circumpolar community.

He did it through Motion No. 237, which reads as follows:

That, in the opinion of this House, the government should recognize the 55th parallel as the identified Canadian boundary for participation in the international circumpolar community.

Let me explain the substance of this motion. Right now, Canada uses the 60th parallel as the boundary of its circumpolar region. However, most countries bordering on the Arctic use the 55th parallel as the boundary of their circumpolar region. In other words, for them, the international circumpolar region is north of the 55th parallel.

Almost 30 years ago, Louis-Edmond Hamelin, the founding director of the Centre d'études nordiques at Laval University, a unique research centre in Quebec, said, and rightly so:

Definitions of the north mainly depend on the criteria used to assess the situation. Many tests have shown that the boundaries and the main elements of the north are not

*Private Members' Business*

perceived the same way by those who live there. Some still believe that the north can be confined within specific isolines, such as the arctic circle. As for the federal, provincial and territorial governments, they are using, between Alaska and the Hudson Bay region, the 60th parallel, which has little natural meaning and makes little sense.

Mr. Hamelin then proposed to set a number of criteria to define what would become the "Hamelin line", which defines the boundaries of the north according to various factors such as climate, population, latitude, precipitation, means of transportation and economic activity. That boundary is generally well below the 60th parallel.

• (1810)

We know that political relations in that area have been deeply affected by the cold war. Since the end of the cold war, co-operation mechanisms have been developed to improve relations between different countries in the circumpolar region and address various issues on a multilateral basis.

I am thinking here about things like the Canadian initiative to create the Arctic Council, the Inuit Circumpolar Conference, the strategy to protect the Arctic environment, the Nordic Forum, the Canadian Polar Commission, and the International Arctic Science Committee.

Canadian communities in the northern part of our provinces, beyond the 55th parallel, cannot take part in these great forums where are being discussed issues that are their concern in many ways. Like the hon. member for Churchill River said, we have forgotten people in that part of the Canadian north.

All these communities very often share the same concerns and aspirations. They have the same environmental problems generated by the south. The arctic environment is particularly vulnerable, and many dangers are already present there, like transborder air and water pollutants.

Why could these people, who know their territory so well, not take part in these discussions, offer solutions and make their views known? We have a lot to learn about sustainable development from the traditional knowledge of the people who live in these areas.

Moreover, north of the 55th and 60th parallels, there are important mineral and mining resources, and the economic development of the Arctic is vital to better living conditions of people in these areas. Why could they not be full participants in the dialogue on resource management?

Finally, I would like to speak about international co-operation in science and technology, which started afresh after the end of the cold war. The International Arctic Science Committee, or IASC, is made up of the national scientific organizations of the eight Arctic countries, including Canada, and other countries engaged in research in the Arctic.

It would be unfair, to say the least, if the provinces' northern regions between the 55th and 60th parallels could not be included in the research carried out by these organizations because, territorially speaking, they are not considered part of the circumpolar region.

I do not believe the sponsor of the motion, the member for Churchill River, intends to survey the far north and put markers or stakes every six feet. Nor is it his intention to alter the borders of the provinces through a possible change to the circumpolar territorial limit.

No, the noble principle behind the motion by the member for Churchill River is rather to allow communities living between the 55th and 60th parallels to be full members of the international circumpolar community. If passed, the motion will mean that Canada will finally accept the limit internationally recognized by the northern community.

• (1815)

I also wish to point out that we are debating a motion, not a bill. As I said at the beginning, the great merit of Motion No. 237 is to raise the Canadian and Quebec circumpolar issue, to evaluate the challenges involved, to solve the existing problems and to promote sustainable development in this area.

In conclusion, I want to stress once again the importance of adopting the amendment proposed by the hon. member for Mercier to replace, in the French version of the motion, the term "frontière" by the words "limite territoriale". At first glance, the nuance may seem subtle, if not insignificant. Yet, there is a clear difference between "frontière" and "limite territoriale".

Indeed, the French dictionary *Le Petit Robert* partly defines "frontière" as a "ligne idéale, au tracé arbitraire, généralement jalonnée par des signes conventionnels (bornes, barrières, poteaux, bouées)". The word "limite" seems much more appropriate, since its first meaning is "ligne qui sépare deux terrains ou territoires contigus".

It is therefore imperative, so as to avoid any confusion, to adopt the amendment proposed by the hon. member for Mercier in the French version of the motion. As she said so appropriately, we completely change the meaning of his motion if we change the border of the provinces. Tis is not at all what the member for Churchill River intended with his motion.

During their study on Canada and the circumpolar region, all the members of the Standing Committee on Foreign Affairs and International Trade came to realize that the communities living north of the 55th parallel have a unique environment and culture. There can be no sustainable development and economy without their contribution and without the concrete knowledge that these people have of their milieu.

This is why the Bloc Québécois will support Motion M-237, with the amendment we proposed.

[English]

**Mr. Peter Mancini (Sydney—Victoria, NDP):** Mr. Speaker, I am pleased to speak to Motion No. 237, brought forward by my colleague the member for Churchill River, which deals with the international circumpolar community. I will read the motion for those who are not familiar with it:

That, in the opinion of this House, the government should recognize the 55th parallel as the identified Canadian boundary for participation in the international circumpolar community.

The motion sounds a little complicated but I think for those who read it carefully its meaning will be fairly clear.

We recognize the hon. member from the Bloc Québécois and her amendment to the motion. She raises a valid point and an interpretation for a greater understanding of the honourable intent behind Motion No. 237.

The motion calls for leadership and a vision for the future of this country. Canada is a large country with diverse regions and economies. This diversity includes our varied cultures and histories. One need only look at the House, at some of the artwork and some of the names of the members of parliament to understand how diverse and rich our culture is.

This land is based upon shared values and a common sense of purpose in the face of geographic challenges. This point is often missed by those who would compare us to our neighbours to the south.

In the debate on this motion we have listened to the different policy spins and an apparent refusal for parliament as a whole to demonstrate leadership and vision in this new millennium.

However, we do acknowledge and thank the members who have spoken in favour of this motion. The members recognize this motion for its intent to include a very marginalized sector of Canada, the northern regions between the 55th and 60th parallels. Broadening the participation and opportunities for these northern regions and communities can provide a better socioeconomic future for current and future generations.

One has to ask the question, why should these northern areas of Canada be delegated to base resource extraction where material shipped south is processed and value added goods and services are repurchased by the north?

• (1820)

Coming from the east, from the island of Cape Breton, I understand all too well what happens when raw materials are

### *Private Members' Business*

shipped to one part of the country to be processed and sent back for us to purchase again. It is ironic that we should talk about that on the night that we will vote on the Devco bill, which was an attempt to diversify the economy after years of doing exactly what has been happening to the people in the north.

The House surely can recognize an opportunity for a region to find greater self-sufficiency and move forward on its own. In turn that would create less dependency on traditional revenue sources and greater equality. There are pockets of the country which are extremely wealthy and are doing extremely well, and there are other regions, and certainly the north is one, where that wealth is not shared. It is time to allow the people in the north greater self-sufficiency and to move forward in that regard.

We have listened as the government commits to one progressive northern circumpolar policy and then does the exact opposite in action. As I have said in the House over the last few days, the government's actions certainly speak louder than its legislation and its words and rhetoric.

If we look at some of the findings on file, the government's response to the 1997 report of the House of Commons Standing Committee on Foreign Affairs and International Trade is almost exclusively in relation to DIAND definitions of the north, that being north of the 60th parallel. The response includes the following points at page 10, recommendation 32:

The government is committed to involving northern stakeholders, especially aboriginal peoples, in international discussions of Arctic issues and Canada has played a lead role within the Arctic Council to ensure that this commitment is met.

This landmark committee report was based on an overall circumpolar community, not on a limitation to a 60th parallel boundary of convenience. The standing committee recommended:

—an explicit goal of federal government circumpolar affairs policy should be to facilitate community based local, and regional level contacts, in close co-operation with provincial and territorial governments and their Arctic constituencies—

We are talking about involving the people who live in the communities in decision making.

—as well as in ongoing consultation with indigenous peoples' organizations, the private sector, and NGOs working on circumpolar sustainable development issues. A concerted effort should be made to avoid the duplication of initiatives, while at the same time assisting co-ordination among the various Canadian actors working towards common circumpolar objectives.

That recommendation is exactly what this motion is intended to expedite. This is not some flighty idea; it has come forward after real thought, consideration and a report.

Decisions are being made not by the circumpolar communities and regions affected, but are based on multinational interests content with maximum development profits with as little interference as possible.

*Private Members' Business*

In September 1998 the Minister of Foreign Affairs published his vision for a northern foreign policy. He postulated on core Canadian values and long term national objectives, and "a greater focus in the north itself on self-reliance and sustainable development". Again we are asking the community to be involved in decision making.

Let me return to the circumpolar community report. I am quoting from page three of the government's response:

For the most part, the Government of Canada accepts the recommendations of the Standing Committee, especially the underlying themes of renewing commitment to northern issues and circumpolar relations, and to the pursuit of domestic and foreign policies that will enhance sustainable opportunities for aboriginal people and for other northerners.

If that is what the government wants, then why should we not support this motion? It is not a bill; it is a motion.

At the 1999 World Summit on Nordicity held in Quebec City last February, there were open and frank discussions on the north and future options for northern communities. It was stated at the summit:

The question of the boundaries of the frigid zone has not yet been settled. A proposed indicator comprising 10 factors establishes the limit of this zone at between 50 and 70 degrees north latitude. Southeastern Russia and southeastern Canada are the two places in the world where polar conditions extend the farthest south.

• (1825)

Varying definitions for the north include temperature factors, geological indicators, and as many of my NDP colleagues have indicated, ecoregions.

The concrete answers and directions for northern participation and involvement in circumpolar affairs vary, as they shall in perpetuity. It is a disservice and unfair to northern Canadians to place limits based on a federal government department's arbitrary boundary.

As my colleague from Churchill River stated, the 60th parallel is a boundary of convenience drawn up by dominion surveyors without credence or comprehension of the peoples and the circumstances through Canada's great north. Shared international circumpolar community resources, culture and sustainable concerns should not be limited by outdated policies. As my colleague from Churchill River, Saskatchewan, likes to say, the south forgets that Canada's north is indeed inhabited.

During discussions with foreign affairs on this motion, the hon. member stated repeatedly that northern interests and stakeholders must be included and indeed encouraged to participate in northern and circumpolar activities and initiatives.

There is nothing radical in this motion. It has been studied. It has been reported. It is a call by northerners to be involved in making their own decisions and a call to recognize that they have a

substantial contribution to make in developing their own economy. I fail to see why anyone in the House could not support the motion.

**Mr. David Chatters (Athabasca, Canadian Alliance):** Mr. Speaker, this issue is new to me. I deliberately hesitated to get up early in the rotation to speak to this motion because I was hoping that by listening to the speakers ahead of me I would hear some reasonable argument as to why we would support such a motion. Unfortunately I have not heard anything except a lot of political blathergab in the discussion so far.

I cannot understand why we would consider supporting such a motion. My riding borders on the 60th parallel as does the riding of the member for Churchill River. We are not below the 60th parallel within the boundaries of the northern frigid zone. We are clearly in the northern boreal forest.

The northern provincial boundaries have been in place since 1906. Certainly if we were to consider changing the boundaries, if it were to make any sense in my opinion at least, the boundaries would be moved north so that the boundaries followed the southern limit of the Arctic Barrens. The Inuit people have occupied the Arctic Barrens for thousands of years and live in conditions that are similar to other aboriginal people in other barren regions around the pole.

To suggest that the 60th parallel would be moved south and include that part of the province between the 55th and 60th parallels under some guise of being beneficial to the aboriginal people who might live in that area does not make any sense at all. The aboriginal people who live between the 55th and 60th parallels are under the jurisdiction of the federal government now as are those north of the 60th parallel. I fail to see how moving the boundary down would have any great impact on the aboriginal people living between the two parallels. There can be some argument made for differentiating in either Canadian sovereign policy or international policy how we deal with the Barrens and the high Arctic where the environment is extremely fragile.

• (1830)

I spent most of my working years in that part of Canada. Man's footprint on that part of the globe is not there today and gone tomorrow. Once a footprint is made in the permafrost it is there for eternity. The scars that man leaves on the landscape not only stay there, they are magnified over time.

There is a unique quality to Canada's Arctic that needs special consideration and a special policy. There would be some merit in developing that policy in conjunction with our northern neighbours.

I can see nothing that would be involved in moving that parallel south except a huge fight with the provinces. Immediately, and rightly so, it would be viewed by the provinces as nothing short of a resource grab by the federal government. In my constituency, in my

*Private Members' Business*

province, there are huge and valuable resources. There is tar sand development, heavy oil development, mineral development, diamond exploration, with future development in the diamond mining industry, as well as forestry and other valuable natural resources, which I believe the provinces would be most hesitant to part with.

When we look at what we have already done with the Canadian initiative in the Arctic council, we have to wonder. There were some serious questions raised about the benefits of the Arctic council and the cost of Canada belonging to it. Instead of giving more territory, more bureaucracy and more dollars to it, let us look at and evaluate the value of the Arctic council, which has existed since 1996. Let us see if we are getting value for our dollar from the investment we have already made in this Arctic initiative.

Personally, I cannot understand what the benefit was for Canada or what was received in terms of value for our dollar. I do not want to single out the Arctic council. There are other international organizations to which Canada pays a substantial amount of money to belong that do not demonstrate great value for the dollars invested.

The whole idea lacks credibility. From what I have heard in discussion and from what I have read in *Hansard*, it has no merit. The people and the countries between the 60th and 55th parallels have little in common with the true Arctic regions of Canada and, for that matter, the rest of the world. It would not make sense or add up to any benefit either for the people or for the territory. Unless I am misinterpreting the whole issue, I cannot see how we would do that.

• (1835)

Other countries, such as the United States for example, have not been particularly enthusiastic about the issue of the Arctic council, an international group formulating Arctic policy. That may go back to the concern of the United States over national security and national defence and the fact that the Canadian initiative on the Arctic council does not extend to matters dealing with military and national security. Of course Alaska is within the area, so the United States has a fair stake within the Arctic region, but it does not seem to be particularly enthusiastic.

It is certainly important that we maintain friendly and co-operative relationships with our Arctic neighbours, those who share the Arctic with us, but I fail to see why we would enter into these kinds of agreements specifically to deal with an area that is not even identifiable as being separate from other areas of Canada, because, as I say, a good part of the area is part of the northern boreal forest and not the Canadian or international Arctic region.

I am not advocating that we should not meet and maintain relations with our international neighbours, but I fail to see the worth of creating this bureaucracy and having it grow any further than it already has.

I have not heard any significant argument in favour of this motion and, therefore, I would urge my colleagues in my party and my colleagues in the House to vote against it, simply because there are no substantive or valid reasons why we should go down the road the motion is suggesting, and because the bad will, the cost and all of the other things involved would not be worth the benefit which we would achieve.

**Mr. John Herron (Fundy—Royal, PC):** Mr. Speaker, it is a pleasure for me as a New Brunswicker to have an opportunity to speak to Motion No. 237. It gives me an opportunity to speak about a region of Canada about which I know little on a personal basis.

Canada is a very diverse country. One of the things I would like to share with you, Mr. Speaker, and I know that you share the very same sentiment, is that one of the most distinguished privileges a member of parliament has is the opportunity to meet Canadians throughout the country in their own communities, like-minded and otherwise. That is something which I greatly cherish.

I have also cherished my opportunities to speak to the member for Churchill River, who is a very learned member of parliament and one who takes the development of public policy quite seriously. I know this bill is brought forth with good intent.

I know from my role on the environment committee that the great north is a region of this country that quite often gets forgotten in the development of public policy. Quite often decisions that we make in the southern regions of the country have a negative effect on the north. The people of the north do not necessarily have a role in terms of changing those decisions, yet they have to live with the consequences.

The best illustration that I know of is that of persistent organic pollutants and pesticides that, on occasion, because they are airborne, end up in the food chain of our northern peoples.

The circumpolar community is where discussions of this nature take place among members of the international community.

• (1840)

One good reason this motion deserves a high degree of positive scrutiny is that the rest of the international community who are members of the circumpolar community utilize the 55th parallel. Canada, as one of the largest members geographically, I believe is the only country that does not utilize the 55th parallel.

One fundamental principle which defines how the Progressive Conservative Party believes this federation should work is that the rights of the provinces should always be respected in ensuring that they have an appropriate role.

*Private Members' Business*

I am going to reserve our opportunity to finalize a position here this evening on how the Progressive Conservative Party will vote on Motion No. 237. I do not think it would be wrong to consider that perhaps the provinces would want to send a representative to the circumpolar conferences where they establish public policy or international agreements that may affect their own regions. I understand the province of Alberta already participates as a member, despite the fact that it is below the 60th parallel, and that it participates on occasion within the circumpolar international community.

From our perspective if we were to write this motion I do not think it is wrong for the federal government to tell the provinces that they have to participate at an international level at circumpolar conferences of this nature. However if this motion were amended to include that if, after being consulted, the provinces thought it was something they wanted to join to add that representation with the federal government, I speak personally as opposed for the party in this respect, but I would be far more comfortable with that.

The issue is twofold. The rest of the international community utilizes the 55th parallel. The hon. member for Churchill River wants to bring Canada in line with that thought. Canada has always thought of the north as above the 60th parallel. If that fits the services of the provinces and it is what the provinces want to maintain, I am comfortable with that.

The provinces may want to have a greater role in the international agreements that are taken on by the federal government. To illustrate, with respect to Kyoto the federal took on a target and time line and really had no idea how it was going to implement it. It had no plan. To have a higher amount of provincial input in taking on these international commitments would be a step in the right direction to getting the job done. Nothing gets done in this federation unless the provinces are on side. It is very difficult to implement things.

As I stated earlier the Progressive Conservative Party would like the opportunity to consult some of its provincial partners. It would like to seek their input in terms of what their thoughts would be in having greater responsibilities in participating in an international venue of this nature. It is fundamental that we consult the first nations as well and seek their input.

• (1845 )

We have been given the opportunity tonight to talk about the great north, which actually helps define the magical country that we have.

The intent of the hon. member's motion is to bring Canada in line with the international community versus perhaps putting too much responsibility on the provinces, a responsibility which they may not wish to take on.

I think the motion has been brought forth in a very constructive manner. It is something that Canadians will have to revisit as they continue to participate in international conferences from a circumpolar perspective. It is because Canada is the one country that is out of step with the international community that we should ensure that if it needs to be revisited with our provincial partners, we do so. I applaud the member for bringing the motion forward.

**The Deputy Speaker:** I should advise the House that if the hon. member for Churchill River speaks now he will close the debate. The hon. member for Churchill River He has five minutes available to him.

**Mr. Rick Laliberte (Churchill River, NDP):** Mr. Speaker, Motion No. 237 calls on the government to recognize the 55th parallel as an inclusionary parallel of the circumpolar community. In no way does the motion change provincial boundaries. It does not ask that the 60th parallel be brought further down, dissecting the provinces.

In my experience, from attending circumpolar conferences and circumpolar-related parliamentary business, and in 1996, with the Arctic council being created, we had an international community willing to work on northern issues, on the issue of nordicity, of health, of environment, of economic and resource development and of sustainable development.

Those are major topics of international and domestic consequence. Academics and traditional land users should be aware of the potential risks of environmental impacts from northern Europe or Russia and the environmental impacts of persistent organic pollutants on the economies of the Arctic region.

All I am asking from this House is to agree, since the 55th parallel is recognized internationally as part of a community dealing with polar nordicity issues, to include those people within this country as part of that dialogue. Let us not exclude the people south of 60.

By convenience, Canada has been sending delegates from the Yukon, the Northwest Territories, Nunavut and the northern tip of Quebec which also touches on part of north of 60.

While living in northern Saskatchewan I was honoured to have been able to watch CBC North, a special channel featuring northern Canada. However, northern Saskatchewan, northern Alberta, northern B.C., northern Manitoba, northern Ontario and northern Quebec were not part of the dialogue and are not part of that region.

We have also seen the Arctic winter games on television every now and then. One of my highlights was when I saw the games being played in my neighbourhood, right next door to my boundary on the other side of the Clearwater River and paddling down a few miles, in the community of Fort McMurray.

*Private Members' Business*

• (1850)

Fort McMurray hosted the Northern Arctic Winter Games one year and that was when my eyes were opened. The northern half of the provinces have a special relationship with each other and with our brothers and sisters in the north. We have a community among ourselves. We are isolated. We are heavily dependent on natural resources and on transfer payments. We have high delivery costs and high cost services.

To bring this common community together the federal government needs to recognize that the circumpolar community needs to be expanded as it is internationally. Stockholm, Sweden, is part of the international community. Its boreal forest zone is in the northern part of that country. It is not only the frost region. The boreal forest is part of the circumpolar community. It is the same with the Taiga forest.

I apologize to my colleagues who are proficient in French. I personally did not choose the translated term for frontier. The translators suggested the terminology limite territoriale as the term to use and we accept that. We understand the French translation is different. We support the amendment wholeheartedly.

Our intention is not to make boundaries. It is to recognize that there is a northern definition within our provinces. We should involve the provinces of Saskatchewan, Alberta, B.C., Manitoba,

Ontario and Quebec. They should be part of circumpolar discussions as well. They should be sending delegates to these dialogues.

Perhaps my hon. colleague who spoke hesitantly will see the benefits of the north, not only for northern development. Many of the northern solutions are southern solutions. The pilot projects or the risk aspects they are taking on with new developments in the north may also reap benefits for urban centres in the southern regions or for agricultural regions. That is all I am asking for.

This is an innocent motion asking that we involve people who reside in the northern half of the provinces in the international dialogue. This would give them self-confidence in what they believe and the knowledge they hold. They would also contribute to the betterment of Canada and the betterment of the international Arctic community. I ask for the support of all members of the House for my motion.

**The Deputy Speaker:** Pursuant to order made earlier today, all questions necessary to dispose of the motion are deemed put and a recorded division demanded and deferred until Monday, June 12, at the expiry of the time provided for Government Orders.

[*Translation*]

It being 6.53 p.m., this House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.53 p.m.)



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