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Tuesday, June 7, 1994

**Speaker: The Honourable Gilbert Parent** 

# **HOUSE OF COMMONS**

Tuesday, June 7, 1994

The House met at 10 a.m.

Prayers

## **ROUTINE PROCEEDINGS**

[Translation]

#### **GOVERNMENT RESPONSE TO PETITIONS**

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

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## COMMITTEES OF THE HOUSE

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

**Hon. Charles Caccia (Davenport):** Mr. Speaker, I have the honour to present, in both official languages, the second report of the Committee on Environment and Sustainable Development.

[English]

This report concerns Bill C-23, an act to implement a convention for the protection of migratory birds in Canada and the United States.

ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT

Mr. Gordon Kirkby (Prince Albert—Churchill River): Mr. Speaker, I have the honour to present the first report of the Standing Committee on Aboriginal Affairs and Northern Development in both official languages.

Your committee has considered Bill C-16, the Sahtu Dene and Metis Land Claim Settlement Act and has agreed to report it without amendment.

\* \* \*

[Translation]

## MARINE TRANSPORTATION SECURITY ACT

**Hon. Douglas Young (Minister of Transport)** moved for leave to introduce Bill C-38, an Act to provide for the security of marine transportation.

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

\* \* \*

[English]

## INCOME TAX ACT

**Mr. Paul Szabo (Mississauga South)** moved for leave to introduce Bill C-256, an act to amend the Income Tax Act (transfer of income to spouse).

(1005)

He said: Mr. Speaker, it is a great honour for me to present my first private member's bill in the House of Commons. I would like to thank the member for Madawaska—Victoria for seconding my bill.

The bill would amend the Income Tax Act to allow one spouse to split or to pay up to \$25,000 to the other spouse who is managing the family home and caring for at least one dependent child who has not commenced full time attendance at school.

The initiative would recognize the value of work in the family home and would give parents the option of providing direct parental care to their children. It would allow the spouse in the home to be eligible to purchase RRSPs and therefore provide a more equitable retirement income opportunity. Both jobs and day care spaces would be freed up by the initiative by those who could now afford to leave the workforce and remain at home to care for their children.

It is a great honour to present the bill to the House. I look forward to discussing it with my colleagues to garner support for what I believe is an important initiative.

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

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# **PETITIONS**

ETHANOL

**Mr. Rex Crawford (Kent):** Mr. Speaker, pursuant to Standing Order 36, I am pleased to present a petition from the residents of Kent.

The petitioners request that the federal government support an ethanol plant in the city of Chatham, Ontario, an area devastated by free trade and NAFTA agreements. Jobs will be

created in sustainable development and environmentally friendly agricultural outlets.

The undersigned petitioners humbly pray and call on Parliament to maintain the present exemption on the excise portion of ethanol for a decade, allowing for a strong and self-sufficient ethanol industry in Canada.

#### **OUESTIONS ON THE ORDER PAPER**

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

The Speaker: Shall all questions stand?

Some hon. members: Agreed.

## **GOVERNMENT ORDERS**

[English]

## **SUPPLY**

ALLOTTED DAY—NATIONAL UNITY

## Mr. Preston Manning (Calgary Southwest) moved:

That this House strongly affirm and support the desire of Canadians to remain federally united as one people, committed to strengthening our economy, balancing the budgets of our governments, sustaining our social services, conserving our environment, preserving our cultural heritage and diversity, protecting our lives and property, further democratizing our institutions and decision making processes, affirming the equality and uniqueness of all our citizens and provinces, and building peaceful and productive relations with other peoples of the world.

He said: Mr. Speaker, I rise today to speak to this motion which addresses the issue of Canadian unity from a positive and federalist perspective.

The motion has two parts: an affirmation and a description. The first part simply calls for the House to strongly affirm and support the desire of Canadians to remain federally united as one people. Surely this is a proposition which every federalist in the House can and should support.

The second portion of the motion is a brief, shorthand description of what Reformers believe should be some of the distinguishing characteristics of that federal union as we move into the 21st century. It is a shorthand description of a new Canada which our members will expand on in the course of the debate.

Please note that there is nothing negative in the motion. The motion does not criticize the government so that government members cannot and should not regard it as a confidence motion. Nor does the motion contain any implicit threat to Quebecers who for whatever reason may have given up on federalism.

The motion is simply a positive affirmation of the desire of the vast majority of Canadians to remain federally united and a shorthand description of some of the characteristics which can and should distinguish such a union in the future. The motion is worded generously enough and is of such positive intent that a majority of the members of the House can and should support it.

Why do we present the motion to the House? It is because we perceive a growing vacuum on the national unity issue, a leadership vacuum. If it is not filled with a positive vision of federalism and a reasoned response to the separatist challenge, the danger is that it will be filled with constitutional delusions and incomplete or inflammatory responses to the separatist challenge. That will harm Canada and every province and territory of Canada.

The past month has provided ample evidence of the existence of this vacuum and some of the delusions and inflammations which it encourages. It is said that nature abhors a vacuum and so should Parliament. Reformers offer this motion and a list of questions which we will be forwarding to the Prime Minister later this week as our contribution toward filling this vacuum with something more constructive and forward looking.

The Reform Party was originally created and is presently supported by discontented federalists.

[Translation]

We are discontented federalists.

[English]

We got our start in the west and have gradually increased our support across the country by appealing, for example, to people who are appalled at how the federal government spends money and accumulates debt. Our supporters are for the most part people who reject constitutional models or public policies based on alleged partnerships between racial and linguistic groups and who long for constitutional arrangements based on the equality of all citizens and provinces.

Our supporters are for the most part people who deplore the lack of effective, regional representation in Ottawa and the unwillingness of the traditional federal parties even to consider. let alone embrace, such democratic reforms as genuine free votes, citizens' referendums and initiatives or recall.

This is just a partial list of the dissatisfactions of Reform supporters and hundreds of thousands of Canadians with status quo federalism. We can therefore identify with other Canadians, including Quebecers, who have also become dissatisfied or disillusioned with that status quo federalism.

This brings me to the major point of difference between ourselves and the Bloc. Rather than reject federalism or the concept of a federal union of all Canadians, we are committed to reforming federalism and overcoming the systemic problems, chronic overspending, inequitable constitutional arrangements,

top down decision making and policy making, the things that have brought status quo federalism into disrepute.

We have weighed both status quo federalism and separatism in the balance and have found both wanting. This has driven us to seek for a vision of a new and better federal union of Canadians.

#### [Translation]

Mr. Speaker, we have evaluated separatism and the existing federal system and we believe that both of these formulas are imperfect. This examination has prompted us to seek a new and improved federal union for Canadian citizens.

(1015)

## [English]

There are two ways to bring into being a new and better vision of a new Canada as a federal state. One is to assemble the first ministers in federal–provincial conferences attended and advised by various academic and interest group elites to focus exclusively on amending the Constitution. This was the approach taken in creating the 1982 Constitution, the Meech Lake accord and the Charlottetown accord. It failed to produce a vision or a form of federalism capable of inspiring a deeper commitment on the part of Canadians to the federal union.

The other approach is to go to hundreds of meetings, big ones, small ones, quiet ones, noisy ones, with the rank and file citizens of the country and to ask these simple questions: "What kind of country do you want to live in as we approach the 21st century? What kind of country do you want your children to live in? What do you want the distinguishing characteristics of that new and better Canada to be?"

Reformers have done this over the last five years, mainly in the west and parts of Ontario. We intend to continue to do this in the west, throughout Ontario, in Quebec, the north and Atlantic Canada. We have found that if we ask these questions and listen carefully to the responses Canadians will share their fears, their dreams and their aspirations with us. If we ask them they will answer

In the dreams and aspirations of individual Canadians and groups of Canadians we will find the substance, the raw material from which to create a composite picture of a new and better Canada of the 21st century.

We have developed shorthand phrases to refer to the distinguishing characteristics of this new Canada, some of which are summarized in our motion. For example, there is the simple phrase "strengthening the economy". In the context of the 21st century this means establishing a truly internationally competitive economy, knowledge based, service oriented, environmentally sustainable, capable of providing good jobs and good incomes for all our citizens.

## Supply

To get to that destination the new economy of the 21st century requires the implementation of certain public policies: fiscal policies to lower the cost of government, tax policies to pass on the benefits of this reduced cost to taxpayers and encourage job creation, trade policies to eliminate barriers to trade including internal barriers to trade, educational and training policies to produce an internationally competitive workforce.

To get to that destination the new economy of the 21st century may also require constitutional changing: a constitutional requirement to balance government budgets, a strengthening of the federal commerce power and a new division of responsibilities on education and training.

Defining and getting to that new economy of the new Canada is far more than a constitutional exercise but it may have constitutional aspects which cannot be ignored. In this resolution we have used simple phrases like "strenghthening our economy" as a heading. The words of the heading may seem trite and familiar but if one understands each of these shorthand phrases to be the tip of an iceberg beneath which lie all the public policies, private initiatives and constitutional changes required to actually bring into being a 21st century economy, then each phrase can be made to stand for something substantive and to fully describe a distinguishing characteristic of a new Canada.

Some will ask what this approach to defining a new Canada offers to Quebecers. The short answer to the question is that it offers Quebecers the same benefits it offers every other Canadian, including the freedom to develop and preserve cultural distinctiveness.

## [Translation]

In short, the answer to that question is that this approach offers Quebecers the same advantages as all other Canadian citizens, including the freedom to promote and protect their cultural distinctiveness.

# [English]

This approach offers to Quebecers as well as to all other Canadians the new jobs of the new economy, jobs which are more likely to be created and maintained if our bargaining agent in the new free trade world represents a market of 28 million people rather than 8 million.

(1020)

This approach offers to Quebecers as well as to other Canadians tax relief, not the additional tax bills that will come from establishing a sovereignist government with national obligations, obligations to Canada, and new international obligations as well.

This approach offers to Quebecers as well as to all other Canadians financially sustainable social services. Properly designed social insurance plans which spread the risks over a

larger population and a larger financial base are more secure than those resting on smaller populations or economic bases.

The Reform approach to a new Canada also recognizes that Quebecers as well as other Canadians want to be treated equally under the law and to be free to preserve their cultural and linguistic heritage. When we ask Canadians they say they want both equality and freedom to preserve cultural diversity.

The problem in the country is not getting support for these objectives. The challenge is to reconcile them and to provide for the attainment of both within a single state. The approach recommended by Reformers is a two-pronged approach. First, in Canada's basic constitutional arrangements we should explicitly recognize the principle of the equality of the provinces and all citizens.

Federalists should be encouraged in this regard that the year end Decima–Maclean's poll taken immediately after the defeat of the Charlottetown accord showed for the first time that an absolute majority of Canadians in every province, including Quebec, support the equal provinces constitutional model over the founding racial groups model.

Second, in Canada's constitutional division of powers and in public policies flowing from that division of powers, we should make the preservation of cultural and linguistic distinctiveness a personal, private and provincial responsibility. The role of the federal government in such matters should be confined to the prevention of discrimination on the basis of cultural or linguistic grounds.

I have only scratched the surface of developing a fresh vigorous vision of a new and better Canada. My colleagues will expand on this vision. We look forward to the contributions of other members. My main purpose is to illustrate the process whereby Canada, the whole great sea to sea to sea federal union, can renew itself. We start by asking the people where they would like to go. We listen carefully. We construct public policies to move the nation in that direction. We offer more than the status quo. If our policies require constitutional changes, we seek those as well but only at the end of the process and not at the beginning.

This is what Reformers have endeavoured to do over the last five years on a limited scale as an extraparliamentary party. Now as a party with strong parliamentary representation and greater resources we are in a position to do more to pursue this vision of a new Canada and to establish a rallying point for those Canadians who wish Canada to remain federally united.

We shall do three more things to advance the cause of federalism in the months ahead. First, we are striking a new Canada task force within our party to further refine and flesh out this vision of a new Canada. This task force will include members of our caucus. It will seek additional input from people in parts of the country where we are not well represented. It will

initiate a major teledemocracy effort on this subject in the early fall.

Second, we are establishing a contingency planning group to prepare a reasoned, principled, federalist response to all those troubling questions and issues which the threat of Quebec secession raises for Canada. A list of the questions which this group will address will be released this week and the terms of reference of this contingency planning group will be established before the end of June.

Third, we will bring together the results of this work, a fuller and more complete vision statement of a new Canada and a reasoned, principled federalist response to the issues raised by separatism for presentation to the country at our national assembly here in Ottawa on October 14 to October 16.

This is what Reformers are doing to fill the national unity vacuum with a positive vision of the future and a reasoned, principled federalist response to the threat of separation. Our question to the government is: What is it going to do more than defending the status quo to fill the national unity vacuum over the next three months?

(1025)

During the last few days our Prime Minister has been visiting Normandy as we and other nations remember and honour D-Day in Europe. That event still speaks to us and to people around the world. It declares that there are certain ideals and concerns for which men and women are prepared to die. If leaders and legislators can discern and articulate those ideals and concerns for their generation, they can give that generation a vision worth living for and worth striving for.

The wartime leaders of the western democracies in the 20th century, Borden, King, Churchill, Wilson and Roosevelt, all understood this. One of them put this into words to this effect. He said: "Mothers who had lost their sons in France have come to me and have taken my hand and have said 'God bless you'. I advised the course of action which led to the deaths of their sons. Why then, my fellow citizens, should they pray God to bless me? Because they believed", and listen to the words, "for something that vastly transcended any of the immediate or palpable objects of the war".

There are certain things such as freedom, security, equality, heritage, unity, democracy and home which vastly transcend the immediate and palpable objects of public policy and our daily routines. These are the things that people are in the final analysis prepared to die for and should therefore be prepared to live for and to strive for.

The Canadians who landed in Normandy were not fighting for the preservation of the status quo or for a hyphenated Canadianism or for the right to secede. They were fighting for ideals which vastly transcend and yet were rooted in their personal beliefs and hopes. If our Prime Minister could return home with a fresh vision of those ideals that vastly transcend for contemporary Canadians and if Parliament could help him link that vision to the practical hopes and dreams of Canadians in every corner of the land then the House would have done its part to provide a rallying point for federalism which is the spirit and the substance of this resolution.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry): Mr. Speaker, I say to the leader of the Reform Party that we welcome this debate today so that the Liberal Party, the Government of Canada, can reaffirm its commitment to Canada's integrity and to the vision we have for the country.

I begin with a question related to that portion of your speech that has to do with global trading.

**The Speaker:** Order. Because of the nature of the speech, the Chair today will be even more vigilant. Would all hon. members please direct their remarks to the Chair.

**Mr. Mills (Broadview—Greenwood):** Thank you, Mr. Speaker. My question to the leader of the Reform Party has to do with global trading which the member touched upon in his speech.

American business experts have complained that one of the handicaps of the United States in international trade is the lack of Americans with foreign language skills. For the last 25 years we as Liberals have promoted a policy of multiculturalism where we have encouraged people to preserve and promote their language and culture of origin.

(1030)

We believe the policy Pierre Trudeau enunciated in 1971 today represents one of the greatest advantages that we have as a trading nation because we have people in our country who can go home and trade on behalf of Canada because they preserve that language of origin.

In your new vision of Canada, through you, Mr. Speaker, to the leader of the Reform Party, that you are proposing would you continue to support—

**The Speaker:** Order. With all respect, would the hon. member please direct his questions through the Chair.

**Mr. Mills (Broadview—Greenwood):** Thank you, Mr. Speaker. This is a very emotional debate today. Would the leader of the Reform Party support a multiculturalism policy that would link multiculturalism to trade policy?

**Mr. Manning:** Mr. Speaker, I thank the member for his question.

## Supply

As our motion suggests, we support the objective of preserving our cultural heritage and diversity which leaves all kinds of room for supporting the concept of preserving Canada's multicultural heritage. Regarding the member's suggestion that it has an economic dimension, we would have no disagreement with that. Where we will come to a difference is on how to get there.

Our view is that we preserve this multicultural heritage by making that the responsibility of individuals, maybe economically motivated individuals, private associations and the lower levels of government.

We get the federal government out of that business and confine its role to strictly the prevention of discrimination on the basis of culture, language or other distinction. The difference is not with the goal, it is how to get there.

The international trade dimensions of this most effective new Canada that it has to be a trading nation competing in the free trade world give an additional argument for having a federal government that did not exist even 10 years ago, and that is we need a bigger federal government as our bargaining agent in these big international trade agreements. Our point is that a bargaining agent representing 28 million people is going to get further in a free trade world than a government representing 8 million people.

Mr. Peter Adams (Peterborough): Mr. Speaker, I listened with great interest to the member's remarks and toward the end when he was talking about D-Day he got to the matter of heritage and national pride. I think he and the members of his party know that in the end the successful nations of the world, however we define successful, have not been built on technicalities, on formulae, on a technocratic approach to nationhood but in fact have been based on emotion and feeling, common heritage.

Quite often the successful nations have developed technical ways of channelling the energies which have come forward as a result of this national pride.

The speaker looked forward into the 21st century but the way we look forward into the 21st century is by looking honestly and clearly at the nation as it exists now.

The key features of the nation which we have now, this wonderful nation of Canada, this remarkable confederal system, have to do with the makeup of the population. We have for example hundreds of First Nations, aboriginal peoples who speak several families of languages and many scores of actual languages.

We also have, whether the member likes it or not, in the modern nation two founding nations, two groups of people, that feel a special responsibility, have a special place in the modern nation of Canada; the people who use the French language and people who, as their maternal language, use English.

In addition, and I am looking now in the mirror at Canada, we have over 200 first generation Canadians. Those people likely speak between them perhaps 300 of the world's 6,000 languages. Those people, including the newest of them, have accepted, I believe, or are trying to accept a common heritage.

(1035)

Would the member comment on his vision of the place of the aboriginal peoples and their languages in more detail, the historic place of the so-called founding nations, and where the 200 first generation nationalities that make up such an important part of the country sit in his vision of Canada?

**Mr. Manning:** Mr. Speaker, I would like to thank the hon. member for his questions and observations.

We see this as the tip of an iceberg and the member is really asking for what is beneath that. This phrase that new Canada should be characterized by a commitment to preserving our cultural heritage and diversity has all the room necessary to recognize the factors of Canadian diversity that the member mentions.

There is the role of aboriginal peoples, the role of new Canadians from many lands, the role of the original French and English populations. This provides scope for that in our vision of a new Canada. Our vision of a new Canada with respect to aboriginal peoples has to include the doing away with the paternalistic Department of Indian Affairs and Northern Development and the transferring of its responsibilities, functions and funding to local aboriginal governments. We have said that on many occasions and again the argument is how to do it and not whether it is the objective.

We recognize from a historical and sociological standpoint the French and the English as playing founding roles in the development of Canada. Our point, however, is that if we are developing constitutional arrangements we ought not to tie constitutional entitlements to factors like race, culture or language because we end up dividing rather than uniting.

I suggest again that in terms of the broad objective of preserving our cultural heritage and diversity, however broadly that is defined, we are not in disagreement. The constitutional arrangements that get us there, that is where there will be diversity of opinion in the House.

[Translation]

Mrs. Pierrette Ringuette-Maltais (Madawaska—Victoria): Mr. Speaker, my question will be very short. I listened with incredulity to the speech made by the leader of the Reform Party. I also listened last week to what a Reform member said in this House about Atlantic Canadians who, according to him, are charity cases for the federal government.

Given what the leader of the Reform Party said today, I have several questions: Do the remarks made last week by his Reform colleague reflect his new vision of Canada and does he agree with them? In his opinion, will Atlantic Canada stay in a Confederation that will foster its linguistic, economic and social growth, just like at the beginning of this Confederation?

[English]

**Mr. Manning:** Mr. Speaker, the short answer to the member's question is certainly our vision of a new Canada includes Atlantic Canada. It includes a reinvigorated Atlantic Canada economy.

What the other member was referring to, and he meant no offence, was that for the last 30 years the way we have tried to stimulate economic development in Atlantic Canada has been through regional development grants. The Canadian approach to regional development is now quoted by economists the world over as the way not to do it. We have invested billions of dollars and the unemployment rates and the economic growth rates in those provinces are no better than they were when we started.

The alternative is embraced in this vision. Regional development programs of the future will be exploiting the north-south dimensions of free trade. Part of the country that has the strongest regional economy today is British Columbia which is doing exactly that. The premier of the province of New Brunswick is working on a strategy to that effect which we believe is the regional development wave of the future.

(1040)

[Translation]

Hon. Fernand Robichaud (Secretary of State (Parliamentary Affairs)): Mr. Speaker, it is for me a real pleasure and an honour to participate today in the debate launched by the Reform Party. It will be an opportunity for me and for each of us to reflect on a fundamental and crucial issue and to reaffirm, I repeat reaffirm, our desire to live together in a united country.

[English]

I am speaking today as a Canadian, as a New Brunswicker and as an Acadian. I want the members of the House to clearly understand this. While I have a distinctive history and roots as an Acadian and as a son of New Brunswick, I am also fiercely proud of being a Canadian.

[Translation]

Since our ancestors arrived here, often at the cost of bitter struggles, this part of America became a sturdy cradle for our language and culture. Our country is not only a territory but a crucible for the historic union of two languages and cultures.

Today's debate reminds me of the 1992 debate when this House approved the constitutional amendment proposed by New Brunswick to enshrine in the Canadian Constitution the main provisions of the law recognizing the equality of New Brunswick's two official language communities.

It is important to remind Reformers, who were not here at the time, of the significance, the real and symbolic value of this constitutional amendment. First of all, this measure validates in an almost irreversible fashion the progress that the two linguistic communities have made together over the years and the common future they want to build in a spirit of co-operation and partnership.

This measure also demonstrates the social maturity of two linguistic groups who want to live together and pass on to future generations of New Brunswickers the will to continue the social and economic experiment they started. New Brunswick is thus in several respects a mirror of our federal reality.

By working hard, by making concessions, of course, and especially by respecting other people's reality, we in New Brunswick have managed to create a climate of harmony favourable to successful and satisfactory linguistic accommodations.

New Brunswick has always been a place of refuge for our two language communities. First, many Acadians went there after they had been deported in 1755. Also, Loyalists who fled the United States after the Treaty of Paris settled there.

Today, this welcoming tradition is still very much alive in our province. From all over the world come new citizens who want to build a happy future with us, for themselves and of course for their descendants. I strongly hope that this example of respect for differences, tolerance of cultural diversity and openness to others will spread to all of Canada.

Despite the problems we sometimes have in expressing our national identity, we nevertheless have more in common to celebrate than differences to divide us.

(1045)

[English]

Canadians have shown the generosity of spirit which has made ours one of the most open societies in the world. It is clearly reflected by the composition of the House. Unfortunately, I am sad to say that while Canadians are generous and tolerant, this does not seem to be the case for the two regional opposition parties. They want to divide Canada. They want to divide our country into French versus English, into region versus region, until finally it will be so divided there will not be a country any more and we will not be able to recognize Canada. That is sad.

I have heard the Reform Party bring forward motions in the House against the official languages policy, a policy which is a fair and practical approach to recognizing the linguistic facts of life in Canada, a policy which imposes linguistic obligations on the federal government alone and which gives linguistic choices to Canadians. When I hear this policy opposed by the Reform Party I hear a party which understands neither the official

#### Supply

languages policy nor the values of fairness and pragmatism on which it is based.

When I hear the Reform Party attempting to come to grips with multiculturalism I do not hear tolerance. Nor do I hear a party in touch with the reality of western Canada, a place where Ukrainians, Chinese, Germans, Swedes and dozens of other peoples have come to make a better life for themselves and their children, a life free from persecution and free from intolerance. It is a place where they are free to adopt a new home and still proudly claim their heritage.

Recognition and respect for cultural diversity are part of the Canadian identity. When we walk down the streets of our cities or visit our small towns and farms we see that multiculturalism is not just a policy, it is a reality. I am not sure the Reform Party fully understands that.

Yesterday the Prime Minister was in Normandy commemorating the 50th anniversary of D–Day and the brave Canadians who fought and died there. The Prime Minister noted that those people had many backgrounds, many colours and many cultures but they fought side by side as one. Allow me to quote from the Prime Minister's remarks. Of the soldiers he said:

They had one thing very much in common: They were all part of a young nation, a new kind of nation, where the ancient hatred of the past was no match for the promise of the future, where people believed they should speak different languages, worship in different ways and live in peace. They did not die as anglophones or francophones, as easterners or westerners, as Christians or Jews, as immigrants or natives. They died as Canadians.

(1050)

[Translation]

Unfortunately, some politicians deal only with the negative. Negativism and a gloomy way of seeing our great country are a way of life for them. Yes, of course we have our difficulties and much work remains to be done, but what country does not have problems? Throughout the world, Canada is envied because our living conditions are so good.

You surely know that this year again, a United Nations report put us in first place among nations. This report says that, considering all factors that contribute to a people's happiness, Canada is the best country in the world in which to live. The constant threat to Canada's unity is doing us great harm. The confidence of other countries in our economy and our future is shaken.

The different levels of government spend more time fighting over powers than trying together to solve the problems which concern us. The trade barriers which we keep in place in our country hinder our economy, while everywhere else in the world the trend is to eliminate them. Federal and provincial powers overlap and programs are duplicated. That is why we as a government prefer to set aside constitutional questions and concentrate instead on co-operation and practical, realistic

solutions to our problems, unlike the Bloc Quebecois which wants to separate and destroy the country.

We were elected a little less than eight months ago. After listening to the people, we have set ourselves some very clear objectives. Our first objective was, of course, and still is, job creation; the second one is fiscal consolidation; the third one is the reform of social security system, while the fourth one is restoring integrity in public affairs.

We have spent all our energy promoting economic growth and job creation because, in our opinion, this is the number one priority. We must give back to those who, unfortunately, must rely on unemployment insurance or social assistance, the dignity that comes with having a job. I think this is the main concern of every Canadian and public official in the country, and we must pursue that fundamental objective.

If, during all those years, we had devoted as much energy to promoting economic growth and job creation as we did talking about the Constitution, we would be much farther ahead, and Canadians know that. Let me give you a few concrete examples of our efforts to find practical solutions.

Today, the Minister of Industry is meeting his provincial counterparts to discuss the domestic free trade issue. As I just mentioned, we noticed that trade barriers between provinces were impeding domestic trade. Consequently, we took action. We co-operate with the provinces and impressive progress has been made.

I just referred to the overlapping and duplication between the federal government and the provinces. This is another issue which we are looking at closely. The President of the Privy Council and Minister of Intergovernmental Affairs is actively reviewing this issue. He is looking at each case of overlapping and duplication, in co-operation with every province and federal department. This exercise is conducted to reach administrative agreements which will enable us to serve Canadians better and more efficiently.

(1055)

We have set up a national infrastructure program. This program is an example of what can be done for the well-being of the country as a whole, when the three levels of government co-operate. (English follows)

[English]

These are the types of specific actions the voters of Canada told us to engage in when they elected us last October. They voted for an end to the constitutional wrangling that preoccupied the previous government for almost a decade. Canadians voted overwhelmingly for job creation. They voted for a message of hope. They voted for honesty and integrity in govern-

ment. They voted for a party that has stood for and defined federalism since the inception of Canada.

The government and the citizens of the country know what is right about Canada and we want to work to make it even better. That is the meaning of good government and that is what the people of the country want. They have a right to expect it and we intend to deliver.

We all know that words can hurt, that words have hurt people in the country and indeed the country itself. For years now Canadians have heard themselves and their country scrutinized, criticized and put down by the very people who should be offering leadership and a sense of confidence for the future. Words can do harm because it is with words that the opposition party leaders are trying to deceive Canadians about the reality they see around them every day.

Reality is out there with people living and working for a peaceful and productive future, not in endless debate over abstract definitions on a piece of paper. We are unwilling to tie ourselves into a straitjacket of words.

#### [Translation]

The Leader of the Opposition says "Ah". Well, two weeks ago in Shediac, the Acadian community rejected the opposition leader's comments aimed at promoting the separation of the country. People simply told him "thanks, but no thanks".

#### [English]

Our political debate should be focused on how to create jobs, build our economy, protect our social safety net, how to protect the environment and how to make government work better at a lower cost to our citizens. Our political debate has for too long been infected by a virus of self-doubt and anxiety. It is sad that the leader of the Reform Party has come down with this virus.

# [Translation]

I want to quote Michel Doucet, an Acadian activist of long standing who, recently, when referring to the Canadian vision of our country's future, described the vision which I just mentioned and said: "For Canadian francophones in general and for Acadians in particular, salvation is conditional upon maintaining a federal system; a federal system in which Quebec and the francophone and Acadian communities of Canada would find the means to ensure their cultural security, since it is essential that Canada remember that French culture is the one which is threatened in America".

One of the thrusts which resulted in our Confederation is the firm belief that we could do great things by working together rather than in isolation, and that the citizens of each of the provinces would have a better future if they were all part of the same country.

(1100)

(1105)

Mr. Speaker, since you are telling me that my time is almost up, I would like to take this opportunity to move the following amendment:

That the motion be amended by deleting the words after "Canadians to" and replacing them with the following: "Continue to live together in a federation".

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I listened very closely to the Leader of the Reform Party and to the Secretary of State for Parliamentary Affairs. One insists that we must reopen the debate, while the other says we should let the matter rest. The Secretary of State for Parliamentary Affairs says we should not talk about this subject any more and I agree with him because we have debated this matter long and hard since 1989. I have served in this Parliament since 1984 and we have been talking about this for a very long time.

You will undoubtedly recall, Mr. Speaker, that debates have taken place and two or three parliamentary commissions have been struck. There have been a whole series of seemingly endless debates, the end result of which was Meech. And Meech, as you know, did not work, in spite of the fact that it represented Quebec's minimum demands.

**Some hon. members:** Yes, but not those of the regions, for example.

**Mr. Leblanc (Longueuil):** Yes, for the other regions as well. It could have worked, but Meech was rejected.

Another debate followed after that. All kinds of debates took place with respect to the Charlottetown accord and committees held hearings. As you know, Charlottetown failed as well. Therefore, it is too late for us to reopen the debate on this subject because for us, the debate is closed.

Quebec conducted the most serious exercise in its history. The Bélanger–Campeau Commission received 600 briefs and heard testimony from 200 witnesses while at the same time, a special committee of experts held meetings. Once again, Quebec's leading experts concluded that if Quebec was to grow to its full potential and fight its way out of this economic crisis in which it was fast sinking along with the rest of Canada, it needed to gain control of approximately twenty areas. These are not my recommendations, but those of leading Quebec experts. Charlottetown also proved to be a rejection of this position.

Therefore, when the hon. member says we must continue to debate this issue, I say to him that as far as we are concerned, the subject is closed. We have now proceeded to the next phase, which is to achieve sovereignty for Quebec, not at the expense of the rest of Canada, but for the benefit of Quebec.

And so I agree with the Secretary of State for Parliamentary Affairs when he says that we must stop talking about this subject. He is right. As far as we are concerned, the time for talk is long over. We have moved on to the next phase.

Supply

**Mr. Robichaud:** Mr. Speaker, I listened carefully to what was said by the hon. member, and I must say that every time the parties opposite refer to Meech and Charlottetown without mentioning the Charest report, I begin to wonder. After all, it was a solution. Some people even resigned because of certain developments.

When they talk about Charlottetown, on which a referendum was held, I get the impression that the whole Bloc machine did not want the accord to make it, for the simple reason that it would have been good for Quebec and would have completely eclipsed the separation option.

It hardly makes sense for you to invoke Charlottetown. At least to me it does not. You mentioned the recession, but you have now reached the point where you want to—

I am sorry, Mr. Speaker, but members opposite are talking about a recession, and through you, Mr. Speaker, I want to respond to their concerns. The hon. member told us he did not want separation to be at the expense of the rest of Canada. For heaven's sake, how are you going to do that? The way you talk about separation today is already sending waves of uncertainty on the markets. This country is no longer seen as a good place to live and do business, now that its citizens are starting to worry about the future of the country. And yet this is the country, this is the Canadian federation that has been instrumental in bringing us all, including Francophones in the province of Quebec, Acadians and all other groups in the country, where we are today. And now you tell us you do not want separation to come at—

The Speaker: Order, order, please. I would appreciate it if hon. members would always address their remarks to the Chair.

**Mr. Robichaud:** I apologize, Mr. Speaker. I simply wanted to say that they tell us they want to separate without harming the rest of Canada, and I find that hard to take! I think Canadians know better than to be convinced by such arguments.

**Mr. Benoît Tremblay (Rosemont):** Mr. Speaker, there was at least one contradiction in what was said by the Secretary of State.

He started his speech by commending the Parliament of Canada for enshrining institutional bilingualism in New Brunswick in the Canadian Constitution, as if that were something extraordinary. He went on to say that it was no longer important to talk about the Constitution, that it was just a piece of paper and that we now had to talk about job creation. I wish the Secretary of State would make up his mind. If the Constitution is not important, then please explain why it is so important to have what happens in New Brunswick in the Constitution.

(1110)

We all know that the Constitution is important as the basic law that determines who can do what in this country, and the many problems we have, including this constant overlapping of two levels of government, because the federal government always thinks it can do a better job than the other governments and encroaches on all jurisdictions of the provinces, can be traced back to this basic law.

But let me at least point out this contradiction: If you commend the Parliament of Canada for adopting a constitutional amendment, how can you say the Constitution is just a piece of paper?

**Mr. Robichaud:** Mr. Speaker, I did not say the Constitution was just a piece of paper. I acknowledged the importance of the constitutional amendment on official languages in New Brunswick. What I meant and what I actually said was that Canadians would prefer to see us discuss the reality they face every day, which is about jobs and the dignity of work.

During the last election, Canadians realized there had been enough talks about the Constitution and that we should focus all our attention on the problems facing them every day: finding a job and having the dignity of working at that job to earn a living.

[English]

Mr. Preston Manning (Calgary Southwest): Mr. Speaker, before the member got on to his more negative comments about the Reform Party, he did share a bit of his vision of Canada with us. I think he made reference to the historic union of two linguistic and cultural groups modelled by New Brunswick and suggested that was the model for the country.

Is there not a need to expand that vision because that vision is not sufficient for the entire country? Would the member not acknowledge if we tell people in downtown Victoria that this is a historic union of two linguistic and cultural groups that they do not relate to that? If we tell people in most of our aboriginal communities that this is a historic union of two linguistic and cultural groups, that does not describe Canada for them.

Is there not a need to expand beyond the concept of Canada as being simply a partnership of the English and French groups?

[Translation]

**Mr. Robichaud:** Mr. Speaker, I said that I hoped the example of New Brunswick would be followed across the country, and you say that perhaps we should go further.

Of course, adjustments are always necessary, but I am concerned, and I do not see any positive contributions coming from the Reform Party when we hear proposals in this House that are aimed at changing or eliminating the official languages program.

In the case of communities in New Brunswick and many communities across the country, this legislation has played an important role, and I fail to understand why the Reform Party says it wants the well-being of the entire community and at the same time tries to eliminate the programs that helped us survive and in fact develop our potential to a very considerable degree. I am surprised at these statements from the Reform Party.

**Hon.** Lucien Bouchard (Leader of the Opposition): Mr. Speaker, I would like to thank the Leader of the Reform Party for the opportunity to participate in this debate. I was under the impression that he would not give us the chance, since he had said that he would not interfere in what he dubbed a family squabble.

I think he now realizes that this is much more than a family squabble and that we are grappling with a fundamental problem, one that existed before all of our economic problems and deficit woes. I think he realizes, and I thank him for that, that until the issue is resolved, we must confront it head on. At least that is what the Bloc Quebecois has decided to do.

(1115)

Yesterday, all of the western countries who joined the vast anti-Nazi coalition after 1939 held ceremonies to commemorate the 50th anniversary of the Allied landings in Normandy. The thousands of young soldiers who died and all of their comrades in arms were in reality, to quote the cover page of *Time* magazine, the soldiers of the last great crusade. Upon the cessation of hostilities, two antagonistic blocs emerged, each wanting to bring about lasting peace in the western world.

The western world has known peace for nearly 50 years. Troubles and differences of opinions are of course not uncommon, but today, no country in the western world would consider taking up arms to resolve in its favour a political or economic conflict with another country. Yesterday's adversaries such as Germany and France, once centuries—old enemies, have become the staunchest of allies.

Peace in the western world is based on two major interwoven principles, namely democracy and national sovereignty. The exercise of democracy guarantees the exercise of national sovereignty. These principles provide the answers to two fundamental questions about how societies organize themselves politically, namely how is power achieved and who governs whom.

The western model provides clear answers to these two questions. Nations prefer to govern themselves and within each nation, citizens want to democratically choose their government. In short, the democratic nation-state is the norm in our western civilization.

What better opportunity than this solemn celebration of the ideals that brought together 50 years ago as many peoples and combatants under the same banner, to remind all Canadians and all Quebecers of our deep commitment to the fundamental values of peace and democracy!

Giving the national feeling the framework it needs to grow normally is a guarantee of peace. And what an example of constructive co-operation the nations of Western Europe have been giving the whole world for more than 40 years without infringing on national sovereignty on basic issues! This should serve as an example for Canada, a country that is young but, strangely enough, incapable of showing the flexibility it needs to deal with inescapable sociological and economic realities.

Democracy certainly seems the most demanding system for the leaders and for the whole state machinery in terms of restraint, transparency and respect for human rights. During the difficult times that every country experiences in the course of its history, there is a strong temptation to play fast and loose with democracy. Canada is no exception to this rule, as demonstrated by the 1970 War Measures Act.

These difficult times put the democratic fibre of a society to the test but we are not afraid of the immediate future from that perspective. Canada will certainly not backtrack at a time when democracy is gaining ground throughout the world, particularly in Latin America, notwithstanding the unfortunate situation in Haiti, and in Central Europe.

[English]

Let us be clear that it is perfectly normal for the federal government to plan a campaign of persuasion to convince Quebecers of the merits of the status quo, but it is also perfectly normal for us to promote the only alternative to the status quo which is political sovereignty of Quebec.

The leader of the Reform Party talks about a new federalism but the last 30 years offer abundant proof that this so—called new approach is nothing but a cul de sac. There are two options on the table. There will be a political debate and the people of Quebec will decide. All of us will have to abide by the results. This is democracy.

This does not mean that anything goes, that blows beneath the belt should be tolerated or that reaching for the gutter should not be singled out for what it is. Are these words too strong? We hope at the outset of this important campaign decency will prevail. One can hold strong views on the issues of the day without demonizing the adversary. This has been and will be our line of conduct.

## Supply

When all the peripheral noise has been removed one should be able to focus on the central issue. If Canada is performing so poorly it is mainly because there is in its bosom a sharp conflict of vision. In the minds of the people of English speaking Canada there is one national government in Ottawa and 10 equal provinces; in other words, one senior government and 10 junior governments.

(1120)

For Quebecers their national government is in Quebec and the doctrine of provincial equality represents a denial of their history and of their aspirations for the future.

Being the senior government, Ottawa can intervene in almost all of the provincial domains mainly by using its spending power. What happens when Quebec and Ottawa have different sets of priorities? Not only do their bureaucracies overlap but they are at cross purposes. If English speaking Canada prefers to transfer some provincial powers to the federal government it can do so not only administratively but also legally so that Quebec cannot prevent the erosion of its powers

All this boils down to a simple reality. Canadian federalism means that the Government of Quebec is subordinate to the central government both in large and lesser matters. Quebec does not have today all the powers it needs to be the key player in setting its priorities, be they economic, social or cultural. In other words, English speaking Canada has a veto on the future development of Quebec within the federation.

Nobody ever relinquishes power joyfully, but one can at least expect English speaking Canada to clearly see the impasse to which the present regime has brought us both. The budget crisis is but the most visible symptom of this impasse. Another one is the sheer impossibility of significant political movement in one direction or another. The federal government will never let go of its extensive powers, not only on grounds of ideology but also because many provinces do not have the resources to assume even a few of its powers. In fact the necessity of a stronger central government for English speaking Canada, in the education sector for example, is not in doubt. The more important provinces, seeing the fierce resistance of Quebec to any transfer whatsoever to Ottawa, will hesitate to climb aboard the federal bandwagon.

Thus gridlock and confrontation are built into the system. It is easy to predict, for example, that the eventual blueprint of the Minister of Human Resources Development to overhaul social security will not meet its objectives. Unreasonable deficits will just go on piling up, speeding in the process the relative decline of the Canadian economy.

# [Translation]

The Quebec people reject the status quo that will never satisfy them. They spoke loud and clear on this in the last federal election. They understood what the Quebecers sitting on the government benches in this House have not understood yet, namely that there are times in history when governing well means making drastic changes to the system. We are approaching one of these times.

Some prefer to wait until they are confronted with newspaper headlines before admitting that something is happening. It is their right, although it shows a particular kind of historic long-sightedness. In fact, we see with every passing month that the federal government is unable to get Canada and Quebec out of the increasingly devastating economic and budget crisis.

In the February 22 budget debate, we drew the attention of this House to several questionable aspects of the budget and I would like to remind you of two of the points we made at that time. First, the Minister of Finance deliberately inflated his 1993–94 deficit estimate to make his performance for the current year look better. Debt servicing for this year, in particular, was overestimated. A few weeks ago, the Department of Finance proved us right by stating that it now expected the deficit to be under \$44 billion instead of the \$45.7 billion announced on February 22.

Second, we said that the interest rate projections in the budget were too optimistic. Today no one finds them credible. The interest rates on short—and long—term securities now exceed by almost two percentage points the average level forecast in the budget despite the last few days' decline.

(1125)

In view of the federal government's poor financial situation, it is impossible for interest rates to decline significantly in Canada without a similar drop in the United States. The American economy is approaching the threshold of capacity utilization which will lead to larger inflationary pressures. Just look at our southern neighbours' unemployment rate: it was down to 6 per cent in May, while ours is still 11 per cent.

Under these conditions, U.S. monetary policy will remain more restrictive and U.S. interest rates could rise further. Add to this an overly optimistic revenue projection and you will understand that the government, like its predecessor, is underestimating the deficits from the outset.

Since the economic hypotheses on which the 1995–96 deficit forecast is based are even more optimistic than those for the current fiscal year, the extent of the underestimate will necessarily be larger next year. Why be surprised then when the financial community does not believe the finance minister's promise to reduce the federal deficit to 3 per cent of GDP in 1996–97? The

C.D. Howe Institute has just warned the government in a very recent study that its spending should be cut by \$7.2 billion if it wants to keep the promise of 3 per cent. In a few months, the federal government's inability to correct its financial situation except by passing the crisis on to the provinces will be obvious to all. That is what the next federal budget has in store for us.

We must admit right away that the Minister of Finance has already shown his colours. With questions pouring in from all over about the precarious state of the federal government's finances, he promised a month and a half ago to make massive cuts in transfers to the provinces starting in 1996–97. He went even further, since this is his chief method for eliminating the federal deficit by the year 2000.

On the one hand, the federal government pretends to decide everything; it is even eyeing education. On the other, it is prepared to pass on to the provinces the bill for its fiscal irresponsibility. Fiscal federalism is thus more and more disadvantageous for Quebec. The trend of recent years will accelerate markedly. It will become more obvious than ever that Quebec must take back all its resources if it really wants to break the vicious circle of a decaying system which every day is a greater fundamental impediment to its freedom of action.

Thus we know that the political and economic dynamics of the present system are working at a deep level and not only superficially for the sovereignty of Quebec. The coming years will confirm that our historical destiny is leading us to this sovereignty.

## [English]

I heard the leader of the Reform Party explain his view of what Canada should do to get out of the present crisis. I heard that he proposes something like a new round of negotiations but prior to that many members and ministers of the House should be travelling around, along with civil servants, with city hall meetings all over the country.

When I listened to him I had a sense of déjà vu and I thought it looked so much like the Keith Spicer approach. Do we remember the Keith Spicer train that went all across the country listening to people? It heard all kinds of things, disparate things, and at the end we had nothing. Out of the mountain came a mouse, as we say in French. I am quite discouraged to see that we will begin again if we listen to the Reform Party.

The leader of the Reform Party does not know a lot of Quebec history. I am 55 and I spent most of my last 30 adult years involved directly or indirectly in the sterility of federal-provincial discussions, constitutional quagmire. I have a feeling that we in Quebec, and probably people in the rest of Canada have the same feeling, lost the last 30 years wasting our energy, our money, our political stamina that we needed to build something

real in all parts of this huge country, devoted to the sterile discussions of the Constitution.

Here we are with a new proposal to resume this terrible circus. People have forgotten that we went through the referendum in 1980 in Quebec, that there has been the unilateral patriation of the Constitution in 1982 where Quebec had imposed on it a Constitution which is our current Constitution. We never signed it and every attempt to bring Quebec to the table to sign the Constitution has failed because the people of Canada and of Quebec have said no.

(1130)

I was in the House when the political establishment of the country, the House of Commons, decided that there should be a deal based on the Charlottetown accord. I was here when we voted—I would exempt the Bloc because we voted against it—and all the federalist parties voted for the Charlottetown accord. We saw the people of Quebec and the rest of Canada reject it.

The right reason and the great reason why the government will not get involved in the debate with a new proposal is that it knows it is not possible. It knows that everything has been done: good faith, bad faith, imaginative strategy, all kinds of things. Everything has been attempted. I would say it is a disease of the country that we cannot move. The country has no power when it comes to changing anything, to adapting the Constitution to reality because the country does not accept reality.

There are two realities as long as no one accepts that outside Quebec there is no possibility for anything. We have two realities: we have Quebec and we have the rest of Canada.

The Quebec people do not think they are better than any other part of the country, but they think they are different. They have done nothing to destroy anything. We do not intend to destroy Canada. We intend to adapt the political structures to the realities.

I have a different vision of the country from what people on the other side of the House have of their country. I respect their vision. I have the ultimate, utmost respect for their vision.

I respect the people who died in the last war. When I laid a wreath yesterday I did it out of sincerity, out of respect. We have people in our families who died in Europe and who fought for democracy, for whatever. We should respect those people and not put words in their mouths because silence is now their privilege. Silence is now their prerogative. We should not resurrect them. We should accept the fact that they died for a great cause, that we have inherited a legacy of their courage. We should respect it and silence about what they thought when they died, what they had in their hearts when they died on those beaches far away from their families, should be respected. It is for them for eternity because they have kept it in their graves.

Supply

When I laid the wreath yesterday I asked the member for Quebec to do it. She had never told us before. Perhaps she was absolutely taken by the atmosphere, the tragic and grandiose atmosphere yesterday, when she said: "You know my father was there and he spent the war in Europe". I said: "You should lay the wreath yourself", and she did.

I was so upset this morning, so sad, when I read the comments made by the Deputy Prime Minister about the significance of our gesture yesterday.

I will close my speech. I know it is a very emotional, very difficult debate. I pledge to stay forever a democrat and to respect the opinions of other people. And I would ask people to do the same for us.

(1135)

Ms. Marlene Catterall (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, I have to respond with a comment on what I have just heard. I have to make it clear to the Leader of the Official Opposition, the leader of the Bloc Quebecois, that he does not respect my vision of Canada.

My vision of Canada includes Quebec. My vision of Canada includes Jacques Cartier and Samuel de Champlain who went up this river only feet from where we sit today. It includes the voyageur and the coureurs des bois who opened up the west and the north of this great country. This is my Canada. I say that I will fight in any way I can if you try to destroy that.

My Canada includes Quebec City. It includes the north of Quebec. For me, my Canada includes the ability of Quebecers to feel that the Rocky Mountains belong to them, that the Pacific coast belongs to them, that Halifax belongs to them and that the rocky shores of Newfoundland belong to them.

My Canada is not two Canadas. That is your Canada. My Canada is one Canada. There is not an English speaking Canada and a French speaking Canada. There is a Canada where people who live outside Quebec and are francophone, a whole million of them, can express themselves, live and be served by their government in their own language just as francophones in Quebec can, and just as anglophones in Quebec can.

I realize we have a serious difference of opinion about the country. However I have an opinion, not about its parts, not about those things that divide us. For my children I want the history and the contribution of those great men and women who came from France, who were the original settlers of my Canada, to be part of their tradition and their future.

We are stronger together. We are a more vibrant nation together than we would be as 10, 11 or 20 or even 2 pieces. I do not believe we can end up as two pieces. I believe that the heart is

ripped out of the country if Quebec leaves and I believe the rest of the country will fall apart. I will not let you do that.

**The Speaker:** Again, I know that we are getting not close to the heart, we are in the heart, but I insist that all hon. members please address the Chair. It is very important. The hon. member for Esquimalt—Juan de Fuca. Please excuse me, I did not know you had a commentary. The hon. Leader of the Opposition.

**Mr. Bouchard:** Just a short one, Mr. Speaker, to thank you for your wise words.

I would like to say to the member who just addressed the House that I completely respect what she said. I feel genuine sympathy for her emotion because this debate is very much about deep and fundamental emotions.

At the same time I would like to say, if I may, that to respect the vision of someone is also to make sure that one does not impose one's vision on another. This is about democracy. It is not for me as an individual to impose anything on other people. It is not for me to make any decision for collectivity, but it is for the Quebec people to make a decision. Those things are not easy and they have been said before.

(1140)

I remember very well the last debate about Meech. We had a very limited debate about Meech. I heard a few moments ago the secretary for parliamentary affairs say that the Bloc was very happy to see Meech fumbled but it was not true. I fought hard and for a long time for Meech.

I was not the champion of Meech. Prime Minister Mulroney was. I remember that during those debates at some point Prime Minister Mulroney implied that if Meech was rejected the future of Canada might be compromised. He said something like that. I noticed then there was a very strong negative reaction all over Canada that the Prime Minister was too emotional, that he was not realistic, but here we are.

We tried to get Meech through. We almost begged the rest of Canada. We are proud people but we begged anyway. We asked the rest of Canada to subscribe to five minimal conditions that Quebec proposed, to go to the table and sign this Constitution on the dotted line where there is no signature, Quebec's signature.

I spent two years of my life doing that. I even accepted the bold risk to do that. I left my sovereignist family in 1984 to work for that because I thought, like Prime Minister Mulroney and many people in Quebec, a majority of Quebecers, it was worthwhile to try to reconcile the country. The minimal requirement we could set up to save the honour; accept that something very important in Quebec politics be enshrined in the Constitution, not in the powers but in the preliminaries of the Constitution; that Quebec should be recognized as a distinct society, which is to recognize us as a people. This is the fundamental thing,

people in Quebec feel like a people. We cannot change that. It is a fact of public life.

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, I rise on a point of order. Under Standing Order 43(2) and on behalf of the Reform whip I would like to inform the House that our caucus members will be dividing their time when they speak.

The Speaker: It is so noted and I return to the hon. member for Esquimalt—Juan de Fuca.

Mr. Keith Martin (Esquimalt—Juan de Fuca): Mr. Speaker, the hon. member from the Bloc should not in any way, shape or form be surprised at the fact that this party would include them in this discussion.

Unlike some parties, we stand for including all Canadians in our decisions. This is not a family feud. What we have is an effort by a group of individuals in the House to fracture the country and I, like the member across the way, will not stand for it

This is in part accomplished by misleading the people of Quebec as to what is really going on in the country. I would ask at some time what Canada has done against the people of Quebec. I will tell members in part.

The Government of Canada gives to the people of Quebec in transfer payments more money than what the people of Quebec give out to the federal government. I would also say that the federal governments in past years have pandered to the province of Quebec in an effort to keep it within the fold. This is special status. This is special treatment and it only causes division. It is divisive within the country.

In this world, we have tribalism: one group or tribe against another. It is perhaps the singular, most divisive problem that we have in this world. Francophones, anglophones, men, women, black, white, it is all the same thing. All we can hope for in the world is that we are treated equally under the law, that we are free of prejudice. What we make of our lives as individuals is up to ourselves.

I have a question for the hon. member from the Bloc. What is so wrong with a country where we are all treated equally, where we all have the same rights under our laws, where culture and language is the responsibility of each province whether it is Quebec, New Brunswick or British Columbia? What is so wrong with a vision of Canada that includes all Canadians? I would like to ask the hon. member what is so wrong with that.

(1145)

**Mr. Bouchard:** Mr. Speaker, let me say two things to the hon. member.

First, Quebec has already been excluded from the constitutional family by the rest of Canada. Something we should remember is that in 1982 the federal government ganged up with the English speaking provinces to impose the Constitution on Quebec. That is a fact and cannot be denied. We have been thrown away and here we are trying now to set a political basis out of that.

The second thing I would like to say to the Reform Party is that I hear the leader of the Reform Party proposing a new federalism. I have absolutely no doubt it would be a worse federalism, if it can be, when he begins his proposal by establishing that everything will be based on the equality of the provinces which is what Quebec has fought against for the last 30 years.

All Quebec premiers, starting with Jean Lesage, one of the greatest political leaders of Quebec, always fought against the equality principle. The Reform Party is now proposing a new federalism where a new principle will be enshrined in the Constitution: equality of the provinces. Let me say that even if I were still a federalist I would never accept the fact that this new federalism would exclude official bilingualism.

Any reform proposed by the Reform Party on this basis will not fly. There is no reform possible. There is no possible reform in the country. The decision by Quebecers will have to be made either to accept the status quo, which is stagnation and everything we have tried to get away from for the last 30 years, or a new noble project to build a real country in Quebec so as to allow people in the rest of Canada to have their own country, a country belonging to their minds and hearts.

I do not believe for one minute that there is not a strong national cement binding all English speaking Canadians outside Quebec. In the House I can hear the emotion and I can see that those people have a genuine passion for their country, as I have for mine.

**The Speaker:** It is noted that the Reform Party will now be splitting its time so the speakers will have 10 minutes and 5 minutes for questions and answers.

Mr. Jim Silye (Calgary Centre): Mr. Speaker, today I rise to give my most important speech to date of this 35th Parliament. It reflects my personal point of view, not as a representative of any race or of any province, but as a proud immigrant Canadian citizen. It is not directed to the politicians in the House but rather to the people of Canada from sea to sea, the voters who entrust us to work in their best interests.

I will endeavour to treat today's motion in the following way. First I will make my position on Quebec separation quite clear and unequivocal. Second, I will discuss some of the consequences of Quebec separation and then re-emphasize a new vision of Canada as an alternative to separation as earlier presented by our leader, the member for Calgary Southwest.

I humbly realize my opinions and comments on this very important topic may not make a difference in the larger picture. Nevertheless I believe all politicians and Canadians who want Quebecers to remain in Canada need to reinforce their convictions, attack the myths, present the reality and the real face of this great country.

## Supply

I want Quebec in as I want Alberta in: as part of the great Canadian federation that has served us all so well. It does not make any sense whatsoever to break up after 127 years, especially in a period of high deficits and debt. Together all parts of Canada are stronger. The proof of that is our enviable record of war participation, political stability, prosperity and freedom. If it is worth dying for, it is worth debating for.

To be unable to work together as Canadians to reach an accommodation quite frankly is unthinkable to me. To continue this uncertainty is already straining our economic, social and cultural diversity and the world is watching.

(1150)

I respect the convention that federal politicians should stay out of provincial elections. I respect the rights of Quebecers to send the Bloc Quebecois to Ottawa. I respect their right to a referendum on separation, but because this affects me directly I feel I have the right to speak out on this issue.

I respect the leader of the Bloc Quebecois and the many members I have worked with on committees and recently on the basketball court, but I truly regret the course they have chosen. The leader of the Bloc Quebecois is intelligent, charismatic and experienced in trying to get the best deal for Quebec that he can. However I fundamentally disagree and stand against the method he has chosen: separatism over a new federalism.

The reality of the consequences of Quebec's separation would in many ways be very costly for all Canadians. I have evaluated this as a businessman with 25 years of experience. To assume entitlement to all existing benefits of the federation by separating is not only dangerous but very naive.

We have no buy-sell agreement in place to handle separation, no terms of reference that were agreed to while we were friendly partners to facilitate the secession of a province. Neither the British North America Act nor the Constitution Act, 1982, defines an orderly breakup of our great country.

In the face of this fact the reality is that all the many views put forth by the separatist forces in the absence of precedent are in many cases inaccurate projections about the way things will be in a sovereign and separate Quebec. All Canadians should make an honest assessment of the pending separation issue and ask themselves if the risk of separation leads to a more predictable future as compared to working together to create a new and better federalism.

Let me raise a few of the questions about separation that are on the minds of Canadians. Who will negotiate this separation? Will we need a federal election to decide? While we fight over the right to break up the country our fragile economy will suffer. Is this what we really want? Our deficit and debt are so high, how can a new nation start off with such a high debt load and what share will it take? What about the value of the dollar and Canadian interest rates? Will Quebec pay? Will creditors refinance two separate entities so deeply indebted? I, for one, fret over making this assumption. The currency issue places

Quebecers in an inferior colonial status at the mercy of Canadian monetary policy. Is this acceptable to the Quebecois?

Have Quebecers evaluated the impact of separation on subsidized sectors of their economy, like textiles, furniture and the protected status of the dairy industry? Will the aerospace industry continue to grow without support from the rest of Canada?

If negotiations become emotional and hostile, what favourable and satisfactory settlement can be achieved in areas like defence, dual citizenship, the North American Free Trade Agreement, the free trade agreement, control over the St. Lawrence River and the boundary in the Gulf of St. Lawrence, all of which require consent of Canada?

What about territory and territorial rights for aboriginals? Can they remain with Canada, or will the majority in Quebec have the right to decide the future for aboriginal peoples?

I believe Canada will accept separatism if it is the result of a clearly worded referendum on the issue and reflects the will of the majority of Quebecers, but who ever said outside Quebec that sovereignty association was a negotiable option? If the referendum question is sovereignty and the vote is yes, how do we negotiate with the other party that says that option was never on the table, only separation and not sovereignty?

In the light of these questions are we not better off working together in kickstarting our economy, by resolving the unity issue once and for all? For those Canadians who may not think that is possible, let me quote one of the Fathers of Confederation, the Hon. Thomas D'Arcy McGee, who faced the same crisis in the 1860s and like me wanted to make Canada the happiest of homes.

He said: "The policy of linking together all our people in one solid mass and making up for the comparative paucity of our numbers by the repeating and detonating moral influence of our unity, the policy of linking order to order, of smoothing down the sharp and wounding edges of hostile prejudices, the policy of making all feel an interest in this country and each man in the character of each section of the community and in each other, each for all and all for each—this policy will never grow old, never will lose its lustre".

Bloc Quebecois members claim that federalism has not, cannot and will not work. They point to the failures of the Constitution Act, Meech Lake and the Charlottetown accord as sufficient proof. While I agree these constitutional efforts represent failure, they failed everyone and not just Quebecers because the wrong people were negotiating the right things the wrong way: top down.

(1155)

This 35th Parliament has the right people in the right place to negotiate the right way with the new vision of federalism as presented by the leader of the Reform Party together with the Prime Minister and his party who also believe in keeping this great country together.

The leader of the Bloc Quebecois has a tremendous opportunity to apply his great skills in resolving the weaknesses of the current dying federalism, protecting the interests of Quebecers and making all Canada a stronger and richer nation. Madam Speaker, through you to the people of Quebec, demand this of him.

By putting Canada first, a Canada which includes Quebec, we all benefit from a bilingual nation applying the original recommendations of the Laurendeau–Dunton bilingualism and biculturalism report, not the current expensive second language mess created by the technocrats which the majority of all Canadians in and outside Quebec say is not working.

By revisiting and applying the spirit of the British North America Act, restoring to provinces the complete power they should have over resources, education, language and culture, by acting as a true Canadian official opposition party, the Bloc Quebecois together with the Reform Party can more effectively force this indignant, stubborn and weak government to address the real problems of this great country. Together we could force the federal government out of areas of provincial jurisdiction where it has no business being involved.

Together we could convince the government that Canada has a spending problem, not a revenue problem, and that the culprit is the deficit and the debt, not Quebec separation. Let us resolve the deficit and debt problem which is keeping us in this recession, causing high unemployment and threatening our social programs. Let us attack the enormous debt load together with constructive, creative reductions in spending which will restore real confidence in the financial community.

Let us not add to the uncertainty of our quality of life by separating. We need a new balanced democratic federation of provinces with a healthy economic development program sensitive to the environment and a Constitution that recognizes the equality and uniqueness of all its citizens and provinces and that includes Quebec.

In conclusion I will once again use the words of the Hon. Thomas D'Arcy McGee speaking in 1860, a believer in Canada who described the reality that still holds true today and reflects my personal philosophy: "I look to the future of my adopted country with hope, though not without anxiety. I see it quartered into many communities, each disposing of its internal affairs, but all bound together by free institutions, free dialogue and free commerce. I see a generation of—"

The Acting Speaker (Mrs. Maheu): I am very sorry, but the hon. member's time has expired.

[Translation]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Madam Speaker, I want to congratulate the Reform Party member for his excellent presentation. I simply would like to point out a few facts.

The hon. member, with whom I have often had the opportunity to work in committee and who does an excellent job, said at the beginning of his speech that we must stop telling Quebecers that their only alternative now is either status quo or sovereignty, and that we should instead talk of a renewed federalism. I am still very young, but ever since I was very little I have been hearing about renewed federalism.

Remember the meeting which took place in Quebec City, in 1964, between the Right Hon. Lester B. Pearson, for whom I have a great deal of respect since he is one of the greatest, if not the greatest Canadian politician, and Jean Lesage, the Quebec Premier of the time. Remember also all the constitutional conferences and meetings held between the Canadian provinces, or between Quebec and the federal government. Remember the 1971 conference in Victoria, with Robert Bourassa.

Remember also the whole constitutional debate of 1980, when the future of Quebec and Canada was discussed. Remember 1981, after the No victory, when Mr. Trudeau, who was then Prime Minister, said to Quebecers: Say no to sovereignty and you will get in–depth reform and renewed federalism, as you have been hoping for since 1867, when you were told that you could have a place as a nation in this new confederation, which was never a real confederation.

(1200)

Remember also the forced patriation of 1982, when the federal government put Quebec in its place, instead of making room for it, by imposing a unilateral patriation of the Constitution as well as a Charter, a measure which was almost unanimously opposed by the members of Quebec's National Assembly.

In 1984, Mr. Lévesque, a true statesman, was in charge in Quebec and extended a hand to federalists by saying that Quebec was prepared to take a bold risk. Then, there was Meech with Mr. Mulroney and all the subsequent failures.

Ever since I was a little boy, even a baby, I have been hearing about renewed federalism. Recently, the whole debate intensified with the failure of Meech, the Beaudoin–Dobbie Commission, Beaudoin–Edwards, the July 7 agreement which became the Charlottetown accord, and which also ended up being rejected.

#### Supply

This is not the failure of your country; your country is yours. You love it, you love this Parliament, but you should let us build our own. We do not want Canada's destruction, but we are well aware, after 30 years and particularly in later years, that this renewed federalism is a smoke screen. Right now, there are two options: status quo, which is unacceptable for Quebec, or Quebec's sovereignty.

I wonder if the hon. member, who is a friend, is aware of this saga in which a lot of time was wasted. Every time Quebec tried to find its niche in this regime, and every time promises were made and federal politicians talked about a new place for Quebec within Confederation, every time that happened, our province was put back in its place. (English follows)

[English]

**Mr. Silye:** Madam Speaker, first I would thank the hon. member for his compliment. I know he was sincere in that. I too have respect for him and the work we have done together.

Being inexperienced, it is difficult to express yourself in such a way that you do not offend. You lay out what you believe in. I think it is time we did that. We have to lay out here what we believe in.

I go back to Thomas D'Arcy McGee. I see in this life a generation of industrious, contented, moral men and women free in name, men and women capable of maintaining in peace and in war a Constitution worthy of such a country. That is the important thing.

What we have built for 127 years is important to preserve. We in Alberta may have differences of opinion with the federal government, as we do. You have a difference with the federal government in Quebec, as you do. We should fight together to make the sum total stronger than any one of the individual parts. That is the message we are trying to share.

All the examples that the hon. member gave us about what did not work and the reports and commissions that did not work were all examples of a top down approach to democracy, a top down approach of trying to deliver goods and services to what the people want. We in the Reform Party, as do the members of the Bloc Quebecois, recognize that it does not work.

Why not pool our resources in opposition, fight for Quebec and fight for our areas we represent against the government to show that a bottom up approach—

**The Acting Speaker (Mrs. Maheu):** I am sorry, your time has expired. I have gone over.

The Reform Party has advised the Chair that it wishes to split its time. I do not see any other Reform members prepared for debate. Questions and comments are finished. They are splitting their time.

**Mr. Silye:** Madam Speaker, if we have a half hour allotted to us and I split my time and my colleague for whatever reason is unattainable, is that time still allowed to me so I can finish off a proper answer and continue comments and questions? Would there be unanimous consent to continue comments and questions until our time is up?

The Acting Speaker (Mrs. Maheu): If we have unanimous consent the hon, member for Calgary North may use the 14 minutes allotted to him. Do we have unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Maheu): Returning to debate, the hon. member for Calgary Centre.

Mr. Silye Madam Speaker, I would like to basically finish the remarks I made earlier to the hon. member of the Bloc Quebecois. What is important about today and what is important about the future of Canada is that we have to get out into the open the essence of what is at stake.

(1205)

The consequences of separation are uncertain. It is the uncertainty that we must approach. It is the uncertainty that we have to deal with. All the questions I raised in my speech were general questions. The specifics of them and the other side of them will come about if, as and when Quebec decides its future. We will be ready for those. As our leader pointed out, we will have a lot more work done on them and a lot more solutions through the task forces that we are presenting.

On a point of order, Madam Speaker, may I relinquish the remainder of my time to my hon. colleague who is now present to give her 10-minute speech with no comments and questions to allow for the last 10 minutes?

The Acting Speaker (Mrs. Maheu): Do we have unanimous consent to return to the original scheduling of the debate?

**Mr. Gagliano:** Madam Speaker, I give consent on a condition. The member already used a few minutes so the next member may have the remaining time and not necessarily the 10 minutes.

The Acting Speaker (Mrs. Maheu): Do we have unanimous consent?

Some hon. members: Agreed.

Mrs. Diane Ablonczy (Calgary North): Madam Speaker, the motion before us today reaffirms the desire of Canadians to remain federally united as one people and asks the House to support them in that desire.

Surely nothing could be a higher priority for those of us who have accepted positions of trust and responsibility in the Parliament of Canada than to preserve and protect the unity and character of the country we have been elected to serve.

Unity is more than an abstract concept, more than some ideal detached from practical realities. There are things that unify people in the structure and operations of a federation. Citizens must realize concrete benefits from their association in the confederation.

In Canada our social support systems have for decades been an important element in making us the envy of the world. Unfortunately our current economic situation has eroded those traditional support systems. In light of this our citizens want to be assured that leaders of the new Canada of the 21st century will act and act decisively to ensure they continue to benefit from affordable and sustainable social services.

A fresh approach to the delivery of social programs is imperative for one simple reason. Our country's financial resources are being increasingly drained away by Canada's huge debt. Over one–quarter of our total spending is paid out in interest every year, a whopping \$41 billion this year alone on the more than \$500 billion which was borrowed by past Conservative and Liberal governments.

Incredibly this present government intends to borrow a further \$100 billion which will diminish our cash resources by an additional \$4 billion to \$6 billion each year in higher interest charges. These are billions of dollars that will be lost when we need to fund health care, pensions and education for Canadian citizens.

For more than two decades those we have elected to manage the affairs of this great nation have seen fit to violate the most basic rule of sound fiscal management, living within one's means.

In order to buy the goodwill of every interest group in society and to fund extravagant and wasteful government, Conservative and Liberal decision makers have placed a mortgage on our country which as of today stands at nearly \$518 billion. That is more than \$18,000 for every man, woman and child in Canada. We owe almost \$1,500 more every single second than we did the second before. In fact, in the time it takes me to complete my remarks in today's debate, our country's debt will have shot up by nearly a million dollars.

This incredible mismanagement and the resulting debt has severely reduced our ability to pay the cost of the social programs that we have enjoyed in the past.

With this evidence before them of instability and unsustainability of current social programs, it is no wonder many Canadians are losing faith in our federal system.

(1210)

It is no wonder they believe a united Canada offers little long term personal benefit in return for the huge long term liabilities it has amassed.

As services are reduced so is the incentive to stay together as a country. Raising taxes with decreased benefit to the citizens

being taxed has throughout history been a sure fire recipe for social and civil unrest, instability and eventually even revolt.

If Canadians willingly continue to turn over a large amount of their earnings to the federal government, they will expect value for their money. Canadians have in the past been proud and thankful for the fact that they can rely on programs to ensure that their basic needs will be met when they are most vulnerable, when they are young, old, sick or destitute.

It worries many of us when services and benefits are wasted on those who do not truly need them. For too long our political leaders seem to have lacked the will to make the hard choices, the courage to do the right thing, to put social programs on a sound financial footing for the long term.

Reformers believe that Canadians want to preserve federal funding in support of health care, advanced education, the child benefit, the guaranteed income supplement for seniors, veterans' pensions and old age security for households below the national average household income.

They believe their contributions to the Canada pension plan should be managed in such a way as to ensure that benefits will be available to them in their retirement years. This means that there will be less money available for OAS for seniors with a household income above the national average, for federal support for UIC and to some extent for welfare and equalization payments.

Canadians are committed to caring for those who cannot care for themselves, the most vulnerable members of society, but they know we cannot possibly sustain our present social program spending without some intelligent priorization and reorganization.

Unfortunately in spite of the current roles with our shaky social safety net, our federal government continues to refuse to take the bold steps necessary to save it. When others like the Reform Party offer specific and concrete proposals designed to preserve and protect essential services, they are derided and met with fearmongering.

One particular blatant example of this attitude is our present health minister labelling those who want changes designed to preserve health care funding as advocating a two-tier health care system. She knows full well there are at least 10 tiers of health care in this country, her own privileged access to DND medical services being one of them.

The ministers of the government should fear the consequences of not acting to bring about the change. Threatening provinces will accomplish very little. What are Canadians to think when the cost of services goes up? The level of services

goes down but they are told that constructive proposals for better management are harsh and unfair.

An explicit element of the Reform Party motion being debated today is recognition of and support for the desire of Canadians to remain federally united as one people, committed to sustaining social services. We believe present and future Canadians could count on receiving the services they most need and want if we took the following steps.

First, reorganize contributory social programs like UIC and the Canada pension plan so that they pay for themselves. Our unfunded CPP is a political and fiscal time bomb. The Reform Party believes that Canadians need the financial security which would be provided if CPP were fully funded. If this does not happen, the CPP premiums of working Canadians will be hiked, something that is already happening. CPP premiums started out at 3.6 per cent of income and today they are 5.2 per cent. By 2016, premiums are expected to be 10 per cent of income.

Second, focus the benefits of non-contributory social programs like old age security on households whose incomes are below the national average Canadian family income. With good management, we can continue to assist seniors who need help from society. We cannot do this if we give away money to citizens who are not in need.

Third, give students and job trainees a greater say in how education dollars are allocated by the use of education vouchers. Let user needs and demand drive the provision of education services rather than automatically awarding institutions scarce funds without reference to provision of effective training.

(1215)

Fourth, amend the Canada Health Act to allow provinces more flexibility in the funding of health services to better rationalize diminishing resources and ensure that essential services can be maintained.

No one should be denied adequate health care in Canada because of inability to pay. It is clear that if we want to count on this we can no longer afford to pay 100 per cent of the cost of 100 per cent of the services for 100 per cent of the people regardless of need.

It fools no one to pretend that nothing has to change in the provision of health care services. Rather, we ought to honestly face the new realities and work to ensure that Canadians can have confidence that certain core services will be maintained and indeed be sustainable in the long term.

I believe that Canadians want to live in a country whose social spending is organized fairly so that we pay our own way. We expected individuals, groups, governments and our country as a whole to operate under that principle. We know that if we do we have ample wealth to preserve and sustain essential social

program spending and fulfil the obligation of any civilized society to care for those who cannot care for themselves.

I challenge members of the House, the leaders and elected representatives of the people of Canada, to work together to build a new Canada to meet the challenges of the 21st century, including managed essential social programs secured for this and future generations of citizens.

[Translation]

**Mr. Alfonso Gagliano (Saint-Léonard):** Madam Speaker, before I begin my speech, I want to inform the House that government members will be dividing their allotted time into 10-minute speeches and 5-minute periods for questions and comments, except ministers who will take up all of the allotted time pursuant to the Standing Orders.

I have had the honour of representing the people of Saint-Léonard since 1984. During that time, I have never forgotten for one minute that, since the birth of Canada, generation after generation of members have sat in this House to express their pride and their confidence in Canada.

These men and women, of different ages and different backgrounds, also come from the various regions that make up one of the largest countries in the world. Too few of them represented in the past or represent today the people who lived here hundreds of years before the first European even set foot on this continent.

All of these people, whose memories are still with us here, today, belonged to different political parties which took part in some pretty vicious sparring matches. As you know, Madam Speaker, unanimity is not the rule in this House. It is more the exception. However, members who sat in this House until recently all shared the same desire to serve their constituents and to contribute to the growth and unity of Canada.

In time of peace as in time of war, in time of prosperity as in time of economic crisis, every generation of members has strived to make Canada one of the most prosperous, peaceful and admired countries in the world.

Our sovereignty as a nation and our maturity as a society have gradually, patiently and relentlessly been built by those who believed in the rule of law, the invincibility of justice and respect for our differences, those who know the value of experience, efforts, destiny and solidarity. It is now our turn to add to this magnificent institution designed by our predecessors who also laid out the foundations.

Whether we were born in Senneterre or in Siculiana, in Saskatchewan or in Sicily, whether we speak English with a Bonaventure accent or French with a Berlitz accent, in our own way, we all say the same thing.

(1220)

Like thousands of other hon. members before us and like millions of Canadians, we say that, today and yesterday, this is the country that we love, this is the great and magnificent country that we want to protect.

Since the last election, there is in this House a group of members whose numbers are large enough to form the Official Opposition and whose ambition is to put an end to the Canadian experiment. I respect unreservedly and unhesitatingly the decision of many Quebec constituents to send separatist members here, in Ottawa.

All Bloc Quebecois members were elected here as were the members of the Liberal Party, of the Reform Party and of other political groupings. These federal separatist members speak, sometimes with emotion, of the need to protect bilingualism in the Canadian Armed Forces and to take care of our Canadian publishers. But nobody in this House nor elsewhere in Canada has any illusion about the real objectives of the Bloc Quebecois. The Bloc Quebecois does not say this in so many words, but what they want is to destroy Canada, since Canada without Quebec will not be Canada any more.

The Bloc members claim to be good surgeons. They want us to believe that, with the help of the PQ, their big brother, they would be able to painlessly sever one of the parts of the Canadian Federation. The operation could be a success; the only problem is that the patient, that is Canada, will die.

Now, these few members of the Bloc are protesting their temporary patriotism, even boasting about it. This is the first stage of the surgical operation they want to do. This is what I call the anaesthetic.

But I can assure you that nobody will be beguiled by this. Quebecers, the sons and daughters of explorers, of discoverers, of inventors will never turn their backs on the country which gave them the freedom, the wealth and the dignity to grow up and develop.

I think that the presence among us, in this Parliament, of members who claim to be able to represent Her Majesty's loyal opposition while working towards the break—up of Canada could have a beneficial effect on all Canadians, particularly on Quebecers. By reminding us every day of what we could lose as Quebecers if Canada broke up, members of the Bloc, who are allies of the *Parti québécois*, help us to better appreciate the value of our Canadian citizenship.

And because of the presence here of separatist members, all Canadians are finally becoming aware that Canada's unity and the preservation of our cultural heritage and of our economic security are not a problem unique to Quebec.

In the 1980 referendum, a majority of Quebecers reiterated their attachment to Canada before the whole world. Of course, we have important problems to solve, and a lot of these stem directly from the relationship between Quebec and the rest of Canada, but the Bloc is not a remedy for Quebec's problems. It

is partly a symptom of the frustration that many Quebecers feel because of our failure to break the constitutional deadlock. Yet, the Bloc has done nothing to help solve these problems.

Similarly, the Reform Party is not a remedy for Canada's problems. It is largely a symptom of the impatience that many Canadians feel because of economic and political problems for which the Reform Party offers no solution.

You cannot cure a disease simply by monitoring the symptoms. We need to have the courage to solve the problems that hinder our progress as a federation and the wisdom to preserve that which made Canada one of the greatest success stories in the history of mankind.

I speak French and I am proud of it; my wife and my children speak French and are also proud of it. We are Quebecers as well as Canadians.

(1225)

For me and for all my family, the knowledge of the French language and the bonds of friendship it enabled us to form have become deep roots. The French language has been for us the passport to contributing to a generous and dynamic society, the only French society in America, that welcomed us with open arms.

My deepest wish and my strongest resolve as a member of Parliament and as a Canadian citizen will always be to have the privilege to be able to contribute to the security of Quebec and to the unity of Canada. Earlier I heard my colleague from the Bloc list all the constitutional conferences that came close to giving Canada a new constitution. He forgot that during these 30 years, during which we were regrettably unable to solve our constitutional problems, some things helped Quebec develop itself. The Quebec Pension Plan and the agreement on immigration, for example, are two of them. At present, there is also the three–level infrastructure program that is working well.

During that time, Quebec developed. What programs, what things prevent Quebec from developing and being a dynamic society within a Canadian federation? I am proud to be a Quebecer, but I am also proud to be a Canadian. I will always work very democratically. I have always felt much respect for those who, even in this House, are using all the tools they have to defend their cause; but democratically, like the Bloc Quebecois, I will fight to keep this country united and to ensure that Quebec is strong, but within the Canadian federation.

That was the dream of the founding fathers of this country; that is the dream that we too, as members of Parliament, must pursue every day and at every opportunity, for the preservation of this country. We must recognize that, in spite of all our problems, millions of people would give up everything they have to come and live here in Canada.

Supply

Mr. Benoît Tremblay (Rosemont): Madam Speaker, it is pretty clear that the hon. member for Saint-Léonard is not very knowledgeable about surgical procedures. We found out not long ago that he is a chartered accountant, and I think he should have stuck to his speciality. If he looked at what is happening in Canada and Quebec from the accountant's point of view, he would realize that Canada has the largest foreign debt of any country today.

Current interest rates are not going down, because 45 per cent of Canada's debt is covered by foreign loans and lenders are starting to have a substantial part of their portfolio invested in Canadian loans. According to the last budget, the government will have a deficit for many years and it will be extremely difficult to control government spending when in addition to being unable to manage areas that are a federal responsibility, the federal government regularly decides to encroach on jurisdictions belonging to the provinces, in the belief it can do better.

This week in *Le Devoir*, Lise Bissonnette gave the following analysis. The federal government has decided to intervene in literacy programs. Quebec already spends \$63 million, and now the federal government is going to add \$2.5 million! Two and a half million, with probably one million spent on advertising, with a lengthy press release from the Department of Foreign Affairs—does the federal government already consider Quebec to be a foreign country?—plus the whole federal—provincial bureaucracy, because in the final instance, after a lot of discussion, the federal government acknowledged this came under Quebec's jurisdiction and that it was necessary to co—ordinate approaches and agree on certain criteria. A host of officials met for months to try and agree on these criteria.

And after all that, about \$25,000 per school board in Quebec may be spent on literacy training!

(1230)

My goodness, \$25,000! This is less than the annual salary of a teacher, but the federal government will probably spend more than \$2.5 million on advertising to give \$25,000 per school board. How can someone who is a professional accountant lecture us on surgical procedures? Give us a break! I hope that in his next speech, the hon. member for Saint–Léonard will stick to dollars and cents.

**Mr. Gagliano:** Madam Speaker, I thank the member for his comments on my accounting expertise even if I have been out of practice for the last ten years. The member says it shows. Perhaps.

When it suits them, the Bloc Quebecois often uses the same argument as the Reform Party on the national debt. They bring that argument forward in order to make their point. But the member knows very well that I am aware he has a sound economic background and is very familiar with the national debt system. We are not dealing only with the federal debt. Quebec, which is developing in all its splendour, also has a debt as do all

other provinces and even every country in the world. This is part of our system.

We might also show that the problem of the debt has played a role in the development of Canada and Quebec. We enjoy a high quality of life. For the second consecutive year, the United Nations have declared Canada the country enjoying the best quality of life in the world. Talking about our financial problems, I hope the member will also acknowledge the fact that we have the best system and the highest quality of life in the world. Those things must be said. The Canadian experience has not been all negative. It has been good to us. The hon. member talks about interest rates. He wants me to talk about economy and finance.

When I arrived to Canada in 1958—my time has expired but I would like to have two more seconds—Montreal was the metropolis of Canada. All the large companies had their corporate offices in Montreal. The people across have been trying to separate Quebec from Canada for the last 30 years and during that time, Montreal has lost its title of metropolis. It has become the metropolis of poverty.

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment): Madam Speaker, a German federal minister was telling me the other day that after the war, when the allies decided to give Germany a new system of government, they opted for a federal system because it would give more flexibility to the various parts, provide a better balance between stronger regions and weaker ones, and also because it had worked particularly well in several countries, namely Switzerland, the United States and Canada.

Among all these countries, Canada is certainly the most decentralized. Having a very complex Constitution dating back to colonial times, it is a difficult country to govern. Certainly, Descartes would have concluded that the Canadian system of government is unpractical and that Canada, as is it, is impossible to govern.

The Canadian system defies the rationalism of constitutional and governmental concepts. The miracle is that—despite some frustrations and a scattered population over an immense territory, despite regional disparities that resist all our efforts, despite the formidable obstacles we are faced with every day—Canada has not only survived, but progressed in a unique way among world nations.

(1235)

The descendants of the two founding peoples, who had fought each other in the past, have chosen against all odds to build a new country based on peace, fraternity and sharing.

## [English]

The miracle of Canada is that it was born in peace. It has endured in peace inspired by a spirit of freedom, of justice and of tolerance. Indeed, viewed from afar, from the point of view of a stranger, our so-called quarrels, our so-called bickerings and debates, our verbal battles every day seem so picayune, so futile, so small.

Having had the chance over the years of listening to a number of citizens from various countries of the world, I know how surprised, indeed astounded, they are at our endless family debates. I see it in their eyes. I see it in their expressions. They view us as spoiled children who cannot appreciate the measure of our countless blessings and advantages.

We enjoy the special blessings of wide open spaces, the immensity and ever changing beauty of our landscapes and seascapes. We enjoy the quality of life only a rich and privileged country can offer. Above all, we share the valuable wealth of enduring values which have stood the test of time and common sacrifices: values of humility as a people, values of generosity within our community and toward others, a continuing ideal of social justice in spite of the inevitable hurdles of colour, of creed and of economic constraints.

The fabric of our values is enduring. It is firm. It is steady. The fibre of Canadian unity runs very deep. It may be quiet and understated but it is extremely strong.

## [Translation]

Those who seek to destabilize Canada and to reject this common heritage bear an immense responsibility towards our fellow citizens. Sadly, I listen day after day to the laments of Bloc members who attack Canada and the federal system. All the ills that plague Quebec, so we heard earlier today, can be attributed to the federal system.

Independence will solve everything. This will be heaven on earth. Soon, it will be perfect bliss. The new independent Quebec will build the nirvana. Whoever sounds a warning, even an institution like the Bank of Montreal the other day, is reviled and there is a general outcry. Immediately, separatist forces call for a boycott by the people.

# [English]

Those who would destroy the country, its heritage of values, its system of shared wealth, its balance of equity and fairness, hold a very deep responsibility to not only their fellow citizens in their own province but to all citizens of Canada. Inevitably separation and the risks of it, the recklessness of it, will not only bring economic hardship but will tear people apart within our communities, within Quebec; not only there, but province against province, destabilization of a wonderful country, the separation of the maritimes from Ontario, the geographical tearing apart of a country which has shared a wonderful destiny for nearly 13 decades.

(1240)

#### [Translation]

Those of us who have been given the privilege of preserving this country, of preserving values we have shared for 127 years, must be prepared to defend these ideals fiercely, passionately. Madam Speaker, fraternity is a lot more productive, a lot healthier than internal squabbles! A lot more productive, a lot healthier than division! A lot more productive, a lot healthier than destruction! It is a lot more productive, a lot healthier to build bridges than to dig trenches to separate us!

#### [English]

Is it not better to do than to undo, to rise beyond and above instead of bickering and bemoaning, to work toward the common will instead of for sectarian objectives and interests, to build bridges that will unite us and cross the differences between us rather than walls which will separate a few of us from the others and tear us apart?

I believe passionately in Canada because Canada is a kind country, a generous country. It has been very generous to me and to my family. Quebec has also been generous to me and I cannot conceive of Canada without Quebec. Quebec is wise. It is vibrant. It is dynamic. It brings a difference to Canada that makes it unique.

Those of us who believe in our country have to fight passionately for the ideal of preserving a country that is blessed among all. I share the profound wish that Canada live long and that Quebec always be a vibrant part of it.

## [Translation]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Mr. Speaker, I am please to respond to my Liberal colleague. As long as we have known him, either as a member of the National Assembly or as a member of this Parliament, we have grown accustomed to his lyrical speeches which bear no meaningful relationship to the political realities and debate now taking place in Quebec and in Canada.

A while ago, he called us prophets of doom and individuals who have taken a hard–line approach with financial institutions. I would remind him that each time financial institutions take it upon themselves to get involved in political debates that concern Quebecers and their democratic right to choose sovereignty, it will be our duty to single them out and to denounce their activities, since they should normally be confining themselves to economic and financial analysis.

Let us look at the financial institutions which have over the past two years harshly criticized in their reports the sovereignty option. The list includes the Royal Bank, the Bank of Montreal,

## Supply

the CIBC and Scotiabank. When we look at the list of major contributors to the Liberal Party of Canada, we will find the names of the Royal Bank, the Bank of Montreal, the CIBC and Scotiabank. These are financial institutions which supposedly conduct objective analyses.

Considering that these financial institutions make substantial contributions to Liberal Party coffers—and I am not talking here about small donations of \$2,000 or \$3,000 dollars, but about \$35,000 to \$47,000 per year—I would not be surprised to learn that the Prime Minister and these financial institutions hold regular, open discussions on the national unity issue.

Therefore, enough about the freedom of financial institutions to wade into a political debate. They do not have the right to get involved and we doubt their credibility. Personally, I intend, along with all my sovereigntist colleagues, to openly denounce in the coming months any political involvement not clearly based on a serious analysis, whether financial or economic, of the situation.

Earlier, the Liberal Party whip spoke about the fact that we were all one big family. Let me just say in conclusion that the lyrical speech about Canada which the hon. member has just given us is without foundation. It has no basis in fact.

(1245)

We should look at the real problems facing this country. If you are true Canadians and if you want to build a new Canada without Quebec, look at the problems now facing Canada, economic problems keeping the unemployment rate at 11 per cent, one of the highest rates in the Western world.

Look at the debt rate. Canada is the second most indebted nation in the world and the finance minister's budget will not solve the problem. A week or so ago, the C.D. Howe Institute strongly reminded us that the finance minister's budget will not do anything to bring public finances under control, does not contain any measure except for undermining the rights of the unemployed and cutting their benefits by \$5.5 billion over the next three years. As a whole, the budget is so lacking in credibility that the extra interest charges alone will just about cancel out the savings achieved on the backs of the unemployed.

Look at how much Canada invests in worker training and compare its record with that of the other industrialized countries that take control of their own destinies and manage to meet the challenges of internationalization. Look at Canada's child poverty rate. When the UN told them Canada had one of the highest child poverty rates, the Tories were so ashamed—and you too, I think, because you perpetuated the situation—that they changed the formula used to determine the poverty rate. That is Canada's reality.

If you continue with your lyrical speeches—since I have known you, all your speeches have been lyrical—nothing concrete has ever been put on the table and I am not surprised by your arguments—

The Acting Speaker (Mrs. Maheu): I remind the hon. member that comments must be addressed to the Chair and not directly to the member. I was not indicating that your time was up, but I also wanted to tell you that your comments must deal with the speech made by the previous speaker.

The parliamentary secretary has the floor, very briefly.

**Mr. Lincoln:** Madam Speaker, that is not very fair. The Bloc member took up all my time. Am I not entitled to two minutes?

The Acting Speaker (Mrs. Maheu): There must be unanimous consent of the House to extend your speaking time.

[English]

Do we have unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

**Mr. Hermanson:** Madam Speaker, we would also like to be able to ask a short question following the hon. member's answer.

The Acting Speaker (Mrs. Maheu): I am sorry, I am afraid we cannot extend the debate indefinitely. The parliamentary secretary has about 30 or 45 seconds.

**Mr. Lincoln:** It just shows the arrogance of the Bloc Quebecois. He accuses me of being a lyrical speaker, a speaker lyrique.

[Translation]

I would rather be a lyrical speaker than a bitter one. I would rather be lyrical than always try to pick quarrels with all those who do not agree with me. The financial institutions which denounce the Parti Quebecois do not have the right to make political statements. We must remember that. According to the hon. member, they do not have the right to make political statements. The Bank of Montreal does not count as they are anglos. The same goes for the Royal Bank.

Mr. Loubier: No, no.

**Mr. Lincoln:** I did not interrupt the hon. member. He should at least have the courtesy of listening to others. It just shows their arrogance; they never want to listen to others.

[English]

**Mr. Hermanson:** I rise on a point of order, Madam Speaker. I wonder if I might have the consent of the House, as I asked earlier, to ask a short question. The other hon. member took so much time and made a statement rather than asking a question.

The Acting Speaker (Mrs. Maheu): I am afraid it is impossible to extend the hon. member's time. If you ask a question there must be a response.

Do we have unanimous consent to extend the time for a question and response?

Some hon. members: Agreed.

Mr. Elwin Hermanson (Kindersley—Lloydminster): Thank you, Madam Chairman. I will be brief.

The hon. member in his statement mentioned that the Bloc is not correct in suggesting that if Quebec separated from Canada everything would be heaven. I agree with his statement.

However there are a lot of Canadians both in Quebec and outside Quebec who are concerned because our economy may be going to the other place. I am not talking about the Senate when I say "the other place".

(1250)

I wonder what the hon. member might offer in the way of some economic hope that would make all of us want to stay in Canada and have none of us worry about going to that other place.

**Mr. Lincoln:** Madam Speaker, very briefly I refer the hon. member to a headline today in *Quorum*: "Economy outpaces Martin's budget forecast". Canada will have growth of 3.9 per cent estimated in the coming year. We have taken over a country with a very bad economic forecast. We have committed ourselves to reduce the budget to 3 per cent of GNP within three years. We are going to do this. Things are going to get better under the Liberal government.

Mr. Stephen Harper (Calgary West): Madam Speaker, I am delighted to rise to speak to the motion by the hon. member for Calgary Southwest that we affirm our desire for unity as a federal state. Specifically I would like to address the clause of the motion that we affirm the equality and uniqueness of all our citizens and provinces.

The equality of citizens is at the heart of a fundamental principle of democracy and one that I put to members we have drifted from in recent years, at least some would say the elite have drifted from as a country toward a concept called group rights.

In the Charlottetown accord we had this concept becoming more and more a proposal to entrench that kind of concept in our Constitution, where rights of citizens are determined not regardless of race, language, culture or gender but because of them. This commentary, this observation is not simply my own. The former leader of the Liberal Party, Mr. Trudeau, noticed this during that period when he talked about the hierarchy of rights embedded in the accord.

What this trend toward group rights has done, in our view, is not just detract from the fundamental principle of the individual and the individual's rights within the collectivity but has also had the effect, in our view, of a loss of our greater sense of collective identity as a nation.

I would reflect on Andrew Coyne's editorial yesterday in the *Globe and Mail* where he noted that group rights and its linkage to comprehensive philosophy of political victimology had led us to see ourselves increasingly as a nation of victim groups and ultimately as a victim nation, one without identity or power.

As Reformers we propose that we get back to the roots of liberal democracy, that we reaffirm the principles of democracy in a modern age and manifest political equality through institutional reform. Specifically we advocate free votes for the people's representatives in the Parliament of Canada, direct democracy among the population at large, introducing in the modern age with our educated populations mechanisms of referendum, initiative and recall, and even in the area of constitutional change, mechanisms like constitutional conventions and popular ratification.

The equality of citizens does not preclude the uniqueness of citizens. We hear objections whenever we raise this point. We recognize there are all kinds of communal and individual identities within the country. We are suggesting the Government of Canada should concentrate its efforts on the responsibility for the promotion of our collective identity as a nation rather than the focus it has had in the past generation on things like official multiculturalism or the promotion of Canada as a federation of two founding peoples: the English and the French.

In our view we should be going toward more race, culture, language neutral concepts of our nationhood. Defining a country as a union of founding peoples, English and French, in this day and age is to Reformers as ridiculous as it would be to define it as a nation of two founding religions: the Protestants and the Catholics.

I would also like to speak about the equality of provinces, the second portion of that clause. This refers, in our view, to what is a fundamental principle of a federation. The fact that we are a federation of provinces was clearly recognized in the 1867 Confederation constitution and quite properly so since it superseded the disastrous binational unitary state of 1841 to 1867. In Canada we have not always lived up to the concept of equality of provinces. My province of Alberta and the prairie provinces generally were deliberately created as inferior political units after Confederation, an error that was not corrected for decades.

(1255)

At all times, because of the way our parliamentary system unfolded, small provinces have found themselves at the federal

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level subjected to the domination of the central provinces of Ontario and Quebec through the systematic skew of power in the House of Commons and the decline of the Senate as an effective political institution.

Later all provinces, even the large provinces, have found problems in the federation as an increasingly unbalanced federal spending power has been able to override clear areas of provincial jurisdiction. This breakdown of division of powers has occurred for both the federal and provincial governments.

We propose as Reformers to reaffirm our commitment to provincial equality through institutional reform and also through re-establishing a balanced division of powers in the federation. I have spoken many times in the House of our hope to reform the Senate based on the triple-E model, to restore the Senate as an effective second Chamber through electing senators and providing equal representation to the provinces. In other words, we want a Senate that is the kind of effective regional Chamber that the Fathers of Confederation had intended so that in the Parliament of Canada federal law-making is more than a simple domination of small provinces by large provinces.

## [Translation]

This concern for regional representation is not only a matter for small provinces; it is also a concern for small regions in large provinces like British Columbia, Ontario and Quebec as well. Indeed, we hope to have a provision in a reformed Senate for regional representation within large provinces, for example, for the Gaspé and the North Shore in Quebec or for northern Ontario.

Of course, when we speak of the equality of provinces in this motion, we also speak of their uniqueness. Our critics will say, "Of course you just want to see Quebec as a province like the others." Of course not. Equality does not mean identity. The federal principle does not mean that the provinces are identical; it means that they share certain values and policies, for example, the economic criteria mentioned in the motion, but the federal principle also means that provinces have their distinct character and uniqueness through the division of powers in a federal state. Canada's uniqueness includes, for example, such things as the cultural realities in the province of Quebec, language, of course, and certain geographical realities such as natural resources in the western provinces. In a federal state, these things should be in provincial jurisdiction and the division of power should be respected in a developed federal state.

## [English]

In conclusion, I have spoken in the context both of equality and uniqueness of provinces, of many things that are in Canada today and also things we would like to see changed. Some of the

changes I have mentioned are mere policy matters. Others would be more serious constitutional changes at some point.

I remind all members, in conclusion, that all serious constitutional change, all constitutional change, anything that would significantly change in our federation the status of any citizen or any province requires respect for democracy, for the Constitution and for the rule of law. It is not compatible with unilateral or illegal actions. I expect that as we debate our future in the next few months that the expectation of all Canadians will be that we continue to function in the context of a constitutional democracy and we will all respect the rule of law.

(1300)

Mrs. Jane Stewart (Brant): Madam Speaker, I just have to say how baffled I am by the fact that this motion is being presented on the floor of the House today.

My goodness, over the course of the election campaign that we just fought the only thing I agreed with the Reform opposition was the fact that the Canadian people are tired of discussions about unity and the Constitution. Yet here in the House the Reform Party presents the motion to us.

More and more I am aware of confusion. I hear the Reform Party saying: "We are against the process, the top down approach that this government is taking". Yet as we take the approach of reviewing our social safety net that is inclusive of Canadian people, that encourages them to come and debate with us, they say: "That is not good enough. We want strong and firm action. The government must take action in this regard". I do not understand the difference.

In his speech the hon, member talked about the difficulties we face with approaching group dynamics and looking at people as groups. Yet in their motion, the Reform members talk about diversity. To me diversity means understanding individual differences, talking about those differences and knowing that by encouraging parts and bringing them together as a sum we get far greater results in the whole.

I am very confused by the motion. The hon. leader of the third party talks about a new Canada. My God, what is wrong with the Canada that has grown and developed over the last 127 years, a Canada of compassion and generosity?

The member talks about debt and deficit. I thought the member had seen the light, had seen that there are important additions to governing a country, not only the importance of debt and deficit management but the importance of issues that face individual Canadians as human beings. I thought he had seen that light. Yet we go back to that same old conversation. I am confused, totally confused.

Mr. Harper (Calgary West): Madam Speaker, I would agree strongly with the hon. member that she is confused. In fact she is so confused that I was barely able to understand the last half of that intervention.

However I will comment on the initial point which I think was important, and that is the issue of constitutional change and when and how we should pursue it.

Our party did say during the election campaign, as did the government, that Canadians were not interested in discussions of comprehensive constitutional change at this time. I would certainly agree with that. I think our priorities should be elsewhere.

Unfortunately we have to face the reality we have here. We have a party in the House which day after day is talking about the most dramatic and wide-ranging constitutional changes possible and that is the disintegration, separation, division, redivision of the federal state into two completely separate states, one which would presumably be a unitary state in Quebec and the other which as yet is undefined.

We hear this daily. We are heading into an election in Quebec where this will be an issue. Of course the separatists do not want to describe this as constitutional change because they realize it would immediately raise in the minds of the population of Quebec all the complexities and difficulties that are involved in that. The fact is that Quebecers are going to be asked very shortly to discuss constitutional change once again and to discuss it in the context of all the problems that exist with federalism.

We recognize those problems are there. We advocate some solutions to them. I am merely pointing out in my statement that we do have some constitutional perspectives here. We also have some things we would like to change about the country that can be pursued outside the constitutional framework.

The whole purpose of the motion while obviously not entering into constitutional negotiations is to raise the fact that there are alternative constitutional perspectives, including reforming ones, that do not require the kind of upheaval that separatism would entail.

(1305)

Mr. Jim Abbott (Kootenay East): Madam Speaker, in Canada, indeed around the world, the common element that joins all human beings is that of our environment. We cannot avoid consuming air and water as we sustain our lives. All elements of our environment impact positively or negatively on these two essential ingredients of life.

As I travel throughout my constituency, the people who are most interested in the issue of the environment are young people. Going from school to school I can count on the fact that they will be bringing up the issue, not just with academic interest but with serious concern.

I say time and time again in the House and in public speeches that the future of Canada is our young people. Their future is surely on my mind as I am delivering this speech today. We owe it to the young people of our great nation Canada to be deadly serious about protecting their future.

I have been involved with both the Standing Committee on the Environment and Sustainable Development and the Standing Committee on Natural Resources, especially on forestry issues, since the commencement of this Parliament. In that time I have become very aware of our environment which impacts the flow of air and water. It does not have anything to do with man—made political boundaries. These lines that have been arbitrarily drawn on a map do more to fragment or impair our ability to control our elements within our environment than any other force.

In Canada competing provincial jurisdictions create an imbalance for industry and influence investment decisions being made by business. By way of example, as an alternate member on the Standing Committee on Canadian Heritage I have looked at national park boundaries. Unique ecological realities are frequently dissected by those national park boundaries.

Environmental events inside a park reflect what is happening outside a park simply because they are part of the same unique local ecology. Insects and disease that destroy our forests while developing within the national park boundaries can spread across that man—made line and destroy commercial forests. Of course the opposite may also be true. For example, river pollution from industry on the upstream side of a park can have severe consequences for wildlife and ecological balance within a national park.

I cite these examples to underline current Canadian examples of the potential negative environmental results in fragmenting Canada by creating a sovereign state of Quebec. The arbitrary man—made boundaries, lines drawn on a map to carve the province of Quebec out of our great nation, cannot possibly give us any comfort from an environmental perspective. Political activists in Quebec want to develop control over their own geographic jurisdiction, including generation of their own environmental protection regulations.

The point of my speech today is to talk about the environmental concerns facing our nation and show how a separate Quebec jurisdiction could have a harmful effect on that province and the remainder of Canada.

I am not raising this point on the environment to tell tall tales of dark horses and earth shattering catastrophes but simply to outline all of the consequences a separate Quebec will have on our nation and that province.

## Supply

Here is a small sample of what has happened since the beginning of this parliamentary session. I say with the greatest respect to the Bloc Quebecois members on both the Standing Committee on Natural Resources and the Standing Committee on Environment and Sustainable Development that I have viewed their intercessions as being somewhat narrow and oriented only to Quebec.

For example, our natural resources committee is studying responsible forestry management especially where so-called clear cut logging is used to answer the question: Is clear cut a legitimate tool that can be used by responsible professional foresters?

We are trying to assist the Canadian forest service and the ministry of natural resources as they bring forward a Canada—wide position on sustainable forest practices in international meetings. Those meetings will be attempting to establish international standards for sustainable forest management. The standards will lead to ecological labelling for forest products world—wide.

Placing a new international boundary between Canada and a new state of Quebec would simply complicate an already complex problem and divide our collective voice on the world stage. Will the province of Quebec, for example, as an independent state be prepared to utilize identical standards in international discussions on eco-labelling or would it be a competing voice to Canada?

Healthy forests generate oxygen. It is the air we breathe. Creating a new political jurisdiction will do nothing to make me breathe any easier.

The Liberals in their red book wanted to work toward the position of an environmental auditor general for Canada.

(1310)

Following exhaustive hearings, the Standing Committee on the Environment and Sustainable Development produced a detailed report on the position of a commissioner of the environment and sustainable development. The Liberal election promise called for an environmental auditor general. The decision to proceed with the position of the commissioner instead of an auditor general was a consensus decision that came from serious discussion following exhaustive hearings.

The Bloc Quebecois committee members offered a dissenting opinion. While this dissenting opinion is a legitimate part of our national Canadian process, I know that if the Bloc Quebecois were representing an independent Quebec today we would not be proceeding with this very important function.

My party supports one window environmental review for all provinces and our country as a whole. Could the Bloc possibly argue that the concept it represents is not myopic and unique to Quebec?

It states in its conclusion: "We feel, however, that the committee is paving the way for an organization that will only add to the jumble and confusion now prevalent in environmental matters".

The Bloc is concerned about a national Canadian government representing the second largest land mass on our globe having precedence over its smaller provincial jurisdiction. The danger is that smaller jurisdictions invariably lead to narrower approaches, never ending discussions and negotiations. This would ultimately lead to a compromise of independent nations that would do nothing but magnify the confusion which currently exists between the individual provinces and the Government of Canada on environmental issues.

The Reform Party supports the principle of sustainable environment which balances the need for a healthy environment with the continued progress and growth of Canada's economy. The Reform Party believes that environmental considerations must carry equal weight with the economic, social and technical considerations of any projects.

In the same report I have been referring to on the commissioner of the environment and sustainable development, page 25, Reform committee members expressed the concern that Canadian industry might in the short term be put at a competitive disadvantage if Canada adopts the principles of green accounting ahead of other countries.

When I refer to greening and green accounting, I am referring to new imaginative accounting practices and business practices that give specific dollar values to previously undefined environmental costs. These real costs appear on a business or a country's formal balance sheet. Premature independent greening of the Canadian system of national accounts could alter our gross national product and have the effect of discouraging domestic and foreign investors.

In order for Canadian business to remain internationally competitive, the Reform Party believes it would be advisable that Canada not get too far ahead of its major trading partners in issues like greening of national accounts or imposition of green or carbon taxes.

In the context of this speech today, this example relates to the potential fracturing of Canada with the separation of the province of Quebec. Obviously the separatist leader had the autonomy and control of Quebec as an objective. A separate political and economic jurisdiction that would be competing for international trade with what was left of Canada would open the very real possibility of competition at the lowest common denominator of environmental standards. Progressive concepts like green accounting would most likely be set aside due to the new competitive pressures.

If the Bloc Quebecois cannot even agree with other environment committee members to arrive at a consensus on an environmental report as benign as the establishment of the office of commissioner of environment and sustainable development, what does that tell us of the potential for co-operation between a sovereign country of Quebec and the rest of Canada?

The common element that joins all human beings is our environment. Fracturing the nation of Canada with man—made lines on a map can only serve to weaken our will, even our ability, to protect our ecologically balanced resources.

As a leading middle power in the world, we can lead the way. We have within the nation of Canada a large critical mass that can bring responsible environmental practices to a new high standard. The fragmentation of Canada will dilute our ability to impact the world. Our globe is desperate for leadership in the development and establishment of responsible environmental practices that ignore political boundaries.

We must not build political walls. We must break them down for our environment, for our children, for our future.

(1315)

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry): Madam Speaker, I compliment the member on his very fine speech. The hon. member spoke not only to the issue of saving the planet, but he also talked about this whole notion of creating national standards. I believe that is how national will is created and from that national will we develop a sense of patriotism and a feeling for our country.

The hon. member talked about national standards on the environment and I support that totally. Can the member not see it is also important in other areas? For example, is it not better to have a national standard and a national program on multiculturalism rather than 10 different provincial ones? This whole notion of creating national programs and national standards should not just be on the environment but on other issues as well. Then those in the disadvantaged regions could come up to the advantaged regions, for example in health care, education and training. Would the hon. member not agree that would be a much better way to go to build a nation?

Mr. Abbott: Madam Speaker, I appreciate the comments of the hon, member.

When we are dealing with issues like water and air, we are dealing with absolutes. When we are dealing with issues relating to multiculturalism, biculturalism and those other issues, we are talking about interaction among human beings. While I respect the fact he has made that linkage, I suggest they are slightly different. When we are dealing with the absolutes of water and air, water and air proceed over political boundaries and that is the absolute place where we must have national standards.

[Translation]

Mr. Nic Leblanc (Longueuil): Madam Speaker, the Reform Party member talked a lot about the environment. I can tell him one thing about the environment. Quebec's environmental law and Ottawa's, which was passed after Quebec's, are so different and so unlike that two environmental studies are required for every major project.

Even the president of Hydro-Québec says that he cannot bring federal and Quebec officials together to go over an environmental review. Personally, I sincerely believe that the federal government is again trying to meddle in environmental management just so that it can control and centralize more in Ottawa.

I will give you an example. Our particular natural resource in Quebec is hydro-electricity. Sometimes hydro-electric projects are blocked, perhaps to benefit uranium development in Ontario or oil in western Canada; if we had responsibility for our environment, we could do the proper studies and at the same time develop economically according to our own priorities.

Again, the federal government is responsible for the atmospheric environment and probably some world body should be involved. As far as the environment and economic development projects are concerned, where we can very well do our environmental studies in Quebec, we do not need the federal government to meddle in our industrial development, often to the benefit of other fields of activity outside Canada.

It is in this regard that we absolutely want real power over the environment and in many other fields as well.

[English]

**Mr. Abbott:** Madam Speaker, I can see quite clearly that the hon. member and I have different opinions on this issue. I simply restate what I said in my speech.

In an ideal world it seems to me we would not have any political boundaries with respect to questions relating to environmental issues. In an ideal world we would not have the environment being used economically as a ploy or as a pressure tactic. I am suggesting the erection of additional formal boundaries is not working in the best interests or the best direction of protecting our environment.

(1320)

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister): Mr. Speaker, yesterday Canada along with other western nations remembered the sacrifices young men and women made on behalf of world peace and freedom. Their courage enabled Canada to emerge as a world leader. We pumped our chests with pride yesterday as we listened to our Prime Minister. We watched our Governor General and the men and women who went over to Europe. They remembered fallen comrades and spoke so well on our behalf. They reached out to

Supply

the general assembled gathering and took the congratulations that were offered.

Many Canadians felt that sense of pride. Many Canadians felt that they wanted the country we call Canada maintained, this place which is our home, which many of us who came after the post—war era chose as home.

Canada has created jobs and opportunities. I stand here as someone who selected this country, who came with a sense of pride and was received and welcomed by Canadians. I was told that with my talents and skills there were opportunities to develop, to grow and to be very much part of the building of Canadian society.

In our large urban areas, a large percentage of the residents were not born in this country. Like myself, they came and have created a dynamic community, a community which is a model for the rest of the world, a cosmopolitan world. We are now a diverse, multicultural, multiracial, multilingual, multiethnic and multireligious society. We are the envy of the world. Canada is rated as the best country in the world in which to live. Changes have occurred but the Leader of the Opposition would have us believe that Canada still remains as two solitudes. Canadians are growing frustrated by the constant belittlement of the country.

I would like to share with members a fax which I have received. It is one of many, but is especially appropriate for today. It comes from Christa Jacobs in my riding. She wanted to make sure some things were put on the record. She says: "In 1962 I became a citizen of Canada of my own free will. I was elated and proud to be a member of a democratic country consisting of 10 provinces and two territories".

She goes on to say a whole series of things, but I will point out a few. Again I will quote from her letter because she also believes Canadians are growing frustrated by the opposition's constant belittlement of this great nation: "Mr. Bouchard's plans would actually destroy the contract I made with Canada in 1962, since the Canada that would remain should Quebec separate would no longer be the country of which I became a citizen and tax paying member. I wonder how others who became Canadians in the way that I did stand on this issue".

(1325)

She goes on to talk about the two official languages: "Do not make two official ethnicities. I can speak several different languages. I can speak German, Russian and Italian. I certainly do not feel that speaking a language makes me anything. It is my national affiliation that counts".

I underscore the point that Canadians who watch this House daily are growing frustrated by the constant belittlement of the country. She says: "Mr. Bouchard is acting like the Robespierre of Canadian politics and together with his group of new age Jacobins would purify Canada in some sort of ethnic historical way. Plus ça change, plus c'est la même chose". She goes on to speak about her real frustration and the frustration of Canadians

with the Leader of the Opposition's constant belittlement of the country.

We have evolved into a society which cares, a land which is just and free, peaceful and prosperous. Canadians who care deeply for the country are growing impatient. Many believe they are not respected, not understood and not wanted. We hear these sentiments daily and that sense of frustration grows.

Canada is a model for the rest of the world. Those who created Canada shared the fundamental commitment to freedom, representative democracy and the rule of law. Canadians want the federal government to maintain its powers, to remain strong and to enable the continued efficient functioning of the economic union and national social programs.

There are very few places and very few countries to which I have not travelled. While in South Africa I heard 11 official languages and saw people of different ethnic and cultural groups attempting to work together and talking about unifying, building and establishing the kind of country they model on our country, Canada. I was constantly asked about our democracy and about someone like myself who was not born in this country. Speaking with a Caribbean accent, a person of colour, a black woman, I said to the South Africans: "I am a member of the Canadian legislature", and I felt the sense of pride that in Canada this is possible.

Canadians know we benefit from a number of social programs that reflect our understanding of community. These programs are implemented in a way that permits governments to take into account changing times and changing needs. I am presently working on the modernizing and restructuring of our social security programs. I can say that the constant discussion which takes place with members of the party across the way is not nation building.

In other nations people risk their lives and sacrifice their material security for the very freedoms previous generations have already guaranteed for us. Our sense of freedom is modified by a sense of justice, caring and compassion for all. We must remain committed to ensuring that our country operates and that each and every individual is a part of the national image.

(1330)

**Mr. Ken Epp (Elk Island):** Madam Speaker, I really appreciated the speech just given by the member opposite. As a youngster born in a family of immigrants that pioneered in western Canada I feel that same love for the country in its entirety.

The question here today really is not, for most of us at least in the House, whether this is the best country in the world. It is not a question of whether we want to maintain the programs and the things we are famous for. The question is really how we are to do it.

Would the member respond in any way specifically to any of the questions that we are asking in the motion? What vision does she have for actually strengthening our economy? What vision does she have for balancing the budgets? How about sustaining social services and so arranging our affairs that we can continue to deliver the things all of us would love to promise?

I could go on and on. Our cultural heritage, I share that. I am a Canadian whose first language was neither English nor French. We are, as the hon. member said so emphatically, a multiracial, multiethnic, multilanguage country.

If we want to preserve that I believe there should be a real vision for how we can bring all Canadians, including those 25 per cent whose first language is not English or French, into a real sense of belonging.

**Ms.** Augustine: Madam Speaker, I am pleased to respond because the question is who we are as Canadians, the fact that we support a federal state, the fact that we all need to work together. What happens in the House is really not Canadians on all sides of the issue working together to bring about economic strength, to work for that sense of equity, to work for all those things that become part of the nation and the nation building activities that should be occurring.

We spend a lot of time on discussion about who we are and examining it instead of taking about who we are and starting from there. We throw in all the issues about what are provincial and federal rights, the Constitution, and many of the issues that get rolled around, instead of focusing on who we are as Canadians, what we want of our nation and how together we can work to ensure that we have a nation and respond to the community and to the faces of Canada. I think that is the important question.

## [Translation]

Mr. Nic Leblanc (Longueuil): Madam Speaker, I listened to the Parliamentary Secretary to the Prime Minister talk about how frustrated the Bloc members are. On several occasions, she mentioned this frustration. I have to remind her that we were given a clear mandate, following several events. First, there was Meech which failed. Then, there was the Bélanger–Campeau Commission which studied in detail the needs of Quebec, and Quebecers clearly expressed their views on that matter. And then, English Canada rejected once again the demands made by Quebec. So, it was a total failure.

Afterwards, Quebecers sent 54 members from the Bloc Quebecois to Ottawa. So, it seems to me that our mandate is very clear. It is not a mandate made for frustrated people. We are here because Quebecers want us here to protect their interests. Maybe this is something the Parliamentary Secretary to the Prime Minister should understand. If she does not know what

happened during the last five or six years, how can she can understand what is going on now in Canada?

I would like people to stick to the facts, and the fact is that we were elected to this House and given a clear mandate. We have no qualms about being here. Since Quebecers pay 25 to 30 per cent of all federal taxes, we have the right to have a say in the direction this country wants to take until Quebec becomes sovereign.

[English]

**Ms. Augustine:** Madam Speaker, I spoke about the frustration of Canadians on a daily basis as they listen to, as the member said, the only mandate of the Bloc, which is to separate.

We are here to build a nation. We are here to respond to the economic needs before us. We are here to ensure that our societies and communities function. We are here to provide for all people the kind of society in which our children will find jobs and opportunities to grow and develop.

(1335)

The constant back and forth of members across the way talking about separation, because that is their mandate, is what I am talking about in terms of frustration. We are frustrated with this. Canadians are frustrated with this discussion.

Mr. Andy Scott (Fredericton—York—Sunbury): Madam Speaker, I welcome the opportunity to participate in the debate in order to express my deep commitment to the preservation of Canada.

I must also express my disappointment in the fashion in which the debate has found its way into the House. I have yet to be convinced that the leader of the Reform Party is not simply using a critical juncture in our country's history to score fleeting political points.

In his motion the Reform leader refers to the need for a defining vision for Canada. He then outlines a series of policy options to indicate his own sense of vision and that of his party.

My sense of vision for a nation does not rest with the policy options we choose. It rests with the values we pursue; in our case values of generosity, mutual respect and generational and international responsibility, to name a few. Policies should then be chosen to reflect the values contained in that vision.

To build a country purely around good management and social order has been the mistake made by many in history and it is not one we need make here in Canada. Having said that, I recognize the democratic process and as such am accorded the opportunity to place my own views on the record.

## Supply

In some ways I guess I am relieved. Most of us here as well as most other Canadians welcome the chance to reaffirm a commitment, a commitment to remain the best place in the world to live, just as the UN has recently decreed, because neither a Canada without Quebec nor a Quebec without Canada would be able to claim that same international standing.

Apart from our obvious abundance of resources and relative affluence, the real bounty we possess lies in our unique history, our ability to compromise and understand the position and perspective of others, to subjugate our own narrow self-interests in the interest of the larger whole. This is the way we have evolved.

Canadians either consciously or unconsciously have an abiding understanding that none of us individually, regionally, even collectively lives alone in the country. Nor can we or should we wish to claim some kind of moral or cultural superiority. This is what makes our country great; not our wealth, not our beauty, not our vast expanse and limitless developmental potential, but our people and the course we have charted for ourselves.

We need only look to see what is happening elsewhere to realize that the struggle among elements of our own Confederation mirrors a larger debate taking place in every continent.

In many countries cultural conflict has been the source of bloodshed and has caused the loss of generations; such a tragedy and all because the solitudes are resolute. We watch aghast as others, not us, fail to find the will to co-exist and even thrive.

In Canada our competing values have been a source of enlightenment. Differences have taught us compassion, mutual respect, a desire to know and embrace the intricacies of other cultures, other worlds and other points of view.

We embrace these and champion our multicultural fabric as the asset that distinguishes us from other countries. For too long our leadership has been timid, assuming that ordinary Canadians might not share the same spirit of compromise, the same generosity, the same noble purpose of which I speak.

I feel otherwise. Canadians, because of our relative youth, because of our unique history and perhaps even because of an unnatural preoccupation with our Constitution, have spent more time discussing, debating and defining our country than we have a right to. However we have done it and we are a more thoughtful place for it. We need only look a little south to our American neighbours to recognize the truth in this. The United States approach to nationhood demands conformity by its citizens to a narrowly defined set of habits, traditions and principles.

(1340)

Perhaps the argument can be made that this was at one time appropriate but that time has clearly passed. Both the present and the future belong to those able to cope with the enormity and diversity of our world and even our country.

While considering whether to offer as a candidate in the last election, I recall watching the American Democratic convention in Atlantic City. One of the key speakers of that convention was Senator Bill Bradley. I watched amazed while the senator from New Jersey suggested that the U.S. had occupied its superior position in the world because of its natural resources, but that now the value of physical abundance was diminishing the American's position would be maintained because as the global community became smaller the fact that so many cultures called the U.S. home would once again give it some kind of advantage on the global stage.

While I agree in part with the senator's analysis, I take great exception to his conclusion. It is Canada that is the place where members of all nations can feel at home. Canada is the place where people can truly celebrate their cultures to the greatest extent possible with government support and encouragement.

## [Translation]

Madam Speaker, I was privileged to grow up in the only officially bilingual province of a bilingual country. Most of my friends and I myself support this opening up of opportunities and the protection of minority rights, and to us, the opportunities of diversity are a way of life. Granted, my generation of Anglophones in New Brunswick is mostly unilingual, but only due to circumstances. My children and other members of their generation are for the most part bilingual. To them, the struggles and debate that marked our past no longer make sense.

## [English]

Earlier this century our former Prime Minister and the father of the modern Liberal Party boasted that the 20th century would belong to Canada. Many whose values tend toward materialism dismiss Laurier's pronouncement as wishful thinking.

As we enter the 21st century and as countries and people around the world struggle with questions of ethnic strife and ideological absolutism, we face a choice. Isolationism and scapegoating and finger pointing that go with it are not the answer. I believe in the need for pluralism and bilingualism in our case and the generosity of nationhood will be held up as the primary lesson learned from the 20th century. Whether we serve as a model of accommodation and compromise or become just another example of unfortunate shortsightedness depends entirely on us.

Canada is not without its challenges. Nor can we claim a past without blemish. We must confront with resolve our failure to include in a way of their choosing Canada's aboriginal communities in our abundance and comfort. We must attend to the inequities that continue to diminish us all, inequities between the genders, inequities between those of us who have been here for generations and those of us newly arrived.

We must be vigilant to ensure that programs and policies be in place to protect and promote both our official languages from assimilation regardless of where we choose to live.

Further, we must do a better job of promoting the values of which I speak. Racism exists in Canada but I believe in most cases it is born of fear and confusion rather than deep–seated hatred or profound incompatibility.

We should never underestimate the work and sometimes expense involved in nurturing a model of nationhood that requires patience, understanding and generosity of spirit. In short, it draws from all Canadians the very best in each of us.

To illustrate, in the spring of each year many go through the annual ritual of deciding which plants to grow. We travel to local markets and nurseries. Some of us, less optimistic, purchase hardy annuals with the knowledge that little effort is required for these plants to flourish. Braver souls recommit each year to buying and growing roses and other such delicates. We similarly possess the knowledge that more work is required and that the challenge of success is more daunting. At the end of the day those who chose the roses and finer flowers will have done something special. Quite simply, as a country, whether it be from good luck or vision, we have chosen to grow roses. It is harder; it does require more work, more patience and more creativity. Even the sting from a thorny debate is not enough to thwart us in our overall pursuit. In the end we have done something special and it is through the maintenance of that the majority of Canadians remain resolute.

(1345)

#### [Translation]

**Mr. Nic Leblanc (Longueuil):** Madam Speaker, I listened to the hon. member talking about flowers and dreams, but in my opinion, Canada, the great Canadian dream, has lost much of its lustre.

Last week, when I was in western Canada, there was a lot of talk about the Canadian dream, but people tend to ignore the debt and the annual deficit the government is unable to control. We are on the brink of bankruptcy, and these people still think this is the richest country in the world. They refer to a statement by the UN that says we rank first in standard of living, but it is a standard of living obtained on credit.

I said this many times before and I will say it again for the benefit of people who still want to dream. Sure, you can have your dreams, but let us be realistic, when the mortgage is sky high. Before, we did not have a mortgage, but now we are mortgaged to the hilt, and the car as well. We still have the same standard of living, but we got it on credit. And now we are right on the brink, we keep on dreaming.

People still think a very strong central government will be able to run everything, but in fact, we need thorough decentralization, with Canada's regions in a broad confederation and a central government with perhaps a few members who will make recommendations. I do not know what the exact parameters will be, but we do need thorough decentralization to ensure that the regions can develop their potential. Because the federal government insists on centralizing everything here in Ottawa, Canada is going straight into bankruptcy. It is as simple as that.

We have to stop dreaming. We have to face the facts. And the facts are that we need a sovereign Quebec and a sovereign Canada. And we will work very well together, as we do now at the economic level, but we will both perform better. That is what we have to offer. We offer a way to better results. So take advantage of that offer.

When we tell you our performance will improve, this is not our opinion, it was the opinion of the experts in Quebec who sat on the Bélanger–Campeau Commission. They concluded, but they did more than conclude, they analysed the issues and interviewed everyone, the business community, the unions, and all socio–economic sectors. They said that to develop its potential, Quebec needed 22 or 23 real powers. That request was turned down. So let us stop dreaming. Let us face the facts. Let us build a strong and prosperous English Canada and a strong and prosperous Quebec, and let us work in unity. We do not want to divide anything. We do not want to hurt anyone. We want to develop our potential, as is our right. Why prevent us from doing so? We want you to develop your potential as we develop ours. Let us stop dreaming and talking about flowers and let us talk a little about dollars and cents and prospects for the future.

[English]

**Mr. Scott (Fredericton—York—Sunbury):** Madam Speaker, I thank the hon. member for the question.

My immediate reaction to the proposition that somehow the country would be better if the member has his way prompts me to think of the province I come from, New Brunswick, and the 250,000 Acadians who probably would challenge that proposition.

I would also defer to the judgment of the United Nations as to whether Canada is living the dream. I would also defer to the many hundreds of thousands of people who would dearly love the opportunity to live in the country as it is.

#### Supply

As for the question having to do with the deficit, I can only acknowledge the need to deal responsibly with our finances, which I believe we are. I would also challenge members who constantly stand up and speak to this question to think about the programs that are financed and have been financed. As an Atlantic Canadian I know there are those in the Reform Party who are not as sensitive to the nature of the country relative to the spirit of generosity I referred to. I cannot imagine that in any way the country could be better off being more divided.

(1350)

**Miss Deborah Grey (Beaver River):** Madam Speaker, I would like to say how pleased I am for the opportunity to speak in the debate today.

In reference to the hon. member's remarks preceding mine, speaking of the spirit of generosity let us not forget where the bulk of that money from taxpayers is coming from. Much of it comes from western Canadians in a spirit of generosity to the rest of Canada. Let us be absolutely clear about that.

I will mention again how pleased I am to speak in this debate today. I will be addressing the phrase in our motion which talks about further democratizing our institutions and decision making processes. As we spend month after month in this place we are all well aware of the situation we are all in and dear knows we do need to have some democratic reform in our institutions and in our decision making processes here.

It is also very clear that many people outside of this Chamber but outside and inside Quebec as well are demanding some things as they demanded of us in the last election. These are I believe from people inside and outside Quebec. It is every bit as important to them. Inside Quebec and out they are seeking dynamic and constructive change in their political institutions. They are asking for governments that listen to them, consult with them and are accountable to them. Canadians and Quebecers want to improve the quality of representative government in the country.

We know these things well. Madam Speaker, you and I were here in the last Parliament. We know through the national debate surrounding Meech Lake, the Charlottetown accord and more recently through our door knocking at the federal election last fall, through town hall meetings and other communication with our constituents, that there was almost a cry from people saying something needs to be done to democratize the institutions and Parliament itself.

This desire for reform of our political institutions is something that all of us in this 35th Parliament can do something about. Many of my colleagues and I have offered a number of proposals that would lead to democratic reform in the House.

As was mentioned before and was mentioned just a few moments ago by my colleague from Calgary West, we need in the House, regardless of what provinces or areas of the country we are from, more free votes in Parliament. If members are to exert influence over policy making in committees, as we have heard so much about, or in the House they must be able to demonstrate independence of thought.

Again we read articles of some members from the government side who are brave enough to stand in committee and say: "I do not think this is right. Perhaps I will vote against it". They are absolutely taken aside and told they must go along with it. They cannot give other reports. My friends on the other side are well aware of that.

We want to make sure that more free votes are allowed in Parliament. We also need a change in attitude to the confidence convention. As my friends from the government and I sat on the opposition benches in the last Parliament we heard time and time again that every piece of legislation does not need to be treated as a confidence convention. How things change, how things become so different with the stroll of about 12 or 14 feet across the aisle here.

We need a change on the part of government and party leaders that would allow members to vote as their constituents wish without bringing down the government. I certainly have assurance that I can offer on behalf of my party leader that he would be willing to give unanimous consent to the other leaders to provide that.

We also need provisions to recall MPs who have lost or betrayed the trust of their constituents. As members would know I have spoken at great length on this in the House. It seems to rattle some even now. Recall will ensure that members consult with and serve their constituents and not merely serve their party. That if anything is one thing we can do to change the attitude that Canadians have about this place.

Also we believe in holding elections every four years at predetermined dates so there would not just be something that would be helpful or productive for the government. We saw that again in the last election where it was thought that because it had that benefit it was able to call the election at what it thought was the most opportune time. Unfortunately history will show that perhaps it was a mistake.

However, if we had elections at predetermined times every four years it would eliminate all that hassle and trying to think about it and manipulating dates.

(1355)

Also we are in favour of a binding referendum on national and important constitutional and moral issues or matters that would alter the basic social fabric of the country. We have seen a referendum in the country. Naturally I was pleased with the

results of it because I was the only federal political party here that was on the no side on the Charlottetown accord.

There is nothing wrong with that, just because people in the House and the parties which they represented lost the Charlottetown accord. A great deal of good came out of that. People in my constituency, and I am sure in every other one in the country, felt that somehow they had been given real power. They were able to exercise on a ballot their view, that it was binding and that it carried the weight of the day.

Also citizens' initiatives are so important. People can put questions on a referendum ballot which will be dealt with at election time. What a marvellous sense of power. That would free up this place so that people know they have access to the House of Commons and not just somebody who will stand in a public place regularly, as I have heard, and say: "My opinion is important. My constituent's opinion is important but when it comes to the vote I will decide". Nothing could be more arrogant or any further from the truth. If we are going to democratize this place that is something that is absolutely essential.

All Reformers have advocated Senate reform. We are talking about a triple–E Senate, elected by the people, equal provincial representation, thereby making it effective in representing regional interests. There may be people from Quebec and Ontario, the two big provinces, who say they have more senators and so they have absolute power of majority in the Senate. It is important that each province realize it is one of ten equal children in Confederation.

There seems to be no reason in my mind to justify the fact that my province of Alberta has 6 senators and that Quebec and Ontario would have 24. There is something wrong with the mathematics in that. We believe Quebec is important in Confederation. Let us turn the other place around.

I have heard many of my colleagues talk about the fact that we need to abolish the other place. We have seen very recently that the Senate is important, that it is essential. Its decision to reject Bill C–18, the suspending of the operation of the Electoral Boundaries Readjustment Act, is a good example of the Senate's sober second look at bad legislation. Bad it was, and we would hear from members of the government side perhaps that it was bad, such interventions were rare, granted, and usually not welcome because of the unelected nature of the Senate.

I proved my point. Because Canada is a federation of equal provinces this reality should be reflected in that other place because it does provide a function. We think that if it were that much more legitimate it would provide a bigger and better function on behalf of poor legislation and as a counterweight to some of the things that come out of the House of Commons.

We believe as Reformers that the adoption of these political and democratic reforms would lead to more active participation in the legislative process by ordinary Canadians. It would improve the quality of debate, enhance legislation coming from Parliament and build an even better democracy than we have in Canada today.

What a marvellous country this is has been mentioned over and over today. We agree. I think everyone in the House agrees that Canada is wonderful. My colleagues to my right are wanting to leave that. Of course my question as a western Canadian as well as a fellow member of this family is: What does Quebec want?

I have a researcher from the University of Michigan, an intern, trying to look at that question for me. What is it Quebec wants in Canada, if it is to remain in Canada?

It is one thing to say that these people are here to represent all of Quebec. That is not true any more than my party is here to represent all of the west or that there are members from the government side representing all Canadians because they form the government. There are people who supported the Bloc and we give respect for that certainly. Earlier we talked about the enormous amount of people in Quebec as well as outside who said Canada is the best place. We need to build on the successes that we have had.

We often forget the long and difficult way that we have come together in Confederation. We seldom remember our great achievements together. What we need to do at the very end of this debate, and I am so glad we have been able to have it, is to ask a question. If we in the House of Commons are willing to get together and democratize these institutions, if we on all sides of the House are willing to get together and say yes, this place is wonderful or yes, we will move to be able to say Canada is a worthwhile place, is Quebec interested in staying? If we all get together and build it I believe they will come. That is the offer we extend to them, to say this country is bigger and better with all of us fighting on behalf of it rather than somebody who wants to leave and thinks, just completely hypothetically, that things would be better.

(1400)

My time is just about up. We have a minute left until oral statements. I will be answering questions and comments right after that. However, let me assure my friends here that we are trying to build this new Canada. We make the offer to them and to their constituents that if they will work with us, if we build it, we give them the offer to come.

The Speaker: Of course there will be a question period when we take up debate after the question period. We will now proceed to Statements by Members.

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# STATEMENTS BY MEMBERS

[English]

## **BATTLE OF NORMANDY**

**Mr. David Iftody (Provencher):** Mr. Speaker, as we know 50 years ago yesterday, D–Day, the great liberation began and the freedom of Europe and indeed the world was under way.

I was proud to represent the Government of Canada in a wreath laying ceremony last weekend in Manitoba. I reflected on the courage of those who gave their lives for freedom from tyranny and oppression.

I also reflected on those individuals like Irving Scott and Alex Tarasenko who, as young men from Provencher, were among the first to land on the beaches of Normandy. They were the first to brave the bullets and the land mines.

It is hard to imagine the burden of duty that we called upon these young Canadians to perform on our behalf.

Thank you, Mr. Scott. Thank you, Mr. Tarasenko. Thank you all for what you did on that day. We are very indebted. We are very grateful and we will never forget your contribution.

\* \* \*

[Translation]

## NATIONAL ENVIRONMENT WEEK

Mr. Jean-Guy Chrétien (Frontenac): Mr. Speaker, as spokesperson for the Official Opposition, I am pleased to talk about National Environment Week.

The protection of our environment must be ensured in our daily actions. The various projects and activities of each level of government must be implemented in the context of sustainable development. Our society must meet this important challenge, and National Environment Week is the appropriate time to reflect on initiatives which can be taken to improve our environment

I want to point out the work done by thousands of people who are members of environmental organizations, or who promote environmental protection in schools and recreation centres. Their contribution is essential and must be recognized.

\* \* \*

[English]

#### **ENVIRONMENT WEEK**

Mr. Randy White (Fraser Valley West): Mr. Speaker, this week is Canadian Environment Week and it is time to reflect on how lucky we are.

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If the earth were only a few feet in diameter, floating above a field somewhere, people would come from everywhere to marvel at it. People would walk around it marvelling at its big pools of water. People would marvel at the bumps in it and the holes in it. They would marvel at the very thin layers of gas surrounding it and the waters suspended in the gas. The people would marvel at all the creatures walking around the surface of the ball and the creatures in the water. People would declare it sacred and would protect it so that it would not be hurt.

The ball would be the greatest wonder known and the people would come to pray to it to be healed, to gain knowledge, to know beauty and to wonder how it could be. People would love it and defend it with their lives, if the earth were only a few feet in diameter.

Let us participate in Environmental Week.

# **EDUCATION**

**Ms. Marlene Catterall (Ottawa West):** Mr. Speaker, on Friday the Speaker drew the attention of the House to a special group of young people who were sitting in the gallery.

These students of Ridgemont High School are participants in the work experience program called "Partners in Change". This program had its start back in 1986 due in large part to the hard work of one of my constituents, Ms. Patricia Mainwaring.

Ms. Mainwaring is a teacher at Ridgemont High School who specializes in helping students with intellectual and developmental disabilities. She saw the potential of her students to contribute in a whole variety of ways to our work here in the House of Commons.

With the help of their volunteer buddies, they have been learning how to do all sorts of things and also learning a new independence and pride in themselves.

When I taught at Ridgemont High School 30 years ago, these students would not even have been part of our school environment. Now they are part of our environment here in Parliament in governing the country. I congratulate Ms. Mainwaring for her work.

\* \* :

(1405)

# BILLY BISHOP

Mr. Ovid L. Jackson (Bruce—Grey): Mr. Speaker, I wish to advise the members of the House that last Saturday, June 4, I attended a short ceremony at the birthplace of Billy Bishop in Owen Sound. The Bishop home is now a museum dedicated to the memory of Canada's most highly decorated serviceman, the winner of Canada's first air Victoria Cross.

At the ceremony a representative of Canada Post, Mr. Tom Creech, announced that a postage stamp in Bishop's honour will be unveiled in Owen Sound on August 12 of this year.

It is entirely fitting that the man who at the end of the first world war had shot down more enemy aircraft than any other British pilot be recognized with a stamp issue.

Bishop's remains are interred in the Owen Sound Greenwood Cemetery, along with the remains of two other Victoria Cross winners, Private Thomas Holmes and Lieutenant-Colonel David Currie, who I understand for a time was the Sergeant-at-Arms in the House.

Yesterday I mentioned Mr. Currie's name and I hope that the record will be corrected to spell his name correctly as well as that of his wife who was a gal from Owen Sound and who is currently living here in Ottawa.

# THE ENVIRONMENT

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington): Mr. Speaker, recently the Minister of the Environment and the Minister of Agriculture announced 10 partnership projects in Ontario to promote sustainable agricultural practices which will benefit and restore fish and wildlife habitat.

Hastings—Frontenac—Lennox and Addington is proud to be included as part of the Canada—Ontario agricultural green plan. Over the next three years this plan will provide \$1.8 million for demonstration projects which are part of the wetlands, woodlands, wildlife program.

I am very pleased that Ducks Unlimited, farmers and land owners in Lennox and Addington will be involved in this partnership project.

I am also pleased to announce that the Napanee Conservation Authority will participate in project sites on Little Creek, Selby and Wilton Creeks, which will include windbreaks and shelter belts, reforestation, fence rows, retirement of fragile land, livestock fencing, and stream bank stabilization.

The government's support of the Bay of Quinte's remedial action plan will ensure the goals of the 3-W program.

4. 4. 4.

[Translation]

# FRANCO-ONTARIANS

Mr. Jean-Paul Marchand (Québec-Est): Mr. Speaker, last weekend, at ACFO's annual meeting, the health minister stunned and embarrassed the 200 Franco-Ontarians who were in attendance. All heard the irresponsible comments made by the minister who said that Franco-Ontarians were stupid. All witnessed the lack of democratic spirit displayed by the minister who called the Bloc Quebecois leader a traitor to his country.

Several people were shocked by her simplistic speech which left little to the judgment of Franco-Ontarians.

This episode confirms that the Minister of Health has become an embarrassment. Let Franco-Ontarians form their own opinion about the Bloc Quebecois. We trust their judgment.

[English]

# NATIONAL UNITY

Mr. Allan Kerpan (Moose Jaw—Lake Centre): Mr. Speaker, sometimes we Canadians are guilty of taking our history for granted. I too have been guilty of this.

This past weekend my wife and I attended two events which made me realize that we must take time to remember our past. The first was the D-Day services honouring our Canadians who died in combat to help preserve our future and our freedom.

The second event was the sound and light show here on Parliament Hill which brilliantly reflected Canada's history, heritage and culture. I was overwhelmed by this magical display radiating over Parliament Hill, our national symbol of democracy and patriotism. I believe that feeling of being Canadian radiates all across Canada, out to each and every little corner of the country. We are all united in our hearts. It is a deeply held feeling to be Canadian.

My wife and I got a very warm feeling as we sat and watched the story of how Canada developed. It touched our hearts and I know all Canadians share this spirit. We must dissolve any threats to our unity vision and put an end to the notion of being anything less than one united nation.

## TRENT UNIVERSITY

Mr. Peter Adams (Peterborough): Mr. Speaker, to mark the 25th anniversary of native studies at Trent University, the oldest native studies program in Canada, three prominent aboriginal Canadians were awarded honorary degrees. One recipient was Mohawk elder Ernie Benedict, who helped found the North American Indian Travelling College which through teaching helped preserve cultural traditions of native peoples. The college is based on Cornwall Island, Ontario.

Douglas Cardinal, the architect for the Canadian Museum of Civilization and many other structures in Canada and abroad also received an honorary degree. He was born in Alberta and spent most of his life there before moving his business to Ottawa.

(1410)

The third recipient was Rosemarie Kuptana, president of the Inuit Tapirisat of Canada, the voice of Canadian Inuit. Miss Kuptana worked with the CBC in the north and with the Inuit

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Broadcasting Corporation. She is a major figure in national and international aboriginal affairs.

We congratulate these distinguished Canadians. We also congratulate the native studies department of Trent University on 25 years of academic leadership.

I congratulate the member for Winnipeg South and his wife on the birth of their son.

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# HOUSEHOLDER POLL

**Mr. Tony Valeri (Lincoln):** Mr. Speaker, it gives me great pleasure to rise and report to the House of Commons that I have received hundreds of replies to my householder questionnaire. The views of the residents of Lincoln are important and I want my constituents to know that their representative is listening.

The residents of Lincoln have made it overwhelmingly clear that they want to see deficit reduction as one of the top priorities of government. They want the cost of government operations cut and they want reductions in crown corporation subsidies.

As the representative for Lincoln I too share their concerns and frustrations. I am encouraged by the course the government has charted in promoting fiscal responsibility and prudence.

The government will continue to improve efficiencies in government operations the residents of Lincoln demanded and I will do my part to help achieve our goal of good government. I will continue to solicit the views of my constituents of Lincoln and I look forward to sharing them with my colleagues in the House of Commons.

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## **ENVIRONMENT WEEK**

Mrs. Anna Terrana (Vancouver East): Mr. Speaker, I would like the opportunity to emphasize the fact that on the first day of Environment Week, Sunday, June 5, the federal government released its mid-term progress report on the Fraser River action plan.

The Fraser River is key to the present and future environmental, economic and social prosperity of Canadians in British Columbia. I am pleased to report that the action plan which focuses on sustaining this key ecosystem by cleaning up pollution, restoring productivity, and developing a government system that would ensure the long term environmental health of the Fraser basin is on track and demonstrating real progress in meeting its original objectives.

Nevertheless we must continue to strive for the realization of the goals laid out by the plan. This involves working with our stakeholders in the basin, including First Nations, provincial and local governments, industry and community groups. S. O. 31

[Translation]

# **DEPUTY PRIME MINISTER**

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): Mr. Speaker, yesterday, the Deputy Prime Minister was again unable to rise to her responsibilities. She said: "It hurts me to see Mr. Bouchard putting his wreath before the Cenotaph today".

I would first say to the Deputy Prime Minister that the wreath was laid by the member for Quebec whose father, Léon Gagnon, took part in the battle of Normandy and fought in Europe from 1939 to 1945 for freedom and democracy.

The most basic decency should have made the Deputy Prime Minister respect other people's sorrow. An hon. member should be able to honour her father's memory even if the Deputy Prime Minister does not share her political opinions.

The courage and sacrifice of our elders are a common heritage which no one can use for partisan purposes. The event commemorated yesterday belongs to the collective history of Quebecers and Canadians of all allegiances. Quebec will never deny this heritage, whatever the political choices it makes.

\* \* \*

[English]

# **BLOC QUEBECOIS**

Mr. Dick Harris (Prince George—Bulkley Valley): Mr. Speaker, I have listened to some members in the House who sound as if they have been co-opted by Bloc Quebecois strategy.

The Bloc appears to have successfully softened its separatist image in the eyes of some members. During debate, question period, and statements some members prefer to use the words sovereignty or sovereignist rather than the more appropriate words separation or separatist.

I call on each and every member of the House who clearly opposes the destruction of Canada to demonstrate their clear understanding of the Bloc agenda by hereafter referring to the Bloc as separatists.

Let us send a clear message to the Bloc that their mushy terminology is not fooling anyone in this House or in Canada.

~ ~ ~

(1415)

### CANADIAN MEDICAL HALL OF FAME

Mrs. Sue Barnes (London West): Mr. Speaker, I would like to inform the House that the inaugural induction of the first 10 laureates to the Canadian Medical Hall of Fame took place on Friday, May 27, 1994 in London, Ontario.

This is an opportunity to pay tribute to Dr. Charles Drake, a world renowned London neurosurgeon, and the nine other eminent recipients of these awards.

Their exceptional achievements in their respective fields and their contributions to medicine in general have culminated in their induction into the Canadian Medical Hall of Fame.

These Canadians reached the pinnacle of their professions and achieved breakthroughs in their fields of expertise thus contributing to the advancement of science. They have also contributed to the understanding of disease, leading to the improvement of the general health of people throughout the world. We thank and honour them for their work.

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#### NATIONAL TRANSPORTATION WEEK

Mr. Stan Keyes (Hamilton West): Mr. Speaker, it is National Transportation Week. Privileged to be the chair of the Standing Committee on Transport, it is my pleasure to acknowledge the excellence of the hundreds of thousands of men and women who see the transportation industry in our country moving ever forward.

The challenges of change on a global scale are continuing to influence our transportation industry. To deal with these challenges, government and industry must look to the future and harmonize efforts to contribute to competitiveness and economic renewal.

It may please the House to know that last Friday in Thunder Bay the industry recognized excellence in transportation.

If time would permit, I would recognize all those who were honoured with awards of excellence and achievement, but among them I want particularly to mention those who received the awards of valour: Mr. Mervyn Peever of Prince George, B.C., a rail brakeman who risked his life to rescue a three—year old girl from the path of an oncoming freight train, and Mr. André Fréchette, a truck driver from Tracy, Quebec who rescued two people from a burning bus.

In keeping with National Transportation Week, I congratulate all those who keep Canada's transportation system running as it should be, 365 days a year, 24 hours a day.

#### D-DAY

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville): Mr. Speaker, it is with great pleasure that I rise today to pay tribute to a dedicated and courageous group of veterans who participated in the D-Day remembrance events this past weekend.

As members of the International Association of Airborne Veterans' established Veterans Parachute Regiment, these veterans conducted a mass paradrop into the nation's capital and surrounding area. This was an exciting event to witness.

I am sure that veterans as well as all Canadians were touched by this spectacular tribute to the allied invasion of Normandy.

This paradrop operation was organized by Captain Glen Blumberg, a constituent of Markham. He is the director of the Canadian chapter of the International Association of Airborne Veterans.

Through his efforts, parachutists from the three principal nations involved in the invasion, namely Canada, the United Kingdom and the United States, participated in the paradrop. Additionally, representatives from our other second world war allies also participated in this event.

On behalf of all my colleagues in Parliament, I congratulate Captain Blumberg, the veteran—

# **ORAL QUESTION PERIOD**

[Translation]

# SOCIAL PROGRAM REFORM

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, after cancelling last April's scheduled federal–provincial conference of income security ministers, the Minister of Human Resources Development has also postponed the tabling of his action plan on social program reform which was originally scheduled for late April. With the House slated to rise for the summer in about 15 days, the government has dug in its heels in the fact of the provinces' opposition and has yet to unveil its plans for social program reform.

Can the Deputy Prime Minister indicate to us whether the government intends to make its action plan on social program reform public before the adjournment of the House, or whether it is preparing instead to release it after the House rises, so as to avoid debating the matter here in the House?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, the work of the human resources minister is proceeding very, very well. This week in fact, he met in Europe with representatives of other countries that are reviewing their social systems and we expect that he will be releasing his report and action plan shortly.

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, that is quite a revelation! The minister has not even succeeded in getting together with his provincial counterparts in

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Canada, and now we learn that he is meeting with European ministers. Quite a revelation indeed!

Are we to understand that because of the provinces's opposition to the federal project, no new date has been set for the federal–provincial ministers' conference on social program reform originally scheduled for last April?

(1420)

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, I hope that the Leader of the Opposition is not trying to make the House believe that the Minister of Human Resources Development should not speak with his OECD counterparts.

I realize that the Leader of the Opposition has other plans in mind for his country. I also know that the minister received a much warmer welcome in Europe that did the Leader of the Opposition several weeks ago.

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, all Canadians and all taxpayers will, I am sure, be delighted to hear that the minister is in Europe to meet with his European counterparts. However, it is not in Europe that the plan will be drawn up and it is not in Europe that the minister will convince Canada's provincial premiers that the plan is acceptable. That work must be done here.

Mr. Speaker, will the Deputy Prime Minister admit that Ottawa and the provinces have reached an impasse on the question of social program reform, given that in such fields as health, the provinces refuse to bear the burden for the federal government's financial decision to off—load its deficit onto their shoulders, while at the same time, the federal government wants to force the provinces to comply with national standards?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, this is another unfortunate example of the Leader of the Opposition's policy of always operating according to a double standard. He sees nothing illogical in the fact that two weeks ago, he went to Paris to discuss Quebec's separation. It is completely logical, on the other hand, that the Minister of Human Resources Development is in Europe to discuss social reform. Furthermore, we have already stated that the action plan will be released to the Canadian public shortly.

EXPERIMENTAL DRUGS

**Mr. Michel Gauthier (Roberval):** Mr. Speaker, we learned from a report on French CBC TV that two children had life—threatening reactions to an experimental drug, ALG, that was approved by Health Canada and administered to them at Sainte—Justine Hospital. However, this experimental drug was never approved or authorized for export by the U.S. authorities. This

drug is the subject of a criminal investigation after two people died from it in the United States.

How can the Minister of Health justify her department's decision to authorize the use of ALG when this high-risk experimental drug was never approved and authorized for export by the United States since it was developed in the early 1970s?

**Hon. Diane Marleau (Minister of Health):** Mr. Speaker, of course, I will have to find out about the case in question. I was not given details. If you want, I am prepared to give you all the necessary information which I might obtain. If you have information to give me, please let me have it.

The Speaker: Before giving the floor to the hon. member for Roberval, I would ask hon. members to always address the Chair.

**Mr. Michel Gauthier (Roberval):** Mr. Speaker, gladly, as I usually do anyway.

Mr. Speaker, through you, let me suggest that the minister listen to the CBC news where this case was reported today. At the same time, I would like to ask her if she could investigate the circumstances surrounding her department's decision to authorize the use of this dangerous drug in eleven Canadian hospitals. Does she admit that the present system for authorizing medication is very seriously deficient since Health Canada exercises no control over or follow—up on the effects of experimental drugs after authorizing them?

[English]

**Hon. Diane Marleau (Minister of Health):** Mr. Speaker, I would like the opportunity to look into the particular case since I have no information at this point.

Let me advise this House that the scientists and people in Health Canada are extremely concerned with any new experimental drug. I am sure they will do everything in their power to ensure the safety of any product that is distributed here in Canada.

\* \* \*

(1425)

#### **TRADE**

**Mr. Preston Manning (Calgary Southwest):** Mr. Speaker, my question is for the Deputy Prime Minister.

As the minister knows Canada's trade ministers have been meeting to discuss ways and means of securing freer trade within Canada. Various trade associations have suggested there are over 500 barriers to trade, they cost us \$6 billion and, of course, they kill jobs.

Is the federal government considering more proactive measures, federal initiatives, to dismantle interprovincial trade barriers if the provincial ministers fail to do more than just scratch the surface?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, I think the comprehensive approach that has been taken by the minister responsible for industry who has been leading the federal discussion on these issues is indeed far more than scratching the surface. He is getting an excellent response from his provincial counterparts in areas ranging from environmental protection to breaking down a number of the other 500–plus barriers that prevent interprovincial free trade.

We have every expectation that at the end of June, the deadline that the minister has imposed for himself and his provincial colleagues, we will have another success story to speak of for the Liberal government.

**Mr. Preston Manning (Calgary Southwest):** Mr. Speaker, the track record of these discussions is that the trade ministers come up with a list of exemptions as long as your arm.

The Constitution empowers the federal government to regulate trade and commerce and provide some capacity for the federal government itself to act on internal barriers to trade. Section 121 of the Constitution states: "All articles of the growth, produce, or manufacture of any one of the provinces shall, from and after the union, be admitted free into each of the other provinces".

My question for the Deputy Prime Minister is this: What is the federal government doing to exercise its current constitutional powers, including the application of section 121, to facilitate freer trade in Canada?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, the member's question is a good example of why he had better go back to the constitutional drawing board.

This morning we heard the same member stand in the House and complain that the federal government was too directive in a number of areas. He wanted us to divest our responsibility to the provinces. This afternoon he is telling us that we are not doing enough.

In fact the Minister of Industry has a negotiated approach. He has brought all the parties to the table. He expects to have a full and comprehensive free trade agreement reached by the end of June.

**Mr. Preston Manning (Calgary Southwest):** Mr. Speaker, I have one further supplementary question.

Internal barriers to trade are created by provincial governments and inflict injury on businesses and consumers. The federal government's approach to dealing with these barriers has been to get the provinces, the creators of the problem, together and ask them to solve it.

Has the government considered bringing together businesses and consumers that are injured by internal barriers to trade and giving them the tools to fight these barriers, for example providing a domestic trade dispute settling mechanism in Canada like we have in the Canada–U.S. Free Trade Agreement?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, the negotiations are ongoing as we speak. Indeed one of the primary aims of the Minister of Industry is to have a speedy dispute resolution mechanism.

I guess the difference between the approach that the leader of the Reform Party seems to be advocating and the approach that we are seeking is that we would like to get consensus to work with the provinces, not against them.

\* \* \*

[Translation]

#### **CRTC**

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): Mr. Speaker, yesterday, the CRTC made a decision regarding the French—language all—news channel. This new service was awarded to Radio—Canada. However, the access of francophones outside Quebec to this new service will be left to the discretion of cable operators.

My question is for the Minister of Canadian Heritage. Does he not consider quite inequitable the CRTC's decision, which does not give Canada's francophone and Acadian communities guaranteed access to the French-language all-news channel, when they have been financially supporting the English-language equivalent, Newsworld, for several years through their subscriptions?

Hon. Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, I took note of the CRTC's decisions and I understand the disappointment felt by the francophone and Acadian communities. I should point out, however, that there is an appeal procedure and that this procedure involves the Government of Canada since the appeal is filed with the government.

(1430)

I myself will be involved in the appeal and I cannot be both a judge and a party at the same time. That is why I should not make any more comments.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): Mr. Speaker, I would still like to get a very clear answer from the Minister of Canadian Heritage.

Does this mean that the Minister of Canadian Heritage intends to personally ask the Cabinet to review the CRTC's decision? Is this what his somewhat diplomatic language means?

**Hon. Michel Dupuy (Minister of Canadian Heritage):** Mr. Speaker, I thank the hon. member for referring to my former life.

I simply tried to explain the procedure that must be followed. The initiative to appeal must come from the communities concerned and not the government. As I explained, since the

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government rules on the appeal, it cannot be both judge and party at the outset.

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[English]

#### **DANGEROUS OFFENDERS**

Ms. Val Meredith (Surrey—White Rock—South Langley): Mr. Speaker, my question is for the Solicitor General.

On Sunday, Burnaby RCMP officers found themselves in the middle of a shootout with David Barlow. Fortunately no one was killed in this incident. However, David Barlow is responsible for the killing of two other persons.

In 1972 he was convicted for murdering a Florida police officer and sentenced to death, which was later commuted to life. In 1980, Barlow was returned to Canada where he was convicted of manslaughter for a killing in New Brunswick in 1967

Will the minister explain to the people of Canada how an individual like Barlow can be considered a low risk and put back on our streets?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, I find this a troubling situation. I have asked for a full review and a full report on how this case was handled. When I get the report on this troubling situation, I will be happy to share the information with my hon. friend.

Ms. Val Meredith (Surrey—White Rock—South Langley): Mr. Speaker, at the current rate of holding national inquiries into problems with the justice system, the minister will have more success in putting Canadians to work than the infrastructure program.

Nevertheless, in response to the Barlow shooting incident British Columbia Premier Mike Harcourt has stated that Canada's justice system must have a zero tolerance for dangerous offenders.

Is the minister equally prepared to call for zero tolerance of dangerous offenders like Barlow?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, there is currently a federal–provincial task force on high risk offenders which is expected to report to ministers in July. It is working on measures to deal with high risk offenders. We are anxiously awaiting the report so that we can take further action to deal with this type of difficult situation.

In the meantime, it is open to the premier of British Columbia to ask his crown attorneys to take more concrete action at the beginning to ask people to be declared dangerous offenders at the time they are first convicted.

However, we treat this at the federal level as a very serious situation. We intend to take action based on the federal-provincial task force because the solutions lie in a concerted effort at both the federal and provincial levels.

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[Translation]

#### DOUBLE HULLED SHIPS

Mr. Benoît Sauvageau (Terrebonne): Mr. Speaker, yesterday the Minister of the Environment kept insisting that, last year, Canada had passed legislation on double hulling. She referred to the Maritime Shipping Act, which simply does not exist. She probably meant the Canada Shipping Act, which was amended last year by Bill C–121, in which the government merely announced its intention of legislating double hulled ships.

How can the Minister of the Environment justify her answer, when the legal services of the Department of Transport, her own department and the Canadian Coast Guard maintain that there is currently no legislation on double hulling?

(1435)

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, the so-called facts mentioned today by the hon. member are just as valid as those of yesterday, since my department does not even have jurisdiction over the Coast Guard.

Mr. Benoît Sauvageau (Terrebonne): Mr. Speaker, I simply ask the minister to give an answer.

An hon. member: It is because she does not know!

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, I said yesterday that the Canada Shipping Act, which was passed on December 31, 1993, deals with the issue of double hulling for ships carrying oil, that is the tankers.

I also said yesterday, and I repeat it today, that if the hon. member is suggesting that all ships be double hulled in order to ply Canadian waters in any part of the country, the ports of Quebec City and Montreal will have to shut down. Somehow, I do not think this is what the Bloc Quebecois wants.

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[English]

# **DANGEROUS OFFENDERS**

Mr. Jay Hill (Prince George—Peace River): Mr. Speaker, my question is for the Minister of Justice.

Since the release of repeat sexual offender Larry Fisher, the RCMP has issued an internal memo stating that he will probably strike again. Over the weekend Fisher was reported sighted in my riding in the city of Dawson Creek. Local residents are

deeply concerned about the sudden appearance of Fisher in their community.

Which laws need to be changed so that dangerous offenders like Larry Fisher are never turned loose again?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am not going to comment on the case of Mr. Fisher, but I will respond as best I can to the question in general terms.

The place to start is with enforcing the laws that are already on the books. Part 24 of the Criminal Code already provides in express terms that at the time an offender is sentenced the crown attorney in the appropriate circumstances can bring an application to have the court declare that person a dangerous offender. If that occurs that person can be detained indefinitely and not released until they die.

Therefore the first thing is, as my hon. colleague the Solicitor General has pointed out, that our counterparts in the provinces must be alert to the application of that section in appropriate cases. They should ask the court to designate persons dangerous when the facts justify the application.

There can be cases which fall short of dangerousness as defined in part 24 but still require continued detention in the public interest. As the Solicitor General has said we are awaiting the results of a report being prepared at the federal and provincial levels to deal with those kinds of cases. It involves the conjunction of the criminal system which is federal and the health system which is provincial. It is our intention in collaboration with the provinces to develop a system to deal with those cases for the safety of the public in Canada.

Mr. Jay Hill (Prince George—Peace River): Mr. Speaker, I thank the minister for his answer. I notice that once again we are hearing about reports and studies. The last thing Canadians want right now is another study into the causes of crime. This issue has been studied to death. People are demanding action from this minister.

With predators like Larry Fisher on the loose, how long does the minister plan to examine the alternatives he referred to in this House last week?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada): Mr. Speaker, it is easy to mock the process of study. If I may say so, I think the last thing Canadians want is ill-informed action by which government would rush to a solution which may not be effective.

My colleagues and I know that this issue is important and these cases must be provided for. We also respect the complexity of the issue and we are going to go about it in the proper way. The study will be thorough and our action will be effective. We will have results to show after we work it through with our provincial counterparts.

[Translation]

# INDIAN AFFAIRS

Mr. Claude Bachand (Saint-Jean): Mr. Speaker, my question is directed to the Minister of Indian Affairs.

Tension continues to mount in Oka, where gun shots and machine gun fire have led residents to request an increase in police presence. The Sûreté du Québec has even seized an AK–47–type weapon with a laser scope, in addition to finding evidence of an impressive arsenal.

(1440)

Considering the very serious situation in Oka, could the Minister of Indian Affairs inform the House whether negotiator Michel Robert was able to start negotiations with representatives of the Kanesatake Band Council?

[English]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development): Mr. Speaker, negotiations have begun to the extent that the mediator and negotiator have met. The agenda is being done.

As to the specific question of the shooting, this is more within the realm of the Sûreté du Québec. I received indirect reports that it has the matter in hand and this will not detract from the ongoing negotiations.

[Translation]

**Mr. Claude Bachand (Saint–Jean):** Mr. Speaker, my supplementary is directed to the Solicitor General. Does he agree that the offensive weapons identified by the police are evidence of the existence of large–scale arms smuggling, something the Solicitor General has refused to admit?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, the hon. member is wrong. I never refused to admit that large-scale arms smuggling existed. I said, as did the Prime Minister a few months ago, that one of the reasons for our national program against smuggling was the fact that arms smuggling was also a problem. That is why we set up the anti-smuggling program, which includes the smuggling of firearms, and we will continue our efforts with the Sûreté du Québec and other police forces.

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[English]

#### **IMMIGRATION**

**Mr. John Loney (Edmonton North):** Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

I have received many representations from concerned constituents in my riding about the case of Alexandre Makar. Mr.

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Makar is presently teaching in Edmonton. His employment authorization expires on June 30, at which time he is expected to return to Ukraine on the grounds that he is medically inadmissible due to a rare kidney condition.

Could the minister of immigration please update the House on this case?

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, I thank the member for his question and for the concern he and other colleagues have shown in the case.

First, as was mentioned, the individual in question is on a work authorization. He has applied from within the country for permanent status. As a result of the medical test he has been found inadmissible.

It is the classic difficult case of the compassion which has been shown to this individual by the Edmonton community and the whole question of medical admissibility which is one of the tests on which Canadians expect all applicants to be assessed. It is not something we treat lightly. Last year of the over 325,000 cases assessed medically, some 2,000 were denied.

Second, while our health system is second to none in the world, its resources are limited and involve the provinces. Consequently I have opened a channel of official communication with the premier of Alberta to ascertain the position of Alberta vis-à-vis the health care and health consequences of this individual, should he stay. Also, since the premier of Saskatchewan has gone on the public record eliciting support, I have also been in contact with his office to see if there could be anything done vis-à-vis relocating this individual in Saskatchewan should discussions fail with Alberta.

The effort is to try to balance compassion and the whole question of being fiscally responsible in terms of a viable health care system across the country when many exceptions to the rules are being requested of my department.

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DANGEROUS OFFENDERS

Mr. Randy White (Fraser Valley West): Mr. Speaker, my question is for the Solicitor General.

As I mentioned in the House last week, parolee Wayne Perkin was recently found guilty of murdering Angela Richards in my riding in 1992. When I asked the parole board for the details of the decision to release Mr. Perkin in January 1990, I was informed that information is classified since it happened before the new law was passed for hearings taking place after November 1992.

Is the Solicitor General prepared today to guarantee that he will change the legislation to allow access to parole board hearing reports that took place prior to November 1992?

(1445)

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, I will take note of my hon. friend's suggestion. It is very much worth going into. I will work on it in connection with the updating and tightening up of the parole and correctional system that I am currently working on.

**Mr. Randy White (Fraser Valley West):** Mr. Speaker, I thank the Solicitor General for that response.

The parole board's decision in this case ultimately led to the untimely death of 24-year old Angela Richards. I find that there are other circumstances and that charges are being laid on Mr. Perkin. Again the parole board should have known.

Will the Solicitor General initiate legislation to ensure that in future members of the board are informed of ongoing investigations so that convicts eligible for parole can be detained until all such reasonable investigations are complete?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, my hon. friend has made another suggestion worthy of being looked into but I am not sure it requires legislation.

I have been working to have better administrative procedures leading to all necessary information going to the parole board before it makes decisions on these matters. I am going to try to get this accomplished through administrative change, but I will look into it in terms of what may be required by legislation.

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[Translation]

# TRANSPORTATION

Mr. Paul Mercier (Blainville—Deux-Montagnes): Mr. Speaker, my question is directed to the Minister of Transport. The government plans to massively privatize services offered by Transport Canada. By doing so, the government will be released from its commitment to support Canada's transportation system

Before he embarks on a substantial privatization of Transport Canada's activities, does the minister have any guarantees as to the impact privatization would have on economic development and inflation, as a result of increased transportation costs?

**Hon. Douglas Young (Minister of Transport):** Mr. Speaker, first of all, I am sure the hon. member is aware that the speech we made in Thunder Bay on Friday night was not really about privatization. That is not the route the Department of Transport intends to go.

We talked mainly about commercialization, which is an entirely different approach.

Mr. Paul Mercier (Blainville—Deux-Montagnes): Mr. Speaker, whatever the term, does the minister realize that a substantial withdrawal of government financing from the transportation sector would seriously affect all ports on the St. Lawrence as a result of the commercialization of the Coast Guard, and would affect all consumers through increases in the price of goods, and all remote regions, which stand to suffer most as a result of price increases?

[English]

**Hon. Douglas Young (Minister of Transport):** Mr. Speaker, the hon. member asks a question that has a lot of people in the country concerned.

Obviously it is true everywhere in Canada that local authorities are looking for more input into decisions that directly affect their communities and their regions. I am quite surprised that a member from Quebec would not be interested in looking at a process that would provide for very significant local input.

I might add to the hon. member that most user groups and client groups in the country are absolutely convinced, in terms that they have made very clear to me, that they believe that with more input from those user and client groups we can have a system that is far more efficient, far more effective, far more affordable and I would think that is what the hon. member would have in mind as well.

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# CANADA COUNCIL

Mrs. Jan Brown (Calgary Southeast): Mr. Speaker, my question is for the Minister of Canadian Heritage.

On May 4, I asked the minister when he was going to make appointments to the Canada Council of which 13 of the 21 seats were vacant at that time. The minister responded that he was committed to not making any appointments until the federal agency review was completed, and that is expected some time this fall.

Could the minister explain his inconsistency, his reversal yet again of an earlier decision as he went ahead anyway and made two recent appointments to the Canada Council?

**Hon.** Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, on the size of the Canada Council, the exercise has been completed in my portfolio and we made appropriate recommendations to the minister concerned. We now know, from the heritage viewpoint, how many people will be on the council. That was a proviso which I had raised before.

(1450)

The director who was appointed earlier this week or last week is not a member of the board. We have been waiting for some time to make this appointment. We felt it was high time to do it

and we did it. The other person was the president who was also an indispensable person to keep the Canada Council going.

This is what we have done. We have made the appointments and now we know the number of members on the board of directors. We shall make appointments in the future in a more routine manner.

Mrs. Jan Brown (Calgary Southeast): Mr. Speaker, I thought we knew how many seats were vacant and how many were needed. I certainly do not question at all the talent and the capacity of the individual who has been so appointed.

However I do question the minister's commitment to the federal agency review process. I would like the minister to tell the House what relevance that federal review process now has.

Hon. Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, I am glad to say that I take this review very seriously. We are the first department to have produced recommendations to the minister concerned. I am surprised to have these questions from members of the Reform Party because we are reducing expenditures and making savings in taking this action. We should be congratulated for what we are doing.

# **GUN CONTROL**

Mrs. Dianne Brushett (Cumberland—Colchester): Mr. Speaker, my question is for the Minister of Justice.

Many constituents who are responsible gun owners fear they will lose freedom of gun ownership and enjoyment of game hunting while irresponsible criminals continue their objective of violence and illegal activities.

Will the minister give consideration and assurance to Canadians today that in rewriting our gun control legislation he will discern between the needs of responsible gun owners in rural areas and the criminals who smuggle and purchase firearms for the purpose of violence?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada): Mr. Speaker, the overarching objective of the government in terms of its strategy with respect to crime and violence is the safety of Canadians. We recognize that the regulation of firearms is only a part of that overall strategy.

In so far as firearms are regulated, I can assure the hon. member that everything possible will be done to minimize intrusion upon those who use rifles for lawful, hunting and sporting purposes.

The House of Commons can expect the government to act sternly with respect to the smuggling of illegal weapons and the use of firearms in the commission of criminal offences. That will be the focus of the work that we will undertake in the months to come.

[Translation]

#### THALIDOMIDE VICTIMS

**Mr. Pierre de Savoye (Portneuf):** Mr. Speaker, my question is for the Minister of Health. Last week, *La Presse* reported that the majority of thalidomide victims had yet to receive any compensation. Of the 424 who applied, more than 318 are still waiting for the federal government to process their files.

Does the Minister of Health intend to intervene so that the victims of this tragic incident for which the federal government has already admitted responsibility can finally be compensated?

**Hon. Diane Marleau (Minister of Health):** Mr. Speaker, certainly we are interested in making sure that all those who took this drug are found and compensated. However, some cases are less clear and that is where some problems have arisen.

Mr. Pierre de Savoye (Portneuf): Mr. Speaker, does the minister not realize that in most cases, the only possible proof available is circumstantial and that it is precisely because the federal government is demanding from victims this type of proof that they are being denied justice?

(1455)

Hon. Diane Marleau (Minister of Health): Some proof is always required from individuals before they can be compensated. If this were not the case, we would leave ourselves open to all kinds of requests. As you know, we are grappling with debt and deficit problems. We have to scrutinize matters very closely to see if there is some way of knowing if these individuals are truly victims of this drug or not.

\* \* \*

[English]

# CN EXPLORATION

**Mr. Elwin Hermanson (Kindersley—Lloydminster):** Mr. Speaker, my question is for the Minister of Transport.

Last month's Liberal Party convention passed a resolution from a Regina constituency association calling for the privatization of CN Exploration and that the sale be to a Saskatchewan company. There have been rumblings that this sale may be conducted to benefit Liberal friends. Doug Richardson, a former Liberal candidate and chief of staff under Mr. Turner, has been lobbying for the sale of CN Exploration on behalf of a Regina company whose board of directors reads like a who's who of Liberals in Saskatchewan.

Could the minister assure the House that any privatization of this crown corporation will be open and that the selling price

will be the true market value estimated at at least \$70 million, perhaps as high as \$150 million?

Hon. Douglas Young (Minister of Transport): Mr. Speaker, obviously with the condition that we find railroads in Canada in, with all the discussions and all the uncertainty that is out there with respect to rail activity in Canada, any divestment by CN of any of its assets would be reviewed meticulously and would have to be proven beyond any shadow of a doubt to be in the best interest of Canadian taxpayers.

Mr. Elwin Hermanson (Kindersley—Lloydminster): Mr. Speaker, I thank the minister for that assurance. It is invigorating to hear of Liberals moving to privatize crown corporations.

Could the minister further assure the House by telling us what steps, if any, are being taken to prevent the new Saskatchewan owner if it is sold from flipping CN Exploration to new owners outside of Saskatchewan to make a fast buck at the expense of the taxpayer? Also, are the proceeds of a sale intended to go to the federal treasury or to CN?

**Hon. Douglas Young (Minister of Transport):** Mr. Speaker, there is nothing more amusing than to watch Reform acrobatics. It is unfortunate that the question the hon. member just put was written before he listened to the original question's answer.

What I said, and what I want to repeat, is that any deal that would be made by CN with respect to the divestment of any of its assets would be scrutinized. It would have to be in the best interest of Canadian taxpayers.

To suggest that any transaction would be capable of being reviewed to determine whether anyone in the future might make a profit from it would be beyond even the scope of what Reformers are capable of doing.

# THE ECONOMY

Mr. Janko Peric (Cambridge): Mr. Speaker, my question is for the Minister of Finance.

A report being prepared by the Organization for Economic Co-operation and Development is predicting that the Canadian economy is doing better than the minister predicted in his budget.

Could the minister explain the difference between the OECD prediction that our economy will grow by 3.9 per cent this year and his own budget projection that the Canadian economy will grow by 3 per cent, almost a full percentage point lower?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development –Quebec): Mr. Speaker, I would like to congratulate the member for his question and express my surprise that none of the members of the opposition sought to ask the very same question.

As the member knows, when we brought forth the budget we did so on the basis of prudent assumptions, knowing that some of the variables would be up and others would be down. Fortunately in this case our economic growth is substantially better than what had been projected. Unfortunately, as the member knows, interest rates are also worse and therefore there is to a certain degree a levelling effect.

This, nonetheless, is very good news. It is very good news for employment. It is very good news for the country. It is the result of our exports, of domestic demand and of confidence in the country. I would like to think that in some small way it is the result of our budget and good government and the fact that we did not adopt this short term policy—

Some hon. members: Hear, hear.

\* \* \*

(1500)

#### TRANSPORTATION SUBSIDIES

**Mr. Bill Blaikie (Winnipeg Transcona):** Mr. Speaker, my question is for the Minister of Transport.

I had occasion also to read the minister's speech in Thunder Bay. I was concerned about a portion of the speech where the minister talked about direct subsidies to the transportation system. Almost all of the examples he uses of direct subsidies are on the rail side.

It seems this perpetuates the myth that it is the rail sector of this country which is subsidized while other sectors like air and highways are not subsidized by the taxpayer, although it is perhaps less direct and less explicit.

Will the minister assure the House that in whatever he intends to do to our transportation system he will take into account the fact that highways and airports and sectors other than rail are heavily subsidized as well, only not explicitly? Will he keep that in mind when he analyses the rail sector?

**Hon. Douglas Young (Minister of Transport):** Mr. Speaker, I thank the hon. member for his question. There is no doubt that in the major changes that will have to take place in the transportation system, if it is going to be affordable in Canada we will have to maintain the notion of equity and fairness.

There is no question that the subsidies we refer to mainly deal with rail but of course the freight subsidies in Atlantic Canada that deal with a lot of truck transportation will have to be reviewed.

As we go through this process the objective will be to have an integrated affordable transportation system where all modes can compete on an equal footing.

**The Speaker:** I have notice of a question of privilege from the member for Vancouver South.

**Mr. Dhaliwal:** Mr. Speaker, on the question of privilege, the hon. member for Simcoe has talked to me and I will defer until Monday on this question.

# **GOVERNMENT ORDERS**

[English]

#### SUPPLY

ALLOTTED DAY—NATIONAL UNITY

The House resumed consideration of the motion and the amendment.

**The Speaker:** There is a question for the hon. member for Beaver River.

[Translation]

**Mr. Nic Leblanc (Longueuil):** Mr. Speaker, I would like to make a few remarks to the hon. member for Beaver River, who particularly mentioned the great generosity of Westerners to Easterners.

I would like to remind her that no more than six or seven years ago, some financial institutions in western Canada were in great difficulty. Since her memory is so short, I would point out to her that it cost the Canadian government almost \$3 billion to save the financial institutions in western Canada six or seven years ago.

So, when it comes to her great generosity, I think that she should remember some things and realize that Canada has helped Westerners perhaps more than it is helping Easterners.

The other thing that I would also like to tell the hon. member for Beaver River is that when we had problems with our credit unions, small financial institutions in Quebec, the federal government never helped them out. So you see that the principle of equity is not necessarily always applied in this country. I want to put things in their proper perspective and point out that Canada has been very generous as well, with taxes from Quebec, to boot.

So I would like the hon. member to retract and say that she probably got more than she gave in the past.

(1505)

[English]

**Miss Deborah Grey (Beaver River):** Madam Speaker, after my great efforts to hear the hon. member's comments, I would respond briefly to him.

When we talk about generosity or balancing funds across the country, let us remember the amount of money which each province puts into Confederation. It has been made very clear to the hon. member through various publications, and I refer specifically to Robert Mansell, an economist from the Universi-

Supply

ty of Calgary, that Alberta has been a net contributor to Confederation. Quebec and some of the eastern Atlantic provinces have been economic beneficiaries of national dollars.

Let us step wider and more broadly at this point to look at some of the things which some hon. members may have complaints about.

If we are going to try to balance out every dollar or every cent that we gave or every cup of coffee that somebody bought for us, we have to look at this more widely and ask what is this Confederation that we are talking about.

It is important for all of us to note that this is something like the family of which I spoke in my remarks and which many others in the House have spoken of as well. In a family you cannot balance dollars and cents. Some children require more spending than others. We understand that. We appreciate that.

When talking about this whole situation let us not gripe about money or one thing or another. Let us look at it as a unit, as a family of 10 equal provinces in Confederation. I believe we are stronger. I believe we are more likely to be able to work in the international community as trading partners. As my leader mentioned earlier the BQ and Quebec would be far better off financially as part of a trading unit with Canada, a group of people 28 million strong, in dealing and trading internationally than trying to hunker off by itself as a market of eight million people.

My friend is bright. I know that he understands the whole idea of trading blocs and how we have seen blocs become much larger.

If Quebec tries to go it on its own, it will be a much smaller trading bloc. If the member thinks that his comments affect the financial situation in the country, let him beware. I really do not think going it on its own would be a viable situation. It would be much better for it to accept the invitation of the rest of Canada and say it will be part of this larger trading bloc than what it is attempting to do.

**Mr. Randy White (Fraser Valley West):** Madam Speaker, what you will be hearing in the next 10 minutes as I speak are the visions and the aspirations of the people I represent. I speak for them today as Canadians who are genuinely interested in Canada as a whole nation.

Many Canadians wonder why their elected representatives are spending so much time discussing national unity. In many cases it is generally considered that politicians are the real problem, not the good people of any province. Yes, there are differences throughout this country but you cannot solve the problems within a country by opting out of a country.

Because we have had many frustrating years in this country of patronage and financial mismanagement does not mean our nation is facing an unsolvable dilemma. The people of Atlantic Canada have a special identifiable culture. So do Quebecers as do people in Ontario and the west. That does not mean we do not

have an identifiable Canadian culture. We do. We have a lot of things that bind us together.

In the years to come Canadians will demand even more equality, more of an identity and more accountability from the federal government. I suspect we will do it together with the same national hockey teams, the same national anthem, and the same pride in our flag as we have today.

I firmly believe however we need a new vision, a new political approach. The old line parties drove us to the crossroads we are at today. We do need a change, do we not?

There is a significant frustration that exists in this 35th Parliament, patronage, poor answers given to the opposition parties' questions posed on behalf of their constituents, ineffective legislation and disregard of the poor financial conditions they got us into in the first place.

(1510)

When that old approach is eliminated then Canada, that is all provinces and territories together, will move ahead and lead the world. What is it that will tie us all together? How can we share Canada and yet respect the cultural differences of all of its parts?

We must return to the days of financial stability, of balanced budgets and of optimism in a proud future and not a shadow of doubt about interest payments going to foreign countries and those kinds of issues.

It has been said that the only thing necessary for the success of a separatist idea to prevail is for the people of this good nation to do nothing. We must take it upon ourselves to balance this budget with a firm, realistic approach. For instance, we cannot reduce the deficit to 3 per cent of gross domestic product of some \$730 billion and neglect to tell the people that the government will raise Canada's debt by \$100 billion over the next three years in doing so. That is called hocus—pocus politics. We have seen it for 10 years. We saw it for five years before that and we are seeing it again today.

The long range solution to the continual co-operative coexistence of all Canadians is to increase the incentive for ordinary Canadians to save, invest, work and employ others. Today we make it costly to employ people and we subsidize people to stay home. We have a system that increasingly taxes work and subsidizes non-work.

If all provinces capture the vision of a country that lives within its means, a country that saves for the future generations and a country that spends on necessities, we will coexist with respect for one another. Let me outline for members some of the specific attributes that a united Canada will exhibit when we finally remove the greatest impediment, the last of the traditional party philosophies.

First, governments have no money on their own. It is not their money. It is necessary to legislate a way by which the people can control government spending.

Second, budgets must be balanced every three years both provincially and federally.

Third, any borrowing by any government must be approved by a national referendum, that is our national government, and a provincial referendum for provincial governments.

Fourth, a vibrant private industry with little or no government subsidization is an attribute that would lead Canada in the right direction for the year 2000 and beyond. Finally, patronage should be non-existent. Of course we need to have a real talk with the folks across the way because we have seen more than that already.

Let us for a moment review some recommendations relative to the financial stability of our great country. If undertaken by all Canadians, it would be motivation for all of us to work together and to stay together.

First, all provinces should have as one of their highest priorities the pursuit of national interests above the pursuit of provincial interests.

Second, the system of transfer payments to the have not provinces should be changed because it has made them less economically viable. The provinces that receive transfers vigorously debate why they should have more and the transferring provinces ask why they are contributing the amounts they do.

Third, the federal government has had access to tax revenues well beyond those needed to discharge strictly federal responsibilities. The patronage and the waste that is seen by the taxpayer in all provinces must be seen to have stopped. It has not stopped. It is continuing. Until this government gets it through its thick regulation book that that has to stop, we are going to have difficulties in all provinces.

If we can convince this government that strong fiscal management and a commitment to balance the books should be a priority, all provinces will be strongly motivated to continue with the federation of Canada.

To ensure the financial independence of the provinces and to place Confederation on a more firm financial footing, it is proposed that the principle of a balanced budget be enshrined in the Constitution. Put it there. Live by it. Live within one's means and then watch all of the provinces feel like they are a part of something that they can contribute to. This would require that all government spending be financed from the current tax revenue and that any shortfall be made up by a reduction in expenditures.

(1515)

Balancing the books also means balancing the common market trade between provinces. We must give up this "what's in it for me" attitude which is prominent among politicians. We are at a crossroads here, a decision about the equality of members, not who can get the most from a country that has served us so well.

The old line political parties have a fossilized vision of Canada. Fiscal mismanagement has led to a significant regional difference between all provinces, not just one. It is time for a new theme. It is time we moved out of Jurassic Park and into the future.

Mr. Mills (Broadview-Greenwood): Not clichés.

**Mr. White (Fraser Valley West):** Yes, it is a cliché but if you ever saw Jurassic Park, Madam Speaker, it is sitting across from me.

I appeal to the people of Saskatchewan, Newfoundland, Quebec, British Columbia, Alberta, New Brunswick, Manitoba, Ontario, Nova Scotia, Prince Edward Island, Yukon and the Northwest Territories to set aside regional differences and work toward a strong, financially secure nation.

Once again, a concern. Our generation of politicians are excluding the millions of young people under the voting age in this discussion. The future of these young Canadians is being decided upon and they will be the ones responsible for this decision and the mess we create. Does it sound familiar? That very kind of philosophy was embedded in Liberalism when they started increasing debt and borrowing year after year, as did the Conservative Party as well. If our young could vote they would not separate, they would build a stronger Canada.

We cannot make a strong nation by emphasizing the differences through multicultural policies, differences through bilingual policies, differences through special aboriginal policies, patronage and other political toys. We are a federation of 10 equal provinces. We are the true north strong and free. We are our home and native land and we will always be a united Canada.

Mrs. Anna Terrana (Vancouver East): Madam Speaker, I would like to say that as surprising as it is coming from the Reform Party, I am glad to hear this debate on national unity. For 20 years I have been trying to keep Canada together, doing what I could from the other side of the country, from British Columbia.

I would also like to remind my colleagues that we are a democratic party. Our party is a democratic party so we vote by consensus and majority rule.

During the Charlottetown hearings, and I attended several of these hearings, there were several answers that came out. We Supply

heard what Canadians wanted. The referendum was an expensive one. Referenda are all expensive. I believe that an election is the time for us to vote on whether the work that the government has done is good or not.

I would also like to add that in all these discussions, and I have been listening all morning, I never heard where the Reform Party stands on inherent rights to aboriginal self-government. In fact, during the Charlottetown accord hearings one of the questions that came up constantly and one of the things that people seemed to be agreeing more on was in fact the inherent rights to self-government for the aboriginal people.

I would like to ask my hon. colleague where the Reform Party stands on the inherent right of aboriginal self-government?

Mr. White (Fraser Valley West): Madam Speaker, I have just two comments. It is ironic that one hears in the House, as surprising as it is, the Reformers discussing national unity. I would suggest that Reformers are as nationalist as the government. The difference is how you run that government, how you run a country and how you deal with it. I certainly do not subscribe to its approach.

The inherent right of our aboriginal peoples has always been of concern to Reformers. We believe in their inherent right. The difference is that the government has yet to define what inherent right is, what kind of management style it is, how much is it going to cost, will the department of Indian affairs still exist and so on.

(1520)

We believe in the inherent right of aboriginals to govern themselves, but there are a lot of questions that have to be answered before we would sign on the dotted line and that is understandable.

**Mr.** Andrew Telegdi (Waterloo): Madam Speaker, I have heard many motions on opposition days and I can say that this one is flim-flam. It is phoney. It is political opportunism.

We have a six to seven—part motion. There is absolutely no way I would support the leader of the Reform Party when he spoke this morning of their vision of what a new Canada is. There is absolutely no way.

I am going to refer to what the leader of the Reform Party said on January 20. There are all sorts of other quotes in *Hansard* that we can go to. This is the leader of the Reform Party speaking:

Mr. Speaker, my question is for the Prime Minister.

The Prime Minister has repeatedly said that he does not want to reopen constitutional issues at this time and that the priority of his government is jobs and economic growth. Yet yesterday he and other members were repeatedly drawn into heated exchanges with Bloc members on the constitutional future of Quebec.

There are millions of Canadians, including Quebecers, who want Parliament to focus on deficit reduction, jobs and preserving social services.

Is the Prime Minister abandoning his commitment to stay out of the constitutional swamp or is it still his resolve to stick to economic, fiscal and social priorities?

That is exactly what the Liberal Party is doing. We are trying to get the economy going and get the country back on track.

Madam Speaker, I can say to you, as a comment, that I have found their position on this issue to be divisive for the country and helpful to the Bloc. The only comparison I will make is that the Bloc is at least honest and forthright about it. I cannot say the same thing about the Reform Party in terms of what it is doing.

What it wants to do is divide the country and it is doing it for crass political purposes.

Mr. White (Fraser Valley West): Madam Speaker, it is just unbelievable the amount of emotion that gets into this process.

The government has moved an amendment today that wants to eliminate such words as "a country that is committed to strengthening our economy". We know that is a problem over there, so it is taking that out. It wants to take out of the amendment "balancing the budgets of our government". It also wants to take out "sustaining our social services, conserving our environment, preserving our cultural heritage and diversity". What is wrong with a good debate on that? It is about time the government started talking in the House about it.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Madam Speaker, the member who just spoke was absolutely right when he said that this is a debate that gets Canadians' emotions going. In that sense it is uncharacteristic of how we usually approach political issues.

The government does not take one day of the year to debate national unity. We make sure that every day of the year, every act of government is about nation building, not tearing the nation down.

The member spoke about how we have to cut the country into little pieces. I heard him say a few moments ago, if we take the power of Ontario, Quebec, Nova Scotia, P.E.I., British Columbia and all the other provinces and divide it up into little packets, that all of a sudden this is the new formula for the new federalism.

The Government of Canada believes that we should be tested and measured on our commitment to nation building in every decision that we make. We cannot take a motion which by and large is a series of platitudes. It is a series of motherhood statements, but it is a thinly disguised attempt to once again begin the counterproductive squabbling over the Constitution.

(1525)

I shook my head when I heard the leader of the Reform Party, who only a few weeks ago stood in his place in the House and

pointed his finger at the Prime Minister, a Prime Minister who for 30 years has epitomized balance, fairness, rightness and nation building, and accused him of being involved in a family feud because he was in his place defending the position of the Government of Canada on a number of very important issues.

I will accede to the point that maybe the Reform Party does not really know what its strategy is, because the approach taken by leader of the Reform Party and his party today actually fuel the cause of breaking up the nation. They fuel the cause of separation. They reinforce, for anyone who cares to hear, the fact that the nation is not being built, the nation is being cut into little pieces.

# [Translation]

With today's motion, the leader of the Reform Party tried to do worse than simply launching futile debates. He tried to position the Reform Party on both sides of the fence on basic issues. He tried to play with his party's policies.

#### [English]

On this issue the leader of the Reform Party is trying to sit on both sides of the fence, and that can be a very painful position.

What exactly does the leader of the Reform Party mean when he talks about sustaining social programs? Does it mean that the party has reversed its position against universal medicare? Does that mean that its members now agree with the government that we should vigorously oppose extra billing? Even more confusing is the motion's reference to "preserving our cultural heritage and diversity". What does that mean, from a party that ran on a platform of abolishing multiculturalism? What does that mean, from a party which introduced another motion to oppose official bilingualism?

The Reform Party has a curiously confused policy. It wants to preserve our cultural heritage and diversity in theory but it wants to oppose it in practice. It is impossible to know what to make of the wording of the Reform Party's motion.

When Reform Party members talk about diversity, are we now to take it that they favour aboriginal self-government? When they talk about equality, do they now favour employment equity? Do they now favour access to decent child care for working parents? When they talk about productive relations with the peoples of the world, are they now in favour of abolishing the cuts that they proposed to foreign aid? When they talk about protecting our lives, are they now favouring the gun control that they so vigorously opposed?

I am certain the answer to these questions is no. The Reform Party hopes that it can get away with some fuzzy language to mean whatever it wants it to mean.

This is the message that I want to leave with the House. What is most disturbing is that once again the Reform Party is playing right into the hands of the separatist Bloc Quebecois. We do not believe that the leader of the Reform Party is naive. We know that his action is giving a platform to the Bloc to bash federalism. As Liberals, as federalists, as Canadians, we deeply regret that initiative.

#### [Translation]

This morning, Bloc members rose in the House to complain about comments I made yesterday about their leader's presence at the Citadel on the 50th anniversary of D-Day. What is important, what I said yesterday and what I continue to say is indeed very emotional. When a political party leader comes to Canada's Parliament to try to break it up, it is indeed an emotional issue, but I still defend with all my heart his right to speak because what motivated the soldiers 50 years ago is the absolute and total democracy we see with the presence of the opposition spokespersons. What is worse, Madam Speaker, and perhaps less generous is that the opposition leader sees nothing wrong with travelling around the world to brag about a separate country. He boasts about the fact that in Paris he was welcomed like the leader of a new state but he denies the Canadian government the same opportunity to travel to other countries to find the economic solutions we are looking for here.

(1530)

The separatists, these so-called defenders of freedom, now want to muzzle any financial or economic institution that does not agree with them. We heard the comments made yesterday by Mr. Parizeau. Today, it is the Bank of Montreal's turn. Tomorrow it could be Wood Gundy. Tomorrow will it be ordinary Quebecers who are denied the right to speak in a debate so critical to our country's future?

## [English]

The leader of the Bloc thinks he should be free to travel the world promoting his view of separation in Canada and abroad, but by God, should a minister of the crown dare to go to an OECD meeting to exchange ideas on the economy? Deux poids, deux mesures.

Conspiracy theories, Quebec bashing and Canada bashing make for a few good political points, but they do nothing to solve the country's basic economic problems.

Liberals want to take part in this debate today because we want to concentrate on the fundamental reason we were elected to this Parliament. That is to put Canadians back to work.

# [Translation]

Last week, Shawinigan's police chief was in Hamilton, Shawinigan's twin city. We spent the whole day together. You know, Madam Speaker, what struck me and continues to strike me is

#### Supply

that, if you ask young people in Shawinigan, Chicoutimi, the Lac-Saint-Jean region, Hamilton or Toronto what they are looking for, they will tell you they share the same goals.

I am the godmother of a two-year-old girl in Montreal who speaks French at home even though her father is an anglophone. It may surprise some separatists who do not know how Quebecers live but there are such people. Twenty-five French-speaking Liberal members worked here in this House and elsewhere in the country to defend minority rights across this beautiful country of ours. Do you think that, on the day that Canada ceases to exist, minorities will still have rights? Do you think that the millions of francophones now living in Timmins, Sudbury, Haileybury, New Brunswick, or Saint-Albert, will have a say in the new political reality?

Madam Speaker, why not work here together on issues affecting all our young people, work hard to try to renew our social assets, our human resources, because one thing is obvious: If you are about to get training in Montreal, Toronto or Vancouver, the current system does not work. But instead of letting both sides of the House work together, all the Bloc does is put up roadblocks and whine; they refuse to accept anything good just because it comes from the federal government.

# [English]

The saddest thing is that if you scrape away all the politics, if you scrape away the regional infighting, if you talk to a young person in Lethbridge, Red Deer or Dawson Creek, they share the same dreams. They share the same needs as the young people in Chicoutimi or Chibougamau.

(1535)

The unfortunate tone and nature of this debate is that the Reform Party and the Bloc seem to believe that by carving up the country into linguistic pieces or geographic pieces, somehow we will make the nation better. What they do not understand is that any nation that wants to build for the future has to understand its past. Look at the reality of Canada.

# [Translation]

Why? Why are we recognized throughout the world as a generous nation? It is because we decided, at the very beginning of our history, in our Constitution, to create a country with the two founding nations, and this is a fundamental element of who we are today.

Why do we have laws on firearms which differ greatly from those of our American neighbour? It is because we believed, at the beginning of our history, that both the individual and the community, not the individual alone, must define the priorities for our society.

And the role of the community was enshrined in the Constitution itself, in 1867. Yes, there were problems. We lived and we continue to live difficult periods. But this is like a marriage:

either you communicate and achieve something great, or else you shut the door.

Unfortunately, what is happening is that the hon. members opposite are closing the door. They have no interest in helping the Canadian economy. They have no interest in putting the young unemployed from Roberval to work because if young jobless in Roberval find work it will reflect favourably on the economy and the Government of Canada.

# [English]

If the Reform Party really wanted to advance the cause of federalism and unity it would focus on the important task of rebuilding the economy and meeting the real challenges of the 21st century.

Canadians voted last October for a message of hope. They voted for honesty and integrity in government. We have made mistakes and we will continue to make mistakes, but by and large the hallmark of this government is honesty and integrity. They voted for an end to jurisdictional wrangling and indeed the Prime Minister is proud that he has promised to focus on a jobs agenda and to stay off the eternal treadmill of constitutional dissension. Ask ourselves the best question: Where else in the world would we rather want to live?

#### [Translation]

Is it true or not that Canada, in spite of all the problems and challenges, is the best place in the world to raise children?

# [English]

It is the best place in the world to grow up. It is the best place in the world to be sick. It is the best place in the world to build a future

We are moving to tear down those interprovincial barriers. My colleague, the Parliamentary Secretary to the Minister of Industry, is working very hard on accomplishing real tasks to get Canadians back to work.

A Reform Party member laughed earlier about what we were doing with the infrastructure program. I can say that in the Labourers' International Union hall in my riding when they get called to go out to a job they are not laughing. They are thanking God that a Liberal government had the good sense to put in place a very specific and direct job action to get Canadians back to work. That is a case of functional federalism: a country that puts Canadians back to work.

In the space of five months the minister responsible for infrastructure signed agreements with every single province to deliver on specific programs, no mean task.

#### [Translation]

According to the OECD, this year our economy will grow by 3.9 per cent. That is almost 4 per cent. And next year, the economic growth is expected to reach 4.5 per cent.

(1540)

Canadians were right when they elected our government. They understood its message. Economic recovery is what will make our country work. The best way to ensure Canadian unity is to strengthen the things which unite us, not the things which separate us.

If you had the opportunity to spend half an hour with my seven—year old daughter, you would see that she shares the dreams and hopes of every Canadian child. Sure, we can put the emphasis on what does not work. Even if this was not Canada, there would still be some bickering between the various levels of government. If the federal government is not involved, then it is a municipality against the province or the region. It is part of human nature to think that things are not going well. It is an obvious thing to do, it is normal and it is even desirable.

But to go so far as to say that the federal system is no longer working, is finished, is not only to show a lack of logic but—

#### [English]

It is a denial. It is a denial of the real wishes of every single citizen of this country to be given the opportunity to achieve to the best of their ability.

# [Translation]

They do not want us to come here to whine, to bicker and to fiddle. They want us to come here to put our country back to work

You can always find excuses to make it not work, as demonstrated by the motion tabled today.

# [English]

Our objective is not to be dragged into the constitutional morass but rather to work with Canadians as we have worked. Last week we signed the first ever Atlantic environmental accord which put Newfoundland, Nova Scotia, New Brunswick and Prince Edward Island together to work with the federal government for positive environmental change. That is about government that works.

We do not need constitutional amendments and we do not need the kind of negative rhetoric of the Reform Party. What we need is a plan to put Canadians back to work to build a better country.

We do not want one language group to succeed over another. English only is not the solution. If one language group succeeds at the expense of another, Canada is not working. When Canada is working every language group has the right and the privilege to be everything they want to be. That is what the Liberal vision of Canada is all about. When I can stand in the House of Commons with a Chinese immigrant who came to this country and is now Secretary of State for Asia—Pacific and is proud to

speak more than one language, that is about making Canada work and using the talent of every citizen.

Our agenda is an economic agenda. Our agenda is a social agenda. Our agenda is a healing agenda. If we stay on the straight and narrow, the road the Prime Minister has set for us—

[Translation]

—if we put the emphasis on job creation and economic growth, it is obvious that Canadians and Canada will work, which is our goal in this whole debate on Canadian unity.

[English]

Miss Deborah Grey (Beaver River): Madam Speaker, several things which the hon. member for Hamilton East alluded to talked about our playing into the hands of the BQ, that we were bashing federalism, that we were engaging in negative rhetoric and that we were on a constitutional treadmill.

Let me make it painfully clear so that every member in this House understands. We are not talking about the Constitution as such. We are talking about federalism and this is what needs to be discussed in this House. Surely there is a difference between wrangling about the Constitution and about federalism. There is not one person in this House, I hope, who would talk about how dreadful Canada is. That is simply not true.

(1545)

We heard those comments coming across. We believe this country is worth fighting so hard for that we are here out of other careers, not people who have made their living off politics for years and years. We are asking for an open and frank discussion about this, not getting into the tirades that we have heard about. This is not right.

When we talk about such things as our position on bilingualism let me remind the member again because of any one else on the government side she probably has poured over our blue sheet more than anyone else. The member well knows the position of this party on official bilingualism. It is not what she referred to as English only.

Let me give the hon. member a chance to say that there is something positive about a debate on this. Perhaps it is unfortunate that someone else came up with the idea before they did.

I heard the member for Brant talking about how confused she is about the election and how people did not talk about the Constitution. Much has changed. I would like the hon. member to comment on this. We did not talk about it at great lengths because Charlottetown was so new and Meech Lake was so new and painful. However, we discussed this in the election last fall.

Supply

May I ask the member to comment on the fact that things are much different now. There were eight BQ in the House last time around and there are now 54.

Quite frankly the Liberals got smoked in Quebec during the election and she knows that. The provincial situation there is much different now than it was last fall as an election is imminent

May she discuss with us very briefly why there is such an obsession on the other side to defend status quo federalism, as her comrade from Brant talked about earlier. Why is there is such a partisan difficulty with a tirade in this? Why can we not just discuss this so that we are building a new country together and the BQ and others in Quebec would want to come to it?

**Ms. Copps:** Madam Speaker, I guess I get excited about the issue because I care about the future of my country. I believe that the motives of the member certainly are moving in the same direction. She cares about the country. She wants to see the country stay together. I appeal to her and to her colleagues that the direction of their policies would have the unfortunate and unexpected opposite effect.

When they introduced a motion, as they did only a few weeks ago to basically carve up the country into linguistic categories where there would be English in all the provinces except Quebec and then French except on the west island of Montreal, they were reinforcing the idea that somehow what is going to keep this country together is a kind of linguistic ghettoization.

I believe the unexpected results of their policies are to feed into the same kind of message that the Bloc is using to encourage people in Quebec to follow the road of separation.

The simple message of the Bloc is that Quebec works without Canada. The unfortunate message of the linguistic policies of the Reform Party is that Canada would work better without Quebec. That is the message that comes out. The distinction of the policies of the Liberal Party and the policies of the Government of Canada is that a fundamental tenant of our party's belief is that this nation historically was built and in the future will be built on the principle of two founding nations and the importance of every other person who came to this country.

My great grandparents came from Ireland. Technically they were neither anglophones nor francophones. They were on the republican side of the Irish.

The reality is other individuals and groups have come together to form an incredible strength, a real asset to this country. In recognizing the fundamental rights of two founding peoples we underline the importance of providing opportunities and equality for every citizen of this country. I think it is important to compare that with the route taken by the United States that did not have a two founding nations principle. It basically said to

their minorities: "Jump in with us, meld with us and we are going to make it".

The reality is that the framing of the Canadian Constitution originally set the stage for a partage, a co-operative approach that said every part of this country can speak different languages and make the system work.

(1550

I think that is the fundamental difference between the one language policy of their party and the two people policy of the Liberal government.

[Translation]

Mr. René Canuel (Matapédia—Matane): Madam Speaker, the minister spoke with a lot of emotion, but I say we have to find a balance in passion and reason. Where were the minister's emotions on Meech Lake and Charlottetown? I will look at this in a reasonable way.

We have reached the point where, although we are all part of the same country, we do not really live in the same house. We are part of that country but we have to go in through the back door. We simply want to be a people, to have our own house and leave the other house to those who want to live in it. They say Canada is wonderful. They are absolutely right. But Quebec is wonderful too, and afterwards, we will be able to say that Canadians and Quebecers are still the best of friends. We can live as good neighbours, we can be happy and we can work together.

Earlier, I heard Reform Party members say they wanted another Canada. We have wanted another Canada for 15, 20 or even 50 years, but it never happened. When I say that we want to become sovereign, you say no, no, no. When an eighteen—year old wants to leave home, will his father give him cookies and candy to get him to stay? Why do they want to keep us from leaving? That is my question.

**Ms. Copps:** Madam Speaker, I do not hand out cookies or candy, and I think it is insulting for Quebecers to be told they can have candy if they stay in Canada.

There are certain things that have to be discussed. First of all, the hon. member talked about good friends, and of course we have good friends across this beautiful country. When a husband and wife who get along well, and are very good friends but decide to separate and finally to divorce, I do not know whether you saw the movie *The War of the Roses*, but you can have the most logical people in the world, but when emotions surface, that is the struggle between passion and reason.

Second, when the Leader of the Opposition went to Washington, he mentioned the fact that we had the best social security system in the world. He told Americans that he wanted a U.S. passport for his son. He said his wife wanted a U.S. passport for her son so he would have dual citizenship, because she is a republican and proud of it. This was in an interview he gave in Washington. He also confirmed the fact that despite everything

that was said about Quebecers in the past—the Prime Minister and Leader of the Opposition are both Quebecers— everything that was said in the course of Canadian history and during the period before the quiet revolution, today, as Quebecers within a united Canada, you are in a position to face the real challenges of the twenty—first century, and you have a level of entrepreneurship that is unique in this country. Use it. You are also talented—

The Acting Speaker (Mrs. Maheu): I am sorry to interrupt the minister. Resuming debate. The hon. member for Roberval.

Mr. Michel Gauthier (Roberval): Madam Speaker, without a doubt, the presentation we have just heard paints a picture of Canada that is nothing more than an illusion. The Deputy Prime Minister is a master illusionist, skilled at relating facts in a very interesting, entirely believable way, while concealing certain realities that must be brought to light today. And we intend to do just that.

(1555)

Let us not forget that as recently as yesterday, in her Canada, the Deputy Prime Minister questioned the right of the Leader of the Official Opposition in this House, and of a member whose father fought in Europe, to lay a wreath in honour of the Quebecers who died because they shared the same ideals as soldiers from other nations.

In the Deputy Prime Minister's Canada, francophones outside Quebec, in particular those living in Kingston, have to fight to get adequate French-language schools with running water and washrooms.

In 1994, in the Deputy Prime Minister's Canada, francophones outside Quebec must fight to obtain which has long been viewed as necessary in all civilized countries. In her Canada, each citizen inherits a debt of \$18,000 when he or she comes into this world. This is reality, not an illusion.

In the Deputy Prime Minister's Canada, the job prospects of citizens are the bleakest of all industrialized countries. The rate of unemployment hovers anywhere between 12 per cent and 14 per cent, depending on the circumstances, and stands as high as 20 per cent in a region such as the Saguenay–Lac–Saint–Jean to which she referred several times in her speech.

Yes, we intend to talk about the Saguenay-Lac-Saint-Jean region, about young people who want to work in this country and about the Deputy Prime Minister's idealistic vision of Canada.

The Canada of which she spoke with such apparent sincerity a while ago is the Canada which patriated the Constitution in 1982 without the consent of the country's only predominantly francophone province. This is the country which imposed on an extremely important minority which accounts for nearly the entire population of a province, an unwanted Constitution hatched behind Quebec's back. This Canada is the end result of the odious work of numerous representatives of this gov-

ernment over the years. Exactly what kind of work are we talking about?

Since you want to hear about it, let us set aside the traditional legitimate demands of the French-speaking majority in Quebec; let us set aside all these demands to take a closer look at the sorry, obscure role that the leading lights in this government played in our recent history. When did relations become most embittered in Canada?

Remember the reign of Pierre Elliott Trudeau. Remember that period of very great centralization when the Prime Minister, obviously, decided that his conception of Canada, which was supported by his colleagues, was a country where power had to be centralized and the provinces were only secondary.

Do you want to know one of the major problems which explains our presence here in this House today debating a motion in which it is clear that the Deputy Prime Minister's great beautiful Canada is breaking up? One of the main reasons is the odious centralizing attitude that ignores the French fact which Prime Minister Trudeau had in a recent past.

(1600)

Madam Speaker, I will remind you that in other circumstances it was possible to think that in this would—be ideal Canada there would be room for Quebec, a proper decent place for Quebec. But I tell you it always happened when the voters had gotten rid of a Liberal government. Whenever Canada was governed by the Liberal Party in our recent history, there has been no political peace. The people who are crying today, trying to tell us what a shame it is that the separatists are in this House—who were democratically elected, we must say—what a pity it is that these people offer a different political position from their own.

You must be blind not to see the frightful role played by successive Liberal governments in this Parliament which denied the very existence of the French fact in Quebec. These governments always strove for centralization, which is no longer acceptable in Quebec. Is that clear? Quebec no longer accepts the centralizing attitude that those people believe in.

You remember the Meech Lake Accord; everyone does. This was an extremely important political moment for Quebec. Yes, Quebecers gave Canada a last chance for a face-lift. Yes, Quebecers successfully negotiated minimum conditions with the other provinces, the other regions of Canada and the federal government. It cannot be denied that all Quebecers made a tremendous effort to accept the five conditions behind the Meech Lake Accord. Even the premiers, may I remind you, undertook to convince their respective provinces that these demands were acceptable.

# Supply

What are these demands? Recognition of Quebec as a distinct society and of Quebec's National Assembly's role in promoting this distinctiveness. Was it surprising, outrageous, odious to ask that Quebec francophones, who form a people, be recognized as a distinct society? I think it is a basic requirement.

Recognition of the federal government's spending power but with the right to opt out and full compensation for the provinces because the central government's unfortunate tendency to invade areas of provincial jurisdiction had to be contained to prevent this society from expressing itself as it saw fit in the future.

Quebec's participation in the appointment of three civil—law judges to the Supreme Court; entrenchment of the Cullen—Couture Agreement in the Constitution, that is, Quebec's power to control its immigration and to protect the very nature of the Quebec people; the provinces' unanimous agreement to reform some federal institutions. Everyone in Quebec as well as many people in English Canada thought these demands were quite acceptable. They were very minimal but they at least made a dialogue possible.

Do you know what made the premiers go back on their word? Let us look at those mainly responsible for the failure of the last great historic opportunity to achieve this wonderful Canada described by the Deputy Prime Minister.

(1605)

Do you remember someone called Clyde Wells? He does not belong to the Bloc, the Parti Quebecois or the Reform Party. Clyde Wells is a Liberal, Madam Speaker, just like the Liberals opposite.

Do you know Mr. McKenna? McKenna is neither a Bloquiste nor a Reformer but a Liberal.

Do you remember Sharon Carstairs? She was not a member of the government but what role did she play in making the Meech Lake Accord impossible to accept? Ms. Carstairs was not a Tory, a Bloquiste, a Pequiste or a Reformer; she was another Liberal.

Finally, Madam Speaker, we all remember the extraordinary role played by the hon. member for Churchill, also a Liberal, who resorted to technicalities to ensure that the Meech Lake Accord would not be accepted in his province.

Those are the people who played a major role in the failure of the Meech Lake Accord. Those are Liberals who, on the evening of the Meech failure, the evening of the Liberal convention, hugged the current leader of the party and Prime Minister. Those are the ones to blame. Those people, who prevented the ratification of the five conditions deemed acceptable by all the parties involved for Canada to continue to be a viable option, are the

true responsibles for that failure and the situation in which we find ourselves today.

Yet, these same people come here and try to teach a lesson to Reform Party members, to Bloc Quebecois members, and to everyone else, with their vision of Canada. These people are fooling Canadians. I want to be clear. You are fooling Canadians. Stop burying your head in the sand. Face reality as it exists in Canada.

Surely, not everybody on the other side is disconnected from reality. There must be people who are sensitive to the needs of Francophones. There must be people who are still able to understand that democracy has rendered its verdict in Quebec and that the Bloc Quebecois is here for a very specific reason.

We campaigned by promoting sovereignty for Quebec, and I have something to say to the Liberals opposite. Whether you like it or not, we will promote Quebec sovereignty in every possible way. We will use every argument to explain, not only to Quebecers, but also to other nations, to people abroad, and to others in Canada, how this eminently democratic project will be based on a serious, responsible, democratic and proper process which will be respectful of people and realities.

This process will be similar to our interventions here in this House. It will reflect the spirit of co-operation which we have always displayed to ensure that this Parliament operates the way it should.

I will conclude by saying that we have no lessons in democracy to receive from the other side. If there is a place in Canada where a minority is treated with respect and is an integral part of the community, it is the English–speaking minority in Quebec.

Which other region of the country provides its minority with a complete network of school boards, schools, hospitals, health care facilities? These institutions are not only at the service of the minority: They are also controlled by anglophones in Ouebec.

(1610)

Yes, we respect Quebec's anglophones. Yes, we intend to keep building bridges with a community that is an integral part of Quebec as it is today.

I suggest members opposite to do the same in their part of the country. We do not need any advice on how to be democratic and respect the rights of others. We are doing a very good job, thank you very much, as far as democracy is concerned, and we intend to finish what we have set out to do. I admit there were other alternatives in the past, but we intend to go ahead with our plan because across the way are the real perpetrators of the constitutional mess Canada has been in since the eighties.

Two Liberal Prime Ministers in succession have created a situation that has become intolerable in this country. They are the real culprits, and they keep denying it. They even got themselves an ineffable Prime Minister who, with 54 sovereigntist members elected to Parliament, went around saying: "There will be no debate on the Constitution during my mandate. There are no constitutional problems in Canada". That takes some doing, Madam Speaker.

As long as we have people on that side of the House who will not face the facts. As long as, day after day, we see ever-increasing attempts at centralization, as has been the case since we were elected to this House a few months ago. As long as we see these shocking attempts at patriating powers to the central government. As long as we see federal-provincial conferences being postponed because not only Quebec but most provincial governments can no longer tolerate federal intrusions into their jurisdictions. As long as we have a political situation in which people in Ottawa do not make the effort to understand the different realities of Canada's regions, not just the circumstances in Quebec but those in the other regions as well. As long as we are governed by people who show so little interest in what happens in Canada's regions, we will continue to see centralist offensives and provinces, premiers and citizens who protest, and they will have to deal with these problems in their own Canada, because Quebec, I am positive, will have decided, in a democratic way, to make its own choices.

[English]

Mrs. Karen Kraft Sloan (York—Simcoe): Madam Speaker, the Deputy Prime Minister had said that she was hurt to see the Leader of the Opposition lay a wreath, but she defended his right to do so because she believes in a democratic country. I shared her hurt and pain when I went over to the war memorial on Monday and the first group of MPs I saw were the Bloc, the separatists.

Yes, separatists lost family during the war, but it was a war in which Canada fought as one united nation to preserve one united nation. While I have defended the right for the Bloc to be the party of the opposition in my riding, it hurt me to see the people who would destroy this country.

I would also like to suggest that the leader of the Reform Party must feel very pleased with what he has wrought today. I wonder what goes on in the lobby of the opposition side, the collusion, the strategy, the working together, the flip side of the coin, the Quebec without Canada, the Canada without Quebec. Madam Speaker, I would suggest that when you watch the news tonight you will see the member from the other side as he raises his voice and his face turns red and he yells and screams "more rights, more rights for Quebec," and I tell you how difficult it will be to defend his right to sit in this House in my riding.

(1615)

We can thank the leader of the Reform for being irresponsible in heating up the rhetoric in this debate. If the member on the other side is respectful of people's rights then my question to you is why do you ignore and why do you choose not to respect the rights of the native people in Quebec in their path toward

[Translation]

sovereignty and self-government.

Mr. Gauthier (Roberval): Madam Speaker, what is there to say! The hon. member is attempting to give us a lesson in democracy and while I am convinced that she is not acting in bad faith, I feel she has neglected to consider the important role I alluded to earlier that was played by these leaders, by the first ministers and ministers.

The hon. member tells me that she was hurt to see the Leader of the Opposition pay tribute to the soldiers who died. First of all, the Canada which these soldiers defended was not the same country that later was coerced, manipulated, despoiled, altered and tormented without Quebec's consent. That is something the hon. member should first understand. The Canada bequeathed to us by Mr. Trudeau, her former leader and the former Prime Minister, the Canada in which Quebecers no longer feel at home, is not the same Canada that we knew back then. We must not lose sight of this fact.

Regardless of our political option, are we to be denied the right to pay homage to those who came before us and who fought to preserve our democratic values? Are we to be denied this right? Is this a country in which people will become indignant because we are allowed to pay tribute to our own sons who fought for democracy?

More than anyone, we hope that respect for democratic values is deeply rooted in this Parliament because this principle will one day help us to achieve the objective we hold so dear.

With respect to native rights, without delving into this subject too deeply because of time constraints, I would just like to say to the hon. member that if she was truly up on native issues, she would realize that native people in Quebec far and away enjoy the best standard of living of all native peoples. Far and away. She would also realize that it was in Quebec that natives first obtained some recognition from the government, something which natives living elsewhere cannot even hope to secure.

She forgets that in Quebec, negotiations and discussion involving more than two thirds of the territory have taken place. An agreement was reached with the Cree of James Bay and with the Inuit, an agreement signed by all parties. This was nothing like the unilateral agreements of the past, but a genuine, all-party agreement which resolved a slew of problems that have yet to be settled anywhere else in Canada.

Supply

(1620)

Of all the provinces in Canada, Quebec more than anyone else has engaged in the broadest, liveliest, most open and most consensual dialogue with native peoples.

I would ask the hon. member to speak to the Minister of Indian Affairs, to discuss this issue with him and to call upon the other provinces to do for their native communities what Quebec has done. This would be a major step forward.

[English]

Mr. John Harvard (Winnipeg St. James): Madam Speaker, this member from the Bloc can huff and puff and shout and make a lot of noise and it really will not matter—

The Acting Speaker (Mrs. Maheu): I am sorry, I am going to interrupt. I would ask hon. members to recognize when the Chair recognizes someone. I do not have to be told what side they are on. I see them standing and I see who stands first. Continue please.

Mr. Harvard: Madam Speaker, I think I will start over again.

This member from the Bloc can huff and puff and fume and point his finger and get as red faced as he wants. However Canadians will see him for what he is. He is a political grandstander and there is not a shred of credibility in anything he says.

Unfortunately the leader of the Reform Party has to take major responsibility for the spectacle in the House this afternoon. The leader of the Reform Party has built this trap, a trap that only the Bloc Quebecois could build.

What does the Bloc want? The Bloc wants us squabbling over the Constitution. The Bloc wants us squabbling over federalism. The Bloc wants us squabbling over Canada and that is exactly what we have had all afternoon. We have had this wrangle over our country, the greatest country in the world. The leader of the Reform Party has to take full responsibility for this spectacle.

I want to say this about the Bloc. It takes advantage of Canada's democracy. It takes advantage of our generosity. Where else in the world would we allow the Leader of the Opposition to go around the country spreading separatism and doing his level best to destroy the country?

I tell the member of the Bloc who just spoke that if he were a citizen of another country he would be behind bars. He would be in jail. However this is the kind of country that we have because we allow through his democratic rights to spread this vile separatism.

Do you know what, Madam Speaker, I will support his right to say these things, but by golly we will fight him wherever we find him. We are going to beat him at his own game because ultimately this democracy is going to succeed. We are going to defeat separatism. We are going to beat the Bloc. We are going to beat all of them, all 54 of them because this is a great country

and all Canadians realize that, as do Quebecers. So they can go all they want. We are going to win this battle.

[Translation]

Mr. Duceppe: Point of order, Madam Speaker.

The Acting Speaker (Mrs. Maheu): I would like to make something clear. The time allowed is 20 minutes plus 10 minutes for questions or comments. There are questions or comments.

An hon. member: There are two minutes left.

The Acting Speaker (Mrs. Maheu): There are not two minutes left. I am sorry, but I kept track of the time very carefully. The hon. member for Laurier—Sainte-Marie on a point of order.

**Mr. Duceppe:** Madam Speaker, I would ask the House whether there is unanimous consent, as we did this morning when we agreed to let a member of the Liberal Party respond. We did it this morning with great generosity.

(1625)

I imagine we in the House are feeling very generous, as the hon. member opposite just said, and will give the last speaker 30 or 45 seconds, as you did this morning, I think, to respond to the comments. I therefore ask for unanimous consent.

The Acting Speaker (Mrs. Maheu): The House heard the motion. Does the hon. member for Roberval have the unanimous consent of the House to respond?

Some hon. members: No.

[English]

Mr. Ted McWhinney (Vancouver Quadra): Madam Speaker, after the fire and brimstone of recent minutes, which reminded me of a Wagnerian opera performed by a travelling company in a provincial town, I would like to return to the subject of the debate, which is the motion moved by the leader of the Reform Party and the amendment moved by the leader of the government in the House. That concerns the issue of constitution making in our times and this issue of federalism.

I will come back to a point raised by the Reform Party which is a criticism of the government for a failure to define what the leader of the Reform Party has said, a constitutional program for the Quebec referendum.

There is a time when it is ripe for constitution making in any society but in the majority of times, it is just not simply right. The only successful ventures in constitution making occur in a period of national euphoria, a national consensus usually following on a great military victory or a great revolution. We have not had those in Canada and therefore changes have had to be

made on a basis of pragmatic incremental adjustment on a step by step basis. It has worked rather well.

A problem that is basic to the Reform Party leader's program is that there are, as President Franklin Roosevelt used to say: "Too many ifs there": if a certain party should win a certain election in a province, if it should then go on to a referendum, if it should then win a referendum, if it should then decide the majority is enough to ask for negotiations and if, finally, the other party should itself decide the numbers are sufficient to give credibility to the vote and to warrant negotiations in return.

It is a counsel of folly to suggest defining constitutional conditions for an iffy situation of this sort. A Constitution is as Mr. Justice Owen Roberts of the United States Supreme Court once said: "A constitution is not a railway excursion ticket good for one particular journey at one particular time and one particular place". The ideas you put forward have to have a long range currency.

One has the feeling that constitution making is being put forward as it was in the Mulroney era as a substitute for serious substantive thinking on economic matters. We want no more of the travelling circuses of Meech and Charlottetown. They were a failure and not the answer to the problems of the time.

If I may venture the critique of the Reform Party constitutional agenda, it is that there is an absence of a coherent overall vision. It seems to be a collection of ad hoc responses to a particular problem in which the deemed political advantage seems to be very high.

I noted and agreed with some of the criticisms made by the Reform Party on Bill C-18 but I deplore the total absence of substantive ideas on electoral reform which go to the core of the constituent process and are more important than the constitutional processes themselves.

I also wonder if the emphasis on the constitutionally acute proposals; referendum, initiative and recall do not disguise the absence of more fundamental thinking and depth on more fundamental issues such as the relationship between executive and legislative power and the need for a strong countervailing power, whether legislative or judicial, to the imperial executive that one is tended to have in Westminster derived constitutional systems today.

Finally on native Indian self-government I find enormous ambiguity that needs resolution and perhaps disguises political divisions within a party.

Let us return to the issue. What is the approach of the Liberal government on the Quebec issue? At this stage we can say there are some limiting parameters and these need to be said. The federal government has a totality of constitutional power to

control and determine the holding of a referendum by a provincial government on a subject such as leaving the federal system.

(1630)

For political reasons which were no doubt right and proper in 1980 the decision was made not to exercise those. The controlling parameters today would certainly include the ability to scrutinize a question and make sure that it is clear and unambiguous and not like the deliberately cloudy formula put forward in October 1980.

Second, there is a necessary control of the timing and I think it is clear that this will be the last referendum allowed. We cannot have the country on roller skates going from one referendum to another year after year; once more, no more after.

Third, there are to be no special deals, constitutional deals made in preparation for referendum for any one province within the country. Canada is not a supermarket offering a special one day deal for one occasion at any time.

To come back to the approach of the Liberal government, is there a Chrétien doctrine? The leader of the Reform Party has suggested that there is not. I think the difference and the subtlety of the approach are well rooted in common law constitutionalism and common law constitution making. The Chrétien doctrine is closer today to the pluralistic federalism of the Pearson era, sometimes called co-operative federalism, than it is to the neo-Keynesian imperatives of the Mulroney government and to some extent perhaps the Trudeau government at certain periods.

The approach is not the Sermon on the Mount, a set of abstract a priori rules conceived in an ivory tower in the political vacuum away from concrete problems. It is essentially a pragmatic, empirical, problem oriented, step by step approach. I think this is the only one proper and possible effectively in an era of fundamental change such as we have in Canada and in the world community as a whole.

Among the considerations, to examine that sovereignty is a 19th century concept is simply out of date in a era when supernational legal engagements like the free trade agreement, like NAFTA and NATO are entered into and, as we saw in our debate on cruise missiles, are regarded as binding even if governments may think in particular cases that they were wrong, as I think our government felt in relation to the Mulroney decision on cruise missiles. We accepted it as part of our supernational obligations.

There is the passing of sovereignty even in a period of which you notice the contradictions, the survival of the contradictions, and the revival of ethnic particularism in a pathological sense as we have had in Bosnia–Hercegovina and other areas of the world.

What we really need is an operational philosophy of federalism rigorously empirical and problem oriented. Among the areas in which I think action has already been taken I will

Supply

commend the emergence of this operational pragmatism in the approach to the infrastructure program which is designed to produce the economic recovery. It involves continuing and close co-operation with the provinces and with municipalities in which abstract a priori structures of government that divide power between federal and provincial governments are sensibly modified by the parties. It also involves the removal of interprovincial trade barriers and that rests on negotiation and discussion

In my own constituency my assistants are now arguing before the electoral boundaries commissions, presenting a case. It involves a commitment to plural ethnic constituencies and not the mono–ethnic constituencies of yesteryear which are very close to 19th century approaches to multiculturalism or multinational societies.

In the area of native Indians I commend the House to Bill C-33 and Bill C-34 whose debate was rudely stopped a week ago just as it was beginning.

(1635)

There you do have a species of consensual pragmatism between the main parties, the native Indian leaders in the Yukon and the government in which a highly pragmatic, step by step approach to self–government within Canadian federalism and subject to the bill of rights has been worked out. I think this is a model of intelligent constitution making for the 21st century. We have arrived at it well before the 21st century.

The reform of Parliament is something to which the Prime Minister is personally committed. I think he realizes, because his approach is closer to the gentler pragmatism of Prime Minister Pearson, that Parliament has a function, that it is a necessary countervailing power to the executive. The changes that can be made here are wholly within federal power.

At the end of the day you do have a continuing, coherent constitutional process yielding precise, empirically based principles. They are problem oriented and therefore likely to stand the test of challenge of changing events.

The problem with the Sermon on the Mount is that it is an illusion created for people who want simple panaceas, divorce from concrete problem situations.

There, as I see it, is the Chrétien doctrine. It is a constitutional philosophy. As was said in Molière's *Le bougeois gentilhomme*, you can speak prose all your life, even though you do not recognize it. The essence of operational pragmatism is at the heart of the received common law constitutionalism we have had in Canada and which has been enriched by civil law components as well.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Madam Speaker, my hon. colleague, who is a specialist on constitutional issues, made some remarks which I think should be pointed out. As to whether the question in Quebec will be clear, we told you

long ago what it would be: "Do Quebecers want Quebec to become a sovereign country?" I think that is very clear.

I will say that when it comes to clear political positions and democracy, Quebec does not have much to learn. I think of the law on party financing; in Quebec, only voters can contribute to political parties, which is not the case here, where unions and big companies can finance parties, like the Liberal Party. So it will be done very democratically, as usual.

Will there be more than one referendum? Look at history. Newfoundland joined Canada after more than one referendum. All Canadians were never asked to vote on whether they would welcome Newfoundland into the federation or not. They recognized Newfoundland's choice and Newfoundlanders made their own decision, just as Quebecers' right to do the same should be recognized.

We are also told that sovereignty is a thing of the past, a nineteenth-century concept. Does that mean for my colleague and for the Liberal Party that Canada's sovereignty is a thing of the past? If having a large unit is important, why not join the United States? Either a line of reasoning is valid or it is not. Personally, I think that Canadian sovereignty is important and that Canada should exist as an independent country, a neighbour of the United States; similarly, if it is important for Canada, I do not see why it could not be so for Quebec, which also has the right to sovereignty, just as Canada has the right to sovereignty.

I am coming to the issue of the right to self-determination. It was recognized by the NDP in the 1960s, by the Conservative Party in 1991 in Toronto and its leader, the Prime Minister, wrote in a book around 1985 that his participation in the 1980 referendum was *de facto* recognition of Quebec's right to self-determination.

I end with a question. The other day, my colleague and I heard Professor Jackson of Carleton tell a House committee that, the way he sees things, Quebec is a nation, even though he is for Canadian unity; he thinks that Diefenbaker was wrong to speak of "one nation" when he should have spoken of "one country".

(1640)

So, his colleague, who is also a constitutionalist, spoke of the existence of the Quebec nation. I want to ask the hon. member if, as a member of the Liberal Party, which recognizes the First Nations, he recognizes that, like the First Nations, Quebec is a nation too.

This is a question which his colleague for Outremont did not deign answer the other day, for obvious reasons. However, knowing that the member is an honest constitutionalist, I want to know if he indeed considers that Quebec is a nation.

**Mr. McWhinney:** Madam Speaker, I thank the hon. member for his question on the referendum question. My comments only applied to the question worded in 1980. There was then a calculated ambiguity which, in my opinion, would not be acceptable today.

On the issue of political party financing, I am in favour of a comprehensive reform of the system.

As regards self-determination, there are many opportunities to exercise that right. Such a right can be exercised within a federal system, as the Yukon natives chose to do.

**Mr. Duceppe:** Madam Speaker, I rise on a point of order and I ask for the unanimous consent of the House.

The Acting Speaker (Mrs. Maheu): I understand that you rise on a point of order, but we cannot go on and on after each speaker.

Is there unanimous consent to allow the hon, member for Vancouver Quadra to conclude?

Some hon. members: Yes.

**Mr. McWhinney:** Regarding the last question on sovereignty—

**Mr. Duceppe:** The nation. Quebec as a nation.

**Mr. McWhinney:** According to the international law, the right to self-determination is limited to peoples, not to nations. Consequently, as regards peoples, international law does not require any answer for a separation.

**Mr. Duceppe:** Is Quebec a nation?

**Mr. McWhinney:** A nation is a group of people, there is no doubt about that. However the term "nation" is not a word—

The Acting Speaker (Mrs. Maheu): Order, please. Resuming debate.

[English]

**Mr. Alex Shepherd (Durham):** Madam Speaker, I would just like to reiterate that today we have been listening to 19th century nationalism almost continuously all day, and I apologize to some of our viewers. It is another round of constitutional negotiation which I am sure we could do without.

I would also like to mention that we are now dealing with things like the information highway. It is not important whether we connect states, member states of a country together, but we are going to connect households throughout this nation together. French speakers in Quebec and French speakers in the maritimes will be talking to each other. What is the logic of a nation state?

It gives me great pleasure to rise in my place today to discuss the future of Canada. Like so many others here this is why I came to the capital, to try to shape the direction of our great country as we enter the 21st century. I have travelled in many parts of the world and I have taken the time not only to study these countries but also to observe my own country from their perspectives. I have recently returned from China where a party of parliamentarians went to support small and medium sized businesses there seeking new trading opportunities. In this rapidly evolving country over \$250 million of new business occurred.

I note that the Reform Party which is sponsoring this motion elected not to send any representatives. I find this unfortunate because many western businesses could have benefited from its involvement. At any rate, this is part of the future for Canada, establishing new trading relationships and new friends throughout the world.

I got into a rather interesting discussion when I was there with one of its economists in the agricultural department. I have not the time to discuss the whole process, but the bottom line was that this country, one of the last remaining communist countries in the world, in pursuit of new social safety nets with respect to demographic shifts in its agrarian population elected not to study those of Canada. Why? Because it thought we were too socialistic.

I believe that Canada must enter into a new age of what I would like to call entrepreneurialism. This is not necessarily the pursuit of profit, but more the pursuit of measurable objectives for our society.

We must also redefine government's role in society. To quote the recent best selling book "Reinventing Government", I believe that it should be the purpose of government to steer and not to row. By this I mean that government should not have direct involvement in the economy, but rather state its objectives which are democratically arrived at and then create the economic climate in which these goals can be realized.

(1645)

I believe that the public at large as well as government in specific need to rethink their general attitude. I do not have to mention all of the global challenges that we have witnessed in the short six months that this House has been in session. GATT, NAFTA, the information highway, to name only a few, all challenge Canada and Canadians to be better, to evolve a different spirit, to meet head on the challenges of the 21st century.

We must give government back to the people. We must change our civil service so it regards the public as its customers rather than something simply to be tolerated. Public Service 2000 and total quality management are starts but they are taking way too long to get out into the real world, that is to say to make a difference to the people in the street.

We must empower a new generation of civil servants who can take responsibility for making new changes, who are not governed by regulations and orders but rather who will be judged,

# Supply

remunerated and promoted based on their success in achieving goals rather than simply years of tenure.

We are talking about different facets of government that will compete for the most efficient delivery systems, where the inefficient systems are uprooted and adapt or disappear.

We are talking about a government that values investment where investment means education, training and skill development, increasing our grey matter if you will, but shuns income maintenance systems for other than those who are retired or have genuine need.

While talking about changes in attitude we must put a stop to the petty parochial nature of many of our provincial legislators. We must end barriers to interprovincial trade in the new Canada. We must realize that there are strengths in both centralization and decentralization.

The new Canada will allow that national education standards be established. At the same time local school boards will be freed to compete to see which can meet the objectives most effectively. Children and their parents should have the right to decide on their school which will add to the competitive nature of education.

Business will take a constructive role in educating students while in school. They will recognize that this is their major competitive edge in dealing in the global economy.

In the new Canada the medicare system will focus on preventive medicine rather than sickness. It will have physicians paid to keep people healthy rather than treating illness. At the same time it will be a society which recognizes the difference between need and want, where symptoms such as the common cold are not insurable coverage. Physicians will be paid not for the number of patients they see but rather remunerated based on the number of patients they do not see, that is to say on the wellness of the population.

We are talking about a justice system that will focus on the causes of crime rather than on incarceration and the support of penal institutions, a system that realizes that crime prevention is far less costly to administer than long term incarceration.

We are talking about a country that will realize that unemployment is a success of our system rather than a failure. It will reduce the hours of required employment, a shorter work week, a method of spreading unemployment equally throughout the country.

It will empower our native communities to take control of their own economic future and restore the pride of their once great nations.

It will realize that single mothers living in poverty is a disgrace of our system. It will create more day care to allow these people to re-educate and find employment in the new economy, empowering both themselves and their children. Even

day care centres will compete for the most efficient delivery of educational skills for our youth.

In agriculture we will develop more competitive marketing systems. We will adjust to changes in international trade. We will become more efficient in areas in which Canada has an advantage.

Mostly this will deal with the technology of feed additives, selective breeding and artificial insemination and the use of environmentally friendly farming practices. Most important, the new Canada will realize that to empower people is the ultimate tool, to allow people to control their own economy and destiny. This is the strength of a new entrepreneurial country.

(1650)

May I interject to note that this is not the narrow hierarchical nationalism espoused by those in the Bloc Quebecois, a nationalism that wants to take our fellow Canadians down the pathway to the 19th century, where we keep the rural population sequestered as a source of cheap labour and food due to their inability to reach out and participate in the world.

I am not talking about the dominance of one society over another. Nothing could be further from the truth. I can remember when Toronto was a bastion of English elite. No more. The original English stock is a minority in the city and its society is better for it. There are signs in Greek, Italian and yes, French. These are some of the new pathways which Quebec and the rest of Canada must follow together. These are the pathways to a healthier standard of living and a content society.

I am not talking about dollars and cents. I believe that this new spirit of entrepreneurial government will also recognize the new emerging family values and place greater importance on well adjusted children.

In conclusion, I want to say that the current economic restructuring has forced us to rethink who we are and where we want to go, a new entrepreneurialism where everyone shares in the success and participation of a new society and a new Canada in the 21st century. This is our challenge to the way we do government and the way we deal with one another. This is the future for Canada and all Canadians from sea to sea to sea.

Ms. Val Meredith (Surrey—White Rock—South Langley): Madam Speaker, it is my pleasure to rise in the House today to talk on this unity debate. The comments that I have heard from members across the floor do cause me some concern. They seem to feel that if we hide from the problem, if we do not recognize that this debate is taking place across the country, if we ignore it, it will go away. It will not go away. It is very important that this debate take place in this House so that we can be in step with Canadians across this land.

I would like to focus my speech this afternoon on that in which all Canadians hold a great deal of pride. That is the law and order issue.

Law and order has always been important to all Canadians. What other country has a national symbol that is a police force? An example of the importance of law and order can be demonstrated by the contrast between Canada and the United States and how these two countries developed and opened the western frontiers over 100 years ago.

With a few notable exceptions the Canadian west grew up in a very orderly fashion due in large part to the Northwest Mounted Police arriving in the west before large scale European settlement.

The success of the Mounties can best be illustrated by the story of the American cavalry escorting the Sioux back to Canada after the Battle of the Little Big Horn. A large, heavily armed U.S. cavalry escorted thousands of members of the Sioux tribes where they were met at the border by two Mounties. When the officer in charge of the cavalry force asked the Mounties where the rest of their force was, the answer was: "He's behind the hill cooking our breakfast".

This little story is an example of how the two countries developed different attitudes toward law and order. With Canadians there has been an expectation of law and order, a respect for it. We frequently compare ourselves with the United States to show that we are not really a violent country. Unfortunately compared to other developed countries we seem to have become one.

All Canadians are not happy about it. We are not satisfied that this is where we want to be. Citizens across this country have that same expectation of law and order that we had 100 years ago. We want respect for law and order to once again be an integral part of our society.

(1655)

We want the feeling of security in our homes and on our streets. We would like to be able to leave our doors unlocked without having to worry about being robbed. We would like to be able to stroll through parks of our communities in the evenings without the threat of being mugged.

We would like to be able to offer assistance to strangers in need without the fear of being assaulted. We would like to be able to let our children play in neighbourhood parks alone without the fear of abduction. Students would like to be able to go to school without worrying about their fellow classmates carrying guns and knives.

Canadians would like to be able to do all of these things, but we are afraid. For the past 20 years the country not only seems to have got more violent but it has. I could use a whole litany of statistics but I am only going to use one. In 1971, 203.9 violent crimes were recorded per 100,000 population. In 1991, 20 years later, 1,099 violent crimes were recorded for every 100,000 population, an increase of 500 per cent. That is a 500 per cent increase in 20 years. Why this increase? There does not seem to be any definitive explanation for it.

Some try to minimize this trend. Some try to suggest that the crime statistics show that there has not been an increase in crime. I would suggest that this figure shows that there has been an increase in crime and it is time that we recognized it.

We can talk about some suggested root causes like poverty, the lack of education and all sorts of other things. These things do not explain why crime crosses all social economic boundaries. If we knew what the real root causes of crime were, we could go after them but since we do not know we have to deal with the symptoms.

My party is here with a clear mandate from its constituents to do something about the crime problem, not to ignore it, not to rationalize it, but to do something to turn it around. As the Liberals heard from their chief pollster at their policy convention last month, in major urban centres crime is the number one issue.

It is not the Reform Party that is leading the call for change. It is the people of Canada. There are very few issues where the people in this country are united but I would suggest to this House that the concern about safety in our communities and safety in our streets is a concern that is shared from sea to sea to sea without exception.

In my last householder, I included a question about changing the age limit in the Young Offenders Act to 10 to 15—year olds. I received almost 3,500 responses. That is an 8 per cent return. Over 90 per cent agreed with this change. In addition, many of those who disagreed stated that the act should be abolished entirely.

How can any politician ignore the will of such an overwhelming majority of the population? Those who will not listen, who refuse to accept the fact that we have a problem with crime in our streets do so at their own peril. If they really think that Canadians are going to wait a good deal longer for action, for a government to start showing some concern, they are dearly mistaken.

Our job is very simple in this House of Commons. As a member of Parliament, I think we can start doing something and do it quickly. What we have to do in this Chamber is that in every aspect of criminal legislation we need to follow one principle. That principle is that the protection of society has a greater priority than the rights of the criminal. We have to send a strong message to all Canadians that violence against other Canadians is not acceptable and will not be tolerated.

#### Supply

In my community, a husband murdered his wife. He pleaded guilty to manslaughter and got five years. That is five years for murdering a Canadian.

(1700)

Let us remove the dangerous offenders from society until such time as society can be assured they are no longer dangerous. Let us get the Fishers and the Barlows off our streets so people can feel safer. Let us get the non-violent offenders out of our prisons and have them repay their debts to society in a more constructive manner, for example by restitution, community work service, or the like. Let us make sure our criminal justice system is swift, fair and consistent. Let us return the control of the streets in our communities back to the average citizens.

Canadians across this great country are demanding change. We have the legislative tools to help accomplish this. It will be a great disservice to this country if we fail to fulfil this demand and to react and deliver back to Canadians their communities and their streets.

Mr. John Harvard (Winnipeg St. James): Madam Speaker, I think the hon. member would like us to believe that only Reform Party members are concerned about safety in this country, that only they are concerned about crime. That is not true. We on this side are just as concerned and sometimes just as befuddled by crime as they are.

I am concerned about how in her remarks she glosses over the causes of crime. In fact she said that we do not know the causes of crime, which I do not think is true. If she were to ask herself that again she would have to answer that we know most of the causes. They relate to family dysfunction, substance abuse, poverty, lack of opportunity, lack of education, lack of hope, racism. Those are many of the sources of crime.

If the member does not think those are the sources of crime, if she really thinks we should treat only the symptoms, I would ask her about the problems facing the aboriginal community. Why do so many aboriginals fill our jails? For example, why in my province is well over half of the jail and penitentiary population made up of aboriginals?

It is self-evident. It is because aboriginals unfortunately share more family dysfunction than anyone else. They suffer more racism than anyone else. They suffer from poverty more than anyone else. They suffer from the lack of hope more than anyone else, and so it goes. That is the reason aboriginals fill our jails.

It is nonsensical for the member to suggest we can ignore the sources of crime, that we can ignore the causes of crime and treat only the symptoms. We will never get to the solutions if we do not focus on the sources of crime. We can build all the jails in the world. We can have all the punishments and all the deterrents, but as long as the mills keep grinding and turning out young criminals, it will be an endless process.

**Ms. Meredith:** Madam Speaker, nobody is suggesting to ignore some of the causes of crime. However to suggest that all poor people are potential criminals, to suggest that all single parent families are creating criminals is totally unfair. These groups are getting very tired of taking the blame for producing the criminals.

As I mentioned in my speech, crime crosses all socioeconomic boundaries. One man who killed his wife was an engineer. Many of the people in our jails have very well established professions and have crossed the bounds. Yes, drug and alcohol abuse is a cause of crime. We should be treating that not by locking people up in a prison but by treating the illness from which they suffer. Yes, poverty does put people in a vulnerable position but it is not the only cause of crime. To pretend that it is and to hide by saying: "Let us attack the root causes of crime and ignore the symptoms", is foolhardy. We need to do both and one cannot be done at the exclusion of the other. We can address the symptoms of crime now and we can deal with the more long term problem starting now. The results of crime prevention will not be seen in the next year or two. It will take five or ten years for the results of crime prevention to have any kind of impact.

(1705)

**Mr. Andrew Telegdi (Waterloo):** Madam Speaker, unfortunately the way the Reform Party would handle the Constitution is the same way it would handle crime, rather simplistically.

A point needs to be made to the Bloc which has been making a great day of this. The Meech Lake accord did not receive popular support, but it did receive the support of three Canadian Prime Ministers from the province of Quebec: Pierre Elliott Trudeau, Brian Mulroney and certainly the present Prime Minister. That is important. The Charlottetown accord unified this country. It was unified in turning it down.

Mr. Elwin Hermanson (Kindersley—Lloydminster): Madam Speaker, today I have the honour and privilege to speak in favour of the Reform motion which states:

That this House strongly affirm and support the desire of Canadians to remain federally united as one people, committed to strengthening our economy, balancing the budgets of our governments, sustaining our social services, conserving our environment, preserving our cultural heritage and diversity, protecting our lives and property, further democratizing our institutions and decision making processes, affirming the equality and uniqueness of all our citizens and provinces and building peaceful and productive relations with other peoples of the world.

What a wonderful vision of Canada. I am happy to join with my leader, the hon. member for Calgary Southwest, and my colleagues who have shown leadership and vision in beginning to define a new federalism that can create a revitalized or a new Canada to which 10 or more provinces can look with pride and accomplishment.

I am disappointed in the government's amendment. It calls for a cake with no recipe. It is a continuation of the irresponsible role played by this Liberal government where it insists on Canadian unity but has no blueprint to achieve the goods. It has no way of accomplishing what it has set out to do and it is compromising federalism in the process.

In January the leader of my party described the 35th Parliament as one without precedent and it surely is. A few years ago not very many prognosticators would have predicted a House of Commons where the Official Opposition, the Bloc Quebecois, would sit in this House happily accepting the title of Official Opposition, would swear allegiance to the Queen and would collect a salary from the federal treasury all the while on a mission to break up Canada by taking Quebec out of Confederation.

Even fewer forecasters would have guessed that a federal Liberal government would sit idly by and pretend it was not so. Who could have guessed the Liberal government would sit on its hands and play politics as usual while separatists were chipping away at the very foundation of the country?

This sad state of affairs explains the need for Reformers to bridge the gap and start pouring a new brand of unity concrete to provide some cement to which Canadians with a commitment to federalism might attach themselves, including those who live in Quebec, perhaps especially those who live in Quebec.

I will take a few moments to speak to the motion and particularly the phrase "preserving our cultural heritage and diversity". There are many myths and misconceptions associated with culture and heritage. One tends to associate myths with the ancient Greeks, Egyptians and Babylonians, but we have fostered a few in Canada too. Some of the myths most commonly perpetuated include:

Myth No. 1: Canada is composed of two founding nations. Some have gone so far as to call the English and the French the founding races. While the myth may describe a contract between upper and lower Canada it is exposed when you consider the fact that aboriginal people have always been a factor in Canada and that for all of our 128 years as a nation, people have come from every corner of the globe to help build this country.

(1710)

Myth No. 2: Canada will become more unified if we enact language legislation. The Official Languages Act has not made Canadians feel more unified. It has been a bone of contention in our land. It has put a black mark on bilingualism in Canada, rather than permitting it to be a prestigious step of accomplishment like knowledge of languages should be.

Myth No. 3: Canada will only be able to sustain its multicultural heritage if the government bundles up tax dollars and earmarks them for song and dance across our land to preserve our diverse cultural heritage.

Reformers have done an excellent job of debunking the myth that Canada can still be described as a nation of two founding cultures. Clearly we have moved far beyond this narrow view of our country. A few weeks ago Reformers spoke at length about the failure of official bilingualism in this House and put forth a realistic and constructive alternative which would prove much less divisive and less costly than the status quo.

I will deal briefly with the third myth, that having an official multiculturalism secretariat that gives grants and makes lofty pronouncements is not the best means of preserving our multicultural heritage in a harmonious manner. Government should get out of the multicultural business. Let me explain what I mean by the multicultural business.

The Secretary of State for Multiculturalism spent over \$3.8 billion in 1992–93. Much of this budget we would transfer to other more suitable departments and ministries. The \$2.9 billion transferred to the provinces for post–secondary education is a good example of a program that would be protected from cuts under the Reform plan. The \$500 million in student loan guarantees is another good example, as is all federal funding to fight racism and human rights protection.

However, the funding to universities, private individuals and associations promoting cultural development, totalling over \$26 million, could be eliminated. Furthermore, \$47 million in taxpayers' hard earned money could be saved by cutting funding to language-based special interest groups in all parts of the country.

If, as we have argued, the federal government is not the appropriate body for funding and running multiculturalism, then who should be responsible for preserving, conserving, encouraging and paying for our cultural heritage? That is a fair question. The Reform Party supports the principle that individuals and groups are free to preserve their cultural heritage using their own resources and we shall uphold their right to do so.

We would focus federal government activities on enhancing the citizenship of all Canadians, regardless of race, language or culture. We oppose the current concept of hyphenated Canadianism as pursued by this and previous governments.

If you reject the idea that culture can be designed or engineered by the state, then it only stands to reason that the development, preservation and promotion of our multicultural heritage should be left to individuals, private associations, or in some cases lower levels of government.

The focus of the federal government should be the prevention of discrimination on the basis of race, language or culture. How would this approach affect Quebec? I think this is the focus of what we are discussing in this House today. Reformers believe this approach to linguistic and cultural issues may hold the key to Quebecers' aspirations to feeling culturally and linguistically secure. It would allow Canadians in Quebec to promote and preserve their language and culture through their provincial

Supply

government. Therefore, the federal government should transfer its efforts at protecting and promoting language and culture to individuals and lower levels of government.

In the case of Quebec, the provincial government would likely accept the challenge. Other provinces may not choose to do so, but we believe the prerogative should lie with the provinces as to whether they want to promote language and culture within their jurisdiction.

The federal government would maintain and even revitalize its role in preventing discrimination of minorities wherever in Canada they may be. We believe the federal government should provide the glue that helps hold us all together, no matter where we are from, no matter what our cultural heritage, no matter whether we are first generation Canadians or 10th generation Canadians.

By allowing people the freedom to pursue their linguistic and cultural interests independent of federal government interference we would create a more unified country. It is far more productive to stress those things which all Canadian citizens share in common rather than to emphasize differences that threaten to tear us apart. If the government would work to bring Canadians together we would all be a lot happier.

Therefore I strongly support our motion. I believe it is a blueprint to prepare Canada for another 128 successful years as a Confederation of 10 equal provinces, perhaps more if the northern territories are brought into Confederation. It is a country in which we can all feel secure, whether our heritage is Asian or European, whether it be French ancestry, English ancestry or whether it be First Nations, the aboriginal people of Canada. That is the kind of Canada in which I want to live in the future and that is the kind of country I believe most Canadians would be quite excited about, working for and preserving.

[Translation]

The Acting Speaker (Mrs. Maheu): It being 5.15 p.m., it is my duty, pursuant to Standing Order 81(16), to interrupt the proceedings and put forthwith all questions necessary to dispose of the supply proceedings now before the House.

[English]

The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas

And more than five members having risen:

# The Acting Speaker (Mrs. Maheu): Call in the members.

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

(Division No. 50)

#### YEAS

Members Adams Alcock Allmand Anawak Anderson Arseneault Assadourian Bakopanos Barnes Beaumier Bellemare Berger Bertrand Bethel Bevilacqua Bhaduria Blondin-Andrew Boudria Brown (Oakville-Milton) Brushett Bryden Bélair Caccia Calder Cannis Catterall Chamberlain Chan Cohen Collins Copps Crawford Cowling Culbert De Villers de Jong Dhaliwal Dromisky Discepola Dupuv English Finlay Fontana

Fry Gagliano Gagnon (Bonaventure—Îles-de-la-Madeleine) Gauthier (Ottawa—Vanier) Goodale Godfrey Gray (Windsor West) Graham Grose Guarnieri Harb Harper (Churchill) Harvard Hickey Hopkins

Iftody Irwin Jackson Kirkby Kraft Sloan Knutson Lastewka LeBlanc (Cape Breton Highlands—Canso)

Lavigne (Verdun—Saint-Paul)

Loney Malhi MacLellan (Cape Breton—The Sydneys) Marchi

Maloney Marleau Martin (LaSalle—Émard) Massé McGuire McCormick McKinnon McLellan (Edmonton Northwest) McTeague

Milliken Mills (Broadview-Greenwood)

Murray Nault O'Reilly O'Brien Pagtakhan Patry Parrish Peric Peters Peterson

Phinney Pickard (Essex—Kent)

Pillitteri Proud Reed Regan Richardson Rideout Ringuette-Maltais

Scott (Fredericton—York Sunbury) Rompkey

Serré Shepherd Sheridan Simmons Speller St. Denis Steckle Stewart (Brant)

Taylor Terrana Telegdi Thalheimer Tobin Torsney Valeri Vanclief Walker Whelan Wood Zed-140

# NAYS

#### Members

Abbott Ablonczy Bachand Bellehumeur Bernier (Gaspé)

Bergeron Bernier (Mégantic—Compton—Stanstead) Bouchard Breitkreuz (Yorkton-Melville)

Bridgman Brown (Calgary Southeast) Canuel Bélisle Caron Chrétien (Frontenac) Dalphond-Guiral Crête Daviault de Savoye

Debien Deshaies Dubé Duceppe Dumas Epp Gagnon (Québec) Gilmour Frazer Gauthier (Roberval) Grey (Beaver River) Guay Godin

Hanger Harper (Calgary West) Hanrahan Harper (Simcoe Centre) Harris Hill (Macleod)

Hill (Prince George—Peace River) Hoeppner Kerpan Landry Laurin Lalonde Langlois Lebel

Leroux (Richmond-Wolfe)

Lavigne (Beauharnois—Salaberry) Leblanc (Longueuil) Leroux (Shefford) Loubier Manning Martin (Esquimalt—Juan de Fuca) Marchand Mayfield Mercier Mills (Red Deer) McClelland (Edmonton Southwest) Meredith Paré Picard (Drummond) Penson Plamondon Pomerleau Péloquin Ramsay

Rocheleau Scott (Skeena) Speaker Stinson Strahl Tremblay (Rimouski—Témiscouata) Thompson

Tremblay (Rosemont) White (Fraser Valley West) Williams—87

# PAIRED-MEMBERS

White (North Vancouver)

Axworthy (Winnipeg South Centre) Collenette Guimond Jacob Manley Ménard

(1745)

The Speaker: I declare the amendment carried. The next question is on the main motion, as amended. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon, members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

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

(Division No. 51)

#### YEAS

Members Abbott Ablonczy Adams Alcock Allmand Anawak Anderson Arseneault Assadourian Bakopanos Barnes Beaumier Bellemare Berger Bertrand Bethel Bevilacqua Blondin-Andrew Bhaduria

Breitkreuz (Yorkton—Melville)

Bridgman

Breitgman

Brown (Calgary Southeast)

Brown (Oakville—Milton)

Brushett

Bryden

Caccia Calder Cannis Catterall Chamberlain Chan Cohen Collins Copps Crawford Cowling Culbert De Villers de Jong Dhaliwal Discepola Dromisky Dupuy Easter Eggleton English Epp Flis Finlay Fontana

Frazer Fry Gagliano Gagnon (Bonaventure—Îles-de-la-Madeleine)

Gauthier (Ottawa—Vanier)
Godfrey
Goodale
Graham
Gray (Windsor West)

 Grey (Beaver River)
 Grose

 Grubel
 Guarnieri

 Hanger
 Hanrahan

 Harb
 Harper (Calgary West)

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Hickey Hill (Macleod)
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Ifrody Irwin
Jackson Johnston

Kerpan Kirkby Kraft Sloan

Lavigne (Verdun—Saint-Paul)
LeBlanc (Cape Breton Highlands—Canso)
Lee
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Keyes Knutson

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Peters Peterson

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Ramsay Reed
Regan Richardson
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#### **NAYS**

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#### Members

Asselin Bachand Bellehumeur Bergeron

Bernier (Gaspé) Bernier (Mégantic—Compton—Stanstead)

Bouchard Brien
Bélisle Canuel
Caron Chrétien (Frontenac)
Crête Dalphond-Guiral
Daviault Debien
de Savoye Deshaies
Dubé Duceppe
Dumas Fillion
Gagnon (Québec) Gauthier (Roberval)

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Laurin
Lavigne (Beauharnois—Salaberry)
Lebel

 Leblanc (Longueuil)
 Leroux (Richmond—Wolfe)

 Leroux (Shefford)
 Loubier

 Marchand
 Mercier

 Nunez
 Paré

 Picard (Drummond)
 Plamondon

 Pomerleau
 Péloquin

Rocheleau Sauvageau
Tremblay (Rimouski—Témiscouata) Tremblay (Rosemont)

Venne—49

# PAIRED-MEMBERS

Axworthy (Winnipeg South Centre) Collenette
Guimond Jacob
Manley Ménard

The Speaker: I declare the motion, as amended, carried.

It being 5.55 p.m. the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

Private Members' Business

# PRIVATE MEMBERS' BUSINESS

[English]

# CREDIT CARD INTEREST CALCULATION ACT

**Mr. Paul DeVillers (Simcoe North)** moved that Bill C-233, an act to provide for the limitation of interest rates, of the application of interest and of fees in relation to credit card accounts, be read the second time and referred to a committee.

He said: Mr. Speaker, I am happy to sponsor this bill entitled an act to provide for the limitation of interest rates, of the application of interest and of fees in relation to credit card accounts.

Since their introduction in 1968 credit cards have been a major source of convenience for thousands of Canadians. Last year there were over 55 million credit cards in circulation which accounted for over 10 per cent of all consumer spending in Canada. They have become more than just another means of payment. Renting an automobile or reserving a hotel room for example can be impossible without a credit card.

Hardly a day goes by when I do not use my cards as identification or for a purchase. However, sometimes convenience has its costs and in the case of banks and retail cards it can be very costly indeed.

I decided to address the more contentious issues surrounding credit cards through legislation because I believe there is a great need to regulate what I and many people consider to be unfair practices for Canadian consumers.

I am fully aware that important players in the financial markets cringe at the mere thought of any legislation affecting their sector. They will be quick on their feet claiming the market should be left alone and in the end everything will be fine.

I will nonetheless try to demonstrate to the House that there is ample evidence to warrant regulation.

[Translation]

This is not the first time Parliament has considered the question of credit cards. During the past eight years, three parliamentary committees have examined the credit card industry in Canada. The Standing Committee on Finance published a report in 1987, and the Standing Committee on Consumer and Corporate Affairs did so in 1989 and 1992. Each study approached the issue from a somewhat different perspective.

(1800)

The concerns addressed included the size of the competition, obstacles encountered by consumers attempting to obtain information on rates, and the question of how interest is calculated, but the main contention was always the fact that interest

rates were high and tended to remain so, despite the level of other types of rates.

The banks repeatedly told the committees that their rates were reasonable, since they did not produce a very high yield. That is hard to believe, especially when we see banks making record profits. Every time committee members asked what their rate of profit was, the banks refused to give the information, arguing that it would make them vulnerable to the competition. Despite this lack of co-operation, committee members found that the banks were collecting interest fees from between 70 and 80 per cent of their customers.

[English]

Bankers also argued that because the financial institutions take a high risk on many card holders they need a higher return on the cards than any other kind of loans to cover losses. However the evidence before the Standing Committee on Consumer and Corporate Affairs showed that there were fewer defaults on credit card loans than on corporate loans and on other kinds of consumer loans.

When the issue of capping rates was raised, the bankers threatened they would be forced to deny cards to lower income people. This did not sit well with the committee members since the banks' own figures suggested that lower income Canadians were more likely to pay off their monthly balance than their higher income counterparts.

The 1987 finance committee report states that 83.3 per cent of those they considered low income people would discharge their monthly balances, whereas 41 per cent of the card holders with incomes of over \$60,000 or more routinely did not pay off their monthly balances.

Ann Finlayson and Sandra Martin, two investigative journalists, summed up these tactics very accurately in their book entitled *Card Tricks*. I quote: "The bankers' insistence that they would have to cut off lower income card holders proved nothing more than that they would cut off lower income earners, a stance that was strikingly similar to their extremely hard line on small business loans at the time".

[Translation]

Finally, as a result of this exercise in futility, members realized how difficult it was to obtain from the banks the information they needed to make intelligent recommendations. The banks did try to smooth ruffled feathers with a slight reduction in credit card rates. In 1989, the Standing Committee on Consumer and Corporate Affairs revealed that when the Standing Committee on Finance was revising the first draft of its report in 1987, the spread between the Bank of Canada rate and the interest on Visa cards was 11.46 percentage points, while shortly after the report was tabled, the spread dropped to 7.31 points.

#### Private Members' Business

[English]

I would like to explain what Bill C-233 would do if enacted. The bill has two purposes: it limits the amount of interest that financial institutions and retailers could charge, and it creates a standardized method of calculating interest charges and a mandatory grace period for partial payments on all types of credit cards.

We are told that we should not regulate interest rates in our free market society. There is a federal law dealing with credit card interest rates, section 305.1 of the Criminal Code. However, its applicability to loans advanced under credit cards is remote, given that the definition of criminal interest rate is an effective annual rate of interest that exceeds 60 per cent of the credit advanced under an agreement or arrangement.

Bill C-233 would regulate credit card interest rates in a realistic manner. The ceiling on rates would float with the average of the weekly Bank of Canada discount rate from the previous month. The spread between the card rate ceiling and the average bank rate would depend on the type of credit card. The finance committee's 1987 report concluded that among the different types of ceilings that could be used, a floating limit seems more sophisticated and more practical.

Credit cards issued by financial institutions, which include credit unions, caisses populaires and other co-operative credit societies could not carry interest at a rate exceeding the Bank of Canada discount rate by 6.5 or 8.5 per cent, depending on whether the institution charges entry fees, renewal fees or user fees.

Credit cards issued by petroleum companies could not carry interest at a rate exceeding the Bank of Canada discount rate by 9.5 per cent. Those issued by retail stores could not carry interest at a rate exceeding the Bank of Canada discount rate by 11.5 per cent on any unpaid monthly balance exceeding \$400.

(1805)

Retail cards would use a tiered system instead of a floating limit. The rationale for a tiered system in this instance is that retailers do not have the same leverage that financial institutions enjoy. This system would recognize that operation costs on credit cards is higher for retailers than it is for financial institutions.

I must point out that the retailers have nonetheless abused their credit card practices. Their rates have remained virtually unchanged at 28.8 per cent throughout the 1990s when consumer interest rates were falling to record lows.

The Minister of Industry has already written to the president of the Retail Council of Canada urging council members to cut their rates. [Translation]

I suggest capping credit card rates, because many people have the impression that credit card issuers are making exorbitant profits.

As I said earlier, the facts appear to confirm this impression. The capping concept is not new or radical. In fact, more than 35 American States have introduced this measure. Once again, this is a precedent for the regulation of financial markets.

In its 1989 report, the Standing Committee on Consumer and Corporate Affairs recommended that the spread between credit card rates and the bank rate should never exceed 8 per cent for bank cards and 16.5 per cent for retail cards.

The 1992 minority report said that when the Bank of Montreal introduced a credit card with a floating ceiling of 5.5 per cent plus prime, it proved that banks have other ways of making money. It also confirmed that floating credit card rates did not fly in the face of the laws of finance and were not a financial disaster for the banks.

The rates I used are based on information provided in the bill tabled during the last Parliament, which was reproduced in the 1989 report of the Standing Committee on Consumer and Corporate Affairs.

[English]

As already mentioned, the second component of Bill C-233 would make interest calculation on all types of credit cards uniform and would enact a mandatory grace period for partial payments.

This proposal has been long sought by various advocacy groups such as the Consumers Association of Canada. Furthermore, recommendations to this effect are contained in both the 1987 finance committee report and the 1989 consumer and corporate affairs report as well as a minority report struck in 1992. Clearly there is a great deal of support for the changes Bill C–233 espouses.

I will use an example to illustrate my case. Let us say that you make a single purchase of \$1,000 on your credit card and this is the only item on your monthly statement. Once you receive your statement you usually have a 21-day grace period to pay the full amount interest free. However, if you make a partial payment of \$700 you will be charged interest in two ways. First you will pay interest on the \$1,000 from the date of purchase to the date of the \$700 payment. Second, you will be charged interest on the remaining \$300 from the partial payment date to the next statement date. In other words, issuers of financial institution credit cards are making their money off the backs of people who, for whatever reason, do not pay their full amount in order to compensate for the grace period they offer people who do pay the full amount.

#### Private Members' Business

This is what I refer to as the reverse Robin Hood theory, robbing from the poor and giving to the rich. In effect, the grace period is a marketing device to get people to hold and use credit cards.

Under Bill C-233 the simple distinction between the charge and credit functions of a card would be altered. Hence, the part of a purchase that is paid on the due date, the so-called partial payment, would be treated as a delayed cash payment while the remaining balance would be treated as a loan and would be the only part to bear interest.

The card holder would in effect have a grace period from the date of purchase to the date of partial payment. For example, you make a \$1,000 purchase on your credit card and after receiving your statement you pay \$700.

(1810)

Your next statement would show interest charges on the remaining \$300 from the first statement date to the second statement date. You would not be charged interest on the \$700 payment as is currently done by financial institutions.

#### [Translation]

We are talking about responsibility and fairness here. It is clear that people who accumulate debts on their credit card must take their responsibilities. However, we should not forget that it is not in the interest of credit—card companies that monthly bills be paid in full. They only take advantage of people who, for one reason or another, can make only partial payments.

As we have seen in the case of banks' cards, partial payments do not reduce the amount on which interest is calculated and, in the case of retailers' cards, interest rates are outrageous.

Organizations such as the Association coopérative d'économie familiale and the Service d'aide au consommateur in Shawinigan deal with hundreds of people who are heavily in debt. They find that it is too simple to obtain a card or to have the credit limit increased and that credit—card companies do not care about the social effects of credit that is too easily obtainable

In March, the Service d'aide au consommateur in Shawinigan released a study entitled: "Credit cards—Problems for consumers, profits for credit—card companies" which stated, and I quote: "Credit—card companies, being mostly concerned about their profits, have often overlooked the serious effects that credit cards could have on the consumer's life".

#### [English]

Some people feel that Parliament should not legislate the credit card industry if people freely choose to enter into this type of contract. The problem is that this is not a free contract where you can negotiate the terms of the agreement such as a regular bank loan. You either accept the terms offered by the credit card

issuer or you do not get a card. For people who are well off, opting not to play by the rules imposed by the credit card issuer is an option. Unfortunately there are many consumers who depend on short term credit to conduct their daily lives in an orderly and efficient way.

The work force is changing and more and more people are becoming self-employed. They do not always have the advantage of receiving a pay cheque every two weeks. In this situation, a credit card becomes essential.

I am always quickly reminded that Canadian banks are not public institutions even though they fulfil a public purpose. The fact remains that Canadian banks are in a very privileged and an enormously powerful situation in Canada. True competition in an oligopolistic market is questionable.

The minority report in 1992 accurately described our peculiar free market arrangement: "Evidence has amply proven that the credit card interest rates and bank service charges in Canada do not respond to the market system but to oligopolistic forces and that oligopolistic forces are by their very own nature, political and therefore only respond to public pressure".

Many people feel that Canadian banks do have a responsibility to be more responsive on issues such as credit card rates, farm loans and small business loans precisely because for the special status they hold in our marketplace.

# [Translation]

We must realize that credit—card companies have absolutely not taken into account the many aspects that I have just mentioned. Therefore, I think that the time has come to put some order in the credit—card industry. Bill C—233 is undoubtedly a step in the right direction.

#### [English]

I have in my possession a legal opinion from the legislative counsel of the House of Commons stating that the Government of Canada has jurisdiction to enact the regulations sought in this bill.

In conclusion I would like to thank the many organizations that have assisted me in this very complicated matter. A special thanks to my colleagues in the House and to my constituents who have supported this bill. I hope that our concerns will be addressed soon.

# [Translation]

**Mr. Yves Rocheleau (Trois–Rivières):** Madam Speaker, as industry critic, I am pleased to address this bill. First, I would like to congratulate the hon. member for Simcoe North for introducing Bill C–233, an act to provide for the limitation of interest rates, of the application of interest and of fees in relation to credit card accounts.

(1815)

The main purpose of this bill is to limit interest rates on credit cards. According to this bill, an oil company or a retail store could not charge annual interest rates exceeding by more than 9.5 and 11.5 per cent respectively the Bank of Canada discount rate. A card issued by a financial institution could not bear interest rates exceeding by more than 6.5 or 8.5 per cent the Bank of Canada discount rate, depending on whether the institution charges a fee for getting, renewing or using one.

At this point, I would like to commend, as the member for Simcoe North briefly did before me, the Service d'aide au consommateur in Shawinigan, which has been brilliantly managed for many years by Mrs. Madeleine Plamondon of the Saint-Maurice riding. That organisation has been defending consumers for many years. Last March, it published a document on credit cards and it just published another one on life insurance. For many years now, it has been quite successful in it's advocacy of consumers' interests.

To give you an idea of the importance of this phenomenon, which is increasingly present in our lives and our economy, let me mention some statistical data which depict it very well.

The number of credit cards in circulation in Canada is estimated at 55 million according to an Industry Canada study published in December 1993, so it is recent enough. This means 2.7 cards for each adult aged 18 or more. Of this number, 25 million are Visa or MasterCard, compared to only 12 million in 1981. The number has therefore doubled in a little over 10 years. Then, there are 17 million cards issued by department stores and 3.3 million by gas companies.

Between 1992 and 1993, the number of Visa and MasterCard credit cards increased to 25 million from 24.4 million. This is 600,000 cards more in circulation in a single year.

Visa and MasterCard generated more than 695 million transactions in 1993. The volume of sales reached \$47.9 billion compared to \$43.1 billion in 1992.

Finally, at the end of October 1993, the total outstanding balance on Visa and MasterCard accounts was \$13.2 billion, a very large and very distressing amount. This is an increase compared to 1992, with \$11.4 billion dollars. This outstanding balance is three times higher than in 1981.

To have a better idea of the problem, you have to know that, according to the same document, in 1993, interest rates paid by consumers using a MasterCard or Visa credit card were around 15 per cent. Those who had a credit card from a petroleum company, such as Petro Canada, Imperial Oil and Irving Oil, paid 24 per cent. Big department stores always want consumers, and we can understand why when we know they charged 28 per cent, again according to the Industry Canada document. I want to name each one, it is worth it: Canadian Tire, Eaton, Home Card, The Bay, Sears, Simpsons and Zellers. These stores

#### Private Members' Business

charged 28.8 per cent interest on outstanding balances. Now we can understand the whole problem.

As for our evolution as a nation—again I want to thank the member for Simcoe North for giving us this opportunity—we should also note how consumer credit evolved over the last thirty years or so. In 1960, the consumer credit was at \$3.5 billion. In 1981, it was at \$46.6 billion and in 1992, it was up to \$99.5 billion.

It is interesting to compare these figures to personal bankruptcy statistics. You do not have to be a genius to see the relationship between consumer credit, or indebtedness, and a potential personal bankruptcy. The number of personal bankruptcies in Canada went from 2,700 in 1970 to 23,000 in 1981 to 61,882 in 1992.

(1820)

Between 1986 to 1992, the ratio of debt to disposable personal income rose from 48.4 per cent to 66.2 per cent. What we must remember is that credit cards went from being a method of payment to facilitate transactions to a credit mechanism. That is how serious the situation has become.

Credit equals debt. Credit cards enabled consumers to make major purchases easily and quickly—these are the key words—to travel, buy presents for themselves and others, cover unexpected expenditures and spread out payments over the rest of the year by paying a lot of money in interest.

This overconsumption—because we live in a society of mass consumption—often became synonymous with debt. This excessive debt results in large part—when we look at the consumers' assistance service like the people in Shawinigan did—from the large number of credit cards on the market and the vast amount of credit extended to consumers. Each credit card has a credit limit but for multiple card holders, the credit limits add up. That is, as the studies show, where consumers get all tangled up and lose control of their personal finances.

The situation is quite serious—as is pointed out—as only 50 per cent of credit card holders pay the full amount by the due date. Analyses show that of the 50 per cent who, statistics tell us, pay by the due date, 20 per cent settle their bills by borrowing on their personal line of credit. That is when debts start piling up as consumers use different credit cards and borrow from their personal line of credit to pay off their credit card debts. They get deeper and deeper into debt and end up having to declare bankruptcy, which becomes a kind of vicious circle.

According to the analyses, this phenomenon is due to three major causes. First, consumers' lack of information and education concerning methods of payment. People do not have enough information. Lenders make credit too easy and too accessible without exercising sufficient control or caution, which leads to excessive debt. There are also the factors on which people have

no control, serious events in life such as job losses, separations, divorces, accidents and health problems.

Certain stakeholders have a responsibility to correct the situation starting, of course, with the consumers themselves who are responsible for their own actions. Consumers' associations must pursue their commendable education efforts. It is, of course, very important that the institutions that issue credit cards be better monitored. Finally, governments must continue to encourage education and information efforts but they must also regulate, and one way to regulate is to limit interest rates, as proposed in the bill before us today, and that is why we support it.

[English]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry): Madam Speaker, I did not realize that the opposition party was not going to speak on this bill.

I wish to congratulate the member for Simcoe North for his efforts in trying to ensure fair prices for his consumers. This is a very important issue because it is not only central to the care and concern that we must have for consumers, it is right in line with our government's policy to make sure that we look at ways access to capital for small and medium size business is also dealt with. This is very much in that same sort of philosophical direction.

(1825)

We are trying very hard to make sure that consumers begin getting a fair shake from the financial institutions in this country. I believe that the member for Simcoe North has identified an issue of concern to each and every Canadian.

A great deal of parliamentary attention has been paid to this issue over the last seven years. Three parliamentary committee inquiries were held on this subject between 1987 and 1992. In the course of those inquiries a good deal of the evidence brought to light did not support the concept of regulating interest rates at that time.

First, there was evidence suggesting that if rates had been capped between 1973 and 1991 the real savings for the average card holder would have been small. For example, a consumer carrying a balance of \$1,000 would have saved only about 50 cents per month. Also, it appeared likely that the caps would cause lenders to restrict access to credit for groups of people deemed to be higher credit risks. This could include people with low incomes and those with below average levels of education together with young adults and recent immigrants. Thus it is possible that the very people the bills were designed to help could be adversely affected by this bill.

Moreover, it was suggested that if interest rate ceilings were legislated they would likely in practice become floor prices. To maintain their revenue levels lenders could simply vary other cost factors such as annual fees and grace periods.

While sections of this bill dealing with service charge limits and interest calculations would address this last consideration I am concerned that the comprehensive controls proposed by the hon. member could act to diminish competition at a time when credit card markets offer more consumer choice than they have ever had in the past.

I would once again like to congratulate the member for this initiative. I would like to ask for unanimous consent to move the following motion:

That the motion be amended by deleting all the words after the word "that" and substituting the following:

That Bill C-233, an act to provide for the limitation of interest rates, of the application of interest rates and of fees in relation to credit card accounts, be not now read a second time but that the order be discharged, the bill withdrawn and the subject matter thereof referred to the Standing Committee on Industry.

The Acting Speaker (Mrs. Maheu): Does the hon. parliamentary secretary have the unanimous consent of the House to move the amendment?

[Translation]

**Mr. Laurin:** Madam Speaker, we would like to have some explanation, please. Could you tell us what will happen to the member's bill if second reading is refused now and the whole thing is referred to the Standing Committee right away? I would like some explanation of the step that is being skipped over.

The Acting Speaker (Mrs. Maheu): Instead of remaining a non-votable bill, it disappears and the subject matter is referred to committee for a full study.

(1830)

**Mr. de Savoye:** Madam Speaker, just to clarify the situation, what is the alternative?

The Acting Speaker (Mrs. Maheu): The alternative is that the time provided for consideration of this bill will expire and the bill will disappear.

[English]

Does the hon. parliamentary secretary have the unanimous consent of the House to move the amendment?

**Mr. Adams:** On a point of order, Madam Speaker. If we proceed by unanimous consent, would members who are interested in speaking not only to the motion but the substance of it have an opportunity to speak?

The Acting Speaker (Mrs. Maheu): The bill would be sent to committee where I would assume members are allowed to speak, but for this evening the law would disappear.

What we can do, since several members have indicated an that business thereby provid

interest, is to put the motion and also agree unanimously to terminate debate, if you wish.

In any event, you have heard the terms of the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

(Amendment agreed to.)

The Acting Speaker (Mrs. Maheu): Accordingly, the order is discharged, the bill withdrawn and the subject matter thereof referred to a committee.

(Order discharged and bill withdrawn).

The Acting Speaker (Mrs. Maheu): Do we now have the unanimous agreement to terminate the debate tonight, or for the speakers who were on the list to continue the debate until the hour is over?

**Mr. Boudria:** Madam Speaker, perhaps I could assist the chair and propose that for the time remaining for debate that we proceed by unanimous consent to continue debating the issue that was on the Order Paper until we removed it a moment ago, thereby enabling colleagues to address the topic, notwithstanding the fact that it technically disappeared from the Order Paper as of a moment ago.

I would like to seek unanimous consent to achieve that.

The Acting Speaker (Mrs. Maheu): That is what I was asking and I thank you. Do we have unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Maheu): Does the hon. member for Broadview—Greenwood wish to speak?

**Mr. Mills (Broadview—Greenwood):** I will pass, Madam Speaker.

Mr. Ken Epp (Elk Island): Madam Speaker, it is with great delight that I stand to speak to this motion. I am one who has long felt that the banks are very important to our society, not only for financing business but also for financing short term interim money people need in order to keep our economy rolling.

As has already been mentioned, many people pay their credit card balances off monthly and in most instances incur no costs at all. Then there are some who do not pay and that is where the problem comes in.

We must first ask ourselves what the object is of having this type of legislation. Probably a very loose term would be that we want fairness. We want those people who use this bank service not to be unjustly charged, not to be charged exorbitant rates. At the same time the banks should have sufficient reason to stay in Private Members' Business

that business thereby providing the economy with the necessary little oiling to keep it going.

Once the purpose is decided the next question is how to achieve it and this is where we would come to a parting of the ways. A lot of members on the other side are given to that first hypothesis that unless the government taxes it, subsidizes it, controls it, funds it, regulates it, unless all that is done, it will not happen. I humbly submit that is not true.

The opening of this country was done quite magically before there was any substantial government involvement with respect to the operation of individual businesses and the financing of homeowners.

(1835)

I reject the idea that we need to regulate this. I really believe that the marketplace can determine a good balance. If we allow the free enterprise system and fair competition to take place, then the rates will be kept down. If there is a lot of money to be made there will be new organizations entering the field. They will compete and bring their service in at a little better rate. Consequently the other ones, those that are in there higher, would have to come down. However it would reach a lower level where it could not go any further because they would no longer be making any money.

The best solution would be for us to not have legislation that would cap the rates, cap the fees, but rather that we would observe. We should have laws that simply monitor the fair disclosure of what the charges are.

This is one of the greatest areas of error in this whole scene. There are irregular ways of reporting interest rates. There is not a good comparison. We must recognize, and I have this on good authority since I have been in the mathematics field for years, that approximately 85 per cent of our population does not feel comfortable with mathematical calculations. It is surprising how many people have trouble with simple things like conversion to metric. When we talk about interest rates and their implications most of them are lost.

If financial institutions will not voluntarily adopt a method of uniform reporting of rates and charges, then there would be a role for legislation.

I would like to briefly indicate three areas where we need to have truth in advertising. First we need some sort of uniformity in declaring the cost of fees. Fees for different cards range all the way from zero dollars per year to the highest one I saw at \$30 per year. Depending on the balance that is carried this can either be a negligible portion of the interest or it can be a fairly high portion and it would be incumbent on the financial institutions to indicate the actual costs very clearly up front.

Second is the use of nominal versus effective interest rates. This is an area a lot of consumers do not understand. We ought to

be requiring financial institutions to declare their interest rates as effective annual rates. The use of nominal rates is widely used and is very misleading.

It does not make too great a difference at lower interest rates. I did not find any banks that charged these rates but there are some retailers' cards that charge, they say, 2.4 per cent per month. Then in brackets they say 28.8 per cent per annum. Of course that is simply not true. The interest calculations are always done monthly. Hence this is compounded monthly and the effective rate of 28.8 per cent per annum compounded monthly in fact turns out to be 32.9 per cent per annum.

If they were required to actually express the rate as the effective rate, then they could not play these games with the consumers where there is a lack of understanding when it comes to effective versus nominal rates.

The third area that I would like to address is a bit of a bombshell because I have never heard anybody talk about it. Several financial institutions that I am aware of which I have checked personally actually land up computing their interest on a time error as well as a rate error. Most of us know that interest equals principal times rate times time as a simple formula. I have talked about the rate and the way they fudge that and now they fudge on the time.

They do something that is very intriguing. Whenever there is a transaction, whether it is the computation of the interest to date based on the statement date or whether there was a payment made, they compute the interest up to and including that day.

(1840)

If I borrowed from my credit card a thousand dollars in the morning and paid it in the afternoon I think there would be a case that said I should pay for one day's interest.

However, if I borrow a thousand dollars at noon today and repay it tomorrow at noon I do not believe they are justified in charging me two days of interest and yet they do if you check this out. I think if this goes to the committee I would really like to see the committee address that question because that is a very costly one to Canadian consumers and as far as I know it is not widely known.

I did an actual experiment on this and found that if I made a payment and my interest was calculated from the previous statement to the payment date including that date and then at the next statement it was made again including that date, in essence my financial agency got from me 24 extra days of interest in the year. I did not carry on the experiment that long. I did it long enough to ascertain that in fact that is what they were doing.

Using 18 per cent per annum and with the \$11 billion I used as the amount that these institutions have outstanding, this yields to them an additional \$141 million per year which I think is a substantial amount of money to be taking from the consumers.

I have other things to say but my time has expired and so I really congratulate the member on this bill. I look forward to seeing it go into committee for real study, including these issues I have raised.

**Mr. Wayne Easter (Malpeque):** Madam Speaker, I want to congratulate my hon. colleague for Simcoe North for bringing forward this bill which has now become a motion and giving me the opportunity to second it. It has been needed for much too long.

In response to the previous speaker it is quite obvious to me that allowing the market out there to set interest rates just has not worked. The financial institutions have been shown for years to have been gouging the public in terms of interest rates on credit cards.

I believe it is the responsibility of the government to ensure that the Canadian consumer is protected against unfair and at times out of control profiteering by large financial institutions. I know from business experience how heavy those interest costs can be and how great a burden they can be and how quickly they can get out of control and cause extreme financial difficulty.

Of course there will be criticism from the affected financial institutions but the government should not be interfering with setting interest rates for the banks. That is to be expected. In fact, that makes for healthy debate.

The facts and terms of this debate are on this side of the argument that interest rates should be restricted.

We as members of Parliament do have a right and a responsibility to ensure that the people of Canada are protected from unfair banking practices, and excessive credit card interest rates are in fact unfair.

This bill, or this motion now, should not be seen as an attack on the banks. I think it is an attempt to have fair play on the part of the relationship between the banks and the consumer. We know it is the government's responsibility to make sure there is stability in the financial market for the banking and lending institutions to flourish.

We do this under the Canadian bank act and through the use of the Bank of Canada. The same financial institutions charging Canadians an exorbitant amount of interest as well as calculating interest charges in very creative ways have the ability to borrow money from the federal government's Bank of Canada's discount rate at very low rates for the banks when they are borrowing.

Yet these same institutions do not pass on that advantage to the Canadian consumer. They instead use the difference between their borrowing rate and the rate they charged credit card users for huge profits.

Those who carry this burden of excessive bank profits in the end are the Canadian consumers. They pay the bills. It is they that we as a government hope through consumer spending will spur economic growth. That, my colleagues, is what the hon. member for Simcoe North is putting forward today. It is a bill to

help economic growth by creating greater spending at the consumer level through fair credit card interest rate practices.

(1845)

What this proposed legislation does is create fair and reasonable regulations for those lending and credit institutions to follow while at the same time making reasonable profits from those services.

I should also point out the positive effects this legislation will have on our economy. It will create a more positive atmosphere for the general public who use credit for purchasing merchandise and services to increase spending since they wil not be allocating a large part of their cash flow to the bank's interest charges.

No hon. member should argue against more capital being injected into our retail sector. It has been mentioned that the credit card institutions have shown stability in that they have not raised their rates with the fluctuation of the Bank of Canada rate over the past few months.

No wonder. This country has been enjoying its lowest interest rates in 30 years and the financial institutions have not reacted to the massive drop at any point by lowering the interest rates charged to these clients in recent days. That is the reality in times of nationally high interest rates. Banks keep credit rates higher and in times of low interest rates they keep the same rates in order to reap from users even more cash.

This is no small potato. In today's retail market credit cards account for some \$50 billion in purchases in Canada. There is little wonder why banks and other financial institutions are so reluctant to control and lower their interest rates for the Canadian consumer.

When the average interest rate is anywhere between 11.5 per cent and 19 per cent, there is a lot of profit to be gained from interest rates by the banks.

I know some will argue: "What's wrong with profits". However, we must ask ourselves what is reasonable in terms of profit. If the credit card suppliers, the banks, are not carrying on their responsibilities in a reasonable way then Parliament has a responsibility to act in the people's interest. That is what I believe we are trying to do with this bill today.

I have watched previous governments and previous administrations show concern over credit card interest rates, indeed at times even on lending rates themselves in the past, but when the pressure came to bear and push came to shove those previous administrations failed to act.

This bill gives us as a government the opportunity to act. Action speaks louder than words. We were elected as a govern-

ment of action. Let us show we are true to form and act on the intent of this bill when it gets to the industry committee.

That is why I am asking all my fellow members of Parliament to consider the intent of the member's bill, to put in place fair regulations to control banks and other financial institutions, to prevent massive profiteering at the expense of the average Canadian consumer. After all, it is the consumer that is very much affected by recessions which stats show is then passed on to the retail sector.

The banking industry has not felt the same impact in hard times. It is time that legislation was passed to protect the average Canadian from the excessive interest rate charges by the big financial institutions.

As I stated earlier, we do everything we can to ensure stability and security for the lending institutions under the Canadian Bank Act and special measures through the Bank of Canada in terms of borrowing rates for those lending institutions.

(1850)

We can do no less for Canadian consumers than ensure that there is fair play and a reasonable spread in interest rates. I encourage the industry committee to ensure that the intent of this bill is acted upon and that we as a government show that we mean action and we mean business.

[Translation]

Mr. Pierre de Savoye (Portneuf): Madam Speaker, I welcome the opportunity this evening to add my comments to those made by my colleagues on Bill C-233.

Since we already know this bill will be referred to committee, I will not dwell on its merits which would otherwise have been ample reason for me to warmly recommend this legislation. Nevertheless, I would like to add to the remarks of the previous speaker by providing some further emphasis, to be absolutely sure the committee realizes that this bill enjoys strong support in this House.

I may recall that since the early eighties, three parliamentary committees have examined the credit card industry in Canada. In 1989, the Standing Committee on Consumer and Corporate Affairs focused on the importance of disclosure, while in 1992, the committee considered the possibility of restricting entry fees. In 1987, the Standing Committee on Finance looked at the size of the competition.

Although the themes were different, the three studies all focused on the high rates of interest applied to credit cards and the fact that these levels were maintained while all other types of interest went down.

In 1989, the committee recommended that the maximum rate for cards issued by financial institutions should be set at 8 percentage points above the bank rate, while in 1992, the committee recommended against setting limits.

During the last Parliament, three members, including two Conservative members, Don Blenkarn and Louise Feltham and one NDP member, John Rodriguez, tabled private members' bills on credit cards, which shows that the issue is not new to Parliament and that there has been a constant expression of concerns which today has finally found its way to committee through this motion.

I would like to add that not long ago, on March 21, I myself tabled two bills on this subject. I am referring to Bill C-227 and C-228, which deal substantially with the same concerns, in more or less the same terms, as Bill C-233.

I am therefore delighted to express my support this evening for what was said by the hon. member for Simcoe North. It must be recognized that the interest rates charged to consumers using a credit card do not at all reflect the actual cost of credit to these consumers. These consumers are simply being exploited.

To some extent, Bill C-233 differs from the legislation which I tabled in this House, in first reading. For the benefit of the committee which will review this issue, I would like to point out a number of differences and explain why I am inclined to support the changes which I proposed.

The French version of clause 9(1) of Bill C-233 says that interest is calculated on a monthly basis, whereas the English version makes no mention of that. In Bill C-227, which I tabled, clause 5.1(1) specifies that interest shall be calculated monthly.

In Bill C-233, cash advances are excluded from clause 9, whereas Bill C-227 does not exclude such advances.

Clause 10(1) in Bill C-233 excludes—although I do not know if this was intended—those who contravene clause 3. As you know, clause 3 refers to financial institutions which charge or stipulate entry fees, renewal fees, etc., in relation to the use of a credit card. So, those who contravene this provision are not included in the clause on fines. Bill C-228, which I tabled, imposes for fines to any offender, including those who charge or stipulate entry fees or renewal fees.

In Bill C-233, clauses 10(1) (a) and (b) provide for maximum fines of \$75,000 and \$50,000 respectively. In Bill C-228, we

propose the same fines; I guess we consulted with the same researchers. However, unlike Bill C-233, our bill also proposes minimum fines.

The hon. members for Simcoe North and Trois-Rivières both referred to the study on credit cards conducted by the Service d'aide aux consommateurs, and more specifically by Mrs. Madeleine Plamondon, and Messrs. Henri-Paul Labonté and Marc Pépin. I should point out for the benefit of this House and the committee which will look at this issue, that the study was made possible through a grant from the Department of Industry. This not only gives it credibility, since it is already credible considering who conducted it, but also makes it very appropriate since it was financed by public funds.

Already on page 2 of the study, the substance of the message is delivered. The authors say that their conclusions deal with the accountability of credit card issuers and the urgent need for the government to review this issue, which is obviously what we are doing here this evening. I will conclude by saying that there is real support among the public for such a measure. For example, the Borrowers Action Society wrote to me about my bills, but I want to share the benefit with the hon. member for Simcoe North. This organization wrote:

[English]

"We are very pleased to see the initiative you and the BQ are taking in this area and I wish to offer my full support as well as the support of the Borrowers Action Society. We have 7,000 identified supporters from all parts of Canada. If you think we can help in any way, please let us know".

The Acting Speaker (Mrs. Maheu): The time provided for the consideration of Private Members' Business has now expired.

[Translation]

The Acting Speaker (Mrs. Maheu): It being 6.56 p.m. and no member having risen to taken part in the proceedings on the adjournment motion, the House stands adjourned until 2 p.m. tomorrow, pursuant to Standing Order 24(1).

(The House adjourned at 6.55 p.m.)

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